



KANSAS CORPORATION COMMISSION 1088924
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 # 4958
Name: Mallard, J. V., Inc.
Wellsite Geologist: Kenneth Wallace
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 #: _____
05/26/2012 06/02/2012 06/02/2012
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 15-163-24043-00-00
Spot Description: _____
SE NE NW NE Sec. 17 Twp. 9 S. R. 19 East West
656 Feet from North / South Line of Section
1330 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Rooks
Lease Name: Arlene Well #: 2
Field Name: McClellan
Producing Formation: Mississippi Arbuckle
Elevation: Ground: 2045 Kelly Bushing: 2050
Total Depth: 3573 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at: 209 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: 1469 Feet
If Alternate II completion, cement circulated from: 1469
feet depth to: 0 w/ 125 sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: 31000 ppm Fluid volume: 240 bbls
Dewatering method used: Hauled to Disposal
Location of fluid disposal if hauled offsite:
Operator Name: R. L. Investment
Lease Name: Gardner License #: 33268
Quarter NW Sec. 6 Twp. 11 S. R. 25 East West
County: Trego Permit #: D22014

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: NAOMI JAMES Date: 08/28/2012



1088924

Operator Name: Palomino Petroleum, Inc. Lease Name: Arlene Well #: 2
 Sec. 17 Twp. 9 S. R. 19 East West County: Rooks

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

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Submitted Electronically <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run: Radiation Guard Log Dual Receiver Cement Bond Log	<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	20	209	Class A	150	2% gel, 3% c.c.
Production	7.8750	5.5000	14	3571	SMD, EA-2	145	900 gal. mud flush, 20 bbl 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
4	3516-3520		
4	3523-3530		

TUBING RECORD: Size: <u>2 7/8"</u> Set At: <u>3548</u> Packer At: <u> </u> Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. <u>07/19/2012</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>83</u> Gas Mcf <u> </u> Water Bbls. <u>1</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	Arlene 2
Doc ID	1088924

Tops

Anhy.	1458	(+ 592)
Base Anhy.	1498	(+ 552)
Topeka	3015	(- 965)
Queen Hill	3110	(-1060)
Heebner	3221	(-1171)
Lansing	3262	(-1212)
Muncie Creek	3318	(-1331)
BKC	3463	(-1414)
Arbuckle	3513	(-1463)
LTD	3573	(-1523)

SWIFT



Services, Inc.

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



Invoice

DATE	INVOICE #
6/11/2012	21789

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

RECEIVED
JUN 16 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#2	Arlene	Rooks	Express Well Serv...	Oil	Development	Cement Port Collar	Don
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				40	Miles	6.00	240.00
576D-D	Pump Charge - Port Collar - 1468 Feet				1	Job	1,250.00	1,250.00
290	D-Air				2	Gallon(s)	35.00	70.00T
104	5 1/2" Port Collar Tool Rental				1	Each	250.00	250.00T
330	Swift Multi-Density Standard (MIDCON II)				125	Sacks	16.50	2,062.50T
276	Flocele				50	Lb(s)	2.00	100.00T
581D	Service Charge Cement				200	Sacks	2.00	400.00
583D	Drayage				597.06	Ton Miles	1.00	597.06
	Subtotal							4,969.56
	Sales Tax Rooks County						6.30%	156.40
We Appreciate Your Business!							Total	\$5,125.96



Valeriano Petroleum
 ADDRESS
 CITY, STATE, ZIP CODE

TICKET
 No 21789

PAGE 1 OF 1

SERVICE LOCATIONS 1. <i>Hays, Ks</i>	WELL/PROJECT NO # 2	LEASE <i>Arlene</i>	COUNTY/PARISH <i>Rooks</i>	STATE <i>Ks</i>	CITY	DATE <i>6-11-12</i>	OWNER
2. <i>Ness City, Ks</i>	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <i>Express</i>	RIG NAME/NO.	SHIPPED VIA <i>CT</i>	DELIVERED TO <i>Nes/Zurich, Ks</i>	ORDER NO.	
3.	WELL TYPE <i>oil</i>	WELL CATEGORY <i>infield</i>	JOB PURPOSE <i>Cement Port Collar @ 1468'</i>	WELL PERMIT NO.	WELL LOCATION		
4.	REFERRAL LOCATION	INVOICE INSTRUCTIONS					

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF		QTY.	U/M	QTY.	U/M	
575		1			MILEAGE #113	70	mi		600	240.00
576 D		1			Pump Change - cont Port Collar	1	pa	1468	1850.00	1250.00
280		1			D-Air	2	gal		35.00	70.00
104		1			Port Collar Tool Rental	1	pa	5 1/2 hr	250.00	250.00
330		2			SPUD Cement	125	SKS		16.50	2062.50
276		2			Fluore	50	lbs		2.00	100.00
1		2			Service Charge - Cement	200	SKS	19852	2.00	4000.00
583		2			Drayage (60 mi)	592	M/TM	19902	1.00	597.06

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 *Henry [Signature]*
 DATE SIGNED *6-11-12* TIME SIGNED *0900* 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	56
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				1969	58
WE UNDERSTOOD AND MET YOUR NEEDS?					
OUR SERVICE WAS PERFORMED WITHOUT DELAY?					
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				<i>Rooks TAX 603/0</i>	156.40
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES	<input type="checkbox"/> NO		TOTAL	5125.90
<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

Thank You!



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



Invoice

DATE	INVOICE #
6/1/2012	21447

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

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#2	Arlene	Rooks	Mallard JV	Oil	Development	LongString	Nick
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				40	Miles	6.00	240.00
578D-L	Pump Charge - Long String				1	Job	1,500.00	1,500.00
221	Liquid KCL (Clayfix)				4	Gallon(s)	25.00	100.00T
281	Mud Flush				500	Gallon(s)	1.25	625.00T
290	D-Air				2	Gallon(s)	35.00	70.00T
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				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				7	Each	90.00	630.00T
414-5	5 1/2" Limit Clamp				1	Each	30.00	30.00T
325	Standard Cement				100	Sacks	13.50	1,350.00T
330	Swift Multi-Density Standard (MIDCON II)				75	Sacks	16.50	1,237.50T
276	Flocele				50	Lb(s)	2.00	100.00T
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
581D	Service Charge Cement				175	Sacks	2.00	350.00
583D	Drayage				535	Ton Miles	1.00	535.00
	Subtotal							11,062.50
	Sales Tax Rooks County						6.30%	531.56
We Appreciate Your Business!						Total		\$11,594.06



ADDRESS Kalamina Petroleum
CITY, STATE, ZIP CODE

TICKET
No 21447

PAGE 1 OF 2

SERVICE LOCATIONS 1. <u>Hays, KS</u> 2. <u>Ness City, KS</u> 3. 4.	WELL/PROJECT NO <u>#2</u>	LEASE <u>Arleas</u>	COUNTY/PARISH <u>Rocks</u>	STATE <u>KS</u>	CITY	DATE <u>6-1-12</u>	OWNER <u>same</u>
	TICKET TYPE <input type="checkbox"/> SERVICE <input checked="" type="checkbox"/> SALES	CONTRACTOR <u>Mallard Drlg</u>	RIG NAME/NO.	SHIPPED VIA <u>CT</u>	DELIVERED TO <u>Location</u>	ORDER NO.	
	WELL TYPE <u>oil</u>	WELL CATEGORY <u>Development</u>	JOB PURPOSE <u>Longstring</u>	WELL PERMIT NO.	WELL LOCATION		
REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF			U/M			
575		1			MILEAGE #113	40	mi	6	cc	240 cc
578		1			Pump Charge (Longstring)	1	cc	1500	cc	1500 cc
221		1			KCH	4	gal	25	cc	100 cc
251 251		1			Mudflash	500	gal	1	25	625 cc
290		1			D-Air	2	gal	35	cc	70 cc
402		1			Centralizer	1	ea	70	cc	70 cc
403		1			Basket	3	ea	250	cc	750 cc
404		1			Port Collar	1	ea	2400	cc	2400 cc
406		1			LD Plug Baffle	1	ea	250	cc	250 cc
407		1			Insert Float Shoe w/fill	1	ea	350	cc	350 cc
409		1			Turbolizer	7	ea	90	cc	630 cc
414		1			Limit Clamp	1	ea	30	cc	30 cc

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 Alena [Signature]
DATE SIGNED 6-2-12 TIME SIGNED 0340 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		AMOUNT
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				PAGE TOTAL 1	7015 00
WE UNDERSTOOD AND MET YOUR NEEDS?				PAGE 2	4047 50
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				Subtotal	11062 50
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				Rocks TAX 6.3%	531 56
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES	<input type="checkbox"/> NO		TOTAL	11,594 06
<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 Nick Florke APPROVAL

Thank You!



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

TICKET CONTINUATION

TICKET No. 21447

CUSTOMER *Palomino Petroleum* WELL # *2 Arlene* DATE *6-1-12* 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
325		2				Standard Cement	100	sk	13	50	1350	00
330		2				SMD Cement	75	sk	16	50	1237	50
276		2				Floceler	50	#	2	00	100	00
283		2				Salt	500	#		20	100	00
284		2				Calsea!	5	sk	35	00	175	00
285		2				CFR-1	50	#	4	00	200	00
581		2				SERVICE CHARGE						
							175	sk			350	00
583		2				MILEAGE CHARGE						
						TOTAL WEIGHT						
						17832						
						LOADED MILES						
						60						
						TON MILES						
						535						

CONTINUATION TOTAL 4047 50



PO Box 93999
Southlake, TX 76092

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

INVOICE

Invoice Number: 131295
Invoice Date: May 26, 2012
Page: 1

RECEIVED
MAY 28 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	Arlene #2	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS2-01	Great Bend	May 26, 2012	6/25/12

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
5.00	MAT	Chloride	58.20	291.00
162.09	SER	Handling	2.10	340.39
35.00	SER	Ton Miles	17.39	608.65
1.00	SER	Surface	1,125.00	1,125.00
35.00	SER	Heavy Vehicle Mileage	7.00	245.00
35.00	SER	Light Vehicle Mileage	4.00	140.00
1.00	EQUIP OPER	Greg Redetzke		
1.00	EQUIP OPER	Kerry Rose		
1.00	EQUIP OPER	Kevin Eddy		

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

\$ 1312.82

ONLY IF PAID ON OR BEFORE
Jun 20, 2012

Subtotal	5,251.29
Sales Tax	175.91
Total Invoice Amount	5,427.20
Payment/Credit Applied	
TOTAL	5,427.20

ALLIED OIL & GAS SERVICES, LLC 053543

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

SERVICE POINT:
Great Bend, KS

DATE <u>11.17</u>	SEC. <u>17</u>	TWP. <u>9</u>	RANGE <u>19</u>	CALLED OUT	ON LOCATION	JOB START <u>8:30 am</u>	JOB FINISH <u>7:15 pm</u>
LEASE <u>Arline</u>		WELL # <u>2</u>		LOCATION <u>Zurich, Ks. 3 north</u>		COUNTY <u>Root</u>	STATE <u>KS</u>
OLD OR NEW (Circle one) <u>NEW</u>				<u>1 1/4 west, south into</u>			

CONTRACTOR <u>Waller</u>	OWNER <u>Palomino</u>
TYPE OF JOB <u>Sur Face</u>	
HOLE SIZE <u>12 1/4</u> I.D. <u>208</u>	CEMENT AMOUNT ORDERED <u>150 sks</u>
CASING SIZE <u>8 5/8</u> DEPTH <u>208</u>	<u>1955 A 3% cc 2 1/2 gal</u>
TUBING SIZE DEPTH	
DRILL PIPE DEPTH	
TOOL DEPTH	
PRES. MAX MINIMUM	COMMON <u>150</u> @ <u>16.25</u> <u>2,437.50</u>
MEAS. LINE SHOE JOINT	POZMIX @
CEMENT LEFT IN CSG. <u>15 sks</u>	GEL <u>3</u> @ <u>21.25</u> <u>63.75</u>
PERFS.	CHLORIDE <u>5</u> @ <u>58.26</u> <u>291.00</u>
DISPLACEMENT <u>12.294 Blk.</u>	ASC @

EQUIPMENT

PUMP TRUCK CEMENTER <u>Greg R</u>
<u>366</u> HELPER <u>Kerry R</u>
BULK TRUCK
<u>378</u> DRIVER <u>Karin E</u>
BULK TRUCK
DRIVER

HANDLING <u>162.09</u>	@ <u>2.10</u>	<u>340.38</u>
MILEAGE <u>7.4 x 35 x</u>	<u>2.85</u>	<u>608.65</u>
TOTAL		<u>3,741.28</u>

REMARKS:
Pipe on bottom, break circulation
with rig in. Hook up to
Cement pump, mix 150 sks (1955 A
3% cc 2 1/2 gal, Displace with 1000
gal freshwater - shut in
Cement dia circulate
rig down ca 7:15 pm

SERVICE

DEPTH OF JOB <u>208</u>	
PUMP TRUCK CHARGE <u>1125.00</u>	
EXTRA FOOTAGE @	
MILEAGE <u>Hum 35</u> @ <u>7.00</u> <u>245.00</u>	
MANIFOLD <u>Hum 35</u> @ <u>4.00</u> <u>140.00</u>	
TOTAL <u>1510.00</u>	

CHARGE TO: Palomino

STREET _____

CITY _____ STATE _____ ZIP _____

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.

PRINTED NAME * Justin McDonald

SIGNATURE * [Signature]

Thank You!

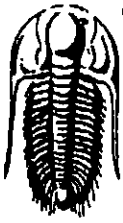
SALES TAX (If Any) _____

TOTAL CHARGES 5,251.28

DISCOUNT 25% 1,312.82

IF PAID IN 30 DAYS

3,938.46



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

Palomino Petroleum Inc.
4924 SE 84th St
New ton KS 67114+ 8827
ATTN: Ken Wallace

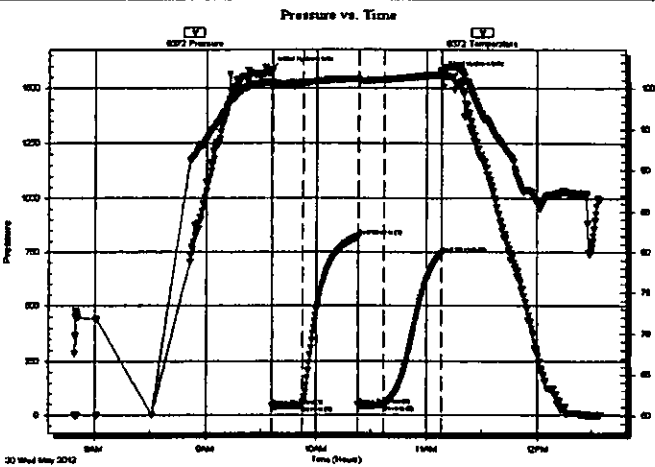
17-9s-19w Rooks, KS
Arlene #2
Job Ticket: 47339 **DST#: 1**
Test Start: 2012.05.30 @ 07:49:05

GENERAL INFORMATION:

Formation: **LKC"B-D"**
Deviated: **No** Whipstock: **ft (KB)**
Time Tool Opened: 09:36:10
Time Test Ended: 12:34:39
Interval: **3286.00 ft (KB) To 3328.00 ft (KB) (TVD)**
Total Depth: **3328.00 ft (KB) (TVD)**
Hole Diameter: **7.88 inches** Hole Condition: **Poor**
Test Type: **Conventional Bottom Hole (Initial)**
Tester: **Andy Carretra**
Unit No: **39**
Reference Elevations: **2050.00 ft (KB)**
2045.00 ft (CF)
KB to GR/CF: **5.00 ft**

Serial #: 8372 **Outside**
Press@RunDepth: **45.27 psig @ 3290.00 ft (KB)** Capacity: **8000.00 psig**
Start Date: **2012.05.30** End Date: **2012.05.30** Last Calib.: **2012.05.30**
Start Time: **07:49:05** End Time: **12:34:40** Time On Btm: **2012.05.30 @ 09:35:00**
Time Off Btm: **2012.05.30 @ 11:08:30**

TEST COMMENT: IF:(15min) Blow Died in 5 min. Flush Tool, Surge, No Blow.
FSt(30min) No Return
FF:(15min) No Blow
FSt(30min) No Return



PRESSURE SUMMARY			
Time (Mn.)	Pressure (psig)	Temp (deg F)	Annotation
0	1581.89	100.70	Initial Hydro-static
2	39.64	100.06	Open To Flow (1)
18	42.71	100.58	Shut-In(1)
48	819.76	101.09	End Shut-In(1)
49	43.24	100.73	Open To Flow (2)
63	45.27	100.96	Shut-In(2)
94	744.32	101.57	End Shut-In(2)
94	1562.58	102.06	Final Hydro-static

Recovery		
Length (ft)	Description	Volume (bbl)
65.00	Mud w / oil spcks in tool	0.32

Gas Rates			
	Choke (Inches)	Pressure (psig)	Gas Rate (Mcf/d)



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum Inc.
4924 SE 84th St
New ton KS 67114+ 8827
ATTN: Ken Wallace

17-9s-19w Rooks,KS
Arlene #2
Job Ticket: 47339 DST#: 1
Test Start: 2012.05.30 @ 07:49:05

Tool Information

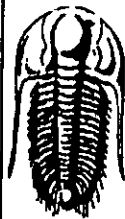
Drill Pipe:	Length: 3045.00 ft	Diameter: 3.80 inches	Volume: 42.71 bbl	Tool Weight: 2000.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: 2.70 inches	Volume: 0.00 bbl	Weight set on Packer: 24000.00 lb
Drill Collar:	Length: 239.58 ft	Diameter: 2.25 inches	Volume: 1.18 bbl	Weight to Pull Loose: 56000.00 lb
			<u>Total Volume: 43.89 bbl</u>	Tool Chased 5.00 ft
Drill Pipe Above KB:	18.58 ft			String Weight: Initial 45000.00 lb
Depth to Top Packer:	3286.00 ft			Final 46000.00 lb
Depth to Bottom Packer:	ft			
Interval betw een Packers:	42.00 ft			
Tool Length:	62.00 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			3267.00	
Shut In Tool	5.00			3272.00	
Hydraulic tool	5.00			3277.00	
Packer	5.00			3282.00	20.00 Bottom Of Top Packer
Packer	4.00			3286.00	
Stubb	1.00			3287.00	
Perforations	2.00			3289.00	
Change Over Sub	1.00			3290.00	
Recorder	0.00	8017	Inside	3290.00	
Recorder	0.00	8372	Outside	3290.00	
Drill Pipe	31.00			3321.00	
Change Over Sub	1.00			3322.00	
Perforations	3.00			3325.00	
Bullnose	3.00			3328.00	42.00 Bottom Packers & Anchor

Total Tool Length: 62.00



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum Inc.

17-9s-19w Rooks, KS

4924 SE 84th St
New ton KS 67114+ 8827

Arlene #2

Job Ticket: 47339

DST#: 1

ATTN: Ken Wallace

Test Start: 2012.05.30 @ 07:49:05

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: 50.00 sec/qt

Cushion Volume:

bbl

Water Loss: 6.77 in³

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 1700.00 ppm

Filter Cake: inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
65.00	Mud w/ oil spcks in tool	0.320

Total Length: 65.00 ft Total Volume: 0.320 bbl

Num Fluid Samples: 0

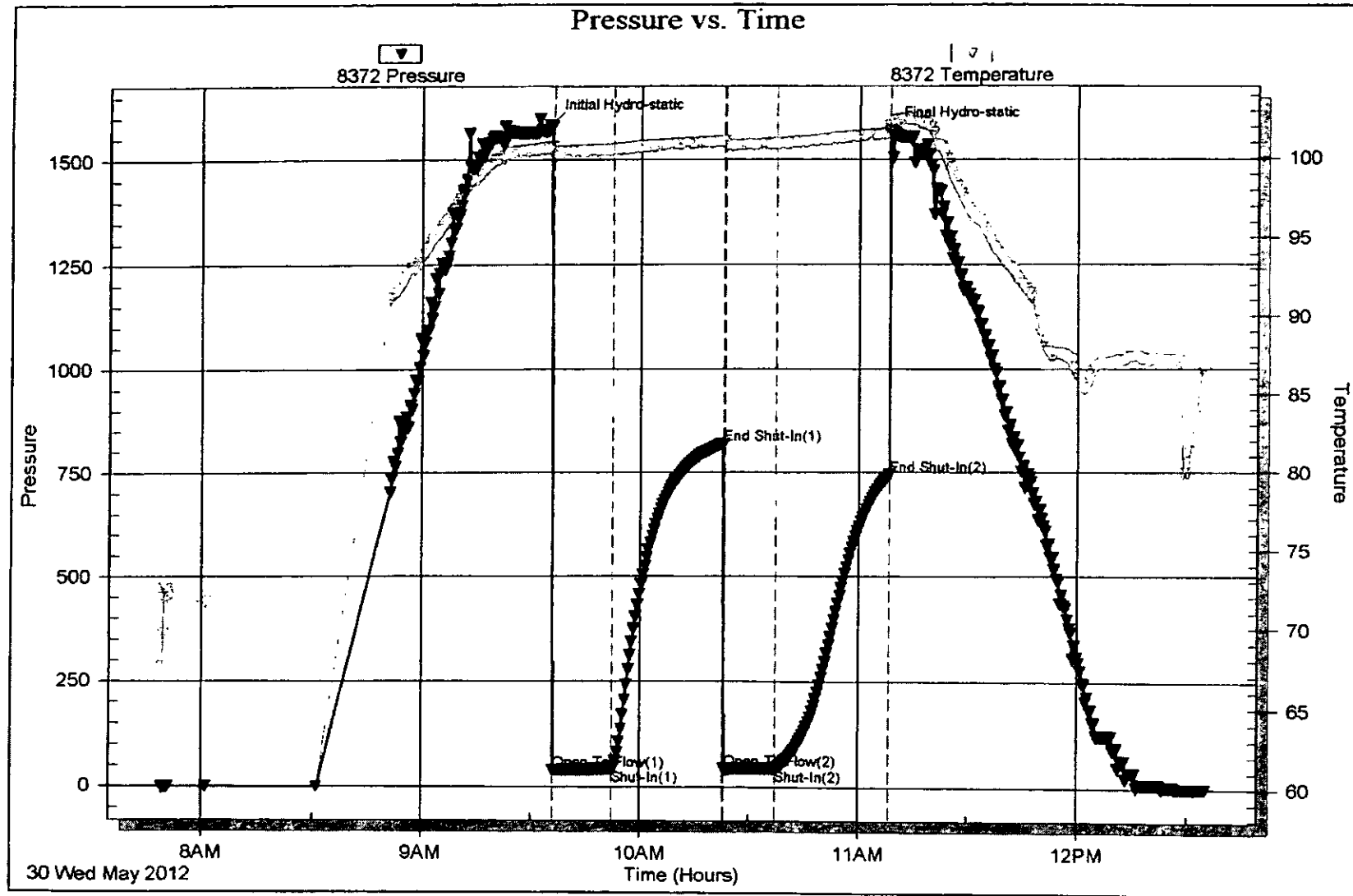
Num Gas Bombs: 0

Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments:

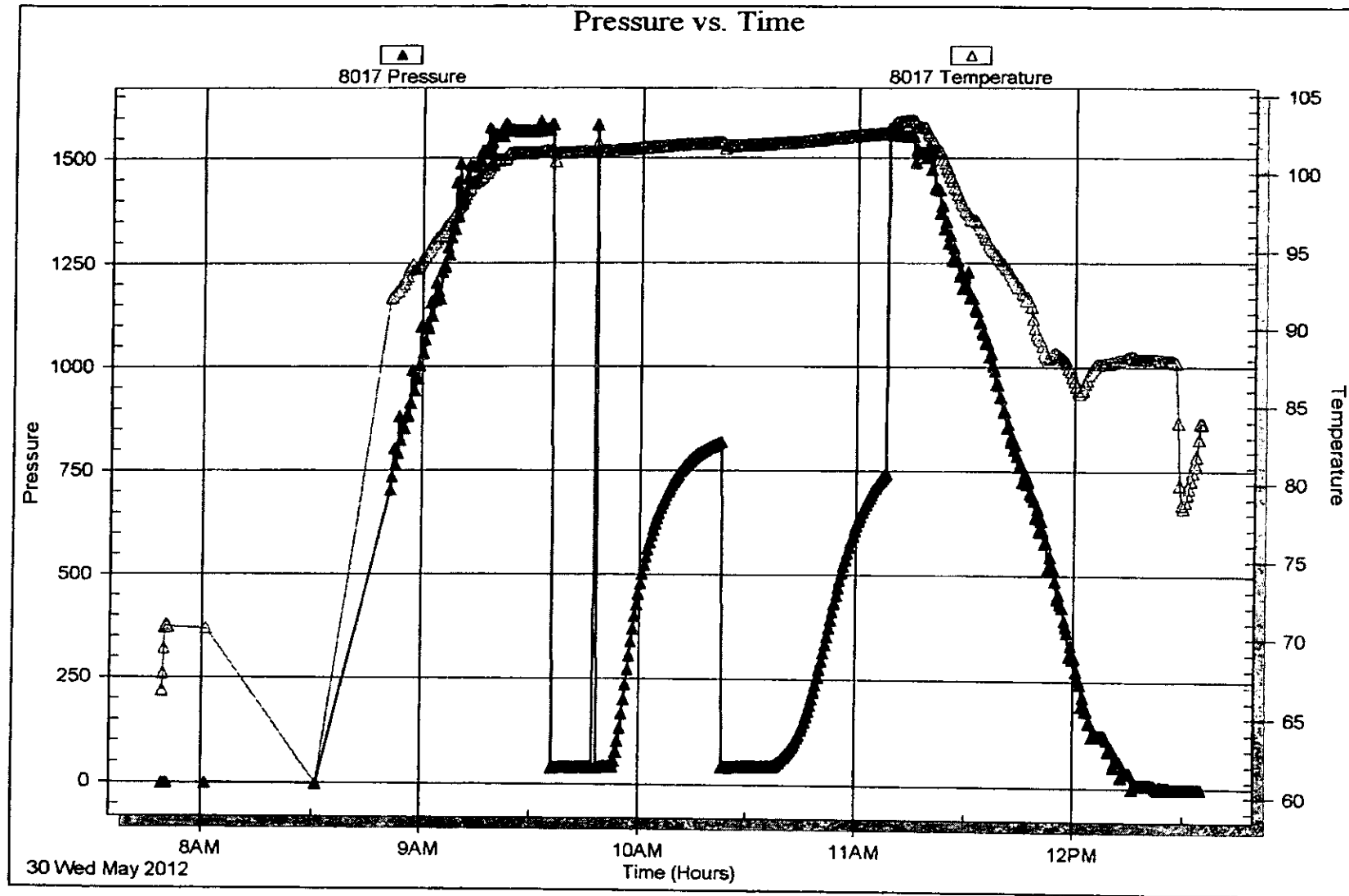


Serial #: 8017

Inside Palomino Petroleum Inc.

Artene #2

DST Test Number: 1





**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Palomino Petroleum Inc.
4924 SE 84th St
New ton KS 67114+ 8827
ATTN: Ken Wallace

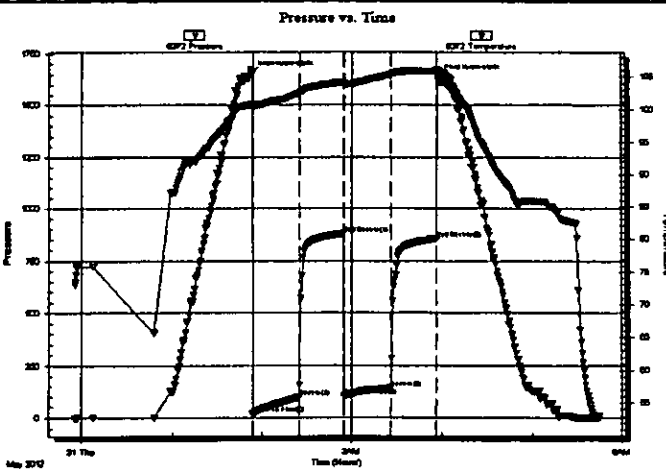
17-9a-19w Rooks,KS
Arlene #2
Job Ticket: 47340 DST#: 2
Test Start: 2012.05.30 @ 23:56:05

GENERAL INFORMATION:

Formation: LKC"H,I"
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 01:53:20
Time Test Ended: 05:44:50
Interval: 3376.00 ft (KB) To 3422.00 ft (KB) (TVD)
Total Depth: 3422.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Poor
Test Type: Conventional Bottom Hole (Reset)
Tester: Andy Carreira
Unit No: 39
Reference Elevations: 2050.00 ft (KB)
2045.00 ft (CF)
KB to GR/CF: 5.00 ft

Serial #: 8372 Outside
Press@RunDepth: 141.71 psig @ 3381.00 ft (KB) Capacity: 8000.00 psig
Start Date: 2012.05.30 End Date: 2012.05.31 Last Calib.: 2012.05.31
Start Time: 23:56:05 End Time: 05:44:50 Time On Btm: 2012.05.31 @ 01:52:10
Time Off Btm: 2012.05.31 @ 03:57:10

TEST COMMENT: IF:(30min) Slow build to 2"
IS:(30min) No Return
FF:(30min) 1.5" blow
FS:(30min) No Return



PRESSURE SUMMARY

Time (Mn.)	Pressure (psig)	Temp (deg F)	Annotation
0	1654.22	100.69	Initial Hydro-static
2	17.54	100.09	Open To Flow (1)
33	96.91	102.49	Shut-in(1)
63	877.39	104.13	End Shut-in(1)
63	100.69	103.72	Open To Flow (2)
94	141.71	105.34	Shut-in(2)
125	854.40	105.90	End Shut-in(2)
126	1638.19	106.07	Final Hydro-static

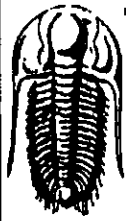
Recovery

Length (ft)	Description	Volume (bbl)
275.00	OSMW o=tr m=15% w=85%	1.68

* Recovery from multiple tests

Gas Rates

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



TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Palomino Petroleum Inc.
 4924 SE 84th St
 Newton KS 67114+ 8827
 ATTN: Ken Wallace

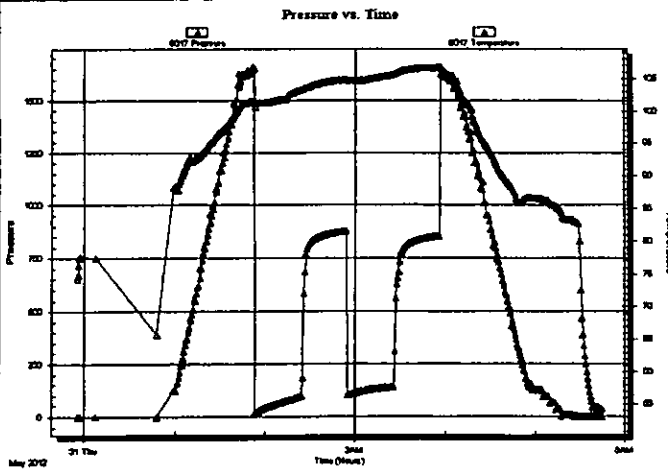
17-9s-19w Rooks,KS
 Arlene #2
 Job Ticket: 47340 DST#: 2
 Test Start: 2012.05.30 @ 23:56:05

GENERAL INFORMATION:

Formation: LKC"H,I"
 Deviated: No Whipstock: ft (KB)
 Test Type: Conventional Bottom Hole (Reset)
 Time Tool Opened: 01:53:20 Tester: Andy Carreira
 Time Test Ended: 05:44:50 Unit No: 39
 Interval: 3376.00 ft (KB) To 3422.00 ft (KB) (TVD) Reference Elevations: 2050.00 ft (KB)
 Total Depth: 3422.00 ft (KB) (TVD) 2045.00 ft (CF)
 Hole Diameter: 7.88 inches Hole Condition: Poor KB to GR/CF: 5.00 ft

Serial #: 8017 Inside
 Press@RunDepth: psig @ 3381.00 ft (KB) Capacity: 8000.00 psig
 Start Date: 2012.05.30 End Date: 2012.05.31 Last Calib.: 2012.05.31
 Start Time: 23:56:05 End Time: 05:44:40 Time On Btm: Time Off Btm

TEST COMMENT: F:(30min) Slow build to 2"
 IS:(30min) No Return
 FF:(30min) 1.5" blow
 FS:(30min) No Return

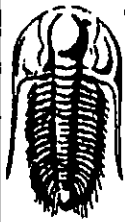


PRESSURE SUMMARY			
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation

Recovery		
Length (ft)	Description	Volume (bbl)
275.00	OSMW o-tr m=15% w =85%	1.68

Gas Rates			
	Choke (Inches)	Pressure (psig)	Gas Rate (McF/d)

* Recovery from multiple tests



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum Inc.
4924 SE 84th St
New ton KS 67114+ 8827
ATTN: Ken Wallace

17-9s-19w Rooks,KS
Arlene #2
Job Ticket: 47340 **DST#: 2**
Test Start: 2012.05.30 @ 23:56:05

Tool Information

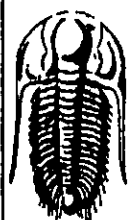
Drill Pipe:	Length: 3136.00 ft	Diameter: 3.80 inches	Volume: 43.99 bbl	Tool Weight: 2000.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: 2.70 inches	Volume: 0.00 bbl	Weight set on Packer: 20000.00 lb
Drill Collar:	Length: 239.58 ft	Diameter: 2.25 inches	Volume: 1.18 bbl	Weight to Pull Loose: 54000.00 lb
			<u>Total Volume: 45.17 bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	19.58 ft			String Weight: Initial 45000.00 lb
Depth to Top Packer:	3376.00 ft			Final 46000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	46.00 ft			
Tool Length:	66.00 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			3357.00	
Shut In Tool	5.00			3362.00	
Hydraulic tool	5.00			3367.00	
Packer	5.00			3372.00	20.00 Bottom Of Top Packer
Packer	4.00			3376.00	
Stubb	1.00			3377.00	
Perforations	3.00			3380.00	
Change Over Sub	1.00			3381.00	
Recorder	0.00	8017	Inside	3381.00	
Recorder	0.00	8372	Outside	3381.00	
Drill Pipe	32.00			3413.00	
Change Over Sub	1.00			3414.00	
Perforations	5.00			3419.00	
Bullnose	3.00			3422.00	46.00 Bottom Packers & Anchor

Total Tool Length: 66.00



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum Inc.
4924 SE 84th St
New ton KS 67114+ 8827
ATTN: Ken Wallace

17-9s-19w Rooks,KS
Arlene #2
Job Ticket: 47340 **DST#: 2**
Test Start: 2012.05.30 @ 23:56:05

Mud and Cushion Information

Mud Type: Gel Chem	Cushion Type:	Oil API:	deg API
Mud Weight: 9.00 lb/gal	Cushion Length:	Water Salinity:	31000 ppm
Viscosity: 50.00 sec/qt			
Water Loss: 6.77 in ³	Gas Cushion Type:		
Resistivity: ohm.m	Gas Cushion Pressure:		
Salinity: 1700.00 ppm			
Filter Cake: inches			

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
275.00	OSMW o=tr m=15% w=85%	1.675

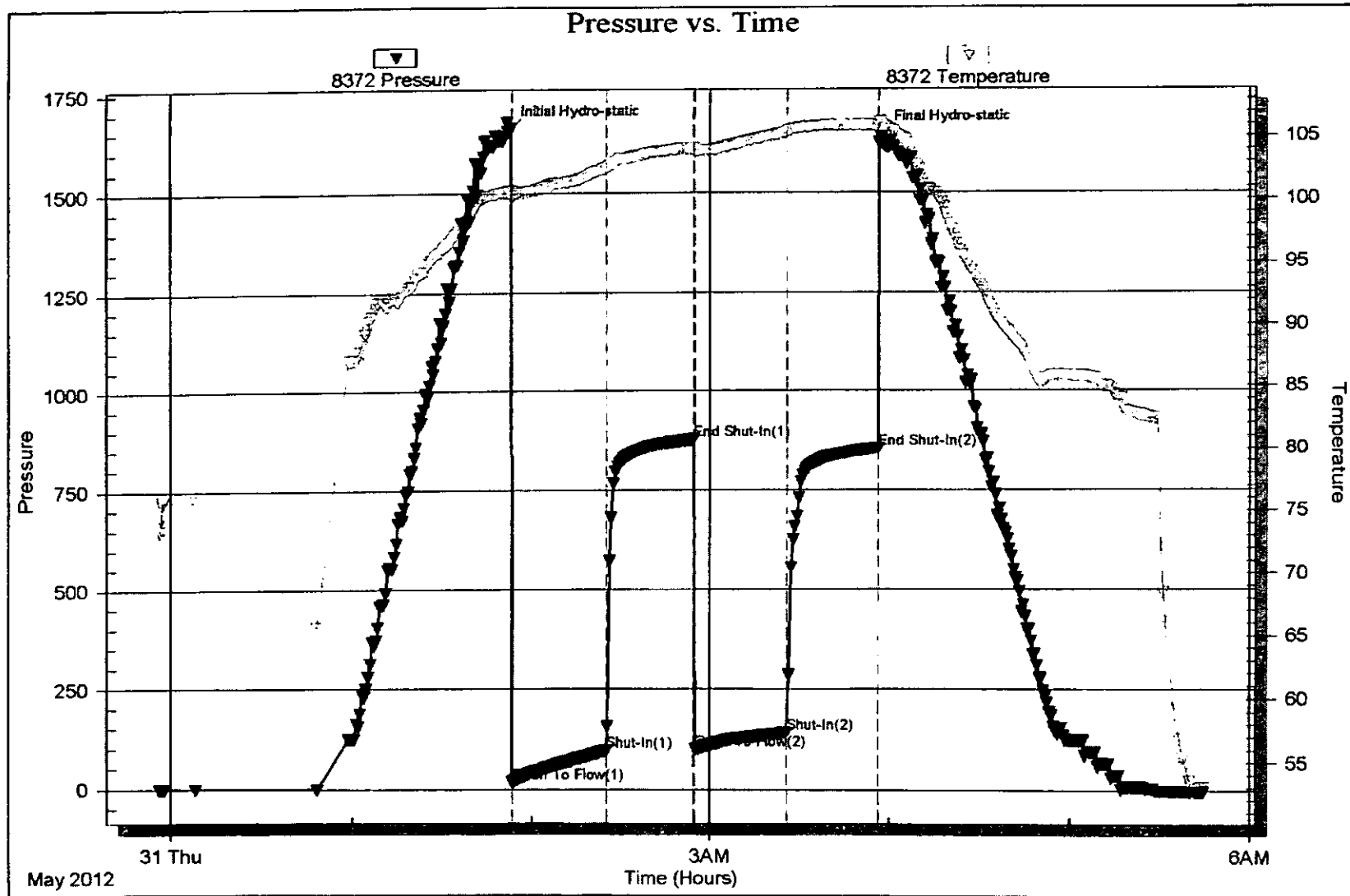
Total Length: 275.00 ft Total Volume: 1.675 bbl
 Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:
 Laboratory Name: Laboratory Location:
 Recovery Comments: Resistivity - .31@ 52deg= 31000

Serial #: 8372

Outside Palomino Petroleum Inc.

Ariene #2

DST Test Number: 2



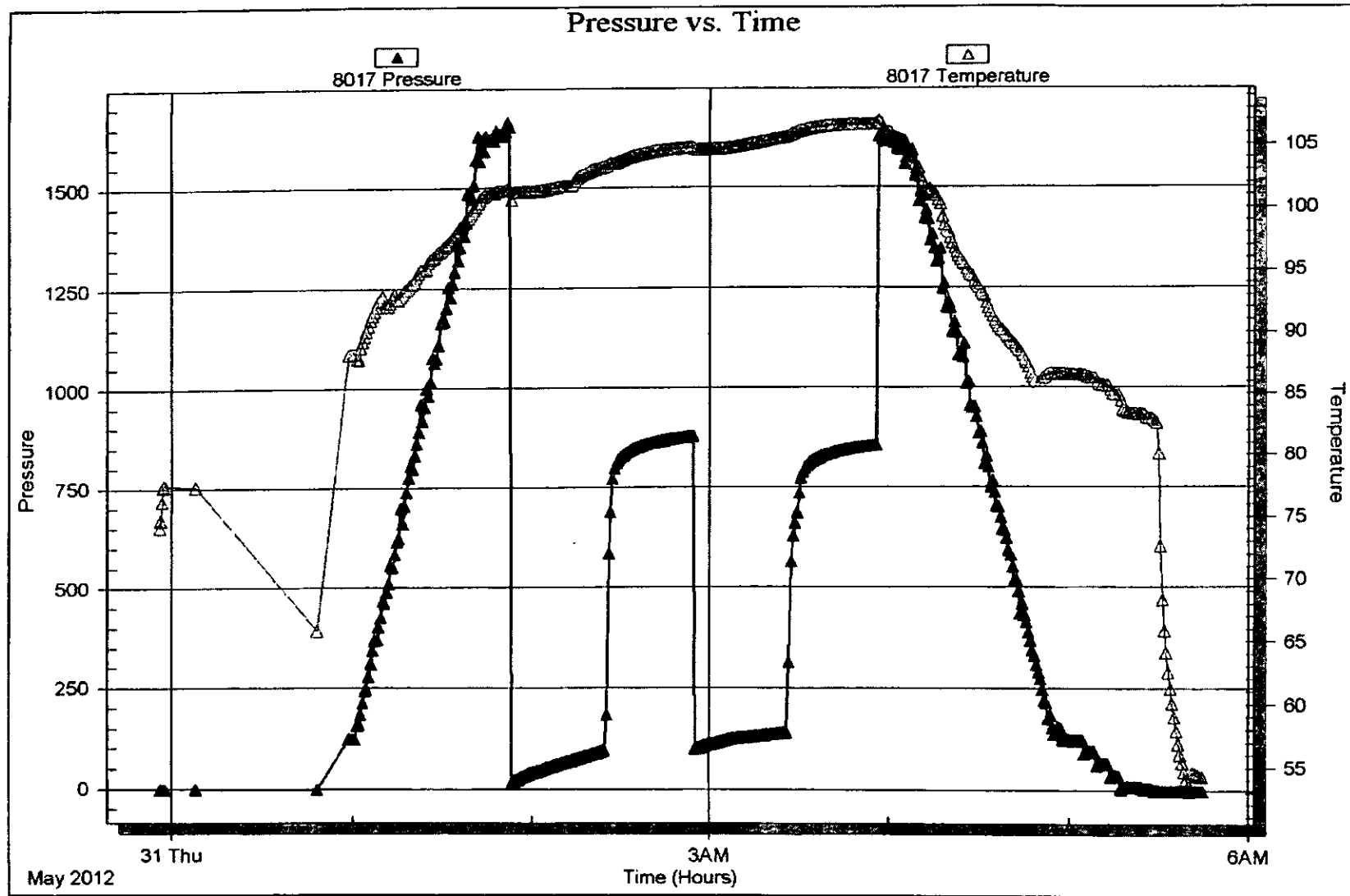
Serial #: 8017

Inside

Palomino Petroleum Inc.

Arlene #2

DST Test Number: 2





**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

Palomino Petroleum Inc.
4924 SE 84th St
New ton KS 67114+ 8827
ATTN: Ken Wallace

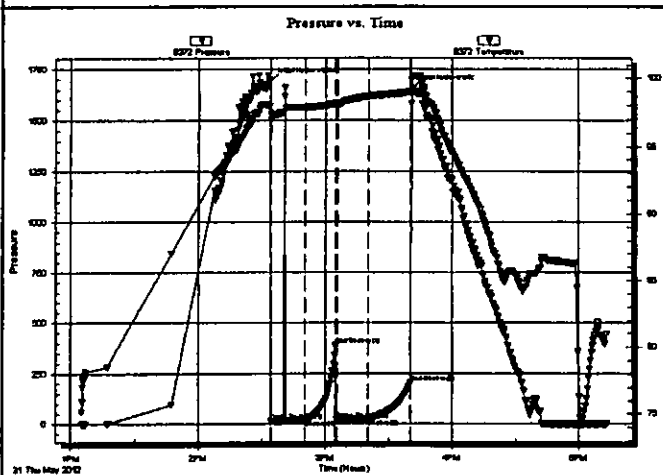
17-9s-19w Rooks,KS
Arlene #2
Job Ticket: 47341 DST#: 3
Test Start: 2012.05.31 @ 13:05:05

GENERAL INFORMATION:

Formation: **LKC"J,K"**
 Deviated: **No Whipstock** ft (KB)
 Test Type: **Conventional Bottom Hole (Reset)**
 Time Tool Opened: **14:34:00**
 Tester: **Andy Carreira**
 Time Test Ended: **17:13:10**
 Unit No: **39**
 Interval: **3428.00 ft (KB) To 3464.00 ft (KB) (TVD)**
 Reference Elevations: **2050.00 ft (KB)**
 Total Depth: **3464.00 ft (KB) (TVD)**
2045.00 ft (CF)
 Hole Diameter: **7.88 inches** Hole Condition: **Poor**
 KB to GR/CF: **5.00 ft**

Serial #: 8372 Outside
 Press@RunDepth: **24.29 psig @ 3429.00 ft (KB)** Capacity: **8000.00 psig**
 Start Date: **2012.05.31** End Date: **2012.05.31** Last Calib.: **2012.05.31**
 Start Time: **13:05:05** End Time: **17:13:10** Time On Btm: **2012.05.31 @ 14:33:50**
 Time Off Btm: **2012.05.31 @ 15:41:10**

TEST COMMENT: IF:(15min) No Blow , Flush, Surge, No Blow
 SI:(15min) No Return
 FF:(15min) No Blow
 FSI:(15min) No Return



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1693.67	97.94	Initial Hydro-static
1	12.54	96.97	Open To Flow (1)
17	19.65	97.86	Shut-In(1)
31	388.14	98.18	End Shut-In(1)
32	20.47	98.05	Open To Flow (2)
47	24.29	98.68	Shut-In(2)
67	205.10	99.02	End Shut-In(2)
68	1657.12	100.20	Final Hydro-static

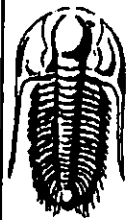
Recovery

Length (ft)	Description	Volume (bbl)
10.00	HDCM $\alpha=20\%$ $m=80\%$	0.05

* Recovery from multiple tests

Gas Rates

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



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum Inc.

17-9s-19w Rooks,KS

4924 SE 84th St
New ton KS 67114+ 8827

Arlene #2

Job Ticket: 47341

DST#: 3

ATTN: Ken Wallace

Test Start: 2012.05.31 @ 13:05:05

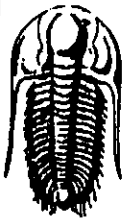
Tool Information

Drill Pipe:	Length: 3171.00 ft	Diameter: 3.80 inches	Volume: 44.48 bbl	Tool Weight: 2000.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: 2.70 inches	Volume: 0.00 bbl	Weight set on Packer: 24000.00 lb
Drill Collar:	Length: 239.58 ft	Diameter: 2.25 inches	Volume: 1.18 bbl	Weight to Pull Loose: 50000.00 lb
		Total Volume: 45.66 bbl		Tool Chased 0.00 ft
Drill Pipe Above KB:	2.58 ft			String Weight: Initial 46000.00 lb
Depth to Top Packer:	3428.00 ft			Final 46000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	36.00 ft			
Tool Length:	56.00 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			3409.00	
Shut In Tool	5.00			3414.00	
Hydraulic tool	5.00			3419.00	
Packer	5.00			3424.00	20.00 Bottom Of Top Packer
Packer	4.00			3428.00	
Stubb	1.00			3429.00	
Recorder	0.00	8017	Inside	3429.00	
Recorder	0.00	8372	Outside	3429.00	
Perforations	32.00			3461.00	
Bullnose	3.00			3464.00	36.00 Bottom Packers & Anchor
Total Tool Length:	56.00				



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum Inc.
4924 SE 84th St
New ton KS 67114+ 8827
ATTN: Ken Wallace

17-9s-19w Rooks, KS
Arlene #2
Job Ticket: 47341 **DST#: 3**
Test Start: 2012.05.31 @ 13:05:05

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: 50.00 sec/qt	Cushion Volume: bbl		
Water Loss: 7.18 in ³	Gas Cushion Type:		
Resistivity: ohm.m	Gas Cushion Pressure: psig		
Salinity: 2200.00 ppm			
Filter Cake: inches			

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
10.00	HOCM o=20% m=80%	0.049

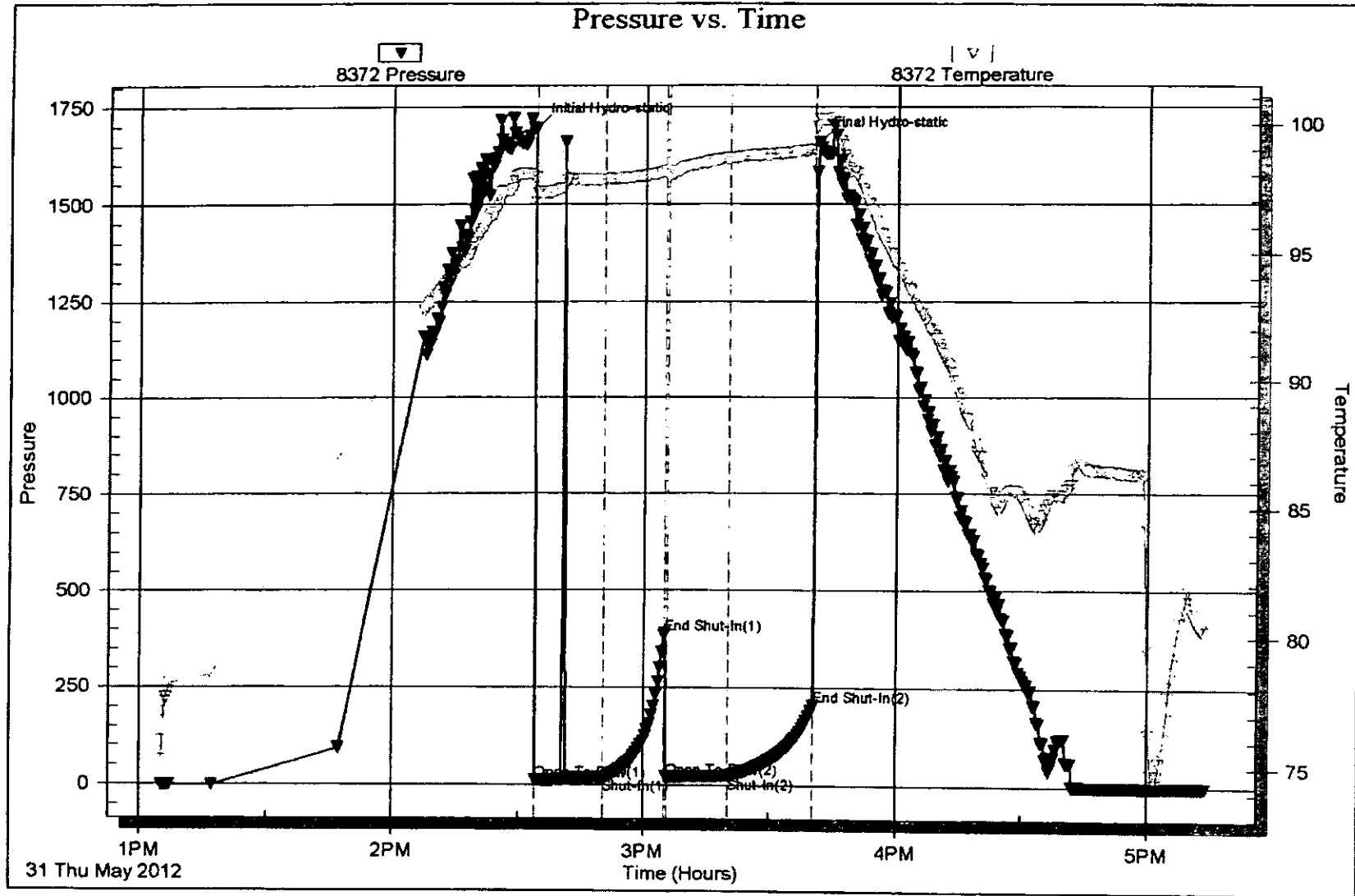
Total Length: 10.00 ft Total Volume: 0.049 bbl
Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:
Laboratory Name: Laboratory Location:
Recovery Comments:

Serial #: 8372

Outside Palomino Petroleum Inc.

Arlene #2

DST Test Number: 3

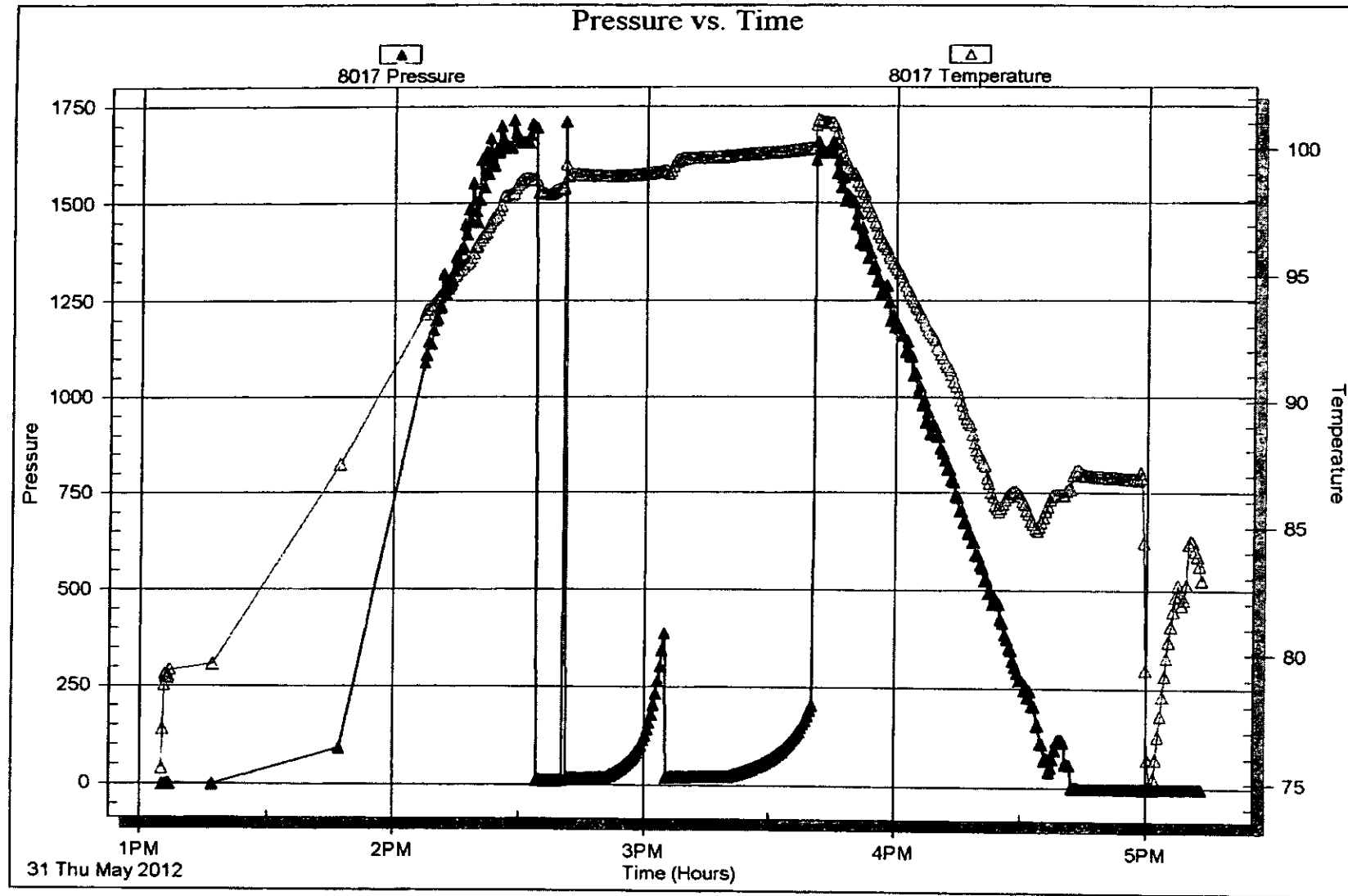


Serial #: 8017

Inside Palomino Petroleum Inc.

Artene #2

DST Test Number: 3





TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Palomino Petroleum inc.
 4924 SE 84th St
 Newton KS 67114+ 8827
 ATTN: Ken Wallace

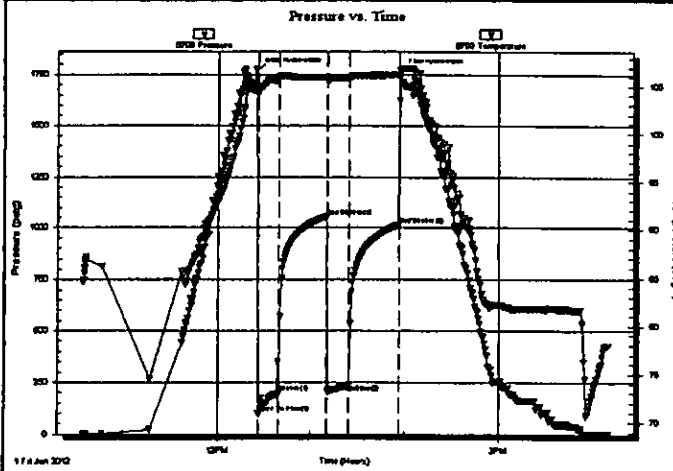
17-9s-19w Rooks,KS
Ariene #2
 Job Ticket: 48006 **DST#:4**
 Test Start: 2012.06.01 @ 10:35:00

GENERAL INFORMATION:

Formation: **Arbuckle**
 Deviated: **No Whipstock** ft (KB)
 Time Tool Opened: 12:26:00
 Time Test Ended: 16:10:15
 Interval: **3461.00 ft (KB) To 3542.00 ft (KB) (TVD)**
 Total Depth: **3572.00 ft (KB) (TVD)**
 Hole Diameter: **7.88 inches** Hole Condition: **Good**
 Test Type: **Conventional Bottom Hole (Initial)**
 Tester: **Kevin Mack**
 Unit No: **43**
 Reference Elevations: **2050.00 ft (KB)**
 2045.00 ft (CF)
 KB to GR/CF: 5.00 ft

Serial #: **6799** **Inside**
 Press@RunDepth: **235.74 psig @ 3462.00 ft (KB)** Capacity: **8000.00 psig**
 Start Date: **2012.06.01** End Date: **2012.06.01** Last Calib.: **2003.01.01**
 Start Time: **10:35:05** End Time: **16:10:14** Time On Btrrc: **2012.06.01 @ 12:25:30**
 16:10:14 Time Off Btrrc: **2012.06.01 @ 13:57:15**

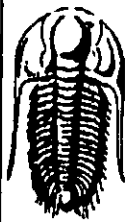
TEST COMMENT: 15 - IF- BOB in 7 min.
 30 - IS- Weak surface return started at 6 min. Died at 18 min.
 15 - FF- BOB in 7 min.
 30 - FS- Return started at 4 min. Built to 4 3/4"



PRESSURE SUMMARY			
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1770.65	104.55	Initial Hydro-static
1	99.81	104.23	Open To Flow (1)
14	199.60	105.93	Shut-in(1)
45	1054.13	105.91	End Shut-in(1)
46	202.97	105.57	Open To Flow (2)
59	235.74	105.84	Shut-in(2)
91	1014.48	106.21	End Shut-in(2)
92	1766.49	106.65	Final Hydro-static

Recovery		
Length (ft)	Description	Volume (bbl)
240.00	OCM 40o 60M	1.18
120.00	MCO 50o 50M	1.68
60.00	MCO 70o 30M	0.84
30.00	MCO 90o 10M	0.42
0.00	30' GP	0.00

Gas Rates			
	Choke (Inches)	Pressure (psig)	Gas Rate (Mcf/d)



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum inc.
4924 SE 84th St
New ton KS 67114+ 8827
ATTN: Ken Wallace

17-9s-19w Rooks,KS
Arlene #2
Job Ticket: 48006 DST#: 4
Test Start: 2012.06.01 @ 10:35:00

Tool Information

Drill Pipe:	Length: 3231.00 ft	Diameter: 3.80 inches	Volume: 45.32 bbl	Tool Weight: 2000.00 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: 240.00 ft	Diameter: 2.25 inches	Volume: 1.18 bbl	Weight to Pull Loose: 60000.00 lb
			Total Volume: 46.50 bbl	Tool Chased: ft
Drill Pipe Above KB:	31.00 ft			String Weight: Initial 50000.00 lb
Depth to Top Packer:	3461.00 ft			Final 52000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	111.00 ft			
Tool Length:	132.00 ft			
Number of Packers:	3	Diameter: 6.75 inches		

Tool Comments:

Tool Description

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths
Change Over Sub	1.00			3441.00	
Shut In Tool	5.00			3446.00	
Hydraulic tool	5.00			3451.00	
Packer	5.00			3456.00	21.00 Bottom Of Top Packer
Packer	5.00			3461.00	
Stubb	1.00			3462.00	
Recorder	0.00	8648	Inside	3462.00	
Recorder	0.00	6799	Inside	3462.00	
Perforations	6.00			3468.00	
Change Over Sub	1.00			3469.00	
Drill Pipe	62.00			3531.00	
Change Over Sub	1.00			3532.00	
Perforations	5.00			3537.00	
Blank Off Sub	1.00			3538.00	
Packer - Shale	4.00			3542.00	
Stubb	1.00			3543.00	
Recorder	0.00	8655	Below	3543.00	
Perforations	24.00			3567.00	
Bullnose	5.00			3572.00	111.00 Bottom Packers & Anchor
Total Tool Length:	132.00				



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum Inc.

17-9s-19w Rooks, KS

4924 SE 84th St
New ton KS 67114+ 8827

Arlene #2

Job Ticket: 48006

DST#: 4

ATTN: Ken Wallace

Test Start: 2012.06.01 @ 10:35:00

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: 47.00 sec/qt

Cushion Volume:

bbl

Water Loss: 7.19 in³

Gas Cushion Type:

Resistivity: 0.00 ohm.m

Gas Cushion Pressure:

psig

Salinity: 2100.00 ppm

Filter Cake: 1.00 inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
240.00	OCM 40o 60M	1.180
120.00	MCO 50o 50M	1.683
60.00	MCO 70o 30M	0.842
30.00	MCO 90o 10M	0.421
0.00	30' GIP	0.000

Total Length: 450.00 ft

Total Volume: 4.126 bbl

Num Fluid Samples: 0

Num Gas Bombs: 0

Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments:

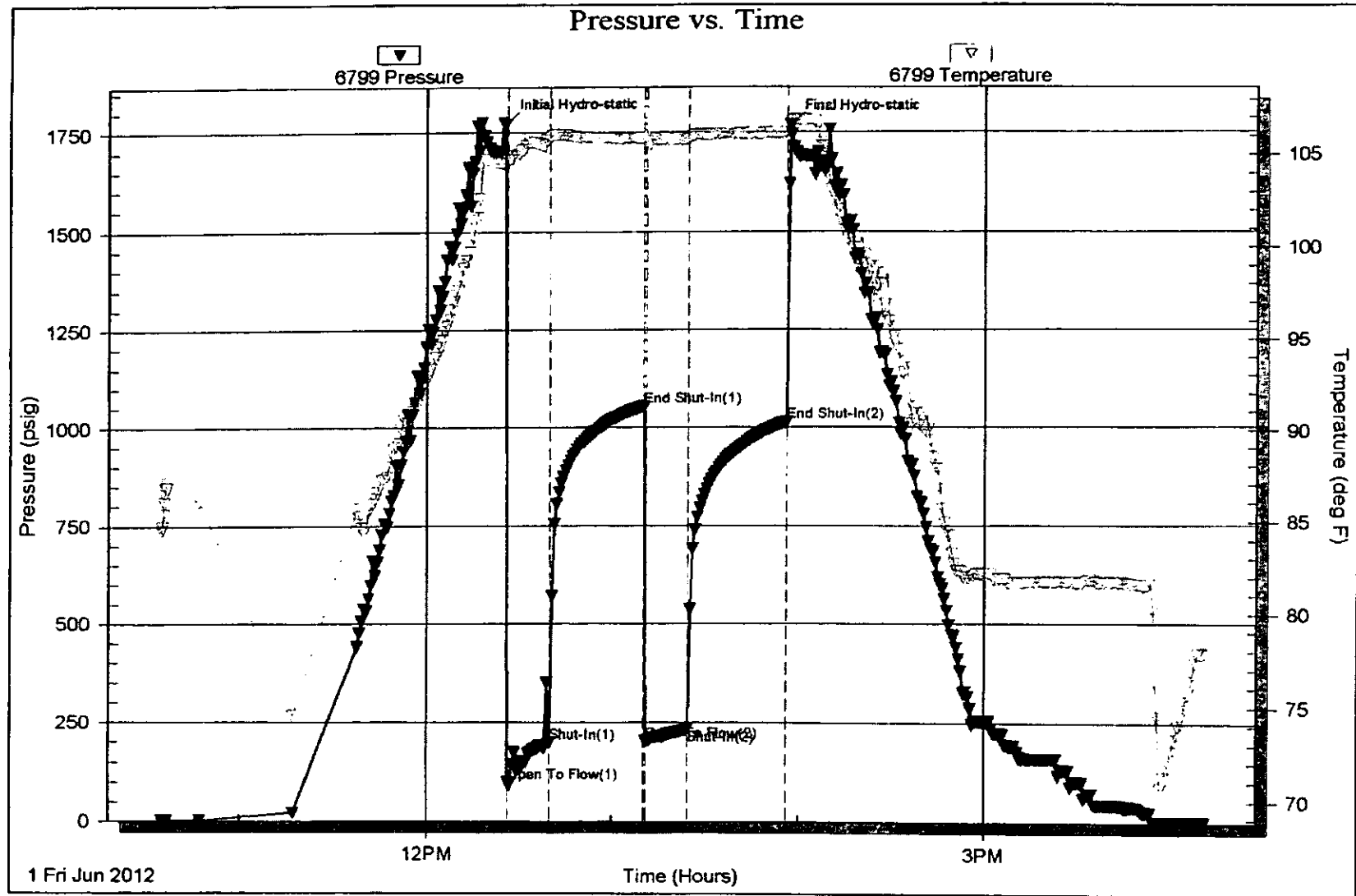
Serial #: 6799

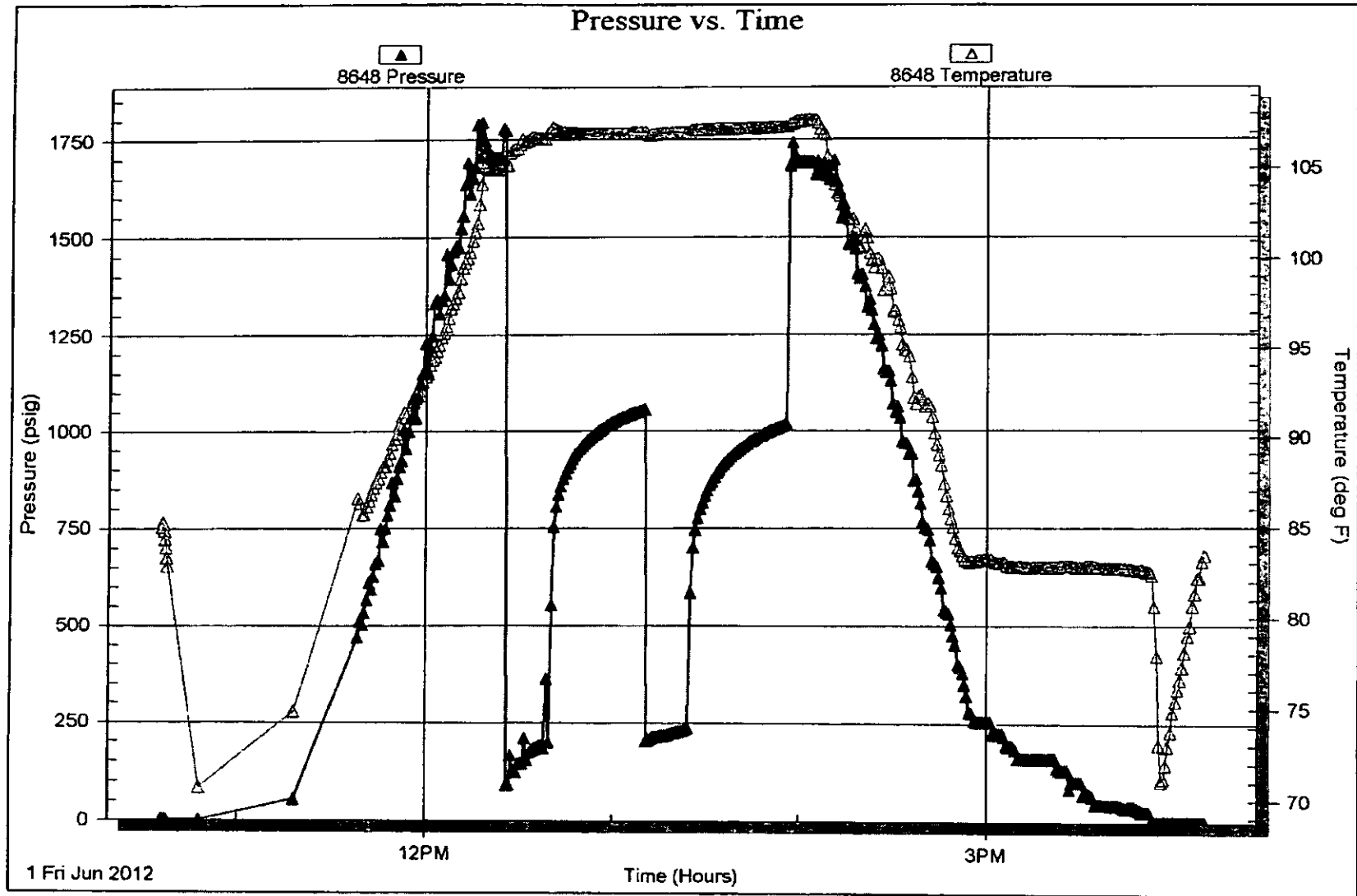
Inside

Palomino Petroleum inc.

Arlene #2

DST Test Number: 4



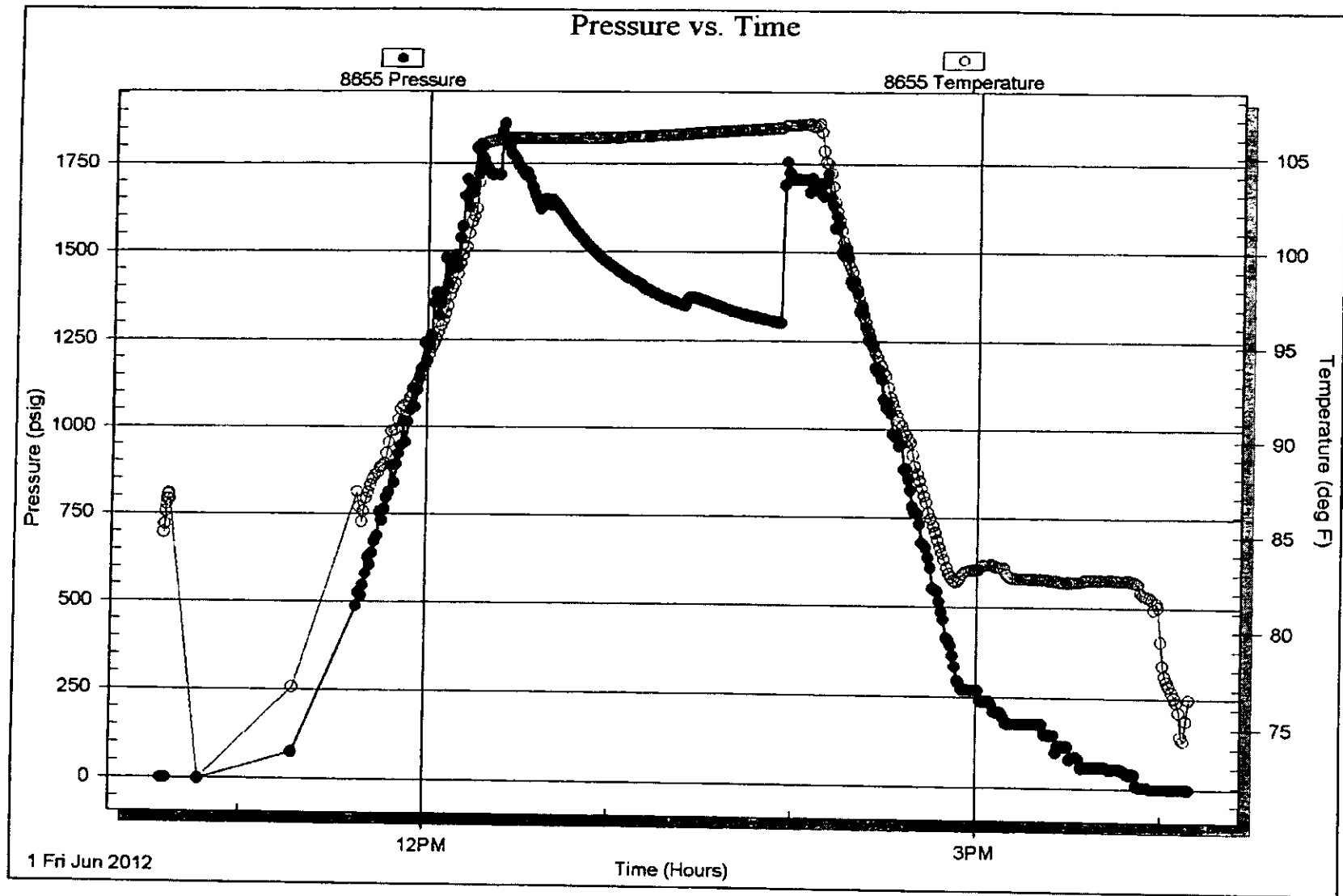


Serial #: 8655

Below (Stratton) Petroleum Inc.

Arlene #2

DST Test Number: 4





TRIOBITE TESTING INC.

P.O. Box 1733 - Hays, Kansas 67601

Test Ticket

NO. 47334

Well Name & No ARIZNE #2 Test No 1 Date 5-30-12
 Company Palomino Petroleum, IN Elevation 2050 KB 2045
 Address 4924 SE 84th St. Newton, KS 67114-8827
 Co. Rep / Geo. Ken Wallace Rig Wallace #2
 Location: Sec. 17 Twp. 9S Rge 19W Co. Rock State Ks

Interval Tested 3286-3328 Zone Tested LKC' B, C, D
 Anchor Length 42' Drill Pipe Run 3045' Mud Wt. 9.0
 Top Packer Depth 3281 Drill Collars Run 239.58 Vis 50
 Bottom Packer Depth 3286 Wt. Pipe Run 0 WL 68
 Total Depth 3328 Chlorides 1700 ppm System LCM 1
 Blow Description IF: Blow stop in 5 min. Flush tool, surge, no blow

ISI: NO RETURN
 FF: NO BLOW
 FSI: NO RETURN

Rec	Feet of	%gas	%oil	%water	%m
65	Feet of <u>Mud w/oil spk. in tool</u>				
Rec	Feet of	%gas	%oil	%water	%m
Rec	Feet of	%gas	%oil	%water	%m
Rec	Feet of	%gas	%oil	%water	%m
Rec	Feet of	%gas	%oil	%water	%m

Rec Total 65 BHT 101 Gravity 1150 API RW 117.80 @ F Chlorides PP
 (A) Initial Hydrostatic 1581 Test 1150 T-On Location 07:10
 (B) First Initial Flow 39 Jars _____ T-Started 07:49
 (C) First Final Flow 42 Safety Joint _____ T-Open 09:37
 (D) Initial Shut-In 819 Circ Sub _____ T-Pulled 11:07
 (E) Second Initial Flow 43 Hourly Standby _____ T-Out 12:35
 (F) Second Final Flow 45 Mileage 76.2 117.80 Comments Tool st. 5B
 (G) Final Shut-In 744 Sampler _____
 (H) Final Hydrostatic 1562 Straddle _____

Initial Open 15 Shale Packer _____ Ruined Shale Packer _____
 Initial Shut-In 30 Extra Packer _____ Ruined Packer _____
 Final Flow 15 Extra Recorder _____ Extra Copies _____
 Final Shut-In 30 Day Standby _____ Sub Total 0
 Sub Total 1267.80 Total 1267.80 MP/DST Disc't _____

Approved By _____ Our Representative [Signature]

Triobite Testing Inc. shall not be liable for damaged of any kind of the property or personnel of the one for whom a test is made or for any loss suffered or sustained, directly or indirectly, through the use of its equipment, or its statements or opinion concerning the results of any test, tools lost or damaged in the note shall be paid for at cost by the party for whom the test is made



TRIOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 47340

Well Name & No. AR/INZ #2 Test No. 2 Date 5-30-12
 Company PALOMINO Petroleum INC. Elevation 2050 KB 2045 G
 Address 4924 SE 84th St Newton KS 67114 + 8827
 Co. Rep / Geo. KEN WALLACE Rig MALLARD #2
 Location: Sec 17 Twp. 9S Rge 19W Co. ROCKS State KS

Interval Tested 3376-3422 Zone Tested LKC "H-I"
 Anchor Length 46' Drill Pipe Run 3136 Mud Wt. 9.0
 Top Packer Depth 3371 Drill Collars Run 239.58 Vis 50
 Bottom Packer Depth 3376 Wt Pipe Run 0 WL 68
 Total Depth 3422 Chlorides 1700 ppm System LCM 1
 Blow Description IF: Slow build to 2"
ISI: NO Return
FF: 1/2" blow
FSI: NO Return

Rec	Feet of	%gas	TR	%oil	%water	%mu
<u>275</u>	<u>OS MW</u>				<u>85</u>	<u>15</u>
Rec	Feet of	%gas		%oil	%water	%mu
Rec	Feet of	%gas		%oil	%water	%mu
Rec	Feet of	%gas		%oil	%water	%mu
Rec	Feet of	%gas		%oil	%water	%mu

Rec Total 275 BHT 105°
 (A) Initial Hydrostatic 1654
 (B) First Initial Flow 17
 (C) First Final Flow 96
 (D) Initial Shut-In 877
 (E) Second Initial Flow 100
 (F) Second Final Flow 141
 (G) Final Shut-In 854
 (H) Final Hydrostatic 1638

Gravimetry API RW .31 @ 52°F Chlorides 31000 ppr
 Test ← 1150
 Jars
 Safety Joint
 Circ Sub
 Hourly Standby
 Mileage ← 76RT 117.80
 Sampler
 Straddle
 Shale Packer
 Extra Packer
 Extra Recorder
 Day Standby
 Accessibility
 Sub Total 1267.80
 T-On Location 23:36
 T-Started 23:56
 T-Open 01:55
 T-Pulled 03:55
 T-Out 05:45
 Comments
 Ruined Shale Packer
 Ruined Packer
 Extra Copies
 Sub Total 0
 Total 1267.80
 MP/DST Disc't

Initial Open 30
 Initial Shut-In 30
 Final Flow 30
 Final Shut-In 30

Approved By _____ Our Representative _____

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TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 47341

Well Name & No. Arlene #2 Test No. 3 Date 5-31-12
 Company Palomino Petroleum, Inc. Elevation 2050 KB 2045
 Address 4924 SE 84th St. Newton Ks. 67114-8827
 Co. Rep / Geo. Ken Wallis Rig _____
 Location: Sec 17 Twp. G5 Rge 19w Co. Rock State Ks

Interval Tested 3428-3464 Zone Tested LKC "J,K"
 Anchor Length 36' Drill Pipe Run 3171 Mud Wt. 9.2
 Top Packer Depth 3423 Drill Collars Run 239.58 Vis 50
 Bottom Packer Depth 3428 Wt Pipe Run 0 WL 7.2
 Total Depth 3464 Chlorides 2200 ppm System LCM 1
 Blow Description I.F. NO blow, Flush, surge, NO blow

IST : NO Return
FT : NO blow
FSL : NO Return

Rec	Feet of	%gas	%oil	%water	%ml
<u>10</u>	Feet of <u>HOCm</u>		<u>20</u>		<u>80</u>
Rec	Feet of	%gas	%oil	%water	%ml
Rec	Feet of	%gas	%oil	%water	%ml
Rec	Feet of	%gas	%oil	%water	%ml
Rec	Feet of	%gas	%oil	%water	%ml

Rec Total 10' BHT 99'
 (A) Initial Hydrostatic 1693 Gravity _____ API RW _____ @ _____ °F Chlorides _____ pp
 (B) First Initial Flow 12 Test 1150 T-On Location 12:48
 (C) First Final Flow 19 Jars _____ T-Started 13:05
 (D) Initial Shut-In 388 Safety Joint _____ T-Open 14:35
 (E) Second Initial Flow 20 Circ Sub _____ T-Pulled 15:35
 (F) Second Final Flow 24 Hourly Standby _____ T-Out 17:13
 (G) Final Shut-In 205 Mileage 76.12 117.80 Comments _____
 (H) Final Hydrostatic 1657 Sampler _____
 Straddle _____
 Shale Packer _____
 Extra Packer _____
 Extra Recorder _____
 Day Standby _____
 Accessibility _____

Initial Open 15'
 Initial Shut-In 15'
 Final Flow 15'
 Final Shut-In 15'

Sub Total 0
 Total 1267.80
 MP/DST Disc't _____

Approved By _____ Our Representative [Signature]
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Well No. Arkane #2 Test No. 4 Date 6-1-12
 Company Palomino Petroleum, Inc Elevation 2050 KB 2045 G
 Address 4824 SE 84th St. Newton, KS 67114
 Co. Rep / Geo. Ken Wallace Rig Mallard #2
 Location: Sec. 17 Twp. 9s Rge. 19w Co. Rooks State KS

Interval Tested 3461 - 3542 Zone Tested Arbuckle
 Anchor Length 81' Drill Pipe Run 3231 Mud Wt. 9.4
 Top Packer Depth ~~3457~~ 3457 Drill Collars Run 240 Vis 47
 Bottom Packer Depth ~~3461 - 3542~~ 3461 - 3542 ^{Straddle Packer} Wt. Pipe Run ~~3231~~ 3231 WL 7.2
 Total Depth 3572 Chlorides 2100 ppm System LCM 2#

Blow Description IF - BoB in 7 min.
IS - Weak surface return started at 6 min. Died at 18 min.
FF - BoB in 7 min.
FS - Return started at 4 min. Built to 4 3/4"

Rec	Feet of	%gas	%oil	%water	%n
<u>30</u>	<u>MCO</u>	<u>90</u>	<u>10</u>	<u>10</u>	<u>90</u>
<u>60</u>	<u>MCO</u>	<u>70</u>	<u>30</u>	<u>30</u>	<u>70</u>
<u>120</u>	<u>MCO</u>	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>
<u>240</u>	<u>OCM</u>	<u>40</u>	<u>60</u>	<u>60</u>	<u>40</u>
Rec	Feet of	%gas	%oil	%water	%n

Rec Total 450 BHT 106 Gravity — API RW — @ — °F Chlorides — P
 (A) Initial Hydrostatic 1770 Test 1150 T-On Location 9:50 AM
 (B) First Initial Flow 99 Jars _____ T-Started 10:35 AM
 (C) First Final Flow 199 Safety Joint _____ T-Open 12:25 PM
 (D) Initial Shut-In 1054 Circ Sub N/K T-Pulled 1:55 PM
 (E) Second Initial Flow 202 Hourly Standby _____ T-Out 4:10 PM
 (F) Second Final Flow 235 Mileage 220 RT 117.80 Comments 30' GFP
 (G) Final Shut-In 1014 Sampler _____
 (H) Final Hydrostatic 1766 Straddle 600 Ruined Shale Packer _____
 Shale Packer _____ Ruined Packer _____
 Extra Packer _____ Extra Copes _____
 Initial Open 15 Extra Recorder _____ Sub Total 0
 Initial Shut-In 30 Day Standby _____ Total 1867.80
 Final Flow 15 Accessibility _____ MP/DST Disc't _____
 Final Shut-In 30 Sub Total 1867.80

Approved By _____ Our Representative 

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