

ORIGINAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
June 2009
Form Must Be Typed
Form must be Signed
All blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 30742
Name: Palomino Petroleum, Inc.
Address 1: 4924 SE 84th St.
Address 2: _____
City: Newton State: KS Zip: 67114 + 8 8 2 7
Contact Person: Klee R. Watchous
Phone: (316) 799-1000
CONTRACTOR: License # 33575
Name: WW Drilling, Inc.
Wellsite Geologist: Nicholas P. Gerstner
Purchaser: NCRA

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil WSW SWD SLOW
 Gas D&A ENHR SIGW
 OG GSW Temp. Abd.
 CM (Coal Bed Methane)
 Cathodic Other (Core, Expl., etc.): _____

If Workover/Re-entry: Old Well Info as follows:
Operator: _____

Well Name: _____

Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to ENHR Conv. to SWD
 Conv. to GSW
 Plug Back: _____ Plug Back Total Depth _____
 Commingled Permit #: _____
 Dual Completion Permit #: _____
 SWD Permit #: _____
 ENHR Permit #: _____
 GSW Permit #: _____

5/19/11 5/26/11 5/26/11
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 135-25244 - 00 - 00

Spot Description: _____
NW SW SE NE Sec. 26 Twp. 19 S. R. 25 East West
2,052 Feet from North / South Line of Section
1,048 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW

County: Ness

Lease Name: Fitzgerald-McKee Well #: 1

Field Name: None (Wildcat)

Producing Formation: Mississippian

Elevation: Ground: 2406 Kelly Bushing: 2411

Total Depth: 4699 Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: 219 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set: 1666 Feet

If Alternate II completion, cement circulated from: 1666
feet depth to: surface w/ 135 sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: _____ ppm Fluid volume: _____ bbls

Dewatering method used: _____

Location of fluid disposal if hauled offsite: _____

Operator Name: _____

Lease Name: _____ License #: _____

Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West

County: _____ Permit #: _____

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

AFFIDAVIT

I am the affiant and I hereby certify that all requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: [Signature]

Title: President Date: 8/4/11

KCC Office Use ONLY

Letter of Confidentiality Received

Date: _____ RECEIVED

Confidential Release Date: _____

AUG 08 2011

Wireline Log Received

Geologist Report Received

UIC Distribution

ALT I II III Approved by: Dtg

KCC WICHITA
Date: 8/15/11

Operator Name: Palomino Petroleum, Inc. Lease Name: Fitzgerald-McKee Well #: 1
 Sec. 26 Twp. 19 S. R. 25 East West County: Ness

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach complete copy of all Electric Wire-line Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Submitted Electronically <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run: Radiation Guard	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Anhy.</td> <td>1677</td> <td>(+ 734)</td> </tr> <tr> <td>Base Anhy.</td> <td>1718</td> <td>(+ 693)</td> </tr> <tr> <td>Topeka</td> <td>3480</td> <td>(-1069)</td> </tr> <tr> <td>Heebner</td> <td>3793</td> <td>(-1382)</td> </tr> <tr> <td>LKC</td> <td>3836</td> <td>(-1425)</td> </tr> <tr> <td>BKC</td> <td>4164</td> <td>(-1753)</td> </tr> <tr> <td>Marmaton</td> <td>4202</td> <td>(-1791)</td> </tr> </table>	Name	Top	Datum	Anhy.	1677	(+ 734)	Base Anhy.	1718	(+ 693)	Topeka	3480	(-1069)	Heebner	3793	(-1382)	LKC	3836	(-1425)	BKC	4164	(-1753)	Marmaton	4202	(-1791)
Name	Top	Datum																							
Anhy.	1677	(+ 734)																							
Base Anhy.	1718	(+ 693)																							
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Heebner	3793	(-1382)																							
LKC	3836	(-1425)																							
BKC	4164	(-1753)																							
Marmaton	4202	(-1791)																							

CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	12 1/4"	8 5/8"	23#	219'	Common	155	2% gel, 3% c.c.
Production	7 7/8"	5 1/2"	14#	4678'	SMD	70	500 gal. mud flush
					EA-2	100	w/add. 20 bbls. KCL water

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
4	4217-4221	Acidized with 350 gals. 15% MCA, 2% m.s.	
4	4462-4464 & 4472-4476	Acidized with 250 gals. 20% MCA, 2% m.s.	
		Acidized with 350 gals. 20% MCA, 2% m.s.	

TUBING RECORD:	Size: 2 7/8"	Set At: 4645'	Packer At: 4469'	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Date of First, Resumed Production, SWD or ENHR. 5/21/11	Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) _____
--	--

Estimated Production Per 24 Hours	Oil	Bbls.	Gas	Mcf	Water	Bbls.	Gas-Oil Ratio	Gravity
	43%	155			57%	205		

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <i>(Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION RECEIVED AUG 08 2011
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LOGS

Pawnee	4279	(-1868)
Ft. Scott	4349	(-1938)
Cherokee	4374	(-1963)
Miss. Dolo.	4456	(-2045)
Gilmore City	4650	(-2239)
LTD	4699	(-2288)

RECEIVED
AUG 08 2011
KCC WICHITA



P. O. Box 466
 Ness City, KS 67560
 Off: 785-798-2300



Invoice

DATE	INVOICE #
6/13/2011	20762

BILL TO
 Palomino Petroleum Inc.
 4924 S E 84th Street
 Newton, KS 67114-8827

RECEIVED
 JUN 15 2011

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Fitzgerald-M...	Ness	DS&W Well Servi...	Oil	Development	Acidize Formation	Wayne
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
500D	Mileage - 1 Way				20	Miles	5.00	100.00
501D	Acid Pump Charge				1	Job	600.00	600.00
303 - 15%	MCA Acid				350	Gallons	1.85	647.50
232	Musal ESA-64				7	Gallon(s)	16.00	112.00
235	INH.1 ESA-28				1	Gallon(s)	35.00	35.00
249	STR-1 (Pen 88)				1	Gallon(s)	35.00	35.00
	Subtotal							1,529.50
	Sales Tax Ness County						6.30%	0.00

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 AUG 08 2011
 KCC WICHITA

Thank You For Your Business!

Total \$1,529.50



CHARGE TO: **PALOMINO PETROLEUM**
 ADDRESS:
 CITY, STATE, ZIP CODE:

RECEIVED
 AUG 08 2011
 KCC WICHITA

TICKET
20762

PAGE 1 OF 1

SERVICE LOCATIONS: 1. **NESS CITY, KS**

WELL/PROJECT NO. # **1** LEASE **FITZGERALD - MCNEE** COUNTY/PARISH **NESS** STATE **KS** CITY **NESS** DATE **6-13-11** OWNER **SAME**

TICKET TYPE: SERVICE SALES CONTRACTOR **DS-W** RIG NAME/NO. **LOCATION** SHIPPED VIA **CT** DELIVERED TO **LOCATION** ORDER NO.

WELL TYPE **OR** WELL CATEGORY **DEVELOPMENT** JOB PURPOSE **ACQDZE FORMATION** WELL PERMIT NO. WELL LOCATION **LAND KS - 1/4 W, S 1/2 S, E 2ND**

REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UM		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
500		1			MILEAGE #110	20		ME		5.00	100.00
501		1			PUMP CHARGE	1		JOB		600.00	600.00
303		1			MCA ACID	350		GAL	15%	1.85	647.50
232		1			MUSAL	7		GAL		16.00	112.00
235		1			ZWHEB-1	1		GAL		35.00	35.00
249		1			STR-1	1		GAL		35.00	35.00

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

x *Rub Schuster*

DATE SIGNED **6-13-11** TIME SIGNED **10:30** A.M. P.M.

REMIT PAYMENT TO:

SWIFT SERVICES, INC.
P.O. BOX 466
NESS CITY, KS 67560
785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	PAGE TOTAL
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				1529.50
WE UNDERSTOOD AND MET YOUR NEEDS?				
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				<i>NESS</i> TAX 6.3%
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR *WAYNE WILSON* APPROVAL

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 6-13-11 PAGE NO. 1

CUSTOMER PALMWOOD PETROLEUM WELL NO. # 1 LEASE FITZGERALD-MCKEE JOB TYPE ACID FORMATION TICKET NO. 20762

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL/GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1030							ON LOCATION
								5 1/2" - 14"
								PERF - 4217-21
	1035	6	8 1/2		✓		0	PUMP 350 GAL ACID
	1038	6			✓		0	LOAD HOLE / SALT WATER
		1 1/2	103 1/2		✓		0	ACID & PERF
		1 1/2	0		✓		0	TREAT FORMATION
		2 1/2	3		✓		0	"
		4	4		✓		0	"
	1105	4	8 1/2		✓		0	" SHUT DOWN
								VAR 2SD
								LOAD = 112 BBS
	1130							JOB COMPLETE
								THANK YOU
								WAYNE, JEFF

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AUG 08 2011
KCC WICHITA



P. O. Box 466
 Ness City, KS 67560
 Off: 785-798-2300



Invoice

DATE	INVOICE #
6/6/2011	20826

BILL TO
 Palomino Petroleum Inc.
 4924 S E 84th Street
 Newton, KS 67114-8827

RECEIVED
 JUN 08 2011
 • Acidizing
 • Cement
 • Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Fitzgerald-M...	Ness	DS&W Well Servi...	Oil	Development	Cement Port Collar	Blaine
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				20	Miles	5.00	100.00
576D-D	Pump Charge - Port Collar				1	Job	1,100.00	1,100.00
330	Swift Multi-Density Standard (MIDCON II)				135	Sacks	15.00	2,025.00T
276	Flocele				50	Lb(s)	1.50	75.00T
290	D-Air				2	Gallon(s)	35.00	70.00T
104	Port Collar Tool Rental				1	Each	200.00	200.00T
581D	Service Charge Cement				175	Sacks	1.50	262.50
582D	Minimum Drayage Charge				1	Each	250.00	250.00
	Subtotal							4,082.50
	Sales Tax Ness County						6.30%	149.31

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 AUG 08 2011
 KCC WICHITA

We Appreciate Your Business! **Total** \$4,231.81



CHARGE TO: Palomino
 ADDRESS:
 CITY, STATE, ZIP CODE:

TICKET
20826

PAGE 1 OF 1

SERVICE LOCATIONS
 1. Ness City KS WELL/PROJECT NO. #1 LEASE Fitzgerald - Mikee COUNTY/PARISH NESS STATE KS CITY LAIRD DATE 6 Jun 11 OWNER
 2. TICKET TYPE SERVICE SALES CONTRACTOR ds & w RIG NAME/NO. SHIPPED CT DELIVERED TO location ORDER NO.
 3. WELL TYPE oil WELL CATEGORY Development JOB PURPOSE cement port collar WELL PERMIT NO. WELL LOCATION 65 east into
 4. REFERRAL LOCATION INVOICE INSTRUCTIONS

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AUG 08 2011
KCC WICHITA

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF		QTY.	UM	QTY.	UM	
<u>575</u>		<u>1</u>			MILEAGE <u>TRK 114</u>	<u>20</u>	<u>mi.</u>		<u>5.00</u>	<u>100.00</u>
<u>676P</u>		<u>1</u>			<u>Pump Charge</u>	<u>1</u>	<u>Pa</u>		<u>1100.00</u>	<u>1100.00</u>
<u>330</u>		<u>1</u>			<u>SHAD cement</u>			<u>135</u>	<u>sk</u>	<u>2025.00</u>
<u>276</u>		<u>1</u>			<u>Fluocel</u>			<u>50</u>	<u>lb</u>	<u>75.00</u>
<u>290</u>		<u>1</u>			<u>D-AIR</u>	<u>2</u>	<u>gal</u>		<u>35.00</u>	<u>70.00</u>
<u>581</u>		<u>1</u>			<u>service charge</u>	<u>175</u>	<u>sk</u>		<u>1.50</u>	<u>262.50</u>
<u>582</u>		<u>1</u>			<u>Drayage (min)</u>	<u>1</u>	<u>Pa</u>		<u>250.00</u>	<u>250.00</u>
<u>104</u>					<u>Port Collar Tool Rental</u>	<u>1</u>	<u>Pa</u>		<u>200.00</u>	<u>200.00</u>

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

X Red. Shubert
 DATE SIGNED: TIME SIGNED A.M. P.M.

REMIT PAYMENT TO:
 SWIFT SERVICES, INC.
 P.O. BOX 466
 NESS CITY, KS 67560
 785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	PAGE TOTAL
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				4082.50
WE UNDERSTOOD AND MET YOUR NEEDS?				
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				7.5% TAX 6.3%
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				149.31
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL 4231.81

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR APPROVAL

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 6 Jun 11 PAGE NO. 1

CUSTOMER Yalawind WELL NO. #1 LEASE Fitzgerald - McKee JOB TYPE Cement port collar TICKET NO. 20826

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								175 sks SMD w/ 1/4 flocele 2 3/8 x 5 1/2 16/16 port collar Swift opening tool
	1515							on loc TRK 114
	1530					1000	1000	test to 1000 psi - held
	1535							open tool
	1540	3 1/4	3			300		inj rate
	1545		0					Mix SMD cement @ 11.2 pp9
		4 1/4	9			300		circulation to pit
	1600	4 1/4	75			600		cement to surface <u>135 sks used</u>
	1610							close tool
	1615					1000	1000	test to 1000 psi - held
								run 5 joints
	1620	4	25			200		Reverse hole clean
	1635							wash truck pull tool
	1650							job complete
								Thanks! Blaine Lane & Dave

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AUG 08 2011
KCC WICHITA



P. O. Box 466
 Ness City, KS 67560
 Off: 785-798-2300

Invoice

DATE	INVOICE #
5/26/2011	20797

BILL TO
Palomino Petroleum Inc. 4924 S E 84th Street Newton, KS 67114-8827

RECEIVED
 JUN 2 2011

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Fitzgerald-M...	Ness	WW Drilling Rig ...	Oil	Development	5-1/2" LongString	Jason
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				20	Miles	5.00	100.00
578D-L	Pump Charge - Long String - 4700 Feet				1	Job	1,400.00	1,400.00
402-5	5 1/2" Centralizer				10	Each	65.00	650.00T
403-5	5 1/2" Cement Basket				4	Each	230.00	920.00T
404-5	5 1/2" Port Collar				1	Each	2,100.00	2,100.00T
406-5	5 1/2" Latch Down Plug & Baffle				1	Each	225.00	225.00T
407-5	5 1/2" Insert Float Shoe With Auto Fill				1	Each	300.00	300.00T
419-5	5 1/2" Rotating Head Rental				1	Each	150.00	150.00T
281	Mud Flush				500	Gallon(s)	1.00	500.00T
221	Liquid KCL (Clayfix)				2	Gallon(s)	25.00	50.00T
276	Flocele				50	Lb(s)	1.50	75.00T
283	Salt				500	Lb(s)	0.15	75.00T
284	Calseal				5	Sack(s)	30.00	150.00T
285	CFR-1				50	Lb(s)	4.00	200.00T
290	D-Air				2	Gallon(s)	35.00	70.00T
325	Standard Cement				100	Sacks	12.00	1,200.00T
330	Swift Multi-Density Standard (MIDCON II)				100	Sacks	15.00	1,500.00T
581D	Service Charge Cement				200	Sacks	1.50	300.00
582D	Minimum Drayage Charge				1	Each	250.00	250.00
	Subtotal							10,215.00
	Sales Tax Ness County						6.30%	514.40
We Appreciate Your Business!						Total		\$10,729.40

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 AUG 08 2011
 KCC WICHITA



CHARGE TO: **PALOMINO PETROLEUM**
 ADDRESS:
 CITY, STATE, ZIP CODE:

TICKET
20797
 PAGE 1 OF 2

1. SERVICE LOCATIONS NESS CITY, KS.	WELL/PROJECT NO. #1	LEASE FITZGERALD-MCKEE	COUNTY/PARISH NESS	STATE KS.	CITY LAIRD, KS.	DATE 26 MAY 11	OWNER RECEIVED AUG 08 2011 KCC WICHITA
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR WW DRILLING RIG #10	RIG NAME/NO.	SHIPPED VIA	DELIVERED TO LOCATION	ORDER NO.	
3.	WELL TYPE OIL	WELL CATEGORY DEVELOPMENT	JOB PURPOSE 5 1/2 LONGSTRING	WELL PERMIT NO.	WELL LOCATION 02S EASTO		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575		1			MILEAGE #110	20	MIL			5.00	100.00
578		1			PUMP CHARGE	1	JOB	4700	FT	1400.00	1400.00
402		1			CENTRALIZERS	10	EA.			65.00	650.00
403		1			CEMENT BASKETS	4	EA.			230.00	920.00
404		1			PORT COLLAR	1	EA.	16665	FT	2100.00	2100.00
406		1			LATCH DOWN PLUG & BAFFLE	1	EA.			225.00	225.00
407		1			INSERT FLOAT SHADE W/AUTO FILL	1	EA.			300.00	300.00
419		1			ROTATING HEAD RENTAL	1	JOB			150.00	150.00
281		1			MUD FLUSH	500	gal			1.00	500.00
221		1			LIQUID KCL	2	gal			25.00	50.00

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

X
 DATE SIGNED **26 MAY 11** TIME SIGNED **1700** A.M. P.M.

REMIT PAYMENT TO:
 SWIFT SERVICES, INC.
 P.O. BOX 466
 NESS CITY, KS 67560
 785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				PAGE TOTAL 1 6395.00
WE UNDERSTOOD AND MET YOUR NEEDS?				2 3820.00
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				subtotal 10215.00
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				17% TAX 514.40
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL 10,729.40
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket.
 SWIFT OPERATOR *[Signature]* APPROVA *[Signature]* Thank You!



PO Box 466.
Ness City, KS 67560
Off: 785-798-2300

TICKET CONTINUATION

TICKET No. 20797

CUSTOMER PALMIND PETROLEUM WELL FITZGERALD-MCKEE #1 DATE 26 May 11 PAGE 2 OF 2

PRICE REFERENCE	SECONDARY REFERENCE / PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY.		QTY.	U/M	UNIT PRICE	AMOUNT
		LOC	ACCT	DF								
276		1				FLOCELE	50	lbs			1.50	75.00
283		1				SALT	500	lbs			1.5	75.00
284		1				CALSEAL	5	5x			30.00	150.00
285		1				CFR-1	50	lbs			4.00	200.00
290		1				D-AIR	2	gal			35.00	70.00
325		1				STANDARD CEMENT	100	5x			12.00	1200.00
330		1				SWIFT MULTI DENSITY	100	5x			15.00	1500.00
581		1				SERVICE CHARGE					1.50	300.00
582		1				MILEAGE CHARGE					250.00	250.00
						TOTAL WEIGHT						
						20460						
						LOADED MILES						
						20						
						TON MILES						
						204.60						

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CONTINUATION TOTAL 3820.00



CONSOLIDATED
Oil Well Services, LLC

REMIT TO
Consolidated Oil Well Services, LLC
Dept. 970
P.O. Box 4346
Houston, TX 77210-4346

MAIN OFFICE
P.O. Box 884
Chanute, KS 66720
620/431-9210 • 1-800/467-8676
FAX 620/431-0012

INVOICE

Invoice # 24154

Invoice Date: 05/24/2011 Terms: 15/15/30,n/30

Page 1

PALOMINO PETROLEUM, INC.
4924 SE 84TH STREET
NEWTON KS 67114-8827
() -

1102 7 2 11AM
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MAY 27 2011

FITZGERALD MCKEE 1
28075
26-19-2S
5-19-11
KS

Part Number	Description	Qty	Unit Price	Total
1104S	CLASS "A" CEMENT (SALE)	155.00	16.8000	2604.00
1118B	PREMIUM GEL / BENTONITE	291.00	.2400	69.84
1102	CALCIUM CHLORIDE (50#)	437.00	.8400	367.08

Sublet Performed	Description	Total
9999-130	CASH DISCOUNT	-456.14
9999-130	CASH DISCOUNT	-258.00

Description	Hours	Unit Price	Total
463 CEMENT PUMP	1.00	1250.00	1250.00
463 EQUIPMENT MILEAGE (ONE WAY)	12.00	5.00	60.00
558 MIN. BULK DELIVERY	1.00	410.00	410.00

Amount Due 4952.50 if paid after 06/23/2011

Parts:	3040.92	Freight:	.00	Tax:	162.84	AR	4209.62
Labor:	.00	Misc:	.00	Total:	4209.62		
Sublt:	-714.14	Supplies:	.00	Change:	.00		

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Signed _____

Date _____
KCC WICHITA

BARTLESVILLE, Ok
918/338-0808

ELDORADO, KS
316/322-7022

EUREKA, Ks
620/583-7664

GILLETTE, WY
307/686-4914

OAKLEY, KS
785/672-2227

OTTAWA, Ks
785/242-4044

THAYER, Ks
620/839-5269

WORLAND, WY
307/347-4577



CONSOLIDATED
Oil Well Services, LLC

TICKET NUMBER 28075
LOCATION Oakley
FOREMAN Fuzzy

PO Box 884, Chanute, KS 66720
620-431-9210 or 800-467-8676

FIELD TICKET & TREATMENT REPORT
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
5-19-11	6285	Fitzgerald McKee #1	26	19	25	Ness
CUSTOMER Polarina Petroleum			WESS			
MAILING ADDRESS			CITY			
CITY			STATE			
ZIP CODE			W-10 J			
			5125			
			314 en			
TRUCK #	DRIVER	TRUCK #	DRIVER			
463	miles S					
558	Cory D					
	Josh G					

JOB TYPE surface HOLE SIZE 12 1/4 HOLE DEPTH 220' CASING SIZE & WEIGHT ~~2 3/8~~ 8 5/8
 CASING DEPTH 220 DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 1.52 SLURRY VOL 1.34 WATER gal/sk 6.5 CEMENT LEFT in CASING 15'
 DISPLACEMENT 13 DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety meeting on W-W #10. Mix 155 gks com 390cc
290 gal with 8 5/8 sledge. Displace 13 BBL + shut in
cement did circulate approx 5 BBLs

Thanks Fuzzy & crew

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	1250 ⁰⁰	1250 ⁰⁰
5406	12	MILEAGE	500	6000
5407	7.2	Ten mileage Delivery (min)	128	410 ⁰⁰
11045	155	CLASS 'A' cement	1680	2604 ⁰⁰
1118B	291 #	Bentonite	.24	6984
1102	437	Calcium Chloride	.84	36708
		Subtotal		47692
		less 1590 disc		7149
				40462
		RECEIVED		
		241549		
		AUG 08 2011		
		KCC WICHITA		
		6.3%	SALES TAX	162.84
			ESTIMATED	4209.62
			TOTAL	

Ravin 3737

AUTHORIZATION [Signature]

TITLE [Signature]

DATE 5-19-11

I acknowledge that the payment terms, unless specifically amended in writing on the front of the form or in the customer's account records, at our office, and conditions of service on the back of this form are in effect for services identified on this form.

Company **Palomino Petroleum, Inc.**
 Address **4924 SE 84th St.**
 CSZ **Newton, KS 67114**
 Attn. **Nick Gerstner**

Lease Name **Fitzgerald-McKee**
 Lease # **1**
 Legal Desc **NW-SW-SE-NE** Job Ticket **2152**
 Section **26** Range **25W**
 Township **19S**
 County **Ness** State **KS**
 Drilling Cont **WW Drilling, LLC Rig #10**

Comments

GENERAL INFORMATION

Test # **1** Test Date **5/24/2011**
 Tester **Tim Venters**
 Test Type **Conventional Bottom Hole**
Successful Test
 # of Packers **2.0** Packer Size **6 3/4**
 Mud Type **Gel Chem**
 Mud Weight **9.2** Viscosity **61.0**
 Filtrate **6.8** Chlorides **3500**

Chokes **3/4** Hole Size **7 7/8**
 Top Recorder # **W1119**
 Mid Recorder # **W1022**
 Bott Recorder # **13310**
 Mileage **160** Approved By
 Standby Time **0**
 Extra Equipmnt **Jars & Safety joint**
 Time on Site **6:45 PM**
 Tool Picked Up **9:40 PM**
 Tool Layed Dwn **4:55 AM**
 Elevation **2406.00** Kelley Bushings **2411.00**

Drill Collar Len **123.0**
 Wght Pipe Len **0**

Formation **Marmaton**
 Interval Top **4155.0** Bottom **4290.0**
 Anchor Len Below **135.0** Between **0**
 Total Depth **4290.0**

Start Date/Time **5/23/2011 9:11 PM**
 End Date/Time **5/24/2011 4:58 AM**

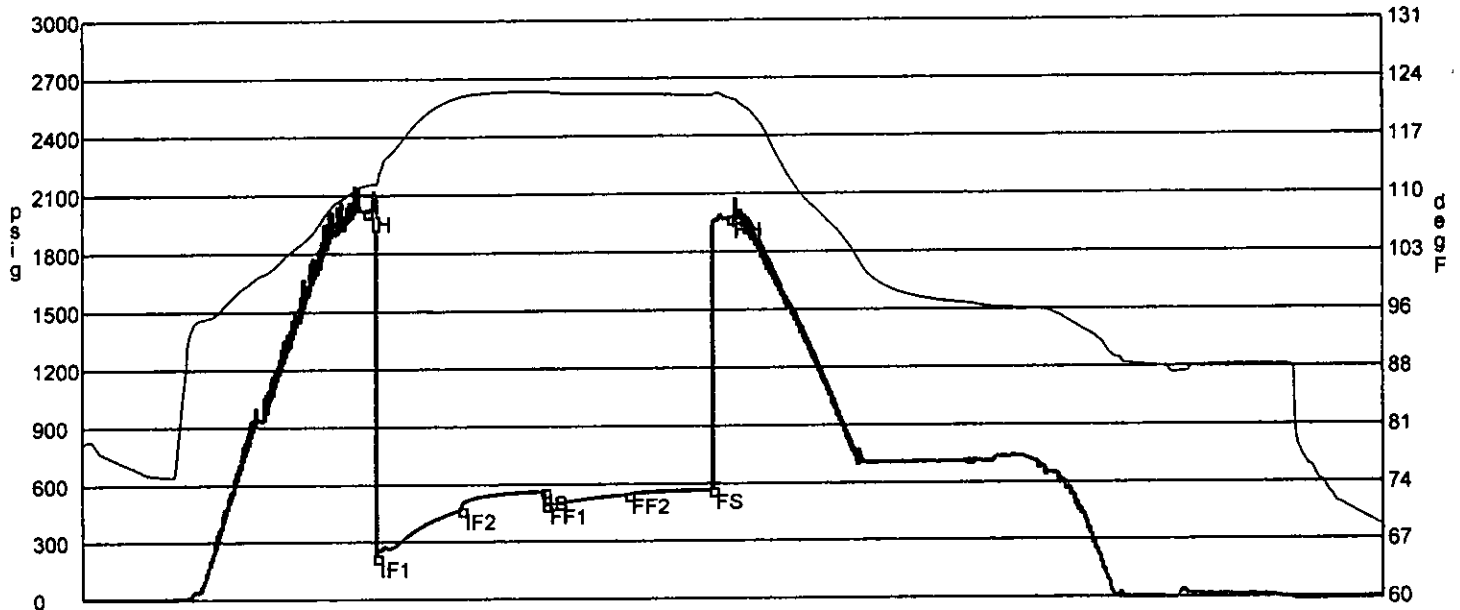
Blow Type **Strong blow throughout the initial flow period, reaching bottom of bucket in 1 min. The blow back during intial shut-in period reached bottom of bucket in 4 min. Weak 1/4" blow at start of final flow period, building, reaching the BOB in 3 min. Gas to surface; 4 min. @ about the 15 min. mark, the gas was too little to measure. The blow back during final shut-in period took 12 min. to reach BOB. Times: 30, 30, 30, 30. Oil Gravity: 38**

RECOVERY

Feet	Description	Gas	Oil	Water	Mud
2285	Gas in Pipe	100% 2285ft	0% 0ft	0% 0ft	0% 0ft
340	Gassy, Slight mud cut oil	5% 17ft	89% 302.6ft	0% 0ft	6% 20.4ft
330	Gassy, slight oil cut mud	23% 75.9ft	13% 42.9ft	0% 0ft	64% 211.2ft
990	Gassy, slight mud cut oil	5% 49.5ft	90% 891ft	0% 0ft	5% 49.5ft
185	Gassy, water and mud cut oil	8% 14.8ft	53% 98ft	20% 37ft	19% 35.2ft

DST Fluids **45000**

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	Date	Time	Pressure	Temp	
IH	5/23/2011 10:52:30 PM	1.691667	2011.131	110.919	Initial Hydro-static
IF1	5/23/2011 10:55:50 PM	1.747222	215.448	110.964	Initial Flow (1)
IF2	5/23/2011 11:26:30 PM	2.258333	460.703	121.663	Initial Flow (2)
IS	5/23/2011 11:56:20 PM	2.755556	558.559	122.271	Initial Shut-In
FF1	5/23/2011 11:57:00 PM	2.766667	486.019	122.246	Final Flow (1)
FF2	5/24/2011 12:26:30 AM	3.258333	539.443	121.955	Final Flow (2)
FS	5/24/2011 12:56:50 AM	3.763889	564.068	121.668	Final Shut-In
FH	5/24/2011 1:03:20 AM	3.872222	1969.647	121.323	Final Hydro-static

GAS FLOWS

<u>Min Into IFP</u>	<u>Min Into.FFP</u>	<u>Gas Flows</u>	<u>Pressure</u>	<u>Choke</u>
0	10	15.40 mcf	6.00 h2o	0.50 in

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RICKETTS TESTING

(620) 326-5830

Company **Palomino Petroleum, Inc.**
 Address **4924 SE 84th St.**
 CSZ **Newton, KS 67114**
 Attn. **Nick Gerstner**

Lease Name **Fitzgerald-McKee**
 Lease # **1**
 Legal Desc **NW-SW-SE-NE** Job Ticket **2152**
 Section **26** Range **25W**
 Township **19S**
 County **Ness** State **KS**
 Drilling Cont **WW Drilling, LLC Rig #10**

Comments

GENERAL INFORMATION

Test # 2 Test Date **5/25/2011**
 Tester **Tim Venters**
 Test Type **Conventional Bottom Hole Successful Test**
 # of Packers **2.0** Packer Size **6 3/4**

Chokes **3/4** Hole Size **7 7/8**
 Top Recorder # **W1119**
 Mid Recorder # **W1022**
 Bott Recorder # **13310**

Mud Type **Gel Chem**
 Mud Weight **8.9** Viscosity **72.0**
 Filtrate **8.8** Chlorides **9100**

Mileage **32** Approved By
 Standby Time **0**
 Extra Equipmnt **Jars & Satety joint**
 Time on Site **2:40 PM**
 Tool Picked Up **6:05 PM**
 Tool Layed Dwn **11:30 PM**

Drill Collar Len **123.0**
 Wght Pipe Len **0**

Elevation **2406.00** Kelley Bushings **2411.00**

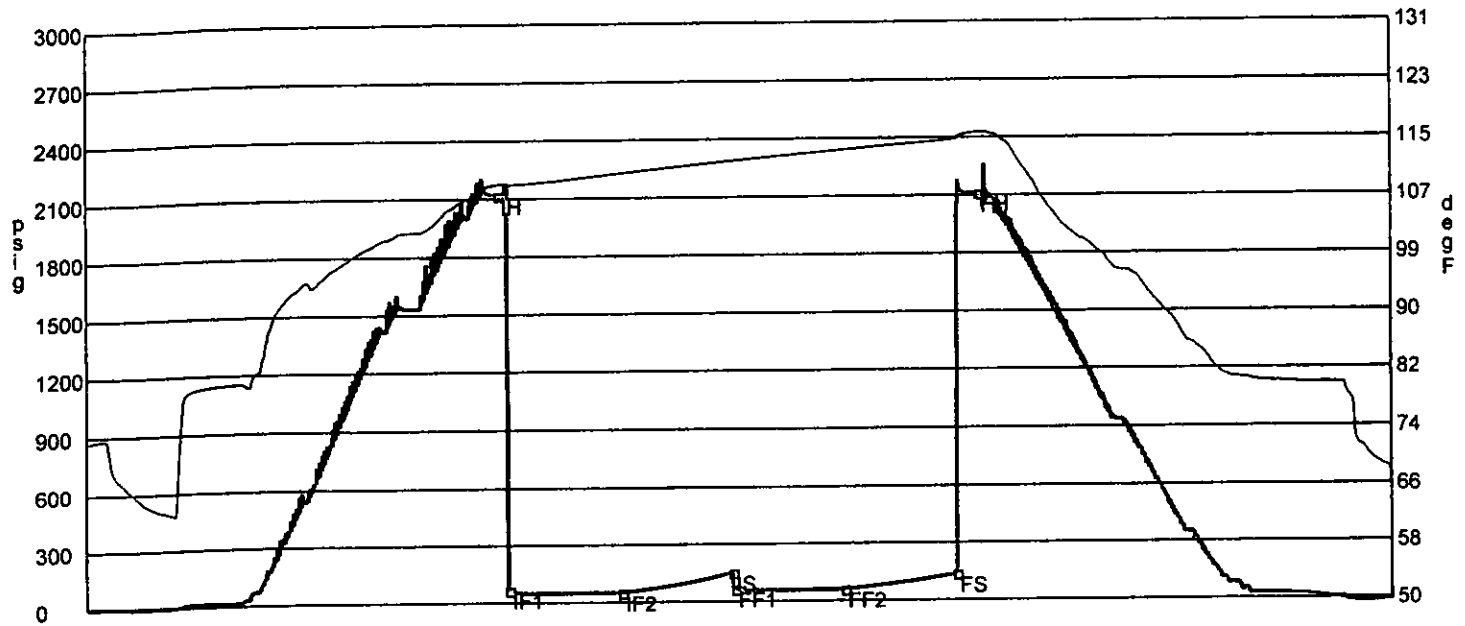
Formation **Ft. Scott**
 Interval Top **4327.0** Bottom **4384.0**
 Anchor Len Below **57.0** Between **0**
 Total Depth **4384.0**
 Blow Type **Weak 1/4" blow at start of intial flow period, building to 4 1/2". Weak 1/4" blow at start of final flow period, building to 2 1/2". Times: 30, 30, 30.**

Start Date/Time **5/24/2011 5:43 PM**
 End Date/Time **5/24/2011 11:31 PM**

RECOVERY

Feet	Description	Gas	Oil	Water	Mud
60	Very slight oil cut mud	0% 0ft	1% 0.6ft	0% 0ft	99% 59.4ft
DST Fluids		0			

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	Date	Time	Pressure	Temp	
IH	5/24/2011 7:31:20 PM	1.805556	2118.32	108.736	Initial Hydro-static
IF1	5/24/2011 7:34:00 PM	1.85	67.664	108.888	Initial Flow (1)
IF2	5/24/2011 8:04:20 PM	2.355556	51.376	110.151	Initial Flow (2)
IS	5/24/2011 8:34:00 PM	2.85	151.787	111.762	Initial Shut-In
FF1	5/24/2011 8:34:40 PM	2.861111	65.954	111.788	Final Flow (1)
FF2	5/24/2011 9:04:10 PM	3.352778	59.955	113.203	Final Flow (2)
FS	5/24/2011 9:34:10 PM	3.852778	136.801	114.52	Final Shut-In
FH	5/24/2011 9:40:10 PM	3.952778	2110.036	115.511	Final Hydro-static

GAS FLOWS

Min Into IFP Min Into FFP Gas Flows Pressure Choke

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RICKETTS TESTING

(620) 326-5830

Page 1

Company	Palomino Petroleum, Inc.	Lease Name	Fitzgerald-McKee
Address	4924 SE 84th St.	Lease #	1
CSZ	Newton, KS 67114	Legal Desc	NW-SW-SE-NE
Attn.	Nick Gerstner	Section	26
		Township	19S
		County	Ness
		Drilling Cont	WW Drilling, LLC Rig #10
		Job Ticket	2152
		Range	25W
		State	KS

Comments

GENERAL INFORMATION

Test # 3	Test Date	5/25/2011
Tester	Tim Venters	
Test Type	Conventional Bottom Hole	
	Successful Test	
# of Packers	2.0	Packer Size 6 3/4
Mud Type	Gel Chem	
Mud Weight	9.4	Viscosity 46.0
Filtrate	10.4	Chlorides 5500

Chokes	3/4	Hole Size	7 7/8
Top Recorder #	W1119		
Mid Recorder #	W1022		
Bott Recorder #	13310		

Drill Collar Len	123.0
Wght Pipe Len	0

Mileage	32	Approved By	
Standby Time	0		
Extra Equipmnt	Jars & Safety joint		
Time on Site	9:45 AM		
Tool Picked Up	11:00 AM		
Tool Layed Dwn	5:00 PM		
Elevation	2406.00	Kelley Bushings	2411.00

Formation	Mississippian
Interval Top	4327.0
Anchor Len Below	158.0
Total Depth	4485.0
Blow Type	Fairly weak 1 1/2" blow at start of initial flow period, building, reaching bottom of bucket in 5 1/2 min. Weak 1/4" blow at start of final flow period, building, reaching bottom of bucket in 8 min. Weak surface blow back throughout final shut-in period. Times: 30, 30, 30, 30. Oil Gravity: 38.

Start Date/Time	5/25/2011 10:33 AM
End Date/Time	5/25/2011 5:00 PM

RECOVERY

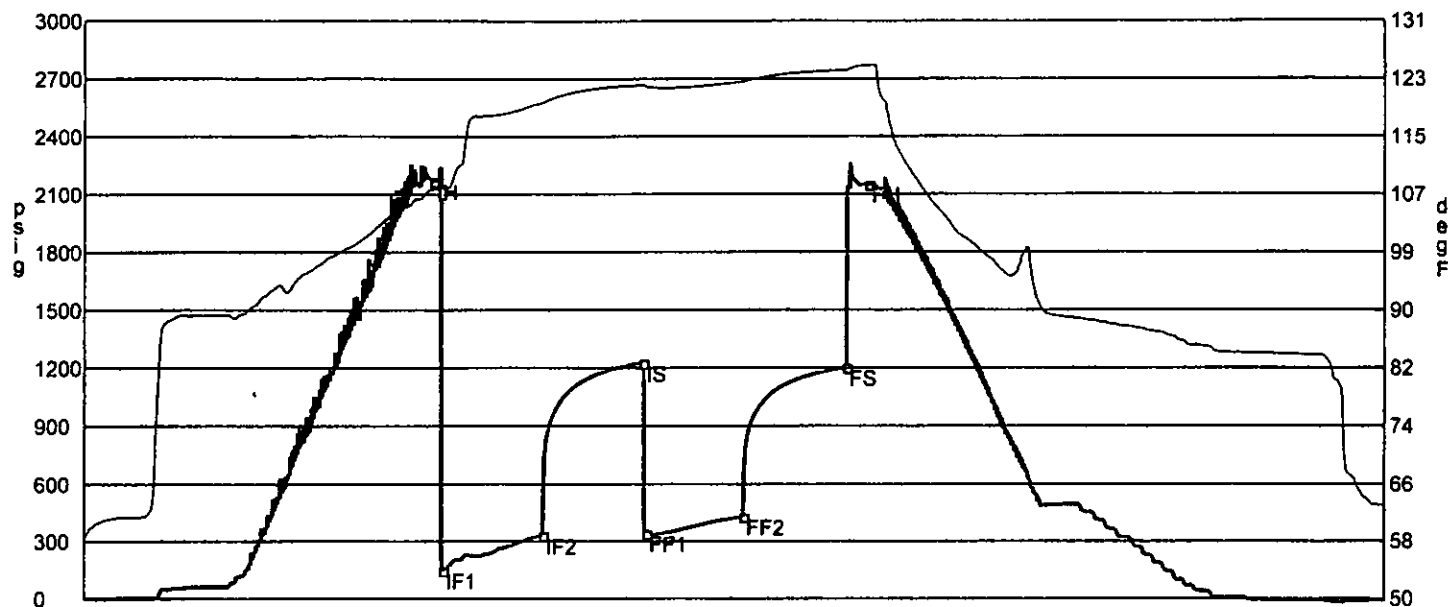
Feet	Description	Gas	Oil	Water	Mud
380	Gas in Pipe	100% 380ft	0% 0ft	0% 0ft	0% 0ft
190	Gassy, oil cut mud	3% 5.7ft	37% 70.3ft	0% 0ft	60% 114ft
445	Gassy, mud cut oil	12% 53.4ft	60% 267ft	0% 0ft	28% 124.6ft
65	Gassy, heavy oil cut mud	3% 2ft	40% 26ft	0% 0ft	57% 37.1ft
65	Gassy, mud cut oil	7% 4.6ft	70% 45.5ft	0% 0ft	23% 15ft
60	Very slight mud cut oil	0% 0ft	98% 58.8ft	0% 0ft	2% 1.2ft
60	Gassy mud cut oil	3% 1.8ft	67% 40.2ft	0% 0ft	30% 18ft

DST Fluids 0

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	Date	Time	Pressure	Temp	
IH	5/25/2011 12:16:20 PM	1.722222	2172.111	107.497	Initial Hydro-static
IF1	5/25/2011 12:19:10 PM	1.769444	149.733	107.498	Initial Flow (1)
IF2	5/25/2011 12:49:10 PM	2.269444	332.008	119.634	Initial Flow (2)
IS	5/25/2011 1:19:00 PM	2.766667	1227.447	122.038	Initial Shut-In
FF1	5/25/2011 1:20:00 PM	2.783333	342.916	121.88	Final Flow (1)
FF2	5/25/2011 1:49:00 PM	3.266667	429.265	122.526	Final Flow (2)
FS	5/25/2011 2:19:40 PM	3.777778	1204.313	124.123	Final Shut-In
FH	5/25/2011 2:26:20 PM	3.888889	2153.01	124.834	Final Hydro-static

GAS FLOWS

Min Into IFP Min Into FFP Gas Flows Pressure Choke

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