



KANSAS CORPORATION COMMISSION 1088874
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 # 5123
Name: Pickrell Drilling Company, Inc.
Wellsite Geologist: Kevin J. Bailey
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 #: _____

<u>05/02/2012</u>	<u>05/13/2012</u>	<u>05/13/2012</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-135-25386-00-00

Spot Description: _____

SE SW NW SW Sec. 20 Twp. 17 S. R. 23 East West

1410 Feet from North / South Line of Section

354 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

- NE NW SE SW

County: Ness

Lease Name: DD Well #: 1

Field Name: None (Wildcat)

Producing Formation: Mississippian

Elevation: Ground: 2383 Kelly Bushing: 2393

Total Depth: 4518 Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: 524 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set: 1655 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 Garrison Date: 08/29/2012



1088874

Operator Name: Palomino Petroleum, Inc. Lease Name: DD Well #: 1
 Sec. 20 Twp. 17 S. R. 23 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: Dual Induction Log Compensated Density/Neutron Log Micro Log	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum Attached Attached Attached
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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	8.62500	23	524	Common	350	2% Gel, 3% c.c.
Production	7.8750	5.5000	14	4508	SMD, EA-2	175	20 bbls KCL Water, 500 Gal. Mud Flust

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
4	4404-4414	350 Gal. 20% MCA	
2	4426-4428	100 Sacks Common	
4	4422-4424		

TUBING RECORD: Size: <u>2 7/8"</u> Set At: <u>4478</u> Packer At: <u> </u> Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. <u>07/02/2012</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>52</u> Gas Mcf <u> </u> Water Bbls. <u>0</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	DD 1
Doc ID	1088874

Tops

Name	Top	Offset
Anhy.	1691	(+702)
Base Anhy.	1722	(+671)
Topeka	3492	(-1099)
Heebner	3772	(-1379)
Lansing	3807	(-1414)
BKC	4075	(-1682)
Marmaton	4128	(-1735)
Ft. Scott	4298	(-1905)
Cherokee	4322	(-1929)
Miss.	4399	(--2006)
Warsaw	4418	(-2025)
Osage	4431	(-2038)
LTD	4518	(-2125)

SWIFT



Services, Inc.

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



Invoice

DATE	INVOICE #
6/20/2012	22723

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

RECEIVED

JUN 23 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	D.D.	Ness	DS&W Well Servi...	Oil	Development	Acidize Formation	Dusty

PRICE REF.	DESCRIPTION	QTY	UM	UNIT PRICE	AMOUNT
500D	Mileage - 1 Way	10	Miles	6.00	60.00
501D	Acid Pump Charge	1	Job	650.00	650.00
301 - 20%	FE Acid	750	Gallons	2.60	1,950.00
230	Surf-3 ESA-N35 (Losurf 300)	2	Gallon(s)	25.00	50.00
232	Musal ESA-64	15	Gallon(s)	20.00	300.00
235	INH.1 ESA-28	2	Gallon(s)	35.00	70.00
254	Micell-1	1	Gallon(s)	40.00	40.00
	Subtotal				3,120.00
	Sales Tax Ness County			6.30%	0.00

Thank You For Your Business!

Total

\$3,120.00



CHARGE TO:
FALOMEND PETROLEUM
 ADDRESS
 CITY, STATE, ZIP CODE

TICKET
 N° 22723

PAGE 1 OF 1

SERVICE LOCATIONS 1. NESS CITY KS	WELL/PROJECT NO. #1	LEASE DD	COUNTY/PARISH NESS CO.	STATE KS.	CITY NESS CITY KS.	DATE 06 20 12	OWNER
2.	TICKET TYPE <input type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR DS & W	RIG NAME/NO. JEM	SHIPPED VIA	DELIVERED TO 7 1/2 N., E. INTO	ORDER NO.	
3.	WELL TYPE DEL Well	WELL CATEGORY DEVELOPMENT	JOB PURPOSE ACIDIZE FORMATION	WELL PERMIT NO.		WELL LOCATION see 20-175-23W	
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
500		1			MILEAGE 107	1	@	10	ML	6.00	60.00
501		1			ACID Pump CHARGE	1	@			650.00	650.00
301		1			FE ACID	750	gal	20	76	2.60	1950.00
230		1			SURF-3	2	gal			25.00	50.00
232		1			MUSAL	15	gal	2	76	20.00	300.00
235		1			TAILER-1	2	gal			35.00	70.00
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

x *[Signature]*
 DATE SIGNED 06 20 12 TIME SIGNED 1345 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	3120.00
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	3120.00

NESS 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 D FULK* APPROVAL

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 06/20/12 PAGE NO. 1
TICKET NO. 22723

CUSTOMER PALOMAR PETROLEUM WELL NO. #1 LEASE DD JOB TYPE PPI JOB

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1051							ON LOCATION DS: W READY
								TRAP SEAT WIP PERFS. 4404-14 10'
								FIGHT 200' MORN FOL 4422-24 2'
								SPOT 4431 TEST TOOLS
								2 7/8 x 5 1/2 TRWT 4431-4404
								CS. 8
								TB 4424 25.61496
								4404 25.49916
	1119	3.0	6	✓		VAC		PICKER TUBING 2 BBL ACID 4 BBL FLUO, START JOB TEST PACKER
								TEST TOOL OPEN @
	1155		12	✓		VAC		Pump 6 BBL TO DROP TOOL IN, CHASE TOOL DOWN
	1215		27	✓		2000		TESTED TOOL & PACKER DROP VALVE & CHASE DOWN
	1233	2-3	30	✓		800		TESTED VALVE TOOL STAYS OPEN. SHUT DOWN NO VACUUM TOOL CLOSE
	1238	2.75	31	✓		500		Pump ACID DOWN.
	1249		58	✓		0		ACID ON BOTTOM START PPI
				✓		1750		1 ST BLANK
		2.30	59.3	✓		900		2 1200# ↓ 900 PSI Pumping
		2.30	60.6	✓		800		3 1100# ↓ 825 PSI "
				✓		1750		4 BLANK
		2.25	62.0	✓		900		5 1200# ↓ 900 PSI Pumping
		2.160	63.25	✓		800		6 1200# ↓ 800 PSI "
		2.161	64.50	✓		750		7 1200# ↓ 750 PSI "
		2.160	65.75	✓		850		8 1250# ↓ 850 PSI "
		2.162	67.25	✓		875		9 1300# ↓ 875 PSI "
		2.161	68.50	✓		800		10 1200# ↓ 800 PSI "
		2.160	70	✓		850		11 1400# ↓ 850 PSI "
		2.164	71.25	✓		1000		12 1200# ↓ 1000 PSI "
		2.161	72.75	✓		900		13 1400# ↓ 900 PSI "
	1500	2.160	74	✓		2000		14 2000 to 1950 PSI "
	1327		74	✓		2000		15 BLANK Rtn DOWN Job completed

SWIFT



Services, Inc.

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



Invoice

DATE	INVOICE #
6/12/2012	21768

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

RECEIVED • Acidizing
 JUN 14 2012 • Cement
 • Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	D.D.	Ness	DS&W Well Servi...	Oil	Development	Squeeze Perfs	Roger
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				10	Miles	6.00	60.00
578D-D	Pump Charge - Deep Squeeze (> 1500 Ft.)				1	Job	1,500.00	1,500.00
325	Standard Cement				100	Sacks	13.50	1,350.00T
286	Halad-1 (Halad 9)				10	Lb(s)	7.50	75.00T
581D	Service Charge Cement				100	Sacks	2.00	200.00
582D	Minimum Drayage Charge				1	Each	250.00	250.00
	Subtotal							3,435.00
	Sales Tax Ness County						6.30%	89.78
Thank You For Your Business!							Total	\$3,524.78



CHARGE TO: Palamio Pet.
 ADDRESS _____
 CITY, STATE, ZIP CODE _____

TICKET No 21768

PAGE 1 OF 1

1. SERVICE LOCATIONS <u>Ness City, Ks</u>	WELL/PROJECT NO. <u>#1</u>	LEASE <u>DD</u>	COUNTY/PARISH <u>Ness</u>	STATE <u>Ks</u>	CITY	DATE <u>6-18-82</u>	OWNER <u>Same</u>
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <u>D.S. + W.</u>	RIG NAME/NO.	SHIPPED VIA <u>CIT</u>	DELIVERED TO <u>La.</u>	ORDER NO.	
3.	WELL TYPE <u>Oil</u>	WELL CATEGORY <u>Development</u>	JOB PURPOSE <u>Squeeze Reels</u>	WELL PERMIT NO.	WELL LOCATION		
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 #	10		m/l		6.00	60	00
578		1			Pump Service	1		ea		1500.00	1500	00
581		1			Service Charge	100		SK		2.00	200	00
582		1			Drage	Minimum				250.00	250	00
325		1			Standard Cement	100		SK		13.50	1350	00
286		1			Halad-1	10		#		7.50	75	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 [Signature]
 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	3435.00
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	3524.78

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

SWIFT OPERATOR [Signature] APPROVAL _____

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 6-12-72 PAGE NO.

CUSTOMER Palamiro P.V. WELL NO. #1 LEASE D.D. JOB TYPE Squeeze Perfs TICKET NO. 21768

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL/GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1330							on loc. set up travel water under
	1400					1000		PKR SET 4436 Test Tool 1,000 PSI held
	1420						500	Set PKR 4288' to Squeeze Perfs 4404-14, 4426-28 Load Ann. 19" Press 500psi held
	1430	2					500	Inj. Rate 2BPM 500psi Start mix 100sk Standard Cement Held in first 25sk Finish mixing wash Pump + Line Start Displ
	1435							
	1435		21					
	1450	2					300	Cont. on Perfs 2BPM 300psi
	1455		13.6				2000	35sk cut out 2000psi Stage
	1505							Release press Flowed Back
	1525						2000	Repress 2000psi Release press. Dried up Reverse cut short way
	1535						2000	Pull 1 Jt. Press to 2000psi shut in wash up tool
	1600						2000	Holding 2000psi Pull 4 Jts. Press 500psi shut in @ well head Pack up travel
	1630							Job Complete

Thank

Roger, Dave, Rob

SWIFT



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



Invoice

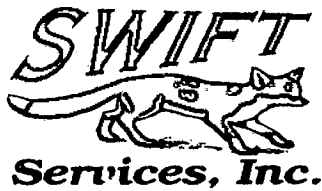
DATE	INVOICE #
6/11/2012	22709

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

RECEIVED
JUN 13 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	D.D.	Ness	DS&W Well Servi...	Oil	Development	Acidize Formation	Dusty
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
500D	Mileage - 1 Way				10	Miles	6.00	60.00
501D	Acid Pump Charge				1	Job	650.00	650.00
305 - 15%	MOD 202				1,000	Gallons	4.25	4,250.00
230	Surf-3 ESA-N35 (Losurf 300)				2	Gallon(s)	25.00	50.00
232	Musal ESA-64				30	Gallon(s)	20.00	600.00
235	INH.1 ESA-28				2	Gallon(s)	35.00	70.00
254	Micell-1				2	Gallon(s)	40.00	80.00
	Subtotal							5,760.00
	Sales Tax Ness County						6.30%	0.00
Thank You For Your Business!							Total	\$5,760.00



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

TICKET
 No 22709

PAGE 1 OF 1

SERVICE LOCATIONS 1. <u>NESS CITY KS</u>	WELL/PROJECT NO. <u>#1</u>	LEASE <u>DD</u>	COUNTY/PARISH <u>NESS Co.</u>	STATE <u>KS.</u>	CITY <u>NESS CITY KS.</u>	DATE <u>06/11/12</u>	OWNER
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <u>DS & W</u>	RIG NAME/NO. <u>Jim</u>	SHIPPED VIA	DELIVERED TO <u>W.N. E. INTD</u>	ORDER NO.	
3.	WELL TYPE <u>DEL WELL</u>	WELL CATEGORY <u>DEVELOPMENT</u>	JOB PURPOSE <u>ACIDIZE FORMATION</u>	WELL PERMIT NO.	WELL LOCATION <u>Sec. 20-175-23W</u>		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
500		1			MILEAGE 107	1	mi	10		26.00	60.00
501		1			ACID Pump CHARGES	1				650.00	650.00
305		1			MDD 202 ACID	1000	gal	15	96	4.25	4250.00
230		1			SURF-3	2	gal			25.00	50.00
232		1			MUSAL	30	gal	3	96	20.00	600.00
235		1			INHIB-1	2	gal			35.00	70.00
254		1			MICELL-1	2	gal			40.00	80.00

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 [Signature]
 DATE SIGNED 06/11/12 TIME SIGNED 10:45 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	5760.00
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	5760.00

TAX 17.55
 16.3%

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 06/11/12 PAGE NO. 1

CUSTOMER PALOMENO PETROLEUM WELL NO. #1 LEASE DD JOB TYPE ACIDIZING FORMATION TICKET NO. 22709

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	0915							ON LOCATION DS: W SWABING
								TRM 3400' PERFS. 4404'-14'
								FLHT 1020' SPOT 4420' 8.0274 BBL
								2 3/4 x 5 1/2 TREAT 4380'
								Cs. 34' 8.092 BBL
								Tb. 4380' 28.3602
								TOTAL 26.1694 BBL
	0925	3-0	9	✓		VAC		START JOB SPOTTED ACID
	0940	3	9.1	✓		0		PUMPING REST OF ACID
	0946	3	24	✓		0		ON FLUSH
	0947	3-0	29	✓		600		LOADED
		.6	30.5	✓		700		TREATING,
		.6	32	✓		900		" 6 BBL ACID OUT
		.6	37	✓		1000		"
		.6	37.25	✓		900		BREAK 11 BBL ACID OUT
		1	39	✓		850		TREATING
		1	42	✓		850		" 16 BBL OUT
		1	42.25	✓		825		SLOWLY DROP
		1	44	✓		775		TREATING 18 BBL OUT ACID
		1	47	✓		650		" 21 " " "
		1	50	✓		550		ON OVER FLUSH
		1-0	53	✓		400		TSTP 300#s
						0		30 sec
						VAC		1 MIN
								RIG DOWN
								TICKET
								Job Completed
								THANK YOU DUSTY & RUSSELL

SWIFT



Services, Inc.

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



Invoice

DATE	INVOICE #
6/6/2012	21762

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

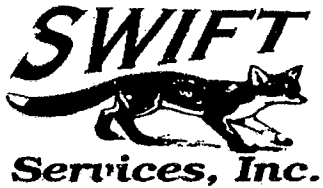
RECEIVED
JUN 11 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	D.D.	Ness	DS&W Well Servi...	Oil	Development	Acidize Perfs	Roger

PRICE REF.	DESCRIPTION	QTY	UM	UNIT PRICE	AMOUNT
500D	Mileage - 1 Way	10	Miles	6.00	60.00
501D	Acid Pump Charge	1	Job	650.00	650.00
500D	Mileage - 1 Way On 06/07/2012	10	Miles	6.00	60.00
501D	Acid Pump Charge On 06/07/2012	1	Job	650.00	650.00
301 - 20%	FE Acid	600	Gallons	2.60	1,560.00
235	INH.1 ESA-28	3	Gallon(s)	35.00	105.00
230	Surf-3 ESA-N35 (Losurf 300)	2	Gallon(s)	25.00	50.00
254	Micell-1	2	Gallon(s)	40.00	80.00
232	Musal ESA-64	12	Gallon(s)	20.00	240.00
	Subtotal				3,455.00
	Sales Tax Ness County			6.30%	0.00

Thank You For Your Business!	Total	\$3,455.00
-------------------------------------	--------------	------------



CHARGE TO: Palamino Pet.
 ADDRESS:
 CITY, STATE, ZIP CODE:

TICKET No 21762

PAGE 1 OF 1

SERVICE LOCATIONS 1. <u>Hays, KS</u>	WELL/PROJECT NO. #1	LEASE DD	COUNTY/PARISH Ness	STATE KS.	CITY	DATE 6-6-12	OWNER Same
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR D.S. & W.	RIG NAME/NO.	SHIPPED VIA CIT	DELIVERED TO Loc.	ORDER NO.	
3.	WELL TYPE Oil	WELL CATEGORY Development	JOB PURPOSE Acidize Perf	WELL PERMIT NO.	WELL LOCATION		
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 #108	10	ml			6.00	60.00
501		1			Pump Service	1	ea			650.00	650.00
301		1			FE Acid	600	gal	20	%	2.60	1,560.00
235		1			Inhib-1	3	gal			35.00	105.00
230		1			Surt-3	2	gal			25.00	50.00
254		1			Miscel	2	gal			40.00	80.00
232		1			Musal	12	gal			20.00	240.00
500		1			Mileage #108 6-7-12	10	ml			6.00	60.00
501		1			Pump Service 6-7-12	1	ea			650.00	650.00

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 [Signature]
 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	3455 2745 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	3455.00

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

SWIFT OPERATOR [Signature] APPROVAL _____

Thank You.

JOB LOG

SWIFT Services, Inc.

DATE 6-6-12 PAGE NO. 7

CUSTOMER Palomino Pet. WELL NO. #1 LEASE DD JOB TYPE Acid TICKET NO. 21762

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	0945							on loc.
	1055							Rig running in PPE tool PKR C 4421'
	11:05					2,000		Pickel tubing 100 gal Acid set PKR test 2,000 psi held
	11:35							Drop RFC Valve Chase with Swabs Test Valve
	12:20					2,200		2,200 psi would not open Retrieve Valve
	12:35							Drop New Valve chase with swabs
	1300					3,000		Test Valve 3000 psi would not open Retrieve 2nd valve
	1330							Retrieve Bottom Dart
	1430							3 Runs could not get Bottom Dart Pull PKR out of hole
	1500							TRUCK Released. 6-7-12
	0815							on loc. Setup truck
	0840							Pickel tubing 100 gal Acid Swabs Reack
	10:05					2000		Drop Bottom Dart test tool held 2,000 psi
	10:20							Drop RFC Valve chase with Swabs
	10:40							Test Valve
	10:45					1100/200		Open 1100 psi close 200 psi Spot Acid to Perfs
	10:55							Treat Perfs 4404-14 50 gal 20% FE
	11:15	2				400		50 gal / Feet 2 Bam 400 psi Average Acid out Retrieve RFC Rack up truck JOS Complete

Handwritten signature

Handwritten signature

SWIFT



Services, Inc.

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



Invoice

DATE	INVOICE #
6/4/2012	22586

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

RECEIVED
JUN 08 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	D.D.	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				350	Gallons	2.70	945.00
221	Liquid KCL (Clayfix)				2	Gallon(s)	25.00	50.00
232	Musal ESA-64				11	Gallon(s)	20.00	220.00
235	INH. I ESA-28				1	Gallon(s)	35.00	35.00
	Subtotal							1,530.00
	Sales Tax Ness County						6.30%	0.00
Thank You For Your Business!							Total	\$1,530.00



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

TICKET No 22586

PAGE 1 OF 1

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

WELL/PROJECT NO. **#1** LEASE **DD** COUNTY/PARISH **NESS** STATE **KS** CITY **NESS** DATE **6-4-12** OWNER **SAME**

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

WELL TYPE **OTL** WELL CATEGORY **DEVELOPMENT** JOB PURPOSE **ACID DUMP** WELL PERMIT NO. **NESS CITY, KS - 612W, E 2W**

REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
302		1			MILEAGE DELIVERY CHARGE # 107	4		hrs		70.00	280.00
303		1			MCA ACID	350		gal	20%	2.70	945.00
221		1			LIQUID KCL	2		gal		25.00	50.00
232		1			MUSAL	11		gal		20.00	220.00
235		1			INHIB-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
 DATE SIGNED **6-4-12** 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
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				1530.00
WE UNDERSTOOD AND MET YOUR NEEDS?				
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				1530.00
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL

NESS 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 **WAYNE WATSON** APPROVAL

Thank You

SWIFT



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



Invoice

DATE	INVOICE #
5/22/2012	22659

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

RECEIVED
MAY 24 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	DD	Ness	DS&W Well Servi...	Oil	Development	Cement Port Collar	Jason
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				10	Miles	6.00	60.00
576D-D	Pump Charge - Port Collar				1	Job	1,250.00	1,250.00
276	Flocele				50	Lb(s)	2.00	100.00T
290	D-Air				2	Gallon(s)	35.00	70.00T
105	Port Collar Tool Rental With Man				1	Each	350.00	350.00T
330	Swift Multi-Density Standard (MIDCON II)				150	Sacks	16.50	2,475.00T
581D	Service Charge Cement				175	Sacks	2.00	350.00
582D	Minimum Drayage Charge				1	Each	250.00	250.00
	Subtotal							4,905.00
	Sales Tax Ness County						6.30%	188.69
We Appreciate Your Business!							Total	\$5,093.69



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

TICKET
 No 22659

PAGE 1 OF 1

SERVICE LOCATIONS
 1. **NESS CITY, KS.** WELL/PROJECT NO. LEASE **DD#1** COUNTY/PARISH **NESS** STATE **KS.** CITY **NESS CITY, KS.** DATE **22 MAY 12** OWNER
 2. TICKET TYPE SERVICE SALES CONTRACTOR **DS#W WELL SERV.** RIG NAME/NO. SHIPPED VIA DELIVERED TO ORDER NO.
 3. WELL TYPE **OIL** WELL CATEGORY **DEVELOPMENT** JOB PURPOSE **CEMENT PORT COLLAR** WELL PERMIT NO. WELL LOCATION **7N, E7U0**
 4. REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
75					MILEAGE #110 - #114	10	MIL			6 ⁰⁰	60 ⁰⁰
576D					Pump CHARGE	1	JOB			1250 ⁰⁰	1250 ⁰⁰
276					FLOCECE	50	LBS			2 ⁰⁰	100 ⁰⁰
290					D-AIR	2	GR			35 ⁰⁰	70 ⁰⁰
105					PORT COLLAR OPENING TOOL	1	JOB			350 ⁰⁰	350 ⁰⁰
330					SWIFT MULTIDENSITY	150	SX			16 ⁵⁰	2475 ⁰⁰
581					SERVICE CHARGE CEMENT	175	SX			2 ⁰⁰	350 ⁰⁰
582					MINIMUM DRAYAGE	17384	LBS	86.92	TM	250 ⁰⁰	750 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 *[Signature]*
 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	AMOUNT
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				4905	00
WE UNDERSTOOD AND MET YOUR NEEDS?					
OUR SERVICE WAS PERFORMED WITHOUT DELAY?					
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				17.55	188 ⁶⁰
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				10.3%	
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL	5093 ⁶⁰

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

SWIFT OPERATOR *[Signature]* APPROVAL

Thank You.

JOB LOG

SWIFT Services, Inc.

DATE 22 MAY 12 PAGE NO.

CUSTOMER Valero Petroleum

WELL NO. #1

LEASE D.D.

JOB TYPE cement port collar

TICKET NO. 22659

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	0940							truck 110 on loc 175 sks SMD w/ 1/2" flocc 2 3/4" S ₂ port collar @ 1653'
	1045							truck 110 off loc TRX 114 on loc
	1050					1000	1000	test to 1000 psi - held
	1100	3	2			350		inj rate 3 bpm @ 350 psi
	1103	3 1/2				350		mix SMD cement @ 11.2 pp _g
		3 1/2	8			350		fluid to surface
	1125	3 1/2	81			450		- cement to surface { 150 sks mixed } 15 top
	1130							close port collar
						1000	1000	test to 1000 psi - held
	1140							run 4 joints
	1150		20					Reverse hole clean 2 cement plugs
								wash up truck
								Back up
								job complete
								Thanks Blaine Isaac & Dave

SWIFT



Services, Inc.

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



Invoice

DATE	INVOICE #
5/13/2012	22658

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

RECEIVED
MAY 16 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	DD	Ness	Pickrell Drilling R...	Oil	Development	5-1/2" LongString	Jason

PRICE REF.	DESCRIPTION	QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way	10	Miles	6.00	60.00
578D-L	Pump Charge - Long String - 4508 Feet	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	3	Each	250.00	750.00T
404-5	5 1/2" Port Collar - 1655 Feet	1	Each	2,400.00	2,400.00T
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	9	Each	90.00	810.00T
281	Mud Flush	500	Gallon(s)	1.25	625.00T
221	Liquid KCL (Clayfix)	2	Gallon(s)	25.00	50.00T
276	Flocele	57	Lb(s)	2.00	114.00T
283	Salt	500	Lb(s)	0.20	100.00T
284	Calseal	5	Sack(s)	35.00	175.00T
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	13.50	1,350.00T
330	Swift Multi-Density Standard (MIDCON II)	125	Sacks	16.50	2,062.50T
581D	Service Charge Cement	225	Sacks	2.00	450.00
582D	Minimum Drayage Charge	1	Each	250.00	250.00
	Subtotal				11,636.50
	Sales Tax Ness County			6.30%	590.72

We Appreciate Your Business!	Total	\$12,227.22
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CHARGE TO: **PALOMINO PETROLEUM**
 ADDRESS:
 CITY, STATE, ZIP CODE:

TICKET
 No 22658


PAGE 1 OF 2

SERVICE LOCATIONS: 1. **Ness City, KS**
 WELL/PROJECT NO.:
 LEASE: **DD #1**
 COUNTY/PARISH: **NESS**
 STATE: **KS**
 CITY: **Ness City, KS**
 DATE: **13 MAY 12**
 OWNER:
 TICKET TYPE: SERVICE SALES
 CONTRACTOR: **PICKRELL DRILLING RIG #1**
 RIG NAME/NO.:
 SHIPPED VIA:
 DELIVERED TO:
 ORDER NO.:
 WELL TYPE: **DIL**
 WELL CATEGORY: **DEVELOPMENT**
 JOB PURPOSE: **5 1/2 LONGSTRING**
 WELL PERMIT NO.:
 WELL LOCATION: **7N E INTO**
 REFERRAL LOCATION:
 INVOICE INSTRUCTIONS:

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575					MILEAGE #110	10	mi			60.00	600.00
578					PUMP CHARGE	1	HR	450	FT.	1500.00	1500.00
402					CENTRALIZER	1	EA			70.00	70.00
403					CEMENT BASKET	3	EA			250.00	750.00
404					PORT COLLAR	1	EA	11055	FT.	2400.00	2400.00
406					LATCH DOWN PLUG & BARKLE	1	EA			250.00	250.00
407					INSEKT FLOAT SHOE W/AUTO FILL	1	EA			350.00	350.00
409					TURBOLIZER	9	EA			90.00	810.00
281					MUD FLUSH	500	BAR			1.25	625.00
221					LIQUID KCL	2	BAR			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: **13 MAY 12** TIME SIGNED: **0015** 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	AMOUNT
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				1	6865.00
WE UNDERSTOOD AND MET YOUR NEEDS?				2	4771.50
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				Subtotal	11636.50
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				Less TAX 3%	590.70
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	12,227.20
<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:  APPROVAL:

Thank You!



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

TICKET CONTINUATION

TICKET No. 22658

CUSTOMER **FACMINO PETROLEUM** WELL **DD #1** DATE **13 MAY 12** PAGE **2** OF **2**

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY		UNIT PRICE	AMOUNT
		LOC	ACCT	DF			QTY	U/M		
276						FLOCEL	57	lbs	2.00	114.00
283						SALT	500	lbs	.20	100.00
284						CALSEAL	5	SX	35.00	175.00
285						CFR-1	50	lbs	4.00	200.00
290						D-AIR	2	sqc	35.00	70.00
325						STANDARD CEMENT EA2	100	SX	13.50	1350.00
330						SWIFT MULTI DENSITY	125	SX	16.50	2062.50
581						SERVICE CHARGE				
582										
						CUBIC FEET	225	SX	2.00	450.00
						MILEAGE CHARGE				
						TOTAL WEIGHT	22867			
						LOADED MILES	10			
						TON MILES	114.33		250.00	250.00

CONTINUATION TOTAL 4771.50

JOB LOG

SWIFT Services, Inc.

DATE 73 MAY 12 PAGE NO.

CUSTOMER FACUNINO PETROLEUM WELL NO. LEASE DD#1 JOB TYPE 5 1/2 LONGSTRING TICKET NO. 22658

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1800							ON LOCATION
	2015							START PIPE 5 1/2-14" RTD @ 4515 SET @ 4508 SHOE JT - 33.33' CENTRALIZERS 1, 2, 3, 4, 5, 6, 7, 8, 10, 67 BASKETS 2, 6, 68 PORT COLLAR TOP OF JT @ 68 @ 1655
	2207							DROP BALL CIRCULATE
	2356	6	12		✓		300	Pump 500gal MUD FLUSH
		6	20		✓		300	Pump 20BBL KCL FLUSH
	2302		7.5					PLUG RH-MH (30sx-20sx)
	2306	4	27		✓			MIX 75sx SMD
		4	24		✓			MIX 100sx EA2
	2325							WASH OUT PUMP & LINE
	2326	6			✓			START DISPLACING PLUG
	2346	Ø	109		✓		1500	PLUG DOWN PSI UP LATCH PLUG IN
	2348							RELEASE PSI - DRY
	2350							WASH TRUCK
	0015							JOB COMPLETE
								THANKS #110
								JASON DAVE DUSTY



INVOICE

PO Box 93999
Southlake, TX 76092

Invoice Number: 131077

Invoice Date: May 3, 2012

Page: 1

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

RECEIVED

MAY 11 2012



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

Customer ID	Well Name # or Customer P.O.	Payment Terms	
Palo	DD#1	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1-01	Great Bend	May 3, 2012	6/2/12

Quantity	Item	Description	Unit Price	Amount
350.00	MAT	Class A Common	16.25	5,687.50
7.00	MAT	Gel	21.25	148.75
12.00	MAT	Chloride	58.20	698.40
379.39	SER	Handling	2.10	796.72
12.00	SER	Ton Miles	40.64	487.66
1.00	SER	Surface	1,125.00	1,125.00
12.00	SER	Heavy Vehicle Mileage	7.00	84.00
12.00	SER	Light Vehicle Mileage	4.00	48.00
1.00	EQUIP OPER	Shane Konzem		
1.00	EQUIP OPER	Jonathon Ploutz		
1.00	OPER ASSIST	Kevin Weighous		

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

\$2269.00

ONLY IF PAID ON OR BEFORE

May 28, 2012

Subtotal	9,076.03
Sales Tax	411.68
Total Invoice Amount	9,487.71
Payment/Credit Applied	
TOTAL	9,487.71

ALLIED OIL & GAS SERVICES, LLC 053556

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

SERVICE POINT:
Great Bend, KS

DATE <u>5-3-12</u>	SEC. <u>20</u>	TWP. <u>17S</u>	RANGE <u>23 W</u>	CALLED OUT	ON LOCATION	JOB START <u>6:30 AM</u>	JOB FINISH <u>6:30 AM</u>
LEASE <u>DD</u>		WELL # <u>1</u>		LOCATION <u>5 North of Ness City, East into</u>		COUNTY <u>Ness</u>	STATE <u>KS</u>
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR Pickrell #1
 TYPE OF JOB Surface
 HOLE SIZE 12 1/4 T.D. 529 ft
 CASING SIZE 8 5/8 DEPTH 512717 = 529
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE 4 1/2 DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. 15 ft.
 PERFS. _____
 DISPLACEMENT Freshwater

OWNER Palomino
 CEMENT
 AMOUNT ORDERED 350 sacks, 30% cc, 20% gel

EQUIPMENT

PUMP TRUCK CEMENTER Shane K
 # 224 HELPER Jon P
 BULK TRUCK
 # 482/188 DRIVER Kevin W.
 BULK TRUCK
 # _____ DRIVER _____

COMMON <u>350 sacks</u>	@ <u>16.25</u>	<u>5,687.50</u>
POZMIX _____	@ _____	_____
GEL <u>7</u>	@ <u>21.25</u>	<u>148.75</u>
CHLORIDE <u>12</u>	@ <u>58.20</u>	<u>698.40</u>
ASC _____	@ _____	_____
_____	@ _____	_____
_____	@ _____	_____
_____	@ _____	_____
_____	@ _____	_____
_____	@ _____	_____
_____	@ _____	_____
HANDLING <u>379.39</u>	@ <u>2.10</u>	<u>796.72</u>
MILEAGE <u>17.29 x 12 x</u>	<u>2.35</u>	<u>487.68</u>
TOTAL		<u>7,819.03</u>

REMARKS:

Arrive on location, hold safety meeting, Rig up
mis 350 sacks com 30% cc, 20% gel displac
with 32,742 bbls of Freshwater Shut in
Cement did circulate. Rig down.
Leave Location

SERVICE

DEPTH OF JOB <u>529'</u>		
PUMP TRUCK CHARGE		<u>1125.00</u>
EXTRA FOOTAGE	@ _____	_____
MILEAGE <u>HUM 12</u>	@ <u>7.00</u>	<u>84.00</u>
MANIFOLD	@ _____	_____
<u>LUM 12</u>	@ <u>4.00</u>	<u>48.00</u>
_____	@ _____	_____

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

TOTAL 1257.00

PLUG & FLOAT EQUIPMENT

_____	@ _____	_____
_____	@ _____	_____
_____	@ _____	_____
_____	@ _____	_____
_____	@ _____	_____

TOTAL _____

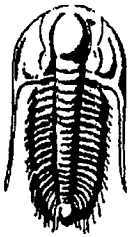
To: Allied Oil & Gas Services, LLC.
 You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read and understand the "GENERAL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

SALES TAX (If Any) _____

TOTAL CHARGES	<u>9,076.03</u>
DISCOUNT <u>25%</u>	<u>2,269.00</u>
	<u>6,807.03</u>

IF PAID IN 30 DAYS

PRINTED NAME X Mike Keen
 SIGNATURE X Mike Keen



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

Palomino Petroleum Inc

20-17s-23w Ness,KS

4924 SE 84th St.
New ton KS 67114

DD #1

Job Ticket: 46325

DST#: 1

ATTN: Kevin Bailey

Test Start: 2012.05.11 @ 08:56:00

GENERAL INFORMATION:

Formation: **Miss**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 10:56:00

Time Test Ended: 16:54:09

Test Type: Conventional Bottom Hole (Initial)

Tester: Cody Bloedorn

Unit No: 39

Interval: 4314.00 ft (KB) To 4414.00 ft (KB) (TVD)

Reference Elevations: 2393.00 ft (KB)

Total Depth: 4414.00 ft (KB) (TVD)

2385.00 ft (CF)

Hole Diameter: 7.88 inches Hole Condition: Fair

KB to GR/CF: 8.00 ft

Serial #: 8372

Inside

Press@RunDepth: 180.93 psig @ 4317.00 ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.05.11

End Date: 2012.05.11

Last Calib.: 2012.05.11

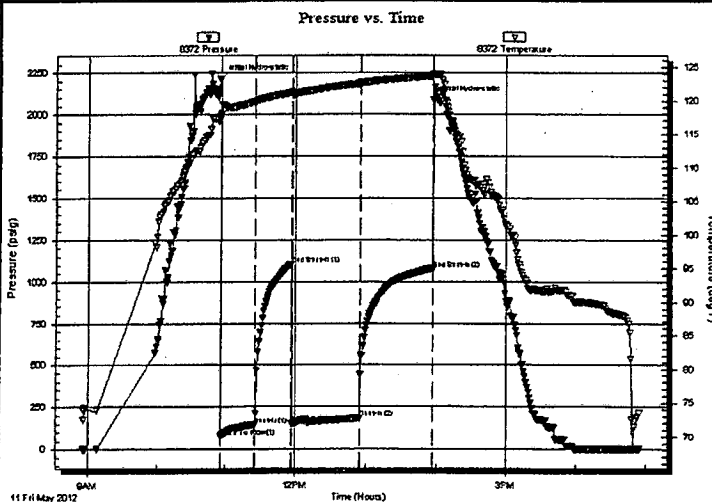
Start Time: 08:56:05

End Time: 16:54:10

Time On Btm: 2012.05.11 @ 10:55:40

Time Off Btm: 2012.05.11 @ 13:57:09

TEST COMMENT: 30 - IF- 6" blow
30 - IS- No blow back
60 - FF- 1" blow
60 - FS- No blow back



PRESSURE SUMMARY

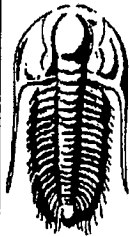
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2217.75	117.74	Initial Hydro-static
1	73.52	117.47	Open To Flow (1)
31	143.53	119.78	Shut-In(1)
62	1104.52	121.15	End Shut-In(1)
62	147.68	120.87	Open To Flow (2)
119	180.93	122.49	Shut-In(2)
182	1071.40	123.67	End Shut-In(2)
182	2086.42	124.03	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
186.00	MCO, 20%M, 80%O	1.48
124.00	MO, 2%M, 98%O	1.74
45.00	GHOCM, 5%G, 35%O, 60%M	0.63

Gas Rates

	Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum Inc

20-17s-23w Ness,KS

4924 SE 84th St.
New ton KS 67114

DD #1

Job Ticket: 46325

DST#: 1

ATTN: Kevin Bailey

Test Start: 2012.05.11 @ 08:56:00

Tool Information

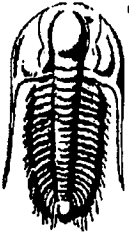
Drill Pipe:	Length: 4192.00 ft	Diameter: 3.80 inches	Volume: 58.80 bbl	Tool Weight: 2500.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: 0.00 inches	Volume: 0.00 bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 124.00 ft	Diameter: 2.25 inches	Volume: 0.61 bbl	Weight to Pull Loose: lb
			<u>Total Volume: 59.41 bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	31.00 ft			String Weight: Initial 80000.00 lb
Depth to Top Packer:	4314.00 ft			Final lb
Depth to Bottom Packer:	ft			
Interval between Packers:	100.00 ft			
Tool Length:	129.00 ft			
Number of Packers:	2	Diameter: 6.75 inches		

Tool Comments:

Tool Description

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths
Change Over Sub	1.00			4286.00	
Shut In Tool	5.00			4291.00	
Hydraulic tool	5.00			4296.00	
Jars	5.00			4301.00	
Safety Joint	3.00			4304.00	
Packer	5.00			4309.00	29.00 Bottom Of Top Packer
Packer	5.00			4314.00	
Stubb	1.00			4315.00	
Perforations	1.00			4316.00	
Change Over Sub	1.00			4317.00	
Recorder	0.00	8372	Inside	4317.00	
Recorder	0.00	8017	Outside	4317.00	
Blank Spacing	93.00			4410.00	
Change Over Sub	1.00			4411.00	
Bullnose	3.00			4414.00	100.00 Bottom Packers & Anchor

Total Tool Length: 129.00



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum Inc

20-17s-23w Ness,KS

4924 SE 84th St.
New ton KS 67114

DD #1

Job Ticket: 46325

DST#: 1

ATTN: Kevin Bailey

Test Start: 2012.05.11 @ 08:56:00

Mud and Cushion Information

Mud Type: Gel Chem	Cushion Type:	Oil API:	deg API
Mud Weight: 9.00 lb/gal	Cushion Length: ft	Water Salinity:	ppm
Viscosity: 57.00 sec/qt	Cushion Volume: bbl		
Water Loss: 10.77 in ³	Gas Cushion Type:		
Resistivity: ohm.m	Gas Cushion Pressure: psig		
Salinity: 6500.00 ppm			
Filter Cake: inches			

Recovery Information

Recovery Table

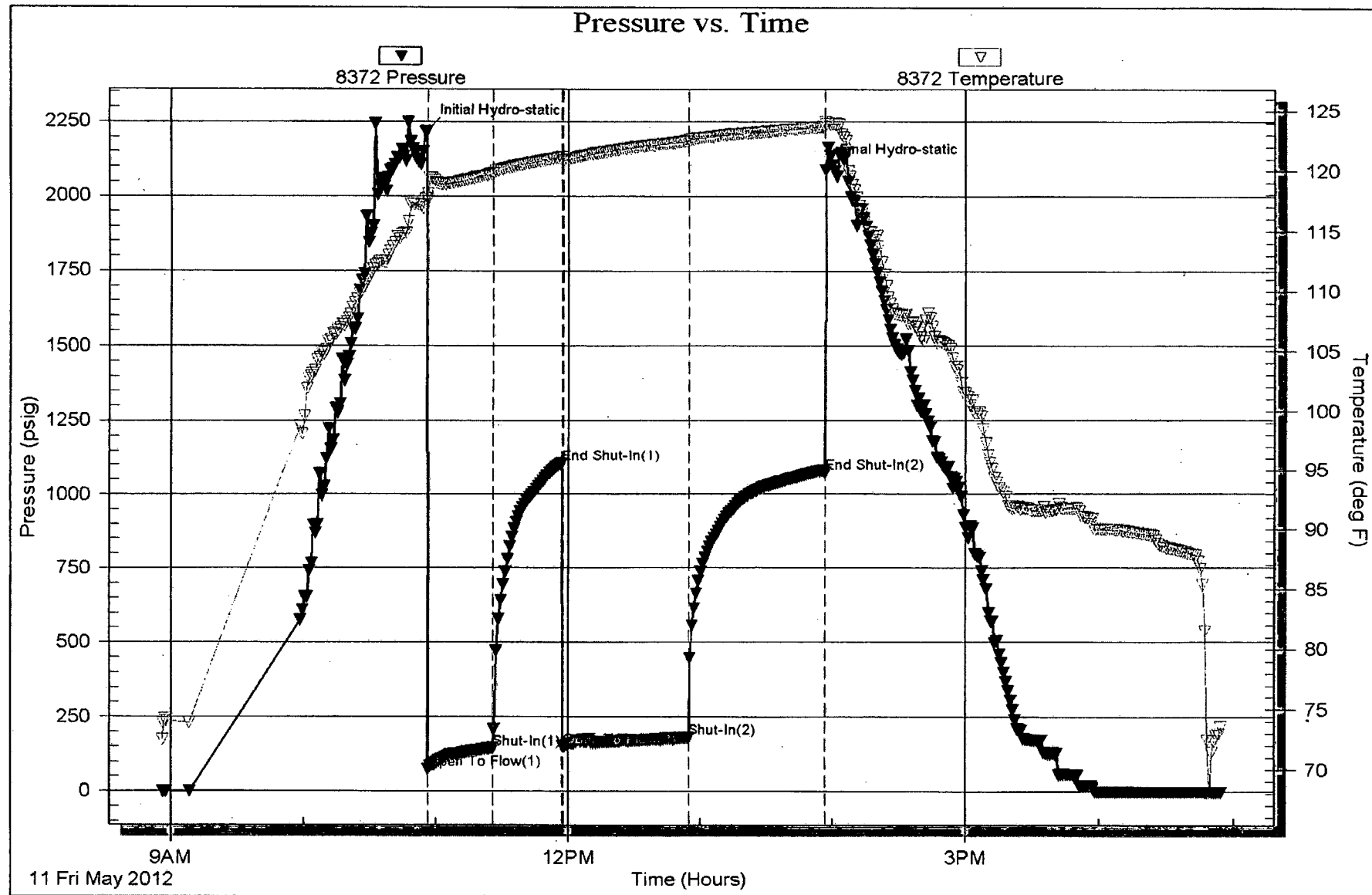
Length ft	Description	Volume bbl
186.00	MCO, 20%M, 80%O	1.480
124.00	MO, 2%M, 98%O	1.739
45.00	GHOCM, 5%G, 35%O, 60%M	0.631

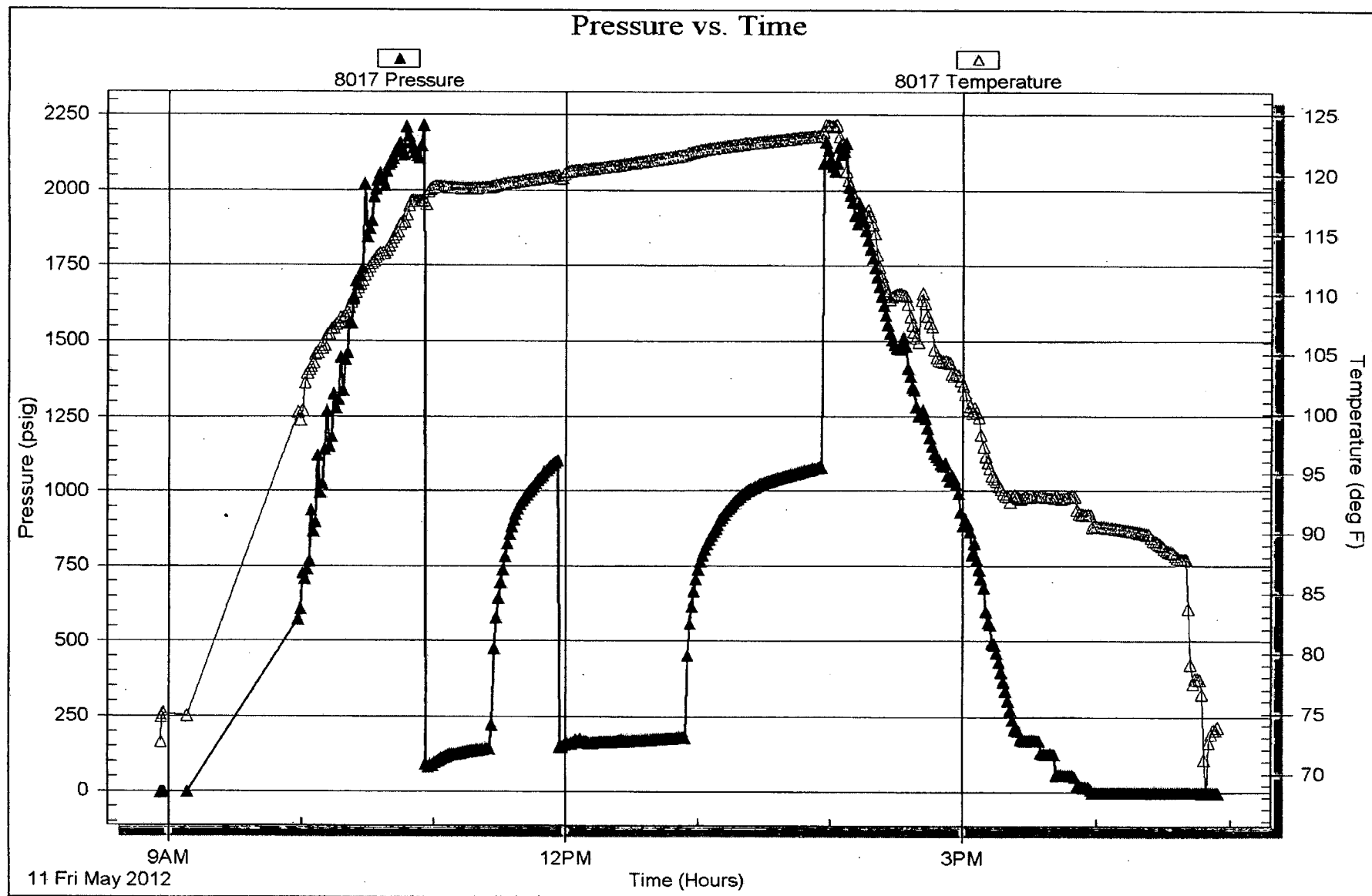
Total Length: 355.00 ft Total Volume: 3.850 bbl

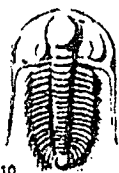
Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:

Laboratory Name: Laboratory Location:

Recovery Comments: Gravity = 40 @ 80 Degrees = 42







TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 46325

Well Name & No. DD #1 Test No. 1 Date 5-11-12
 Company Palimino Petroleum INC Elevation 2393 KB 2385 GL
 Address 4924 SE 84th St Newton KS, 67114
 Co. Rep / Geo. Kevin Bailey Rig Pickerell #1
 Location: Sec. 20 Twp. 17s Rge. 23W Co. Ness State KS

Interval Tested 4314-4414 Zone Tested Miss
 Anchor Length 100' Drill Pipe Run 4192' Mud Wt. 9.4
 Top Packer Depth 4309 Drill Collars Run 124' Vis 57
 Bottom Packer Depth 4314 Wt. Pipe Run — WL 10.8
 Total Depth 4414 Chlorides 6,500 ppm System LCM —

Blow Description IF - 6" blow
ISI - No blow back
FF - 1" blow
FSI - No blow back

Rec	Feet of	%gas	%oil	%water	%mud
<u>186</u>	<u>MCO</u>	<u>80</u>	<u>—</u>	<u>20</u>	<u>—</u>
<u>124</u>	<u>M.O</u>	<u>98</u>	<u>—</u>	<u>2</u>	<u>—</u>
<u>45</u>	<u>GHOCM</u>	<u>5</u>	<u>35</u>	<u>60</u>	<u>—</u>
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud

Rec Total 355' BHT 123° Gravity 42 API RW — @ — F Chlorides — ppm
 (A) Initial Hydrostatic 2217 Test 1250 T-On Location 7:15 am
 (B) First Initial Flow 73 Jars 250 T-Started 8:56 am
 (C) First Final Flow 143 Safety Joint 75 T-Open 10:56 am
 (D) Initial Shut-In 1104 Circ Sub — T-Pulled 1:56 pm
 (E) Second Initial Flow 147 Hourly Standby — T-Out 4:55 pm
 (F) Second Final Flow 180 Mileage 110rt 170.50 Comments —
 (G) Final Shut-In 1071 Sampler —
 (H) Final Hydrostatic 2086 Straddle —
 Ruined Shale Packer
 Ruined Packer
 Extra Copies

Initial Open 30
 Initial Shut-In 30
 Final Flow 60
 Final Shut-In 60
 Sub Total 1745.50
 Total 1745.50
 MP/DST Disc't —

Approved By _____ Our Representative Cody Bluff

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