

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

ORIGINAL

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. Newton  
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, L.L.C.  
Wellsite Geologist: Nicholas P. Gerstner  
Purchaser: None

Designate Type of Completion:  
 New Well     Re-Entry     Workover  
 Oil     WSW     SWD     SIOW  
 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 #: \_\_\_\_\_

7/29/11	8/6/11	8/6/11
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 135-25284 - 0000  
Spot Description: \_\_\_\_\_  
NE NE SW SW Sec. 23 Twp. 17 S. R. 26  East  West  
1,105 Feet from  North /  South Line of Section  
1,192 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE     NW     SE     SW  
County: Ness  
Lease Name: Carter Trust Well #: 1  
Field Name: None (Wildcat)  
Producing Formation: None  
Elevation: Ground: 2493 Kelly Bushing: 2498  
Total Depth: 4532 Plug Back Total Depth: \_\_\_\_\_  
Amount of Surface Pipe Set and Cemented at: 518 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set: \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from: \_\_\_\_\_  
feet depth to: \_\_\_\_\_ w/ \_\_\_\_\_ 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 #: \_\_\_\_\_

RECEIVED  
OCT 12 2011

KCC WICHITA

**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: Klee R. Watchous  
Title: President Date: 10/7/11

KCC Office Use ONLY

Letter of Confidentiality Received  
Date: \_\_\_\_\_  
 Confidential Release Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution  
ALT  I  II  III Approved by: AAA DJG Date: 10/12/11

Operator Name: Palomino Petroleum, Inc. Lease Name: Carter Trust Well #: 1  
 Sec. 23 Twp. 17 S. R. 26  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 <i>(Attach Additional Sheets)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Anyh.	1846	(+ 662)
Electric Log Run	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Base Anyh.	1878	(+ 620)
Electric Log Submitted Electronically <i>(If no, Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Topeka	3524	(-1026)
List All E. Logs Run: <b>Radiation Guard</b>		Heebner	3799	(-1301)
		Lansing	3839	(-1341)
		Stark	4088	(-1590)

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#	518'	Common	225	2% gel, 3% c.c.

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 <i>(Amount and Kind of Material Used)</i>	Depth

RECEIVED  
OCT 12 2011  
KCC WICHITA

TUBING RECORD:	Size:	Set At:	Packer At:	Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No
----------------	-------	---------	------------	---

Date of First, Resumed Production, SWD or ENHR.	Producing Method: <input type="checkbox"/> Flowing <input 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
-----------------------------------	-----------	---------	-------------	---------------	---------

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 type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
---	--	--

LOGS

BKC	4152	(-1654)
Marmaton	4194	(-1696)
Pawnee	4285	(-1787)
Ft. Scott	4347	(-1849)
Cherokee	4372	(-1874)
Miss.	4446	(-1948)
LTD	4532	(-2034)

RECEIVED  
OCT 12 2011  
KCC WICHITA



**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 # 24319

Invoice Date: 08/10/2011 Terms: 15/15/30,n/30

Page 1

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

RECEIVED  
AUG 12 2011

CARTER TRUST #1  
28146  
23-17-26  
8-5-11  
KS

Part Number	Description	Qty	Unit Price	Total
1131	60/40 POZ MIX	190.00	14.3500	2726.5
1118B	PREMIUM GEL / BENTONITE	654.00	.2400	156.9
1107	FLO-SEAL (25#)	48.00	2.6600	127.6
4432	8 5/8" WOODEN PLUG	1.00	96.0000	96.0

Sublet Performed	Description	Total
9999-130	CASH DISCOUNT	-466.0
9999-130	CASH DISCOUNT	-267.7

Description	Hours	Unit Price	Total
439 MIN. BULK DELIVERY	1.00	410.00	410.00
463 P & A NEW WELL	1.00	1250.00	1250.00
463 EQUIPMENT MILEAGE (ONE WAY)	25.00	5.00	125.00

RECEIVED  
OCT 12 2011  
KCC WICHITA

Amount Due 5087.89 if paid after 09/09/2011

Parts:	3107.14	Freight:	.00	Tax:	166.39	AR	4324.71
Labor:	.00	Misc:	.00	Total:	4324.71		
Sublt:	-733.82	Supplies:	.00	Change:	.00		

Signed \_\_\_\_\_

Date \_\_\_\_\_

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

WORLD, WY  
307/347-4577



**CONSOLIDATED**  
Oil Well Services, LLC

TICKET NUMBER 28146

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
8-5-11	6285	Carver Trust #1	23	17S	26W	Neosho
CUSTOMER Malomino Petroleum Inc			Office 1E- 5S- 1W 5x6 in			
MAILING ADDRESS 4924 S.E. 48th			TRUCK #	DRIVER	TRUCK #	DRIVER
CITY Newton			463	Calvin H		
STATE KS			439	COM D		
ZIP CODE 67114						

JOB TYPE PTA HOLE SIZE 7 7/8 HOLE DEPTH 4540' CASING SIZE & WEIGHT \_\_\_\_\_  
 CASING DEPTH \_\_\_\_\_ DRILL PIPE 4 1/2 TUBING \_\_\_\_\_ OTHER \_\_\_\_\_  
 SLURRY WEIGHT 14.2 SLURRY VOL 1.40 WATER gal/sk 6.7 CEMENT LEFT in CASING \_\_\_\_\_  
 DISPLACEMENT \_\_\_\_\_ DISPLACEMENT PSI \_\_\_\_\_ MIX PSI \_\_\_\_\_ RATE \_\_\_\_\_

REMARKS: Safety meeting on W-W #10. Rig up and plug as ordered.  
50 sks @ 1880'  
40 sks @ 1100'  
50 sks @ 540'  
20 sks @ 60'  
30 sks in BH

Thanks Fuzzy crew

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5405M	1	PUMP CHARGE	1250 <sup>00</sup>	1250 <sup>00</sup>
5406	2.5 miles	MILEAGE	5 <sup>00</sup>	125 <sup>00</sup>
5407	8.17	Tow mileage Delivery (min)	410 <sup>00</sup>	410 <sup>00</sup>
1131	190 sks	60/40 pos	14 <sup>33</sup>	2726 <sup>50</sup>
118B	654 #	Bentonite	.24	156 <sup>96</sup>
1107	48 #	Flt-seal	2 <sup>66</sup>	127 <sup>68</sup>
4432	1	8 5/8 plug	96 <sup>00</sup>	96 <sup>00</sup>
		subtotal		4892 <sup>14</sup>
		less 15% disc		733 <sup>82</sup>
				4158 <sup>32</sup>

243199

RECEIVED  
OCT 12 2011  
KCC WICHITA  
6.3% SALES TAX  
ESTIMATED TOTAL  
4324.71

Revin 3737

AUTHORIZATION [Signature] TITLE \_\_\_\_\_ DATE \_\_\_\_\_

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.



**QUALITY OILWELL CEMENTING, INC.**  
 PO Box 32 - 740 West Wichita Ave, Russell KS 67665  
 Phone:785-324-1041 fax:785-483-1087  
 Email: cementing@ruraltel.net

Date: 8/2/2011  
 Invoice # 5312  
 P.O.#:  
 Due Date: 9/1/2011  
 Division: Russell

# Invoice

RECEIVED  
 AUG 04 2011

**Contact:**  
 Palomino Petroleum Inc  
**Address/Job Location:**  
 Palomino Petroleum Inc  
 4924 SE 84th  
 Newton Ks 67114

**Reference:**  
 CARTER TRUST 1

**Description of Work:**  
 SURFACE JOB

Services / Items Included:	Quantity	Price	Taxable	Item	Quantity	Price	Taxable
Labor		\$ 991.39	No				
Common-Class A	225	\$ 2,980.29	Yes				
Bulk Truck Matl-Material Service Charge	237	\$ 514.63	No				
Pump Truck Mileage-Job to Nearest Camp	34	\$ 368.40	No				
Calcium Chloride	8	\$ 327.10	Yes				
Bulk Truck Mileage-Job to Nearest Bulk Plant	34	\$ 215.58	No				
Premium Gel (Bentonite)	4	\$ 70.70	Yes				

**Invoice Terms:**

Net 30		<i>SubTotal:</i>	\$ 5,468.09
		<i>Discount Available ONLY if Invoice is Paid &amp; Received within listed terms of invoice:</i>	\$ (820.21)
		<i>SubTotal for Taxable Items:</i>	\$ 2,871.38
		<i>SubTotal for Non-Taxable Items:</i>	\$ 1,776.50
		<i>Total:</i>	\$ 4,647.88
		<i>Tax:</i>	\$ 180.90
		<b>Amount Due:</b>	<b>\$ 4,828.77</b>
		<b>Applied Payments:</b>	
		<b>Balance Due:</b>	<b>\$ 4,828.77</b>

6.30% Ness County Sales Tax

**Thank You For Your Business!**

Past Due Invoices are subject to a service charge (annual rate of 24%)  
 This does not include any applicable taxes unless it is listed.  
 ©2008-2013 Straker Investments, LLC. All rights reserved.

RECEIVED  
 OCT 12 2011  
 KCC WICHITA

# QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025  
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 5312

Date	7-30-11	Sec. 23	Twp. 17	Range 26	County NESS	State KS	On Location	Finish 12:15 p.m.
------	---------	---------	---------	----------	-------------	----------	-------------	-------------------

Lease	Carter Trust	Well No. 1	Location	Area 5-51W 3/4S
-------	--------------	------------	----------	-----------------

Contractor	WJW	Owner	To Quality Oilwell Cementing, Inc.
------------	-----	-------	------------------------------------

Type Job	Surface	You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.	
----------	---------	--	--

Hole Size	12 1/4	T.D.	518	Charge To	Palomino
-----------	--------	------	-----	-----------	----------

Csg.	8 5/8	Depth	517	To	
------	-------	-------	-----	----	--

Tbg. Size		Depth		Street	
-----------	--	-------	--	--------	--

Tool		Depth		City	State
------	--	-------	--	------	-------

Cement Left in Csg.	20'	Shoe Joint		The above was done to satisfaction and supervision of owner agent or contractor.	
---------------------	-----	------------	--	--	--

Meas Line		Displace	31 1/2 BBL	Cement Amount Ordered	225 com 30% occ 2% bbl
-----------	--	----------	------------	-----------------------	------------------------

**EQUIPMENT**

Pumptrk	No.	Cement Helper	Chig	Common	225
Bulktrk	5	Driver	Walt	Poz. Mix	
Bulktrk	14	Driver	Paul	Gel.	4

**JOB SERVICES & REMARKS**

Remarks:	Hulls
Rat Hole	Salt
Mouse Hole	Flowseal
Centralizers	Kol-Seal
Baskets	Mud CLR 48
D/V or Port Collar	CFL-117 or CD110 CAF 38

8 5/8 on bottom. Est Circulation.  
Mix 225 sec v Displace

Cement Circulated!

**FLOAT EQUIPMENT**

Guide Shoe	
Centralizer	
Baskets	
AFU Inserts	
Float Shoe	
Latch Down	

Thaddeus

Pumptrk Charge	Surface
Mileage	34

RECEIVED  
OCT 12 2011

KCG WICHITA

X Signature	Tax	
	Discount	
	Total Charge	

Company	<b>Palomino Petroleum, Inc.</b>	Lease Name	<b>Carter Trust</b>
Address	<b>4924 SE 84th St.</b>	Lease #	<b>1</b>
CSZ	<b>Newton, KS 67114</b>	Legal Desc	<b>NE-NE-SW-SW</b>
Attn.	<b>Nick Gerstner</b>	Section	<b>23</b>
		Township	<b>17S</b>
		County	<b>Ness</b>
		Drilling Cont	<b>WW Drilling, LLC Rig #10</b>
		Job Ticket	<b>2161</b>
		Range	<b>26W</b>
		State	<b>KS</b>

Comments

**GENERAL INFORMATION**

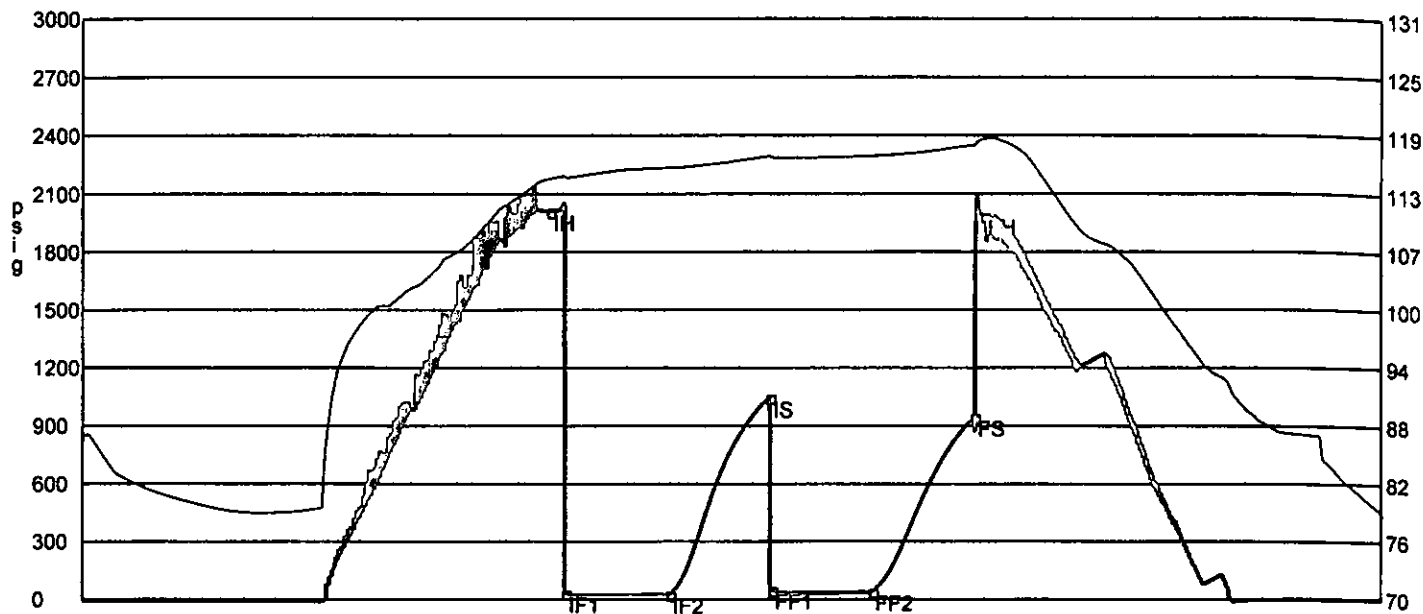
Test # 1	Test Date	<b>8/3/2011</b>	Chokes	<b>3/4</b>	Hole Size	<b>7 7/8</b>
Tester	<b>Tim Venters</b>		Top Recorder #	<b>W1119</b>		
Test Type	<b>Conventional Bottom Hole Successful Test</b>		Mid Recorder #			
# of Packers	<b>2.0</b>	Packer Size	<b>6 3/4</b>	Bott Recorder #	<b>13310</b>	
Mud Type	<b>Gel Chem</b>		Mileage	<b>184</b>	Approved By	
Mud Weight	<b>9.0</b>	Viscosity	<b>51.0</b>	Standby Time	<b>0</b>	
Filtrate	<b>8.8</b>	Chlorides	<b>4000</b>	Extra Equipmnt	<b>Jars &amp; Safety joint</b>	
Drill Collar Len	<b>123.0</b>			Time on Site	<b>11:30 PM</b>	
Wght Pipe Len	<b>0</b>			Tool Picked Up	<b>2:00 AM</b>	
				Tool Layed Dwn	<b>7:25 AM</b>	
Formation	<b>Marmaton</b>		Elevation	<b>2493.00</b>	Kelley Bushings	<b>2498.00</b>
Interval Top	<b>4137.0</b>	Bottom	<b>4285.0</b>	Start Date/Time	<b>8/3/2011 1:13 PM</b>	
Anchor Len Below	<b>148.0</b>	Between	<b>0</b>	End Date/Time	<b>8/3/2011 7:35 PM</b>	
Total Depth	<b>4285.0</b>					
Blow Type	<b>Weak 1/4" blow at start of initial flow period, building to 3/4". Very weak surface blow throughout final flow period. Times: 30, 30, 30, 30.</b>					

**RECOVERY**

Feet	Description	Gas		Oil		Water		Mud	
10	Slight water cut mud	0%	0ft	0%	0ft	27%	2.7ft	73%	7.3ft
60	Very slight water cut mud	0%	0ft	0%	0ft	10%	6ft	90%	54ft
DST Fluids		<b>21000</b>							

RECEIVED  
 OCT 12 2011  
 KCC WICHITA





	Date	Time	Pressure	Temp	
IH	8/3/2011 3:29:50 PM	2.280556	2008.105	114.27	Initial Hydro-static
IF1	8/3/2011 3:34:30 PM	2.358333	29.567	114.373	Initial Flow (1)
IF2	8/3/2011 4:05:10 PM	2.869444	22.617	115.392	Initial Flow (2)
IS	8/3/2011 4:34:40 PM	3.361111	1043.796	116.597	Initial Shut-In
FF1	8/3/2011 4:35:20 PM	3.372222	46.786	116.499	Final Flow (1)
FF2	8/3/2011 5:05:00 PM	3.866667	37.869	116.638	Final Flow (2)
FS	8/3/2011 5:35:00 PM	4.366667	944.842	117.779	Final Shut-In
FH	8/3/2011 5:37:50 PM	4.413889	1986.345	118.426	Final Hydro-static

**GAS FLOWS**

Min Into IFP    Min Into FFP    Gas Flows    Pressure    Choke

RECEIVED  
 OCT 12 2011  
 KCC WICHITA

Company	<b>Palomino Petroleum, Inc.</b>	Lease Name	<b>Carter Trust</b>	
Address	<b>4924 SE 84th St.</b>	Lease #	<b>1</b>	
CSZ	<b>Newton, KS 67114</b>	Legal Desc	<b>NE-NE-SW-SW</b>	Job Ticket <b>2161</b>
Attn.	<b>Nick Gerstner</b>	Section	<b>23</b>	Range <b>26W</b>
		Township	<b>17S</b>	
		County	<b>Ness</b>	State <b>KS</b>
		Drilling Cont	<b>WW Drilling, LLC Rig #10</b>	

Comments

**GENERAL INFORMATION**

Test # 1	Test Date	<b>8/3/2011</b>	Chokes	<b>3/4</b>	Hole Size	<b>7 7/8</b>
Tester	<b>Tim Venters</b>		Top Recorder #	<b>W1119</b>		
Test Type	<b>Conventional Bottom Hole Successful Test</b>		Mid Recorder #			
# of Packers	<b>2.0</b>	Packer Size	<b>6 3/4</b>	Bott Recorder #	<b>13310</b>	
Mud Type	<b>Gel Chem</b>		Mileage	<b>184</b>	Approved By	
Mud Weight	<b>9.0</b>	Viscosity	<b>51.0</b>	Standby Time	<b>0</b>	
Filtrate	<b>8.8</b>	Chlorides	<b>4000</b>	Extra Equipmnt	<b>Jars &amp; Safety joint</b>	
				Time on Site	<b>11:30 PM</b>	
Drill Collar Len	<b>123.0</b>			Tool Picked Up	<b>2:00 AM</b>	
Wght Pipe Len	<b>0</b>			Tool Layed Dwn	<b>7:25 AM</b>	
Formation	<b>Marmaton</b>		Elevation	<b>2493.00</b>	Kelley Bushings	<b>2498.00</b>
Interval Top	<b>4137.0</b>	Bottom	<b>4285.0</b>	Start Date/Time	<b>8/3/2011 1:13 PM</b>	
Anchor Len Below	<b>148.0</b>	Between	<b>0</b>	End Date/Time	<b>8/3/2011 7:35 PM</b>	
Total Depth	<b>4285.0</b>					
Blow Type	<b>Weak 1/4" blow at start of initial flow period, building to 3/4". Very weak surface blow throughout final flow period. Times: 30, 30, 30, 30.</b>					

**RECOVERY**

Feet	Description	Gas	Oil	Water	Mud
10	Slight water cut mud	0% 0ft	0% 0ft	27% 2.7ft	73% 7.3ft
60	Very slight water cut mud	0% 0ft	0% 0ft	10% 6ft	90% 54ft
DST Fluids		<b>21000</b>			

Company	Palomino Petroleum, Inc.	Lease Name	Carter Trust
Address	4924 SE 84th St.	Lease #	1
CSZ	Newton, KS 67114	Legal Desc	NE-NE-SW-SW
Attn.	Nick Gerstner	Section	23
		Township	17S
		County	Ness
		Drilling Cont	WW Drilling, LLC Rig #10
		Job Ticket	2161
		Range	26W
		State	KS

Comments

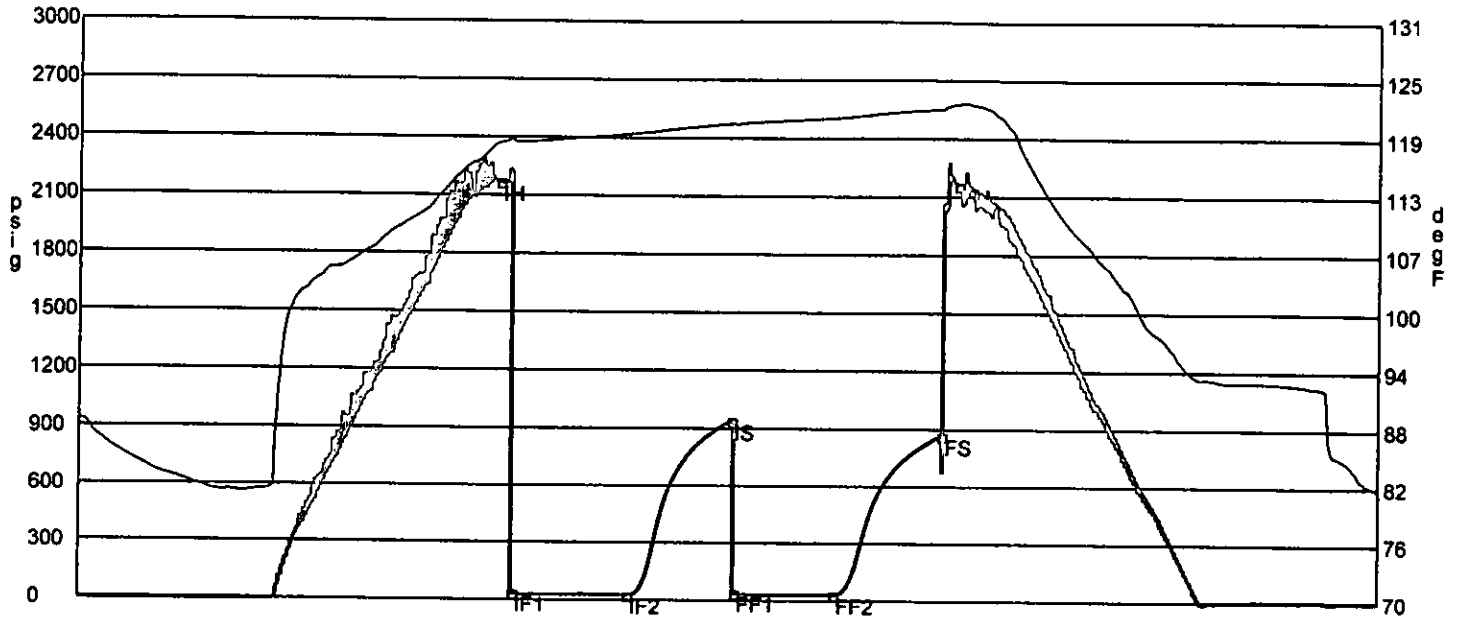
GENERAL INFORMATION

Test # 2	Test Date 8/4/2011	Chokes 3/4	Hole Size 7 7/8
Tester Tim Venters		Top Recorder # W1119	
Test Type Conventional Bottom Hole		Mid Recorder #	
Successful Test		Bott Recorder # 13310	
# of Packers 2.0	Packer Size 6 3/4	Mileage 48	Approved By
Mud Type Gel Chem		Standby Time 0	
Mud Weight 9.3	Viscosity 77.0	Extra Equipmnt Jars & Safety joint	
Filtrate 8.8	Chlorides 2800	Time on Site 10:35 PM	
Drill Collar Len 123.0		Tool Picked Up 12:00 AM	
Wght Pipe Len 0		Tool Layed Dwn 5:35 AM	
Formation Mississippian		Elevation 2493.00	Kelley Bushings 2498.00
Interval Top 4422.0	Bottom 4466.0	Start Date/Time 8/3/2011 11:18 PM	
Anchor Len Below 44.0	Between 0	End Date/Time 8/4/2011 5:36 AM	
Total Depth 4466.0			
Blow Type	Weak surface blow at start of initial flow period, building to 1". Very weak surface blow at start of final flow period, building to 1/4".		
	Times: 34, 30, 30, 30.		

RECOVERY

Feet	Description	Gas	Oil	Water	Mud
2	Clean oil	0% 0ft	100% 2ft	0% 0ft	0% 0ft
45	Mud cut oil	0% 0ft	70% 31.5ft	0% 0ft	30% 13.5ft
DST Fluids	0				

RECEIVED  
 OCT 12 2011  
 KCC WICHITA



	Date	Time	Pressure	Temp	
IH	8/4/2011 1:19:20 AM	2.022222	2167.296	118.162	Initial Hydro-static
IF1	8/4/2011 1:23:30 AM	2.091667	34.592	118.44	Initial Flow (1)
IF2	8/4/2011 1:57:10 AM	2.652778	24.757	119.13	Initial Flow (2)
IS	8/4/2011 2:27:20 AM	3.155556	936.97	120.258	Initial Shut-In
FF1	8/4/2011 2:28:20 AM	3.172222	38.76	120.191	Final Flow (1)
FF2	8/4/2011 2:57:20 AM	3.655556	30.22	120.87	Final Flow (2)
FS	8/4/2011 3:28:40 AM	4.177778	866.058	121.851	Final Shut-In
FH	8/4/2011 3:33:10 AM	4.252778	2159.609	122.378	Final Hydro-static

**GAS FLOWS**

Min Into IFP   Min Into FFP   Gas Flows   Pressure   Choke

RECEIVED  
 OCT 12 2011  
 KCC WICHITA

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

Lease Name **Carter Trust**  
 Lease # **1**  
 Legal Desc **NE-NE-SW-SW** Job Ticket **2161**  
 Section **23** Range **26W**  
 Township **17S**  
 County **Ness** State **KS**  
 Drilling Cont **WW Drilling, LLC Rig #10**

Comments

**GENERAL INFORMATION**

Test # **3** Test Date **8/4/2011**  
 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 **55.0**  
 Filtrate **10.4** Chlorides **3800**

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

Formation **Mississippian**  
 Interval Top **4422.0** Bottom **4480.0**  
 Anchor Len Below **58.0** Between **0**

Total Depth **4480.0**  
 Blow Type **Weak surface blow at start of intial flow period, building to 1/2". Very weak surface blow at start of final flow period, building to 1/4" .**  
**Times: 30, 30, 30, 30. Oil Gravity: 40.**

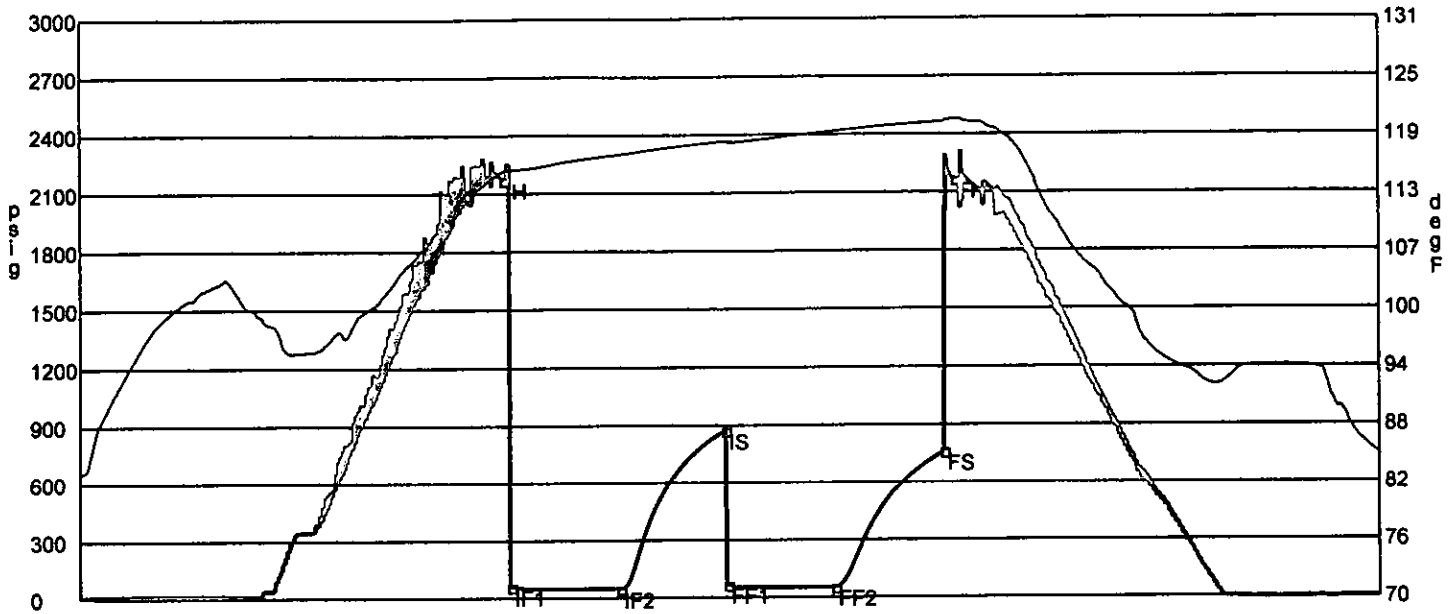
Chokes **3/4** Hole Size **7 7/8**  
 Top Recorder # **W1119**  
 Mid Recorder #  
 Bott Recorder # **13310**  
 Mileage **48** Approved By  
 Standby Time **0**  
 Extra Equipmnt **Jars & Safety joint**  
 Time on Site **11:10 AM**  
 Tool Picked Up **1:40 PM**  
 Tool Layed Dwn **6:55 PM**  
 Elevation **2493.00** Kelley Bushings **2498.00**  
 Start Date/Time **8/4/2011 12:59 PM**  
 End Date/Time **8/4/2011 6:58 PM**

**RECOVERY**

Feet	Description	Gas	Oil	Water	Mud
5	Clean oil	0% 0ft	100% 5ft	0% 0ft	0% 0ft
50	Very heavy oil cut mud	0% 0ft	47% 23.5ft	0% 0ft	53% 26.5ft

DST Fluids **0**

RECEIVED  
 OCT 12 2011  
 KCC WICHITA



	Date	Time	Pressure	Temp	
IH	8/4/2011 2:55:30 PM	1.941667	2172.153	115.007	Initial Hydro-static
IF1	8/4/2011 2:57:30 PM	1.975	59.398	115.172	Initial Flow (1)
IF2	8/4/2011 3:28:00 PM	2.483333	45.823	116.728	Initial Flow (2)
IS	8/4/2011 3:57:20 PM	2.972222	873.277	118.105	Initial Shut-In
FF1	8/4/2011 3:57:50 PM	2.980556	66.29	118.035	Final Flow (1)
FF2	8/4/2011 4:27:40 PM	3.477778	50.981	119.111	Final Flow (2)
FS	8/4/2011 4:58:00 PM	3.983333	760.134	120.114	Final Shut-In
FH	8/4/2011 5:01:00 PM	4.033333	2166.136	120.383	Final Hydro-static

**GAS FLOWS**

Min Into IFP   Min Into FFP   Gas Flows   Pressure   Choke

RECEIVED  
 OCT 12 2011  
 KCC WICHITA

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

Lease Name **Carter Trust**  
 Lease # **1**  
 Legal Desc **NE-NE-SW-SW** Job Ticket **2161**  
 Section **23** Range **26W**  
 Township **17S**  
 County **Ness** State **KS**  
 Drilling Cont **WW Drilling, LLC Rig #10**

Comments

**GENERAL INFORMATION**

Test # **4** Test Date **8/5/2011**  
 Tester **Tim Venters**  
 Test Type **Straddle**  
**Successful Test**  
 # of Packers **3.0** Packer Size **6 3/4**

Mud Type **Gel Chem**  
 Mud Weight **9.0** Viscosity **55.0**  
 Filtrate **6.4** Chlorides **2000**

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

Formation **Mississippian**  
 Interval Top **4474.0** Bottom **4502.0**  
 Anchor Len Below **38.0** Between **28.0**  
 Total Depth **4540.0**

Blow Type **We lost packer seat sometime in the first 5 min. Weak 1/4" blow at start of initial flow period, building to 1". Weak surface blow at start of final flow period, building to 1". Times: 30, 30, 30, 27. It looks like we lost packer seat 27 min. into final shut-in.**

Chokes **3/4** Hole Size **7 7/8**  
 Top Recorder # **W1119**  
 Mid Recorder # **13564**  
 Bott Recorder # **13310**  
 Mileage **48** Approved By  
 Standby Time **0**  
 Extra Equipmnt **Jars, Safety joint, Ex packer, Sm packer**  
 Time on Site **3:15 PM**  
 Tool Picked Up **4:55 PM**  
 Tool Layed Dwn **10:25 PM**

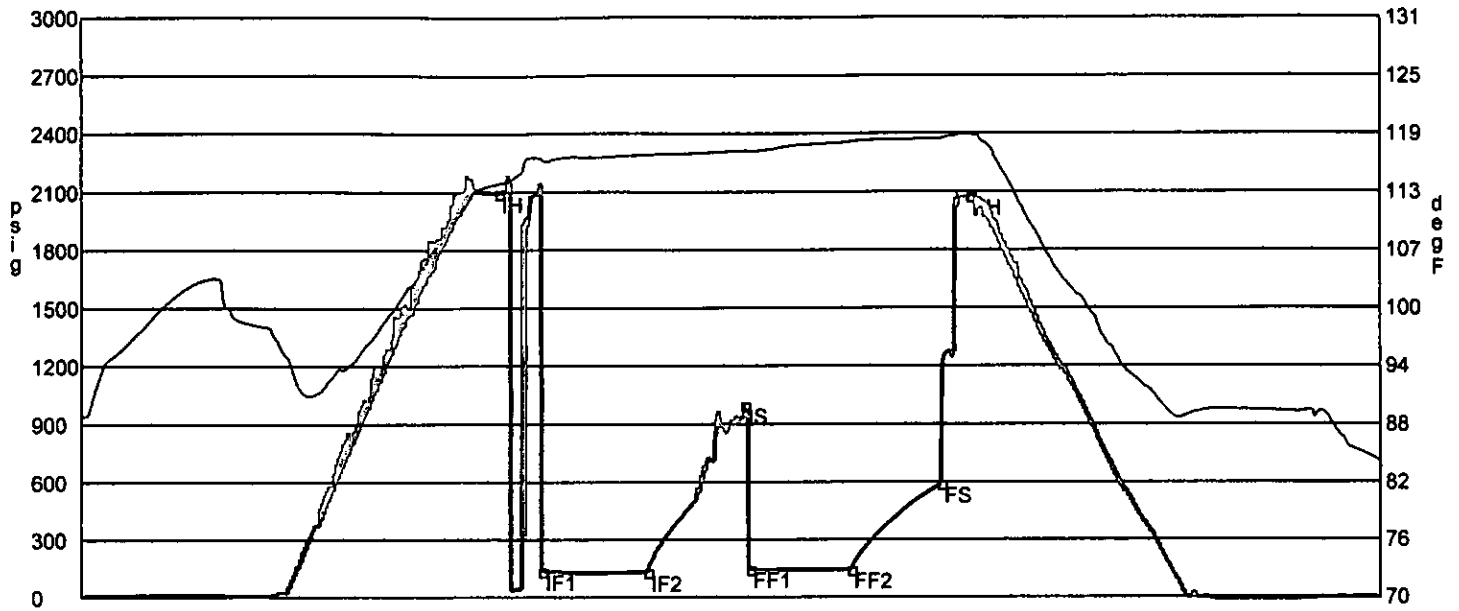
Elevation **2493.00** Kelley Bushings **2498.00**

Start Date/Time **8/5/2011 4:10 PM**  
 End Date/Time **8/5/2011 10:28 PM**

**RECOVERY**

Feet	Description	Gas	Oil	Water	Mud
280	Mud with a very slight trace oil	0% 0ft	trace	0% 0ft	100% 280ft
DST Fluids	0				

RECEIVED  
 OCT 12 2011  
 KCC WICHITA



	Date	Time	Pressure	Temp	
IH	8/5/2011 6:10:50 PM	2.013889	2095.454	113.581	Initial Hydro-static
IF1	8/5/2011 6:23:30 PM	2.225	135.679	116.081	Initial Flow (1)
IF2	8/5/2011 6:54:20 PM	2.738889	129.034	116.558	Initial Flow (2)
IS	8/5/2011 7:22:30 PM	3.208333	999.136	116.971	Initial Shut-In
FF1	8/5/2011 7:24:10 PM	3.236111	146.582	116.881	Final Flow (1)
FF2	8/5/2011 7:53:40 PM	3.727778	142.561	117.93	Final Flow (2)
FS	8/5/2011 8:20:00 PM	4.166667	590.079	118.236	Final Shut-In
FH	8/5/2011 8:28:20 PM	4.305556	2077.215	118.621	Final Hydro-static

**GAS FLOWS**

Min Into IFP   Min Into FFP   Gas Flows   Pressure   Choke

RECEIVED  
 OCT 12 2011  
 KCC WICHITA