



KANSAS CORPORATION COMMISSION 1088488
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 + 8827
Contact Person: Klee R. Watchous
Phone: (316) 799-1000
CONTRACTOR: License # 33575
Name: WW Drilling, LLC
Wellsite Geologist: Nicholas P. Gerstner
Purchaser: NCRA

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 #: _____

<u>04/10/2012</u>	<u>04/19/2012</u>	<u>04/19/2012</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-135-25379-00-00

Spot Description: _____

SW SE NW NW Sec. 28 Twp. 18 S. R. 21 East West
1086 Feet from North / South Line of Section
727 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

- NE NW SE SW

County: Ness

Lease Name: Slover 'J' Well #: 1

Field Name: None (Wildcat)

Producing Formation: Mississippian

Elevation: Ground: 2117 Kelly Bushing: 2125

Total Depth: 4280 Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: 1370 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: 0 ppm Fluid volume: 0 bbls

Dewatering method used: Evaporated

Location of fluid disposal if hauled offsite: _____

Operator Name: _____

Lease Name: _____ License #: _____

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

County: _____ Permit #: _____

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.

Submitted Electronically

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: Deanna Gorbis Date: 07/31/2012



1088488

Operator Name: Palomino Petroleum, Inc. Lease Name: Slover 'J' Well #: 1
 Sec. 28 Twp. 18 S. R. 21 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: Compensated Density/Neutron, Dual Induction	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum Attached Attached Attached
---	--

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	12.2500	8.6250	24	1370	Common, 60/40 Poz	650	8% gel, 3% c.c.
Production	7.8750	5.5000	14	4271	SMD, EA-2	170	500 gal. mud flush w/ 20 bbls KCl water

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
<input checked="" 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
8	4197-4202	400 gal. 20% Acid, 3% m.s.	
4	4202-4208	500 gal. 20% MCA Acid, 3% m.s.	

TUBING RECORD: Size: <u>2.8750</u> Set At: <u>4245</u> Packer At: <u> </u> Liner Run: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR: <u>07/06/2012</u>	Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) <u> </u>
Estimated Production Per 24 Hours	Oil Bbls. <u>17</u> Gas Mcf <u> </u> Water Bbls. <u>73</u> Gas-Oil Ratio <u> </u> Gravity <u> </u>

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) <u> </u>	PRODUCTION INTERVAL: <u> </u> <u> </u>
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Form	ACO1 - Well Completion
Operator	Palomino Petroleum, Inc.
Well Name	Slover 'J' 1
Doc ID	1088488

Tops

Anhy.	1366	(+759)
Base Anhy.	1396	(+729)
Heebner	3582	(-1457)
LKC	3630	(-1505)
BKC	3917	(-1792)
Pawnee	4026	(-1901)
Ft. Scott	4102	(-1977)
Cherokee Sh.	4119	(-1994)
Cher. Sd. "A"	4133	(-2008)
Osage	4195	(-2070)
LTD	4280	(-2155)

SWIFT



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



Invoice

DATE	INVOICE #
5/16/2012	22636

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

RECEIVED
MAY 18 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Slover J	Ness	DS&W Well Servi...	Oil	Development	Acidize Formation	Dusty
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
500D	Mileage - 1 Way				20	Miles	6.00	120.00
501D	Acid Pump Charge				1	Job	650.00	650.00
303 - 20%	MCA Acid				500	Gallons	2.70	1,350.00
221	Liquid KCL (Clayfix)				2	Gallon(s)	25.00	50.00
232	Musal ESA-64				15	Gallon(s)	20.00	300.00
235	INH.1 ESA-28				1	Gallon(s)	35.00	35.00
249	STR-1 (Pen 88)				1	Gallon(s)	40.00	40.00
	Subtotal							2,545.00
	Sales Tax Ness County						6.30%	0.00

We Appreciate Your Business!

Total

\$2,545.00



CHARGE TO:
PALOMED PETROLEUM INC.
 ADDRESS:
 CITY, STATE, ZIP CODE:

TICKET
 No 22636

PAGE 1 OF 1

SERVICE LOCATIONS
 1. NESS CITY KS WELL/PROJECT NO. #1 LEASE SLOVEN J COUNTY/PARISH NESS CO STATE KS CITY BAZENE KS DATE 05-16-12 OWNER
 2. TICKET TYPE SERVICE CONTRACTOR DSW RIG NAME/NO. Tem SHIPPED VIA DELIVERED TO 22. RD OFF, 74N., 2. E. W. 22 ORDER NO.
 3. WELL TYPE OIL WELL WELL CATEGORY DEVELOPMENT JOB PURPOSE ADDRESS FORMATION WELL PERMIT NO. WELL LOCATION see 28-185-214
 4. REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UM		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
500		1			MILEAGE 107	1	@	20	mi	6.00	120.00
501		1			Acid Pump Clean	1	@			650.00	650.00
303		1			MCA ACID	500	gal	26	%	2.70	1350.00
221		1			LIQUID KCL	2	gal			25.00	50.00
232		1			MUSA	15	gal	3	%	20.00	300.00
235		1			INHER-1	1	gal			35.00	35.00
249		1			STR-1	1	gal			40.00	40.00

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

DATE SIGNED 05-16-12 TIME SIGNED 1725 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?				2545.00
WE UNDERSTOOD AND MET YOUR NEEDS?				
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO			TOTAL
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				2545.00

755 TAX 6.3%

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

SWIFT OPERATOR DUSTY J. FRANK APPROVAL

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 05/16/12 PAGE NO.

CUSTOMER Palomares Petroleum WELL NO. 171 LEASE SLOVEN J JOB TYPE ACIDIZING FORMATION TICKET NO. 22636

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1630							ON LOCATION DS:W READY
								PLUG 4202'-08'
								5 1/2 x 14" CS. 102.6 BBL
	1645	3.5	1		✓		0	START PUMPING ACID
	1648	4	12		✓		0	ON ICE FUSIT
	1652	4	30		✓		0	PUMPING SALT WATER FUSIT
		4	45		✓		0	
		4	60		✓		0	
		4	75		✓		0	
		4-0	99		✓		0	SHUT DOWN AND LET LOAD
	1708	0	105		✓		0	WAC DONE
								REG DOWN
								TICKET
	1720							JOB COMPLETED
								THANK YOU JUSTY RUSSELL

SWIFT



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



Invoice

DATE	INVOICE #
5/10/2012	22629

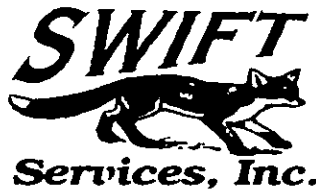
BILL TO
Palomino Petroleum Inc. 4924 S E 84th Street Newton, KS 67114-8827

RECEIVED

MAY 12 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Slover J	Ness	DS&W Well Servi...	Oil	Development	Acidize Formation	Dusty
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
500D	Mileage - 1 Way				20	Miles	6.00	120.00
501D	Acid Pump Charge				1	Job	650.00	650.00
301 - 20%	FE Acid				400	Gallons	2.60	1,040.00
230	Surf-3 ESA-N35 (Losurf 300)				1	Gallon(s)	25.00	25.00
232	Musal ESA-64				12	Gallon(s)	20.00	240.00
235	INH.1 ESA-28				1	Gallon(s)	35.00	35.00
254	Micell-1				1	Gallon(s)	40.00	40.00
	Subtotal							2,150.00
	Sales Tax Ness County						6.30%	0.00
Thank You For Your Business!							Total	\$2,150.00



CHARGE TO:
PALOMINO PETROLEUM INC.
 ADDRESS
 CITY, STATE, ZIP CODE

TICKET
 No 22629

PAGE 1 OF 1

SERVICE LOCATIONS 1. <u>NESS CITY KS.</u>	WELL/PROJECT NO <u>#1</u>	LEASE <u>SLOVEN J.</u>	COUNTY/PARISH <u>NESS CO.</u>	STATE <u>KS.</u>	CITY <u>BAZINE KS.</u>	DATE <u>05/10/12</u>	OWNER
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <u>D.S. W</u>	RIG NAME/NO. <u>Jim</u>	SHIPPED VIA	DELIVERED TO <u>2E RD FF 3/4 N, E. INTD</u>	ORDER NO.	
3.	WELL TYPE <u>Oil well</u>	WELL CATEGORY <u>DEVELOPMENT</u>	JOB PURPOSE <u>ACIDIZ FORMATION</u>	PRE JOB	WELL PERMIT NO.	WELL LOCATION <u>SAL 28-185-21W</u>	
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		QTY.		UNIT PRICE	AMOUNT
		LOC	ACCT	DF		U/M	U/M				
500		1			MILEAGE 107	1	@	20	ML	6.00	120.00
501		1			ACID Pump CHARGE	1	@			650.00	650.00
301		1			FE ACID	400	gal	20	%	2.60	1040.00
230		1			SURE-3	1	gal			25.00	25.00
232		1			MUSAL	12	gal	3	%	20.00	240.00
235		1			INHIB-1	1	gal			35.00	35.00
254		1			MICELL-1	1	gal			40.00	40.00

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
 na
 X

DATE SIGNED 05/10/12 TIME SIGNED 1545 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	2150.00
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN? WE UNDERSTOOD AND MET YOUR NEEDS? OUR SERVICE WAS PERFORMED WITHOUT DELAY? WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY? ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				ness TAX 6.3%	
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL	2150.00

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

SWIFT OPERATOR DUSTY D. FULK APPROVAL

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 05/10/12 PAGE NO. 7

CUSTOMER Palomares Petroleum WELL NO. #1 LEASE JLOWELL J JOB TYPE ACIDIZE FORMATION TICKET NO. 22629

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1255							ON LOCATION 05' W READY
								TBL 3600' PERFS 4197'-4202'
								FEDHT SPOT
								2 3/8 x 5 1/2 TREAT
								CS.
								Tb 16.26174 Bbl
								TOTAL 16.26174 Bbl
	1320	2-0	1.5	✓		VAC		PECKER TUBE
	1337	3	15.5	✓		2000		LOADED TEST TOOL NO HOLD
		3	27.5	✓		2000		100# PSI DROP @ 12 sec.
								RUN IN 10' sub RETEST (SAME)
								PECK ADV. DO JOB. NOT WORRIED
								ABOUT PSI DROP
	1413							DROP VALVE WAIT 25 min.
	1445	2.3	30	✓		600		TEST VALVE OPEN @ 600 #s
	1457	3-0	46.25	✓		600		SPOTTED ACID TO BOTTOM (8 Bbl)
	1507	2-0	46.25	✓		1500		BLANK 55 TREAT #1
		2-0	46.25	✓		1500		" " #2
		2-0	46.25	✓		1500		" " #3
		1.5	47.75	✓		1200		BREAK TO 800# #4
		2.3	49.25	✓		600		TREAT #5
		2.3	50.75	✓		600		TREAT #6
		2.3	52.25	✓		600		TREAT #7
	1515	2.3	53.75	✓		600		TREAT #8
			55.75	✓		600		2 Bbl OVER FLUSH
								55.75 TOTAL Bbl Pumped.
								Job 9 Bbl Acid 16.25 Bbl Flush
								+ 2 Bbl OVER FLUSH 27.25 TOTAL
								REEL DOWN
								FLUSH
	1545							JOB COMPLETED
								THANK YOU DUSTY RUSSELL

SWIFT



Services, Inc.

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



Invoice

DATE	INVOICE #
5/7/2012	22381

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

RECEIVED

MAY 09 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Nct 30	#1	Slover J	Ness	DS&W Well Servi...	Oil	Development	Acid Dump	Wayne
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
502	Delivery Charge (4 Hour Minimum)				4	Hours	70.00	280.00
303 - 20%	MCA Acid				250	Gallons	2.70	675.00
232	Musal ESA-64				5	Gallon(s)	20.00	100.00
235	INH.1 ESA-28				1	Gallon(s)	35.00	35.00
249	STR-1 (Pen 88)				1	Gallon(s)	40.00	40.00
	Subtotal							1,130.00
	Sales Tax Ness County						6.30%	0.00

Thank You For Your Business!

Total

\$1,130.00



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

TICKET No 22381

PAGE 1 OF 1

SERVICE LOCATIONS: 1. **NESS CITY, Ks**
 WELL/PROJECT NO.: **J-1** LEASE: **SLOVER** COUNTY/PARISH: **NESS** STATE: **Ks** CITY: DATE: **5-7-12** OWNER: **SAME**
 2. TICKET TYPE: SERVICE SALES CONTRACTOR: **DS-W** RIG NAME/NO.: SHIPPED VIA: **CT** DELIVERED TO: **LOCATION** ORDER NO.:
 3. WELL TYPE: **OIL** WELL CATEGORY: **DEVELOPMENT** JOB PURPOSE: **Acid Dump** WELL PERMIT NO.: WELL LOCATION: **BOWNE, Ks - 2E 3/4N, ES**
 4. REFERRAL LOCATION: INVOICE INSTRUCTIONS:

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF		QTY.	UM	QTY.	UM	
502		1			MILEAGE DELIVERY CHARGE " 107	4	HRS	70	00	280.00
303		1			MCA ACID	250	1 GAL	20	70	675.00
232		1			MUSAL	5	1 GAL	20	00	100.00
235		1			ZNH8-1	1	1 GAL	35	00	35.00
249		1			STR-1	1	1 GAL	40	00	40.00

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: **5-7-12** 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	PAGE TOTAL	1130.00
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?					
WE UNDERSTOOD AND MET YOUR NEEDS?					
OUR SERVICE WAS PERFORMED WITHOUT DELAY?					
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?					
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO				
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL	1130.00

7.55 TAX @ 0.3%

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

SWIFT OPERATOR: **WAWIE WILSON** APPROVAL:

Thank You!

SWIFT



Services, Inc.

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



Invoice

DATE	INVOICE #
4/19/2012	23629

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

RECEIVED
APR 20 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Slover J	Ness	WW Drilling	Oil	Development	Cement LongStri...	Blaine
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				20	Miles	6.00	120.00
578D-L	Pump Charge - Long String				1	Job	1,500.00	1,500.00
402-5	5 1/2" Centralizer				1	Each	70.00	70.00T
403-5	5 1/2" Cement Basket				2	Each	250.00	500.00T
406-5	5 1/2" Latch Down Plug & Baffle				1	Each	250.00	250.00T
407-5	5 1/2" Insert Float Shoe With Auto Fill				1	Each	350.00	350.00T
409-5	5 1/2" Turbolizer				11	Each	90.00	990.00T
330	Swift Multi-Density Standard (MIDCON II)				100	Sacks	16.50	1,650.00T
325	Standard Cement				100	Sacks	13.50	1,350.00T
284	Calseal				5	Sack(s)	35.00	175.00T
283	Salt				500	Lb(s)	0.20	100.00T
285	CFR-1				50	Lb(s)	4.00	200.00T
276	Flocele				50	Lb(s)	2.00	100.00T
281	Mud Flush				500	Gallon(s)	1.25	625.00T
221	Liquid KCL (Clayfix)				2	Gallon(s)	25.00	50.00T
290	D-Air				2	Gallon(s)	35.00	70.00T
581D	Service Charge Cement				200	Sacks	2.00	400.00
583D	Drayage				204.27	Ton Miles	1.00	204.27
	Subtotal							8,704.27
	Sales Tax Ness County						6.30%	408.24

We Appreciate Your Business!

Total

\$9,112.51



CHARGE TO: Palamino Petroleum
 ADDRESS:
 CITY, STATE, ZIP CODE:

TICKET
 No 23629

PAGE 1 OF 2

SERVICE LOCATIONS
 1. Ass City KS WELL/PROJECT NO. #1 LEASE Slover "9" COUNTY/PARISH Ness STATE KS CITY Bazine DATE 19 APR 12 OWNER
 2. TICKET TYPE SERVICE SALES CONTRACTOR ww RIG NAME/NO. SHIPPED VIA CT DELIVERED TO location ORDER NO.
 3. WELL TYPE oil WELL CATEGORY Development JOB PURPOSE cement lay string WELL PERMIT NO. WELL LOCATION 28-18-21w
 4. REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF			UM		UM	
575		1			MILEAGE TRK 114	20	mi	6.00		120.00
578		1			Pump Charge	1	ea	1500.00		1500.00
402		1			Centralizer	5 1/2	in	1.00		70.00
403		1			Cement Bucket	5 1/2	in	2.00		370.00
406		1			Latch down plug & baffle	5 1/2	in	1.00		250.00
407		1			inset float shoe w/auto fill	5 1/2	in	1.00		350.00
409		1			turbolizer	5 1/2	in	11.00		990.00

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 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		
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				PAGE TOTAL 1	3780.00
WE UNDERSTOOD AND MET YOUR NEEDS?				2	4924.27
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				subtotal	8704.27
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				17.55% TAX	408.24
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	9112.51
<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] APPROVAL [Signature]
 Thank You!



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

TICKET CONTINUATION

TICKET No. 23629

CUSTOMER *Petroleum Petroleum* WELL *Stover 9 41* DATE *19 APR 12* PAGE *2* OF *2*

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY.		UNIT PRICE		AMOUNT	
		LOC	ACCT	DF			QTY.	UM	QTY.	UM	QTY.	UM
330		1				SMD cement	100	sk		16.50	1650	00
325		1				standard cement (Pargaz)	100	sk		13.50	1350	00
284		1				calseal	500	lb	5	sk	35	100
283		1				salt	500	lb		0.20	100	00
285		1				CFR-1	50	lb		4.00	200	00
276		1				Flocele	50	lb		2.00	100	00
287		1				MUDFLUSH	500	gal		1.25	625	00
221		1				KCL liquid	2	gal		25.00	50	00
290		1				D-AIR	2	gal		35.00	70	00
581		1				SERVICE CHARGE					200	400 00
583		1				MILEAGE CHARGE					1.00	204 27

200 sk CUBIC FEET
204.27 TON MILES

CONTINUATION TOTAL 4924.27

JOB LOG

SWIFT Services, Inc.

DATE: MAY 16 12 PAGE NO. 1

CUSTOMER: Palomares Petroleum WELL NO. 41 LEASE Slower 9 JOB TYPE concrete long string TICKET NO.

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								100 SMD w/ 3/4" floccle 5 1/2" x 14" casing 100 EA-2 w/ 3/4" floccle TP=4280' seat at 4271' shoejt 2 9/16" Contractor 1, 2, 3, 5, 6, 7, 8, 10, 11, 12, 13 Bashit 2, 7
	0000							mlc TRK 110
	0215							start 52" H# casing in well
	0500							Drop ball - circulate
	0600	4 1/2	12			250		Pump 500 gal mix flush
		4 1/2	20			250		Pump 20 bbl RCL flush
	0610		11					Plug RH 30 sta SMD
	0615	4 3/4	28			250		mix SMD cement 70 sta @ 12.4 ppq
	0621	4 3/4	25			250		mix EA-2 cement 100 sta @ 15.3 ppq
								Drop latch down plug Wash pump & lines
	0637	6 1/4				275		Displace plug
		6 1/4	90			800		
	0700	6 1/4	104			1500		Land plug
								Release pressure to truck - derrick up
	0703							Wash truck
								Rack up
	0745							job complete
								Thanks! Blair / Jeff / Rob



PO Box 93999
Southlake, TX 76092

Voice: (817) 546-7282
Fax: (817) 246-3361

Bill To:
Palomino Petroleum, Inc.
4924 SE 84th St.
Newton, KS 67114-8827

INVOICE

Invoice Number: 130773
Invoice Date: Apr 11, 2012
Page: 1

RECEIVED
APR 23 2012



Customer ID	Well Name# or Customer P.O.	Payment Terms	
Palo	Slaber J# 1	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1-01	Great Bend	Apr 11, 2012	5/11/12

Quantity	Item	Description	Unit Price	Amount
150.00	MAT	Class A Common	16.25	2,437.50
3.00	MAT	Gel	21.25	63.75
21.00	MAT	Chloride	58.20	1,222.20
500.00	MAT	Allied Lightweight	14.50	7,250.00
150.00	MAT	Floseal	2.70	405.00
750.00	SER	Handling	2.10	1,575.00
469.50	SER	Ton Miles	2.35	1,103.33
1.00	SER	Surface	1,925.00	1,925.00
15.00	SER	Heavy Vehicle Mileage	7.00	105.00
15.00	SER	Light Vehicle Mileage	4.00	60.00
1.00	EQP	8 5/8 baffle Plate	112.00	112.00
2.00	EQP	8 5/8 Centralizers	64.00	128.00
1.00	EQP	8 5/8 Basket	478.00	478.00
1.00	EQP	8 5/8 Rubber Plug	112.00	112.00
1.00	EQUIP OPER	Dustin Chambers		
1.00	EQUIP OPER	Jason Benedum		
1.00	OPER ASSIST	Kerry Rose		
1.00	OPER ASSIST	Kevin Weighous		
1.00	OPER ASSIST	Ethan Glassman		
1.00	JOB DISC	Malfunction Credit	5,718.75	-5,718.75

ALL PRICES ARE NET, PAYABLE
30 DAYS FOLLOWING DATE OF
INVOICE. 1 1/2% CHARGED
THEREAFTER. IF ACCOUNT IS
CURRENT, TAKE DISCOUNT OF

\$2814.51

ONLY IF PAID ON OR BEFORE
May 6, 2012

Subtotal	11,258.03
Sales Tax	769.13
Total Invoice Amount	12,027.16
Payment/Credit Applied	
TOTAL	12,027.16

ALLIED CEMENTING CO., LLC. 042465

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:
Greene, KS
4-12-12

DATE <u>4-11-12</u>	SEC <u>25</u>	TWP. <u>19S</u>	RANGE <u>21W</u>	CALLED OUT	ON LOCATION	JOB START <u>2:20 AM</u>	JOB FINISH <u>4:00 AM</u>
LEASE <u>Slater J</u>		WELL# <u>1</u>		LOCATION <u>Bozina, KS 1 3/4 E 7 1/2 N</u>		COUNTY <u>NE KS</u>	STATE <u>Kansas</u>
OLD OR <u>(NEW)</u> (Circle one)				E into			

CONTRACTOR WLC Drilling Rig 12
 TYPE OF JOB slur face
 HOLE SIZE 12 1/4 T.D.
 CASING SIZE 4 5/8 DEPTH 1369
 TUBING SIZE DEPTH
 DRILL PIPE 4 1/2 DEPTH
 TOOL DEPTH
 PRES. MAX MINIMUM
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG. 39 Fr
 PERFS.
 DISPLACEMENT 54.72 bbl's Freshwater

OWNER
 CEMENT
 AMOUNT ORDERED 500 yds 60 min 8x9 1/2
34.16 1/2 flow 150 yds class A
34.16 2 1/2 gal
 COMMON 150 @ 16.25 2,437.50
 POZMIX @
 GEL 3 @ 21.25 63.75
 CHLORIDE 21 @ 58.20 1,222.20
 ASC @
Allied pipe 60 min 8x9 1/2 @
+ 32 cc + 3 1/2 to 5000 @ 14.50 7,250.00
160 ft loseal @ 2.70 405.00
 @
 @
 @
 @
 @
 @
 HANDLING 750 @ 2.10 1,575.00
 MILEAGE 469.30 @ 2.35 1,103.33
 TOTAL 13,651.77
405.00
14,056.77

EQUIPMENT
 PUMP TRUCK CEMENTER Jason B. Lewis, RJ
 # 400 519 HELPER Kevin WJ
 BULK TRUCK
 # 4162-109 DRIVER Eathan G. O'Kley, J
 BULK TRUCK
 # 373-307 DRIVER

REMARKS:

Pipe on bottom work circulation with Right hand
put 500 yds 60 min 8x9 1/2 34.16 1/2 Ho
with 150 yds class A 34.16 2 1/2 gal
Displace with 54.72 bbl's Freshwater
slur in
slur in
slur in
slur in
slur in
slur in

CHARGE TO: Palomino Petroleum
 STREET _____
 CITY _____ STATE _____ ZIP _____

To Allied Cementing Co., LLC.
 You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

PRINTED NAME X Robert W. Mickelson

SIGNATURE X Robert W. Mickelson

Thank You!!

SERVICE
 DEPTH OF JOB 1369
 PUMP TRUCK CHARGE 1925.00
 EXTRA FOOTAGE @
 MILEAGE 469.30 @ 7.00 3,285.10
 MANIFOLD @
400 15 @ 4.00 600.00
 @
 TOTAL 2090.00

PLUG & FLOAT EQUIPMENT

Buffer plate @ 112.00 112.00
2 centralizers 4 5/8 @ 64.00 128.00
1 Basher 5 5/8 @ 478.00 478.00
1 Robby plug 4 5/8 @ 112.00 112.00
 @
 TOTAL 830.00

SALES TAX (If Any) _____
 TOTAL CHARGES 16,909.27
 DISCOUNT 350 4,227.32 IF PAID IN 30 DAYS
12,681.95

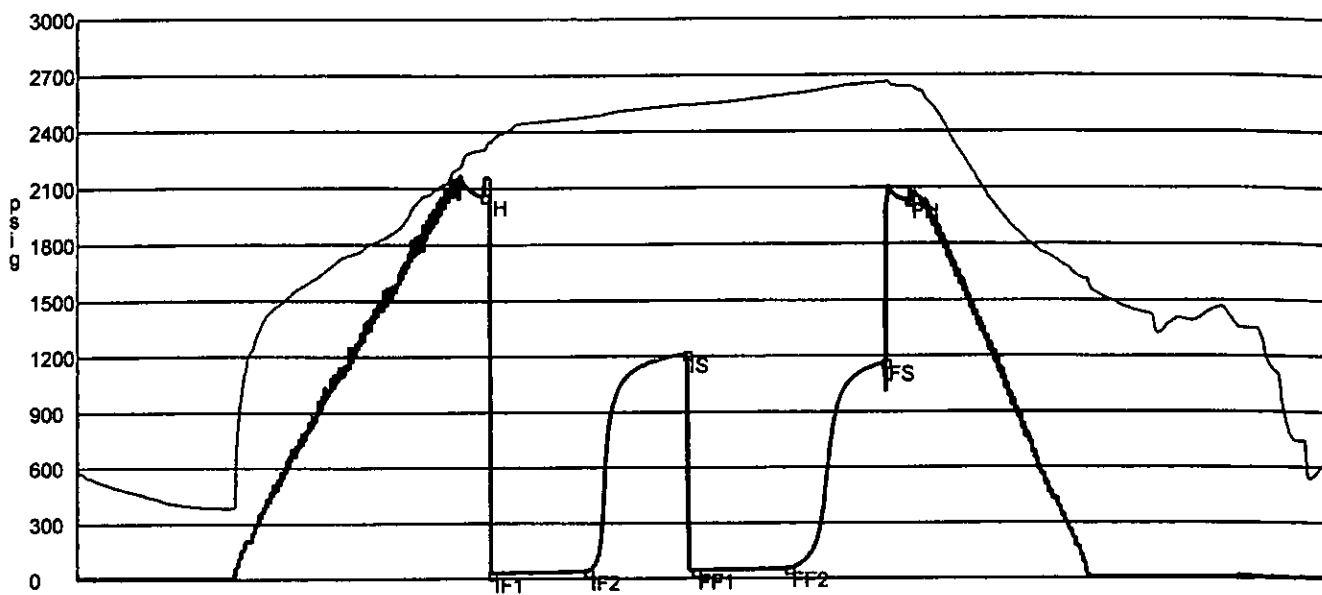
Company	Palomino Petroleum, Inc.	Lease Name	Slover J	
Address	4924 SE 84th Street	Lease #	1	
CSZ	Newton, KS 67114	Legal Desc	SW SE NW NW	Job Ticket 347:
Attn.	Nick Gerstner	Section	28	Range 21W
		Township	18S	
		County	Ness	State KS
		Drilling Cont	WW Drilling #12	
Comments	Field: Wildcat			

GENERAL INFORMATION

Test # 1	Test Date 4/17/2012	Chokes	3/4	Hole Size	7 7/8
Tester	Jimmy Ricketts	Top Recorder #	w1022		
Test Type	Conventional Bottom Hole	Mid Recorder #			
	Successful Test	Bott Recorder #	w1023		
# of Packers	2.0	Packer Size	6 3/4	Mileage	100
				Approved By	
Mud Type	Gel Chem	Standby Time	0	Extra Equipmnt	Jars & Safety Joint
Mud Weight	9.7	Viscosity	45.0	Time on Site	8:15 AM
Filtrate	11.2	Chlorides	9500	Tool Picked Up	10:00 AM
				Tool Layed Dwn	3:30 PM
Drill Collar Len	125.0	Elevation	2117.00	Kelley Bushings	2125.0
Wght Pipe Len	0				
Formation	Mississippian	Start Date/Time	4/17/2012 9:33 AM		
Interval Top	4196.0	Bottom	4203.0	End Date/Time	4/17/2012 3:49 PM
Anchor Len Below	7.0	Between	0		
Total Depth	4203.0				
Blow Type	Weak blow building to 1 inch initial flow period. Weak blow building to 1 inch final flow period. Times: 30, 30, 30, 30. API gravity of oil was 39.				

RECOVERY

Feet	Description	Gas	Oil	Water	Mud
20	Clean oil	0% 0ft	100% 20ft	0% 0ft	0% 0
50	Oil cut mud	0% 0ft	4% 2ft	0% 0ft	96% 4
DST Fluids	0				



	Date	Time	Pressure	Temp	
IH	4/17/2012 11:34:30 AM	2.025	2056.478	106.846	Initial Hydro-st
IF1	4/17/2012 11:36:30 AM	2.058333	24.656	107.632	Initial Flow (1)
IF2	4/17/2012 12:05:50 PM	2.547222	36.73	110.357	Initial Flow (2)
IS	4/17/2012 12:35:50 PM	3.047222	1211.178	111.684	Initial Shut-In
FF1	4/17/2012 12:38:20 PM	3.088889	41.05	111.686	Final Flow (1)
FF2	4/17/2012 1:06:30 PM	3.558333	51.795	112.783	Final Flow (2)
FS	4/17/2012 1:36:00 PM	4.05	1164.568	114.082	Final Shut-In
FH	4/17/2012 1:43:10 PM	4.169444	2030.244	113.613	Final Hydro-st

GAS FLOWS

Min Into IFP Min Into FFP Gas Flows Pressure Choke

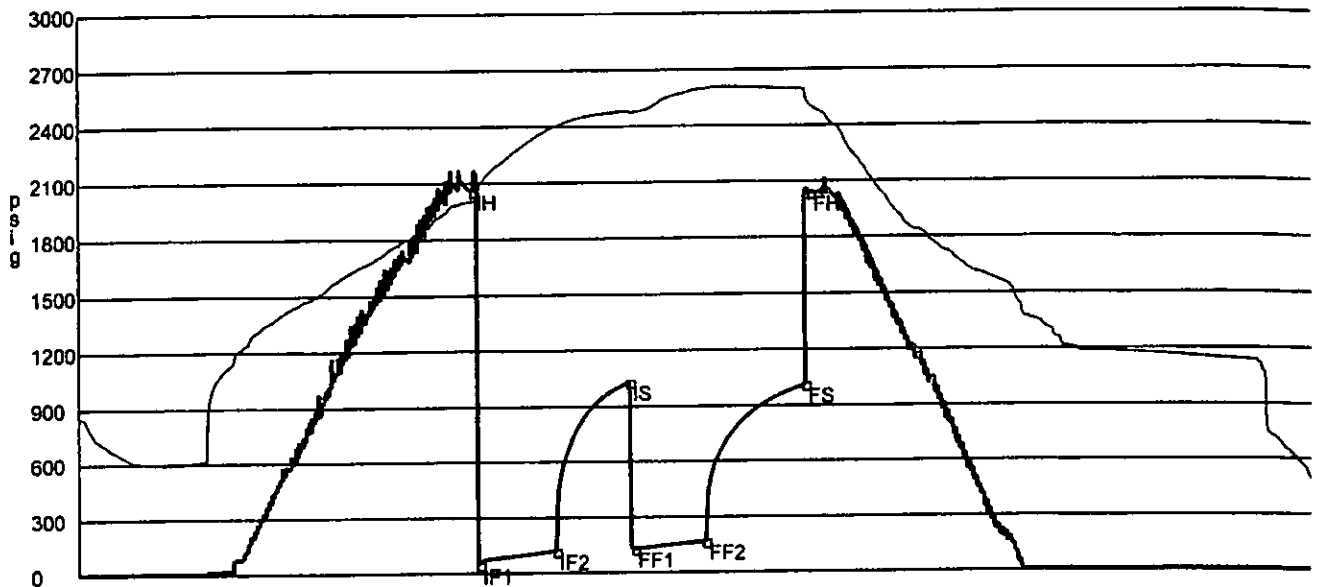
Company	Palomino Petroleum, Inc.	Lease Name	Slover J	
Address	4924 SE 84th Street	Lease #	1	
CSZ	Newton, KS 67114	Legal Desc	SW SE NW NW	Job Ticket 347
Attn.	Nick Gerstner	Section	28	Range 21V
		Township	18S	
		County	Ness	State KS
		Drilling Cont	WW Drilling #12	
Comments	Field: Wildcat			

GENERAL INFORMATION

Test # 2	Test Date 4/18/2012	Chokes 3/4	Hole Size 7 7/8
Tester Jimmy Ricketts		Top Recorder # w1023	
Test Type Conventional Bottom Hole		Mid Recorder #	
Successful Test		Bott Recorder # w1022	
# of Packers 2.0	Packer Size 6 3/4	Mileage 0	Approved By
Mud Type Gel Chem		Standby Time 0	
Mud Weight 9.6	Viscosity 47.0	Extra Equipmnt Jars & Safety Joint	
Filtrate 11.2	Chlorides 9500	Time on Site 9:30 PM	
Drill Collar Len 125.0		Tool Picked Up 11:00 PM	
Wght Pipe Len 0		Tool Layed Dwn 6:30 AM	
Formation Mississippian		Elevation 2117.00	Kelley Bushings 2125.01
Interval Top 4196.0	Bottom 4209.0	Start Date/Time 4/17/2012 10:35 PM	
Anchor Len Below 13.0	Between 0	End Date/Time 4/18/2012 6:50 AM	
Total Depth 4209.0			
Blow Type	Weak blow building to strong blow 10 minutes into initial flow period. 2 inch blow back during initial shut-in period. Weak blow building to strong blow 16 minutes into final flow period. 2 inch blow back during final shut-in period. Times: 30, 30, 30, 30. API gravity of oil was 40.		

RECOVERY

Feet	Description	Gas	Oil	Water	Mud
220	Gas in pipe	100% 220ft	0% 0ft	0% 0ft	0% 0ft
255	Clean oil	0% 0ft	100% 255ft	0% 0ft	0% 0ft
150	Gassy water and heavy mud cut oil	14% 21ft	41% 61.5ft	19% 28.5ft	26% 39ft
DST Fluids	12000				



	Date	Time	Pressure	Temp	
IH	4/18/2012 1:10:40 AM	2.594444	2054.944	104.054	Initial Hydro-s
IF1	4/18/2012 1:12:30 AM	2.625	42.699	104.834	Initial Flow (1)
IF2	4/18/2012 1:42:50 AM	3.130556	114.173	114.707	Initial Flow (2)
IS	4/18/2012 2:12:30 AM	3.625	1031.319	116.891	Initial Shut-In
FF1	4/18/2012 2:14:10 AM	3.652778	125.345	116.75	Final Flow (1)
FF2	4/18/2012 2:42:40 AM	4.127778	164.742	120.124	Final Flow (2)
FS	4/18/2012 3:22:40 AM	4.794444	1011.993	120.063	Final Shut-In
FH	4/18/2012 3:25:10 AM	4.836111	2034.681	117.807	Final Hydro-s

GAS FLOWS

<u>Min Into IFP</u>	<u>Min Into FFP</u>	<u>Gas Flows</u>	<u>Pressure</u>	<u>Choke</u>
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