



KANSAS CORPORATION COMMISSION 1088921
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: None

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>05/18/2012</u>	<u>05/24/2012</u>	<u>05/25/2012</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-163-24042-00-00
Spot Description: _____
NE SE SW SW Sec. 16 Twp. 9 S. R. 19 East West
335 Feet from North / South Line of Section
1004 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Rooks
Lease Name: Arlene Well #: 1
Field Name: None (Wildcat)
Producing Formation: None
Elevation: Ground: 2069 Kelly Bushing: 2074
Total Depth: 3618 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at: 202 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: _____ Feet
If Alternate II completion, cement circulated from: _____
feet depth to: _____ w/ _____ sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: 0 ppm Fluid volume: 480 bbls
Dewatering method used: Hauled to Disposal
Location of fluid disposal if hauled offsite: _____
Operator Name: RL Investment, LLC
Lease Name: GARDNER License #: 33268
Quarter NW Sec. 6 Twp. 11 S. R. 24 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: Deanna Garcia Date: 08/29/2012



1088921

Operator Name: Palomino Petroleum, Inc. Lease Name: Arlene Well #: 1
 Sec. 16 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 Wireline 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	<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	8.6250	20	202	Class A	150	2% Gel, 3% c.c.

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
___ Perforate				
___ Protect Casing	-			
___ Plug Back TD				
___ 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

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

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <i>(Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
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Form	ACO1 - Well Completion
Operator	Palomino Petroleum, Inc.
Well Name	Arlene 1
Doc ID	1088921

Tops

Anhy.	1468	(+606)
Base Anhy.	1508	(+566)
Topeka	3034	(-960)
Queen Hill	3127	(-1053)
Heebner	3239	(-1165)
Lansing	3279	(-1205)
Muncie Ck	3399	(-1325)
Stark	3458	(-1384)
BKC	3480	(-1406)
Arbuckle	3543	(-1469)
LTD	3618	(-1544)



INVOICE

PO Box 93999
Southlake, TX 76092

Invoice Number: 131302

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

RECEIVED

Invoice Date: May 25, 2012

Page: 1



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 #1	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS2-03	Great Bend	May 25, 2012	6/24/12

Quantity	Item	Description	Unit Price	Amount
138.00	MAT	Class A Common	16.25	2,242.50
92.00	MAT	Pozmix	8.50	782.00
8.00	MAT	Gel	21.25	170.00
57.00	MAT	FloSeal	2.70	153.90
247.00	SER	Handling	2.10	518.70
35.00	SER	Ton Miles	24.25	848.82
1.00	SER	Rotary Plug	1,250.00	1,250.00
35.00	SER	Heavy Vehicle Mileage	7.00	245.00
35.00	SER	Light Vehicle Mileage	4.00	140.00
1.00	EQUIP OPER	Dustin Chambers		
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

\$ 1587.73

ONLY IF PAID ON OR BEFORE

Jun 19, 2012

Subtotal	6,350.92
Sales Tax	400.11
Total Invoice Amount	6,751.03
Payment/Credit Applied	
TOTAL	6,751.03

ALLIED OIL & GAS SERVICE, LLC 053621

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

SERVICE POINT: Grantland KS

DATE <u>12/2/12</u>	SEC. <u>11e</u>	TWP. <u>09S</u>	RANGE <u>19W</u>	CALLED OUT	ON LOCATION	JOB START <u>3:00</u>	JOB FINISH <u>4:30</u>
LEASE <u>Blaine</u>		WELL <u>#1</u>		LOCATION <u>Zurich 2 W 3/4 W 12 into</u>		COUNTY <u>ROCKS</u>	STATE <u>KS</u>
OLD OR <input checked="" type="checkbox"/> NEW (Circle one)							

CONTRACTOR Mallard Drilling, Reg #1

TYPE OF JOB Rekey Plug

HOLE SIZE 12 1/4 T.D.

CASING SIZE 8 5/8 DEPTH

TUBING SIZE DEPTH

DRILL PIPE 4 1/2 DEPTH 3524

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. All

PERFS.

DISPLACEMENT Fresh Water

EQUIPMENT

PUMP TRUCK CEMENTER Dustin G.

224 HELPER Jon P

BULK TRUCK

378 DRIVER Kevin W.

BULK TRUCK

DRIVER

OWNER

CEMENT

AMOUNT ORDERED 230.5x 60% Class A

40% Poz 4% Gel 1/4 Flashed

COMMON	<u>138</u>	@ <u>16.25</u>	<u>2,242.50</u>
POZMIX	<u>92</u>	@ <u>8.50</u>	<u>782.00</u>
GEL	<u>8</u>	@ <u>21.25</u>	<u>170.00</u>
CHLORIDE		@	
ASC		@	
	<u>Flashed</u>	<u>57</u>	@ <u>2.68</u> <u>153.70</u>
		@	
		@	
		@	
		@	
		@	
		@	
HANDLING	<u>247</u>	@ <u>2.10</u>	<u>518.70</u>
MILEAGE	<u>10.32 x 35</u>	@ <u>2.35</u>	<u>241.70</u>
			TOTAL <u>4,715.92</u>

REMARKS:

Fill Hole with Reg mud

1st - 3524 - 25.5x

2nd - 1480 - 25.5x

3rd - 820 - 100.5x

4th - 210 - 40.5x

5th - 40 - 10.5x

Rat Hole - 30.5x

Plug down 4:00 pm

CHARGE TO: Dalvino Petroleum

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB 3524

PUMP TRUCK CHARGE 1250.00

EXTRA FOOTAGE @ _____

MILEAGE Hum 85 @ 2.00 170.00

MANIFOLD @ _____

Hum 35 @ 4.00 140.00

@ _____

TOTAL 11635.00

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.

PRINTED NAME Justin McDonald

SIGNATURE [Signature]

SALES TAX (If Any) _____

TOTAL CHARGES 6,350.92

DISCOUNT 1,587.73

4,763.19 IF PAID IN 30 DAYS

Thank You !!!



PO Box 93999
Southlake, TX 76092

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

INVOICE

Invoice Number: 131186

Invoice Date: May 18, 2012

Page: 1

RECEIVED

MAY 25 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 #1	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS2-01	Great Bend	May 18, 2012	6/17/12

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
162.90	SER	Handling	2.10	342.09
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	Kevin Eddy		
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

\$ 1313.24

ONLY IF PAID ON OR BEFORE
Jun 12, 2012

Subtotal	5,252.99
Sales Tax	175.91
Total Invoice Amount	5,428.90
Payment/Credit Applied	
TOTAL	5,428.90

ALLIED OIL & GAS SERVICES, LLC 053541

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

SERVICE POINT: West Ford, KS

DATE <u>5-18-12</u>	SEC <u>16</u>	TWP <u>7</u>	RANGE <u>19</u>	CALLED OUT	ON LOCATION	JOB START <u>11:00 AM</u>	JOB FINISH <u>11:30 AM</u>
LEASE <u>Argyle</u>		WELL # <u>1</u>	LOCATION <u>Zirkle, KS North</u>	COUNTY <u>Rooks</u>	STATE <u>KS</u>		
OLD OR NEW (Circle one) <u>NEW</u>		314 West Northgate					

CONTRACTOR Wallerd #1 OWNER Palomino

TYPE OF JOB Surface

HOLE SIZE 13 1/4 I.D. 209'

CASING SIZE 8 5/8 DEPTH 209'

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. 12 1/2

PERFS.

DISPLACEMENT 12.26 33'

CEMENT AMOUNT ORDERED 150 sacks Class K

39/100 2 1/2 gel

COMMON	<u>150</u>	@ <u>16.25</u>	<u>2,437.50</u>
POZMIX		@	
GEL	<u>3</u>	@ <u>21.25</u>	<u>63.75</u>
CHLORIDE	<u>5</u>	@ <u>58.20</u>	<u>291.00</u>
ASC		@	
		@	
		@	
		@	
		@	
		@	
HANDLING	<u>162.9</u>	@ <u>2.10</u>	<u>342.09</u>
MILEAGE	<u>7.4 x 35 x</u>	@ <u>2.35</u>	<u>608.65</u>
			TOTAL <u>3,742.22</u>

EQUIPMENT

PUMP TRUCK	CEMENTER <u>Craig R</u>
# <u>366</u>	HELPER <u>Kevin E</u>
BULK TRUCK	
# <u>3175</u>	DRIVER <u>Kevin W</u>
BULK TRUCK	
#	DRIVER

REMARKS:
Pipe on bottom, break circulation with rig man's hook up cement pump with 120 sacks Class K 396 cc 2 1/2 gel. Displace with 12.26. 30L H2O. Start cement & circulate. No down.
Hang down @ 11:30 pm

CHARGE TO: Palomino

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB		
PUMP TRUCK CHARGE	<u>1125.00</u>	
EXTRA FOOTAGE	@	
MILEAGE Hum <u>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>		

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 * Frank Stralark

SIGNATURE * Frank Stralark

Thank you!

PLUG & FLOAT EQUIPMENT

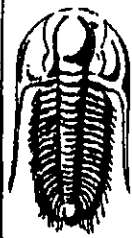
	@	
	@	
	@	
	@	
	@	
TOTAL _____		

SALES TAX (If Any) _____

TOTAL CHARGES 5,252.22

25% DISCOUNT 1,313.24 IF PAID IN 30 DAYS

3,939.24



TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Palomino Petroleum, Inc.

16-9s-19w Rooks, KS

4924 SE 84th ST
New ton KS 67114

Arlene #1

Job Ticket: 47110

DST#: 1

ATTN: Ken Wallace

Test Start: 2012.05.22 @ 00:05:30

GENERAL INFORMATION:

Formation: **Toronto-KC A**

Deviated: **No** Whipstock: **ft (KB)**

Time Tool Opened: 04:06:30

Time Test Ended: 07:55:30

Test Type: **Conventional Bottom Hole (Initial)**

Tester: **Brett Dickinson**

Unit No: **59**

Interval: **3236.00 ft (KB) To 3300.00 ft (KB) (TVD)**

Total Depth: **3300.00 ft (KB) (TVD)**

Hole Diameter: **7.88 inches** Hole Condition: **Good**

Reference Elevations: **2074.00 ft (KB)**

2069.00 ft (CF)

KB to GR/CF: **5.00 ft**

Serial #: **8369**

Inside

Press@RunDepth: **50.91 psig @ 3237.00 ft (KB)**

Start Date: **2012.05.22**

End Date:

2012.05.22

Start Time: **00:05:35**

End Time:

07:55:29

Capacity: **8000.00 psig**

Last Calib.: **2012.05.22**

Time On Btmr: **2012.05.22 @ 04:05:00**

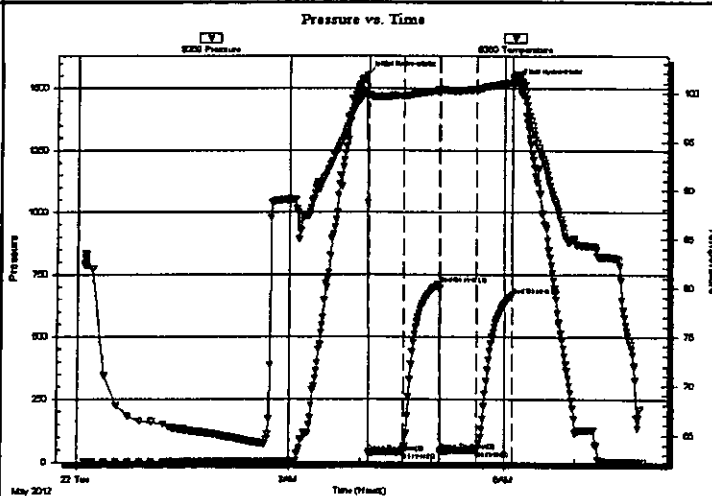
Time Off Btmr: **2012.05.22 @ 06:10:30**

TEST COMMENT: **F-Very weak surface blow**

ISI-No blow

FF-No blow

FSl-No blow



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1556.10	99.97	Initial Hydro-static
2	38.62	99.74	Open To Flow (1)
31	43.20	99.64	Shut-in(1)
61	712.42	100.24	End Shut-in(1)
62	46.51	100.31	Open To Flow (2)
92	50.91	100.38	Shut-in(2)
122	667.17	101.06	End Shut-in(2)
126	1525.67	101.93	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
30.00	VSOCM 5%O 95%M	0.15
35.00	Oil spotted mud	0.17

Gas Rates

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



TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Palomino Petroleum, Inc.

16-9s-19w Rooks, KS

4924 SE 84th ST
Newton KS 67114

Arlene #1

Job Ticket: 47110 DST#: 1

ATTN: Ken Wallace

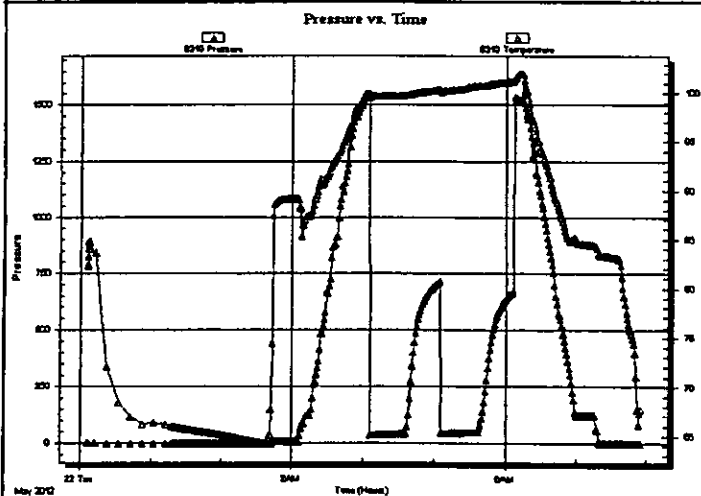
Test Start: 2012.05.22 @ 00:05:30

GENERAL INFORMATION:

Formation: Toronto-KC A	Test Type: Conventional Bottom Hole (Initial)
Deviated: No Whipstock: ft (KB)	Tester: Brett Dickinson
Time Tool Opened: 04:06:30	Unit No: 59
Time Test Ended: 07:55:30	
Interval: 3236.00 ft (KB) To 3300.00 ft (KB) (TVD)	Reference Elevations: 2074.00 ft (KB)
Total Depth: 3300.00 ft (KB) (TVD)	2069.00 ft (CF)
Hole Diameter: 7.88 inches Hole Condition: Good	KB to GR/CF: 5.00 ft

Serial #: 8319	Outside				
Press@RunDepth: psig @ 3237.00 ft (KB)	Capacity: 8000.00 psig				
Start Date: 2012.05.22	End Date: 2012.05.22	Last Calib.: 2012.05.22			
Start Time: 00:05:35	End Time: 07:54:59	Time On Btm:			
		Time Off Btm:			

TEST COMMENT: IF-Very weak surface blow
IS-No blow
FF-No blow
FSI-No blow



PRESSURE SUMMARY

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

Recovery

Length (ft)	Description	Volume (bbl)
30.00	VSOEM 5%O 95%M	0.15
35.00	Oil spotted mud	0.17

Gas Rates

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



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum, Inc.

16-9s-19w Rooks,KS

4924 SE 84th ST
New ton KS 67114

Arlene #1

Job Ticket: 47110

DST#: 1

ATTN: Ken Wallace

Test Start: 2012.05.22 @ 00:05:30

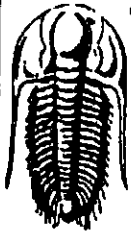
Tool Information

Drill Pipe:	Length: 2980.00 ft	Diameter: 3.80 inches	Volume: 41.80 bbl	Tool Weight: 2000.00 lb
Heavy Wt. Pipe:	Length: ft	Diameter: 2.70 inches	Volume: - bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 241.00 ft	Diameter: 2.25 inches	Volume: 1.19 bbl	Weight to Pull Loose: 70000.00 lb
		Total Volume: - bbl		Tool Chased 4.00 ft
Drill Pipe Above KB:	6.00 ft			String Weight: Initial 41000.00 lb
Depth to Top Packer:	3236.00 ft			Final 41000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	64.00 ft			
Tool Length:	85.00 ft			
Number of Packers:	2	Diameter: 6.75 inches		

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths
Change Over Sub	1.00			3216.00	
Shut In Tool	5.00			3221.00	
Hydraulic tool	5.00			3226.00	
Packer	5.00			3231.00	21.00 Bottom Of Top Packer
Packer	5.00			3236.00	
Stubb	1.00			3237.00	
Recorder	0.00	8369	Inside	3237.00	
Recorder	0.00	8319	Outside	3237.00	
Perforations	5.00			3242.00	
Change Over Sub	1.00			3243.00	
Drill Pipe	31.00			3274.00	
Change Over Sub	1.00			3275.00	
Perforations	22.00			3297.00	
Bullnose	3.00			3300.00	64.00 Bottom Packers & Anchor

Total Tool Length: 85.00



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum, Inc.

16-9s-19w Rooks, KS

4924 SE 84th ST
New ton KS 67114

Arlene #1

Job Ticket: 47110

DST#: 1

ATTN: Ken Wallace

Test Start: 2012.05.22 @ 00:05:30

Mud and Cushion Information

Mud Type: Gel Chem

Mud Weight: 9.00 lb/gal

Viscosity: 50.00 sec/qt

Water Loss: 6.78 in³

Resistivity: ohm.m

Salinity: 1900.00 ppm

Filter Cake: inches

Cushion Type:

Cushion Length: ft

Cushion Volume: bbl

Gas Cushion Type:

Gas Cushion Pressure: psig

Oil API:

Water Salinity: ppm

deg API

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
30.00	VSOCM 5%O 95%M	0.148
35.00	Oil spotted mud	0.172

Total Length: 65.00 ft Total Volume: 0.320 bbl

Num Fluid Samples: 0

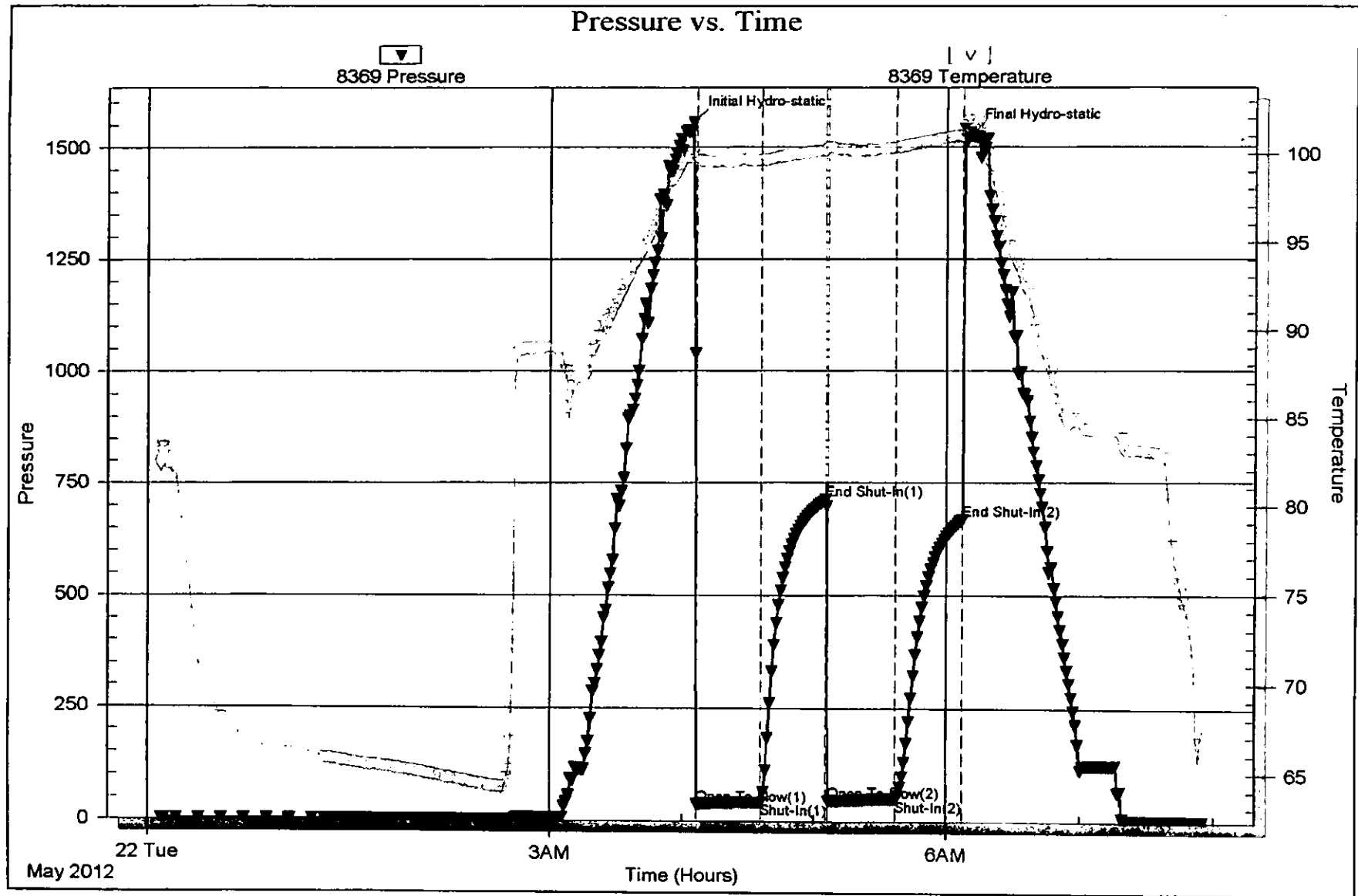
Num Gas Bombs: 0

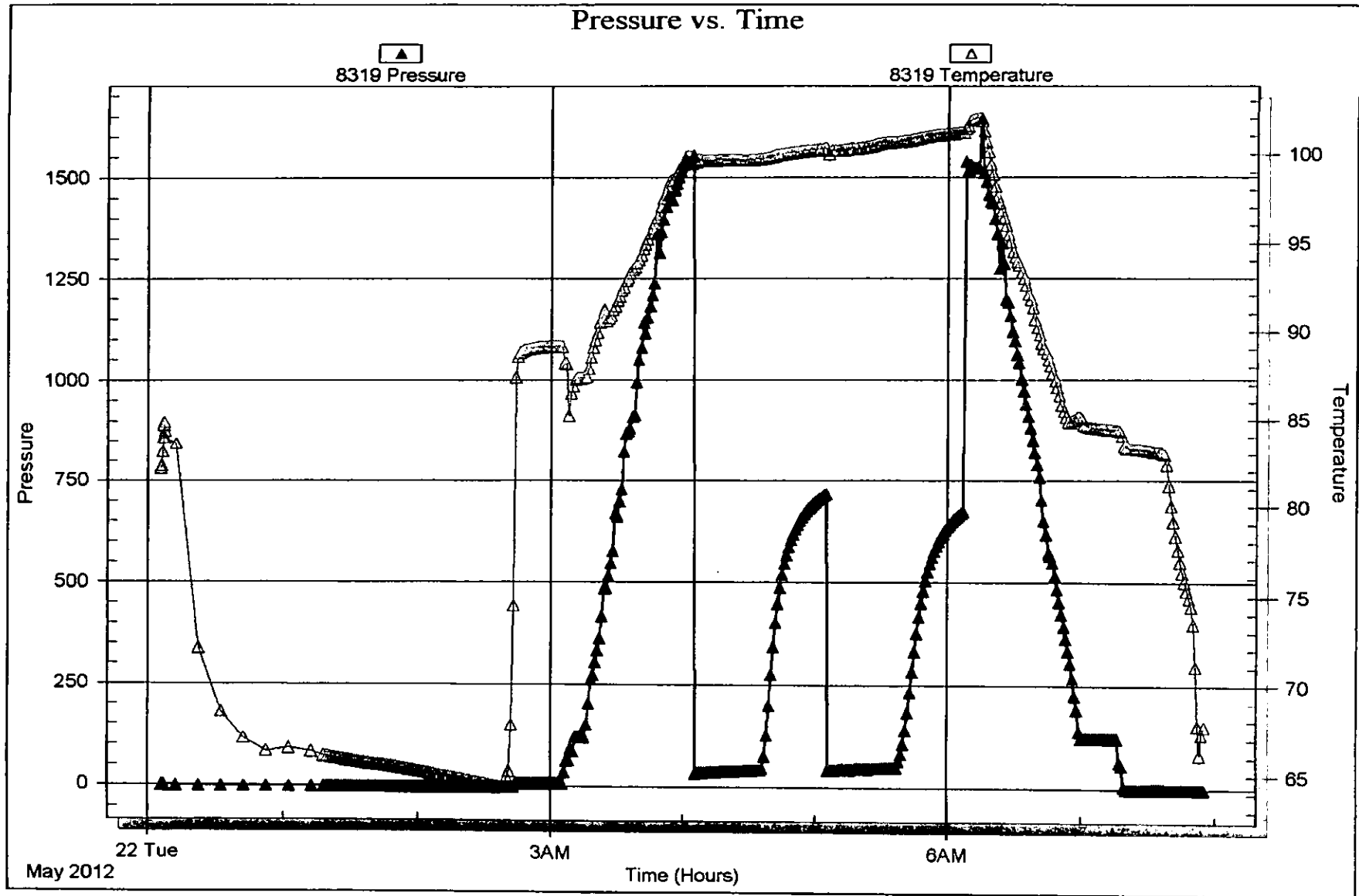
Serial #:

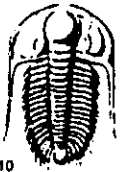
Laboratory Name:

Laboratory Location:

Recovery Comments:







TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 47110

Well Name & No. Arlene #1 Test No 1 Date 5/22/12
 Company Palomina Petroleum, Inc. Elevation 2074 KB 2069 GL
 Address 4924 SE 84th ST Newton KS 67114
 Co. Rep/Geo. Ken Wallace Rig Mallard
 Location: Sec. 16 Twp. 9 Rge. 19 Co Rock S State KS

Interval Tested 3236 - 3300 Zone Tested Toronto - KCA
 Anchor Length 64 Drill Pipe Run 2980 Mud Wt 8.6
 Top Packer Depth 3231 Drill Collars Run 241 Vis 50
 Bottom Packer Depth 3236 Wt. Pipe Run — WL 6.3
 Total Depth 3300 Chlorides 1900 ppm System LCM 1F

Blow Description IF - Very weak surface blow
FSI - No blow
EF - N blow
FSI N blow

Rec	Feet of	%gas	%oil	%water	%mud
<u>35</u>	<u>oil spotted mud</u>				
<u>30</u>	<u>VSOCM</u>		<u>5</u>		<u>95</u>
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud

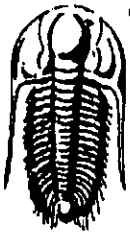
Rec Total	BHT	Gravity	API RW	(w)	F Chlorides	ppm
<u>65</u>	<u>101</u>	<u>X</u> test 1150				
(A) Initial Hydrostatic	<u>1556</u>	<input type="checkbox"/> Jars			T On Location	<u>23.40</u>
(B) First Initial Flow	<u>39</u>	<input type="checkbox"/> Safety Joint			T Started	<u>00:05</u>
(C) First Final Flow	<u>43</u>	<input type="checkbox"/> Circ Sub			T Open	<u>4:05</u>
(D) Initial Shut-In	<u>212</u>	<input type="checkbox"/> Hourly Standby			T Pulled	<u>6:05</u>
(E) Second Initial Flow	<u>47</u>	<input checked="" type="checkbox"/> Mileage <u>36.2</u> @ 111.60			T Out	<u>7:55</u>
(F) Second Final Flow	<u>31</u>	<input type="checkbox"/> Sampler			Comments	
(G) Final Shut-In	<u>667</u>	<input type="checkbox"/> Straddle			<input type="checkbox"/> Ruined Shale Packer	
(H) Final Hydrostatic	<u>1526</u>	<input type="checkbox"/> Shale Packer			<input type="checkbox"/> Ruined Packer	

Initial Open 30 Extra Packer
 Initial Shut-In 30 Extra Recorder
 Final Flow 30 Day Standby
 Final Shut-In 30 Accessibility

Sub Total 1261.60

Sub Total 1261.60

Approved By _____ Our Representative Ken Wallace
 Trilobite Testing Inc. shall not be liable for damaged or 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 hole shall be paid for at cost by the party for whom the test is made.



TRILOBITE TESTING, INC

DRILL STEM TEST REPORT

Palomino Petroleum, Inc.

16-9s-19w Rooks, KS

4924 SE 84th ST
New ton KS 67114

Arlene #1

Job Ticket: 47111

DST#: 2

ATTN: Ken Wallace

Test Start: 2012.05.22 @ 14:45:30

GENERAL INFORMATION:

Formation: **KC"B-D"**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 16:57:00

Time Test Ended: 20:32:00

Test Type: Conventional Bottom Hole (Reset)

Tester: Brett Dickinson

Unit No: 59

Interval: 3307.00 ft (KB) To 3348.00 ft (KB) (TVD)

Reference Elevations: 2074.00 ft (KB)

Total Depth: 3348.00 ft (KB) (TVD)

2069.00 ft (CF)

Hole Diameter: 7.88 inches Hole Condition: Fair

KB to GR/CF: 5.00 ft

Serial #: 8369

Inside

Press@RunDepth: 27.68 psig @ 3308.00 ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.05.22

End Date:

2012.05.22

Last Calib.: 2012.05.22

Start Time: 14:45:35

End Time:

20:31:59

Time On Btm: 2012.05.22 @ 16:55:30

Time Off Btm: 2012.05.22 @ 19:00:30

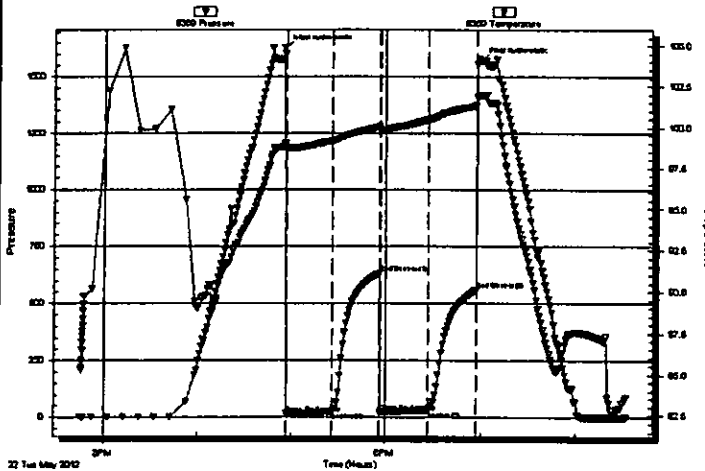
TEST COMMENT: IF-Very weak surface blow

IS-No blow

FF-No blow

FS-No blow

Pressure vs. Time



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1628.02	98.81	Initial Hydro-static
2	16.38	98.69	Open To Flow (1)
31	22.10	99.15	Shut-In(1)
61	631.41	100.02	End Shut-In(1)
62	23.53	99.87	Open To Flow (2)
91	27.68	100.45	Shut-In(2)
122	559.02	101.31	End Shut-In(2)
125	1570.70	101.94	Final Hydro-static

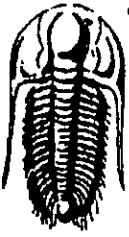
Recovery

Length (ft)	Description	Volume (bbl)
30.00	Oil spotted mud	0.15

* Recovery from multiple tests

Gas Rates

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



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Palomino Petroleum, Inc.

16-9s-19w Rooks, KS

4924 SE 84th ST
New ton KS 67114

Arlene #1

Job Ticket: 47111

DST#: 2

ATTN: Ken Wallace

Test Start: 2012.05.22 @ 14:45:30

GENERAL INFORMATION:

Formation: KC*B-D*

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 16:57:00

Time Test Ended: 20:32:00

Test Type: Conventional Bottom Hole (Reset)

Tester: Brett Dickinson

Unit No: 59

Interval: 3307.00 ft (KB) To 3348.00 ft (KB) (TVD)

Total Depth: 3348.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Fair

Reference Elevations: 2074.00 ft (KB)

2069.00 ft (CF)

KB to GR/CF: 5.00 ft

Serial #: 8319 Outside

Press@RunDepth: psig @ 3308.00 ft (KB)

Start Date: 2012.05.22

End Date:

2012.05.22

Capacity: 8000.00 psig

Last Calib.:

2012.05.22

Start Time: 14:45:19

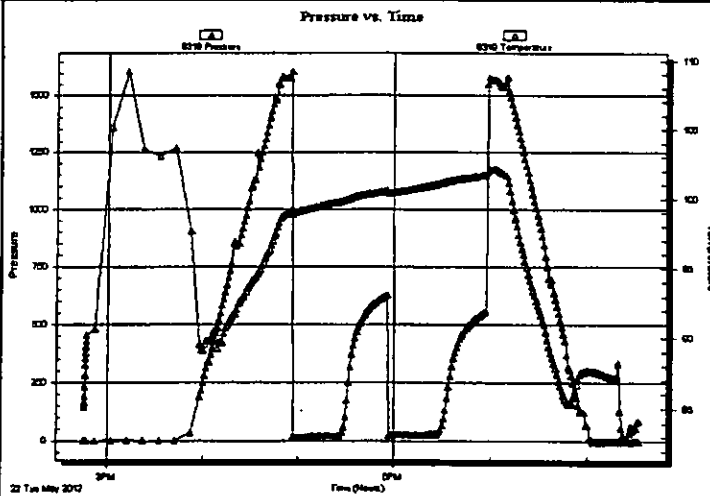
End Time:

20:31:43

Time On Btrc

Time Off Btrc

TEST COMMENT: IF-Very weak surface blow
IS-No blow
FF-No blow
FS-No blow



PRESSURE SUMMARY

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

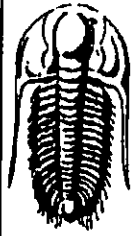
Recovery

Length (ft)	Description	Volume (bbl)
30.00	Oil spotted mud	0.15

* 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.

16-9s-19w Rooks, KS

4924 SE 84th ST
New ton KS 67114

Arlene #1

Job Ticket: 47111

DST#: 2

ATTN: Ken Wallace

Test Start: 2012.05.22 @ 14:45:30

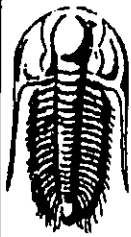
Tool Information

Drill Pipe:	Length: 3049.00 ft	Diameter: 3.80 inches	Volume: 42.77 bbl	Tool Weight: 2000.00 lb
Heavy Wt. Pipe:	Length: ft	Diameter: 2.70 inches	Volume: - bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 241.00 ft	Diameter: 2.25 inches	Volume: 1.19 bbl	Weight to Pull Loose: 50000.00 lb
			<u>Total Volume: - bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	6.00 ft			String Weight: Initial 41000.00 lb
Depth to Top Packer:	3307.00 ft			Final 41000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	41.00 ft			
Tool Length:	64.00 ft			
Number of Packers:	2	Diameter: 6.75 inches		

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths
Change Over Sub	1.00			3285.00	
Shut In Tool	5.00			3290.00	
Hydraulic tool	5.00			3295.00	
Safety Joint	2.00			3297.00	
Packer	5.00			3302.00	23.00 Bottom Of Top Packer
Packer	5.00			3307.00	
Stubb	1.00			3308.00	
Recorder	0.00	8369	Inside	3308.00	
Recorder	0.00	8319	Outside	3308.00	
Perforations	4.00			3312.00	
Change Over Sub	1.00			3313.00	
Drill Pipe	31.00			3344.00	
Change Over Sub	1.00			3345.00	
Bullnose	3.00			3348.00	41.00 Bottom Packers & Anchor

Total Tool Length: 64.00



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum, Inc.

16-9s-19w Rooks, KS

4924 SE 84th ST
New ton KS 67114

Arlene #1

Job Ticket: 47111

DST#: 2

ATTN: Ken Wallace

Test Start: 2012.05.22 @ 14:45:30

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: 49.00 sec/qt	Cushion Volume: bbl		
Water Loss: 6.77 in ³	Gas Cushion Type:		
Resistivity: ohm.m	Gas Cushion Pressure: psig		
Salinity: 1900.00 ppm			
Filter Cake: inches			

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
30.00	Oil spotted mud	0.148

Total Length: 30.00 ft Total Volume: 0.148 bbl

Num Fluid Samples: 0

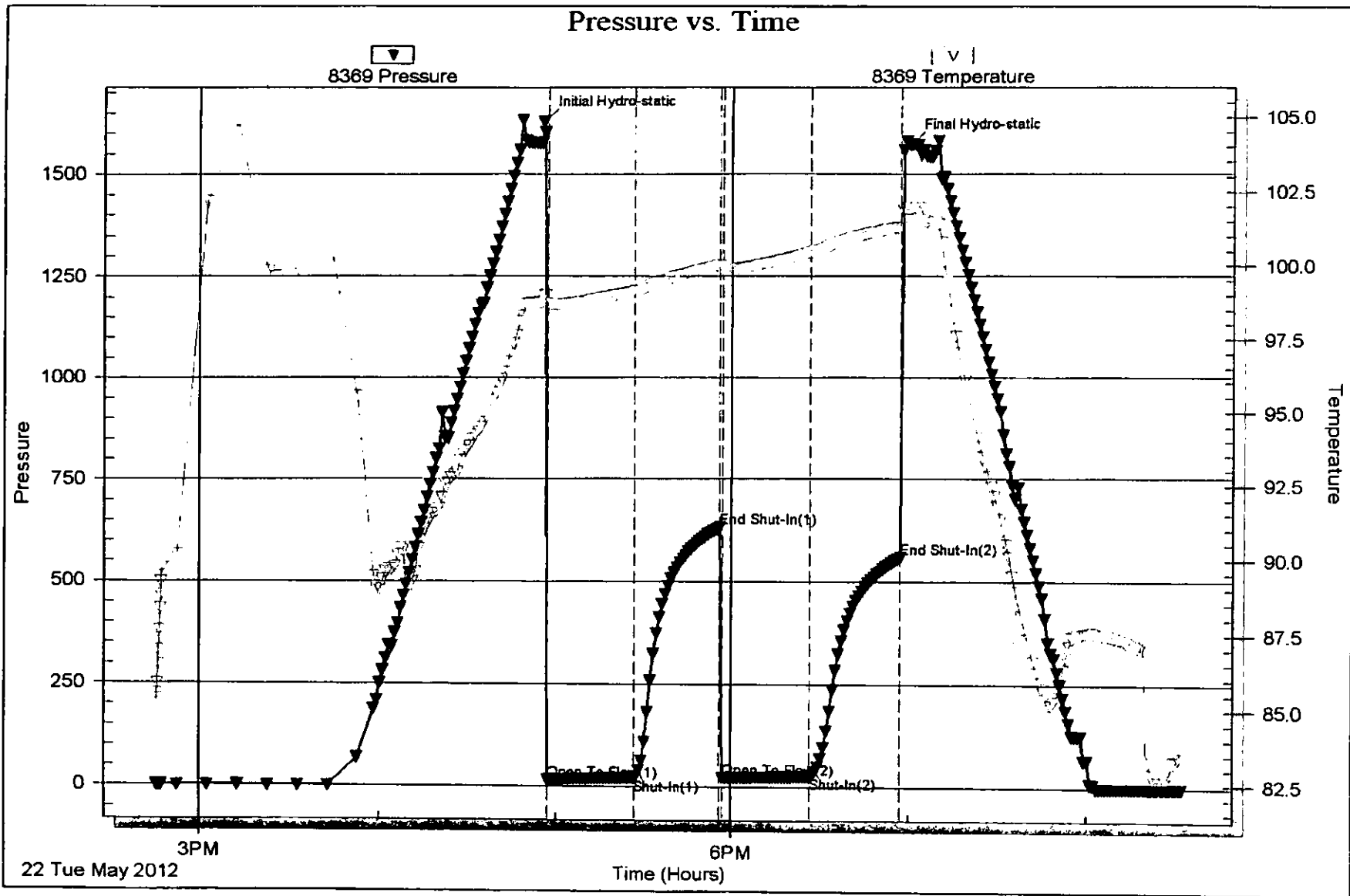
Num Gas Bombs: 0

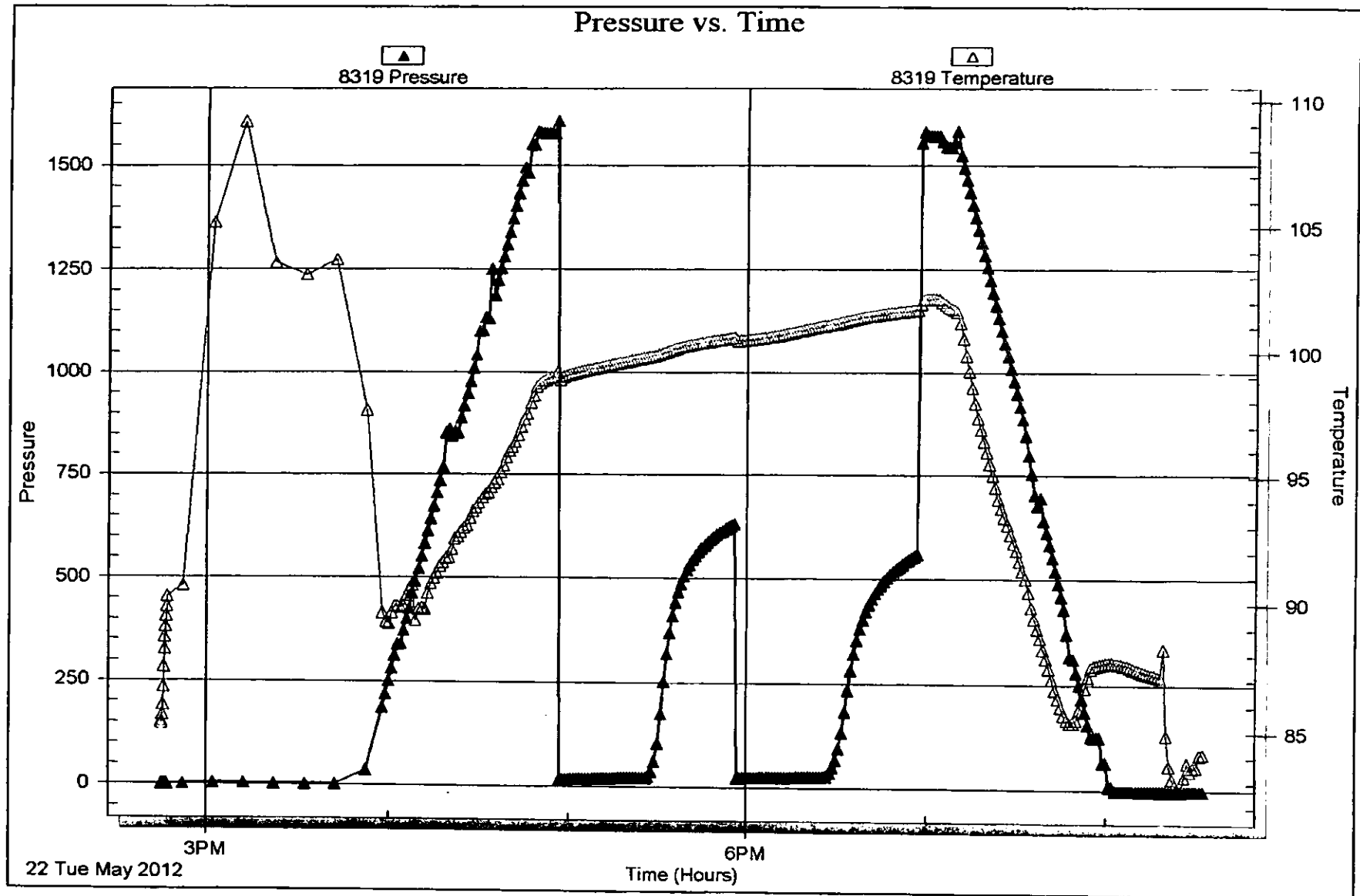
Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments:







TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 47111

Well Name & No. Arionc #1 Test No 2 Date 5/22/12
 Company Palomino Petroleum, Inc Elevation 2074 KB 2069 GL
 Address 4924 SE 84th ST Newton KS 67114
 Co. Rep / Geo Ken Wallace Rig Mallard
 Location: Sec. 16 Twp. 9 Rge 14 Co BOOKS State KS

Interval Tested 3307-3348 Zone Tested KC "B-D"
 Anchor Length 41 Drill Pipe Run 3049 Mud Wt 9.6
 Top Packer Depth 3302 Drill Collars Run 241 Vis 49
 Bottom Packer Depth 3307 Wt Pipe Run _____ WL 6.5
 Total Depth 3348 Chlorides 1906 ppm System LCM 1

Blow Description IF - very wet surface 66
2.5 - no blow
FF - N blow
2.5 - N blow

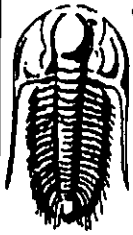
Rec	Feet of	%gas	%oil	%water	%mud
<u>30</u>	<u>oil spotted</u>				
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud

Rec Total	BHT	Gravity	API RW	ppm
<u>30</u>	<u>101</u>			
(A) Initial Hydrostatic	<u>1628</u>	<input checked="" type="checkbox"/> Test	<u>1150</u>	
(B) First Initial Flow	<u>16</u>	<input type="checkbox"/> Jars		
(C) First Final Flow	<u>22</u>	<input checked="" type="checkbox"/> Safety Joint	<u>75</u>	
(D) Initial Shut-In	<u>631</u>	<input type="checkbox"/> Circ Sub		
(E) Second Initial Flow	<u>24</u>	<input type="checkbox"/> Hourly Standby		
(F) Second Final Flow	<u>28</u>	<input checked="" type="checkbox"/> Mileage	<u>36x2</u>	<u>111.60</u>
(G) Final Shut-In	<u>559</u>	<input type="checkbox"/> Sampler		
(H) Final Hydrostatic	<u>1,571</u>	<input type="checkbox"/> Straddle		

Initial Open	Initial Shut-In	Final Flow	Final Shut-In
<u>30</u>	<u>30</u>	<u>30</u>	<u>30</u>

Sub Total	1336.60
Sub Total	1336.60

Approved By _____ Our Representative Ken Wallace
 TriLOBITE 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. Tolls lost or damaged in the hole shall be paid for at cost by the party for whom the test is made.



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

Palomino Petroleum, Inc.
4924 SE 84th ST
New ton KS 67114
ATTN: Ken Wallace

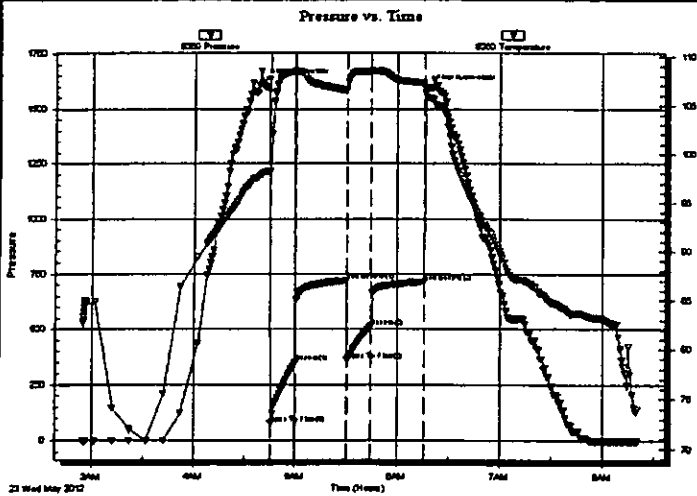
16-9s-19w Rooks,KS
Arlene #1
Job Ticket: 47112 **DST#: 3**
Test Start: 2012.05.23 @ 02:55:00

GENERAL INFORMATION:

Formation: **KC "E"**
 Deviated: **No Whipstock** ft (KB)
 Test Type: **Conventional Bottom Hole (Reset)**
 Time Tool Opened: **04:45:30**
 Tester: **Brett Dickinson**
 Time Test Ended: **08:20:30**
 Unit No: **59**
 Interval: **3345.00 ft (KB) To 3378.00 ft (KB) (TVD)**
 Reference Elevations: **2074.00 ft (KB)**
Total Depth: 3378.00 ft (KB) (TVD)
2069.00 ft (CF)
 Hole Diameter: **7.88 inches** Hole Condition: **Fair**
 KB to GR/CF: **5.00 ft**

Serial #: 8369 **Inside**
 Press@RunDepth: **511.31 psig @ 3346.00 ft (KB)** Capacity: **8000.00 psig**
 Start Date: **2012.05.23** End Date: **2012.05.23** Last Calib.: **2012.05.23**
 Start Time: **02:55:05** End Time: **08:20:29** Time On Btm: **2012.05.23 @ 04:40:00**
 Time Off Btm: **2012.05.23 @ 06:18:30**

TEST COMMENT: F-BOB in 2 min
 IS-No blow
 FF-BOB in 2.5 min
 FSI-No blow



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1618.73	97.97	Initial Hydro-static
6	76.82	98.26	Open To Flow (1)
20	349.29	108.44	Shut-in(1)
50	717.18	106.48	End Shut-in(1)
51	359.15	106.54	Open To Flow (2)
65	511.31	108.43	Shut-in(2)
96	713.41	107.25	End Shut-in(2)
99	1595.39	105.78	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
890.00	water	10.29
120.00	MCW 70%W 30%M	1.68
50.00	Oil spotted WCM 40%W 60%M	0.70

* Recovery from multiple tests

Gas Rates

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



TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Palomino Petroleum, Inc.

4924 SE 84th ST
New ton KS 67114

ATTN: Ken Wallace

16-9s-19w Rooks,KS

Arlene #1

Job Ticket: 47112

DST#: 3

Test Start: 2012.05.23 @ 02:55:00

GENERAL INFORMATION:

Formation: KC "E"

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 04:45:30

Time Test Ended: 08:20:30

Test Type: Conventional Bottom Hole (Reset)

Tester: Brett Dickinson

Unit No: 59

Interval: 3345.00 ft (KB) To 3378.00 ft (KB) (TVD)

Total Depth: 3378.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Fair

Reference Elevations: 2074.00 ft (KB)

2069.00 ft (CF)

KB to GR/CF: 5.00 ft

Serial #: 8319

Outside

Press@RunDepth: psig @ 3346.00 ft (KB)

Start Date: 2012.05.23

End Date:

2012.05.23

Capacity:

8000.00 psig

Start Time: 02:56:35

End Time:

08:20:29

Last Calib.:

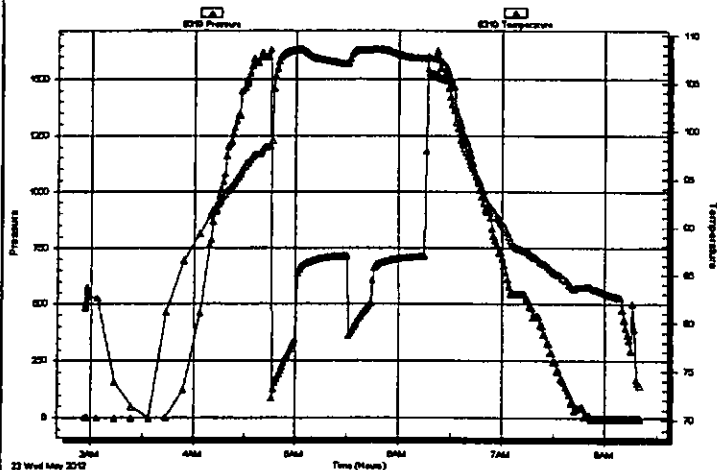
2012.05.23

Time On Btm:

Time Off Btm:

TEST COMMENT: IF-BOB in 2 min
IS-NO blow
FF-BOB in 2.5 min
FS-NO blow

Pressure vs. Time



PRESSURE SUMMARY

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

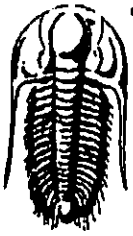
Recovery

Length (ft)	Description	Volume (bbl)
890.00	water	10.29
120.00	MCW 70%W 30%M	1.68
50.00	Oil spotted WCM 40%W 60%M	0.70

* 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.

16-9s-19w Rooks, KS

4924 SE 84th ST
New ton KS 67114

Arlene #1

Job Ticket: 47112

DST#: 3

ATTN: Ken Wallace

Test Start: 2012.05.23 @ 02:55:00

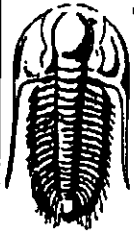
Tool Information

Drill Pipe:	Length: 3110.00 ft	Diameter: 3.80 inches	Volume: 43.63 bbl	Tool Weight: 2000.00 lb
Heavy Wt. Pipe:	Length: ft	Diameter: 2.70 inches	Volume: - bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 241.00 ft	Diameter: 2.25 inches	Volume: 1.19 bbl	Weight to Pull Loose: 55000.00 lb
		<u>Total Volume:</u>	- bbl	Tool Chased 0.00 ft
Drill Pipe Above KB:	27.00 ft			String Weight: Initial 41000.00 lb
Depth to Top Packer:	3345.00 ft			Final 49000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	33.00 ft			
Tool Length:	54.00 ft			
Number of Packers:	2	Diameter: 6.75 inches		

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths
Change Over Sub	1.00			3325.00	
Shut In Tool	5.00			3330.00	
Hydraulic tool	5.00			3335.00	
Packer	5.00			3340.00	21.00 Bottom Of Top Packer
Packer	5.00			3345.00	
Stubb	1.00			3346.00	
Recorder	0.00	8369	Inside	3346.00	
Recorder	0.00	8319	Outside	3346.00	
Perforations	5.00			3351.00	
Perforations	24.00			3375.00	
Bullnose	3.00			3378.00	33.00 Bottom Packers & Anchor

Total Tool Length: 54.00



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum, Inc.

16-9s-19w Rooks,KS

4924 SE 84th ST
New ton KS 67114

Arlene #1

Job Ticket: 47112

DST#: 3

ATTN: Ken Wallace

Test Start: 2012.05.23 @ 02:55:00

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: 124000 ppm

Viscosity: 49.00 sec/qt

Cushion Volume:

bbbl

Water Loss: 6.77 in³

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 1900.00 ppm

Filter Cake: inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
890.00	water	10.289
120.00	MCW 70%W 30%M	1.683
50.00	Oil spotted WCM 40%W 60%M	0.701

Total Length: 1060.00 ft Total Volume: 12.673 bbl

Num Fluid Samples: 0

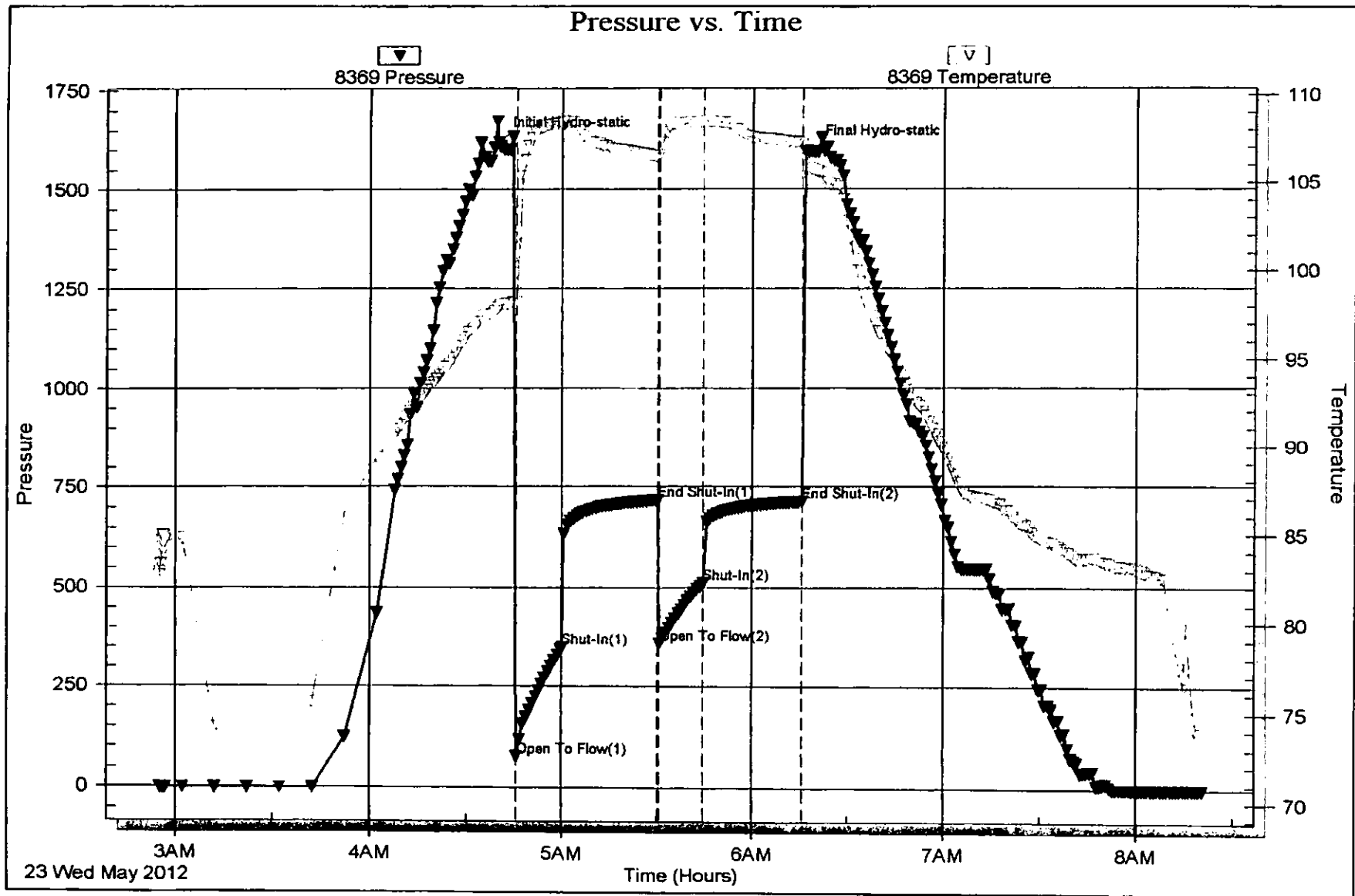
Num Gas Bombs: 0

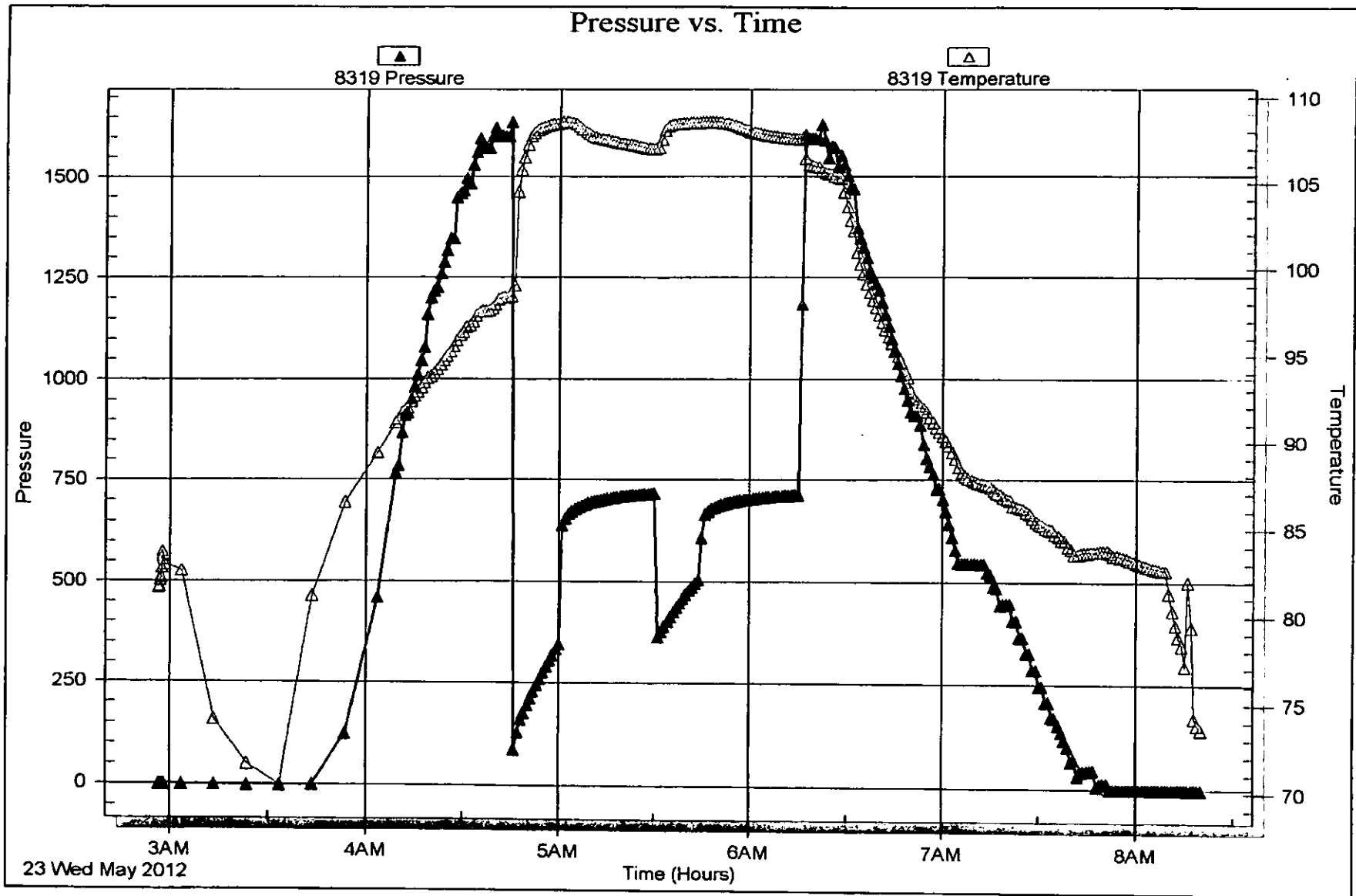
Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments: RW.07@70







TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 47112

Well Name & No Arleta #1 Test No. 3 Date 5/23/12
 Company Palomine Petroleum, Inc Elevation 2074 KB 2069 GL
 Address 4924 SE 84th St Newton KS 6704
 Co. Rep / Geo. Ken Wallace Rig Mallard
 Location, Sec. 16 Twp 9 Rge 19 Co. Beeks State KS

Interval Tested 3345 - 3378 Zone Tested KC'
 Anchor Length 33 Drill Pipe Run 3110 Mud Wt 9.0
 Top Packer Depth 3340 Drill Collars Run 241 Vis 49
 Bottom Packer Depth 3345 Wt Pipe Run WL 6.8
 Total Depth 3378 Chlorides 1900 ppm System LCM 1

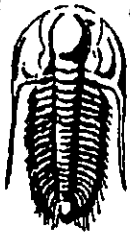
Blow Description 7F - BOB in 2 min
FSI - No blow
1F - BOB in 2 1/2 min
FSI - No blow

Rec	Feet of	%gas	%oil	%water	%mud
<u>50</u>	<u>oil spotted wcm</u>			<u>40</u>	<u>60</u>
<u>120</u>	<u>MCW</u>			<u>70</u>	<u>30</u>
<u>390</u>	<u>Water</u>				
<u> </u>	<u> </u>				
<u> </u>	<u> </u>				

Rec Total	BHT	Gravity	API RW	F Chlorides
<u>1060</u>	<u>107</u>	<u>1.07 @ 70</u>	<u>124,000</u>	ppm
(A) Initial Hydrostatic	<u>1,619.</u>	<input checked="" type="checkbox"/> Test	<u>1150</u>	T-On Location <u>2:40</u>
(B) First Initial Flow	<u>77</u>	<input type="checkbox"/> Jars		T-Started <u>2:55</u>
(C) First Final Flow	<u>349</u>	<input checked="" type="checkbox"/> Safety Joint	<u>75</u>	T-Open <u>4:40</u>
(D) Initial Shut-In	<u>717</u>	<input type="checkbox"/> Circ Sub		T-Pulled <u>6:10</u>
(E) Second Initial Flow	<u>359</u>	<input type="checkbox"/> Hourly Standby		T-Out <u>8:20</u>
(F) Second Final Flow	<u>511</u>	<input checked="" type="checkbox"/> Mileage	<u>36.2</u>	111.60
(G) Final Shut-In	<u>713</u>	<input type="checkbox"/> Sampler		
(H) Final Hydrostatic	<u>1,595</u>	<input type="checkbox"/> Straddle		

Initial Open <u>15</u>	<input type="checkbox"/> Ruined Shale Packer
Initial Shut-In <u>30</u>	<input type="checkbox"/> Ruined Packer
Final Flow <u>15</u>	<input type="checkbox"/> Extra Copies
Final Shut-In <u>30</u>	Sub Total <u>0</u>
	Total <u>1336.60</u>
	MP/DST Disc'l
	Sub Total <u>1336.60</u>

Approved By _____ Our Representative Bruce [Signature]
 TriLOBITE 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 hole shall be paid for at cost by the party for whom the test is made.



TRILOBITE TESTING, INC

DRILL STEM TEST REPORT

Palomino Petroleum, Inc.

16-9s-19w Rooks,KS

4924 SE 84th ST
New ton KS 67114

Arlene #1

Job Ticket: 47113

DST#: 4

ATTN: Ken Wallace

Test Start: 2012.05.23 @ 19:35:00

GENERAL INFORMATION:

Formation: **KC**

Deviated: **No Whipstock:** ft (KB)

Time Tool Opened: 22:19:00

Time Test Ended: 02:07:30

Test Type: **Conventional Bottom Hole (Reset)**

Tester: **Brett Dickinson**

Unit No: **59**

Interval: **3396.00 ft (KB) To 3480.00 ft (KB) (TVD)**

Total Depth: **3480.00 ft (KB) (TVD)**

Hole Diameter: **7.88 inches** Hole Condition: **Fair**

Reference Elevations: **2074.00 ft (KB)**

2069.00 ft (CF)

KB to GR/CF: **5.00 ft**

Serial #: **8369**

Inside

Press@RunDepth: **95.47 psig @ 3397.00 ft (KB)**

Capacity: **8000.00 psig**

Start Date: **2012.05.23**

End Date:

2012.05.24

Last Calib.: **2012.05.24**

Start Time: **19:35:05**

End Time:

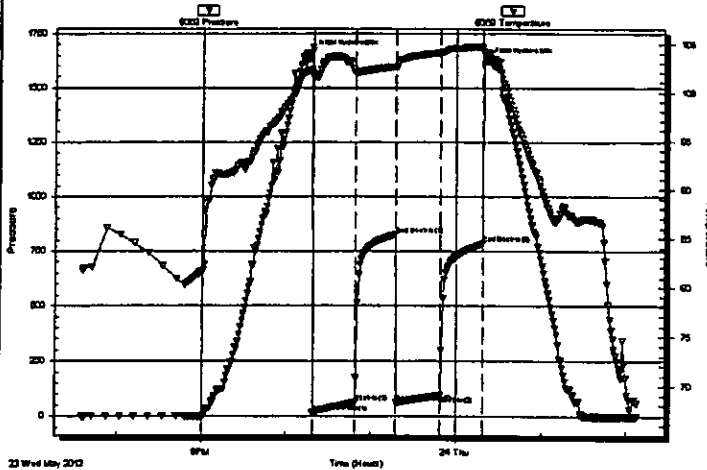
02:07:29

Time On Btm: **2012.05.23 @ 22:17:30**

Time Off Btm: **2012.05.24 @ 00:21:00**

TEST COMMENT: **F-3" blow
IS-1" No blow
FF-1" blow
FSI-No blow**

Pressure vs. Time



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1657.97	102.25	Initial Hydro-static
2	16.06	101.63	Open To Flow (1)
32	60.89	101.96	Shut-In(1)
60	825.22	102.62	End Shut-In(1)
61	63.30	102.55	Open To Flow (2)
91	95.47	104.01	Shut-In(2)
121	784.32	104.67	End Shut-In(2)
124	1620.97	104.03	Final Hydro-static

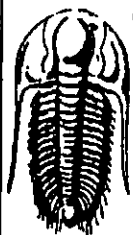
Recovery

Length (ft)	Description	Volume (bbl)
135.00	VSWCM 5%W 95%M	0.66

* 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
New ton KS 67114

ATTN: Ken Wallace

16-9s-19w Rooks,KS

Arlene #1

Job Ticket: 47113

DST#: 4

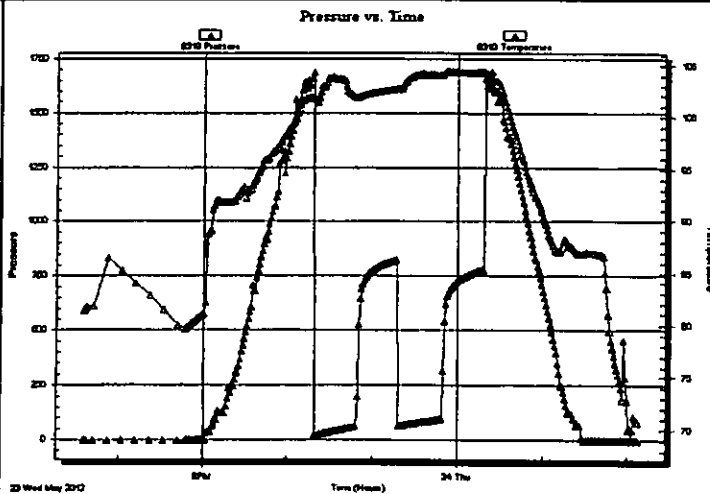
Test Start: 2012.05.23 @ 19:35:00

GENERAL INFORMATION:

Formation: KC	Test Type: Conventional Bottom Hole (Reset)
Deviated: No Whipstock: ft (KB)	Tester: Brett Dickinson
Time Tool Opened: 22:19:00	Unit No: 59
Time Test Ended: 02:07:30	Reference Elevations: 2074.00 ft (KB)
Interval: 3396.00 ft (KB) To 3480.00 ft (KB) (TVD)	2069.00 ft (CF)
Total Depth: 3480.00 ft (KB) (TVD)	KB to GR/CF: 5.00 ft
Hole Diameter: 7.88 Inches Hole Condition: Fair	

Serial #: 8319	Outside			
Press@RunDepth: psig @ 3397.00 ft (KB)	Capacity: 8000.00 psig			
Start Date: 2012.05.23	End Date: 2012.05.24	Last Calb.: 2012.05.24		
Start Time: 19:35:05	End Time: 02:07:29	Time On Btrc:		
		Time Off Btrc:		

TEST COMMENT: F-3" blow
SI-No blow
FF-1" blow
FSI-No blow



PRESSURE SUMMARY

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

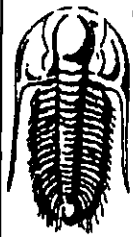
Recovery

Length (ft)	Description	Volume (bbl)
135.00	VSWCM 5%W 95%M	0.66

* 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.

16-9s-19w Rooks, KS

4924 SE 84th ST
New ton KS 67114

Arlene #1

Job Ticket: 47113

DST#: 4

ATTN: Ken Wallace

Test Start: 2012.05.23 @ 19:35:00

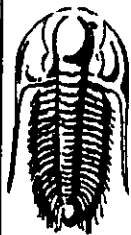
Tool Information

Drill Pipe:	Length: 3145.00 ft	Diameter: 3.80 inches	Volume: 44.12 bbl	Tool Weight: 2000.00 lb
Heavy Wt. Pipe:	Length: ft	Diameter: 2.70 inches	Volume: - bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 241.00 ft	Diameter: 2.25 inches	Volume: 1.19 bbl	Weight to Pull Loose: 45000.00 lb
			<u>Total Volume: - bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	11.00 ft			String Weight: Initial 41000.00 lb
Depth to Top Packer:	3396.00 ft			Final 41000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	84.00 ft			
Tool Length:	105.00 ft			
Number of Packers:	2	Diameter: 6.75 inches		

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths
Change Over Sub	1.00			3376.00	
Shut In Tool	5.00			3381.00	
Hydraulic tool	5.00			3386.00	
Packer	5.00			3391.00	21.00 Bottom Of Top Packer
Packer	5.00			3396.00	
Stubb	1.00			3397.00	
Recorder	0.00	8369	Inside	3397.00	
Recorder	0.00	8319	Outside	3397.00	
Perforations	5.00			3402.00	
Change Over Sub	1.00			3403.00	
Drill Pipe	62.00			3465.00	
Change Over Sub	1.00			3466.00	
Perforations	11.00			3477.00	
Bullnose	3.00			3480.00	84.00 Bottom Packers & Anchor

Total Tool Length: 105.00



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum, Inc.

16-9s-19w Rooks,KS

4924 SE 84th ST
New ton KS 67114

Arlene #1

Job Ticket: 47113

DST#: 4

ATTN: Ken Wallace

Test Start: 2012.05.23 @ 19:35:00

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:

50000 ppm

Viscosity: 49.00 sec/qt

Cushion Volume:

bbf

Water Loss: 7.59 in³

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 2700.00 ppm

Filter Cake: inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbf
135.00	VSWQM 5%W 95%M	0.664

Total Length: 135.00 ft

Total Volume: 0.664 bbf

Num Fluid Samples: 0

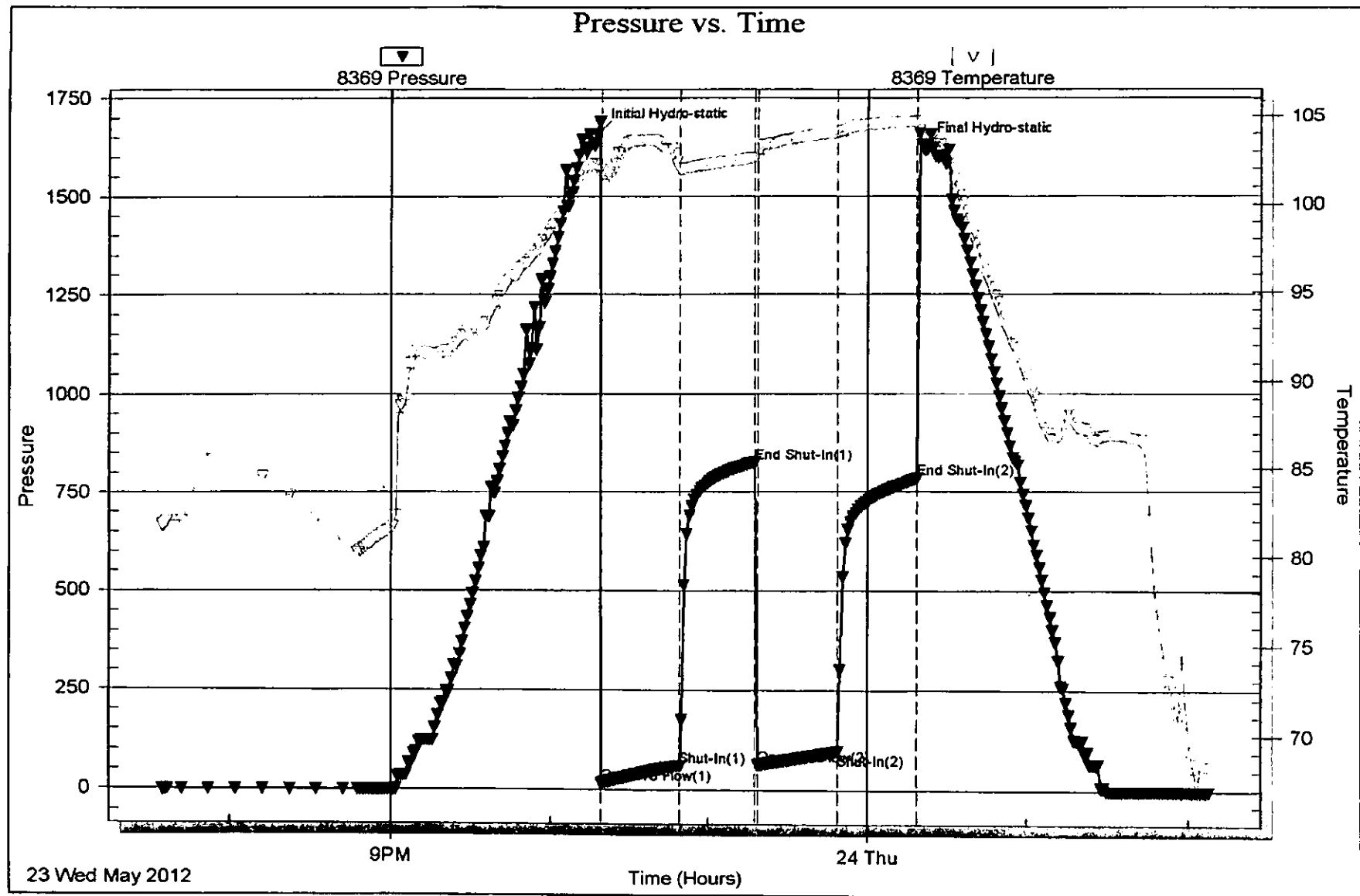
Num Gas Bombs: 0

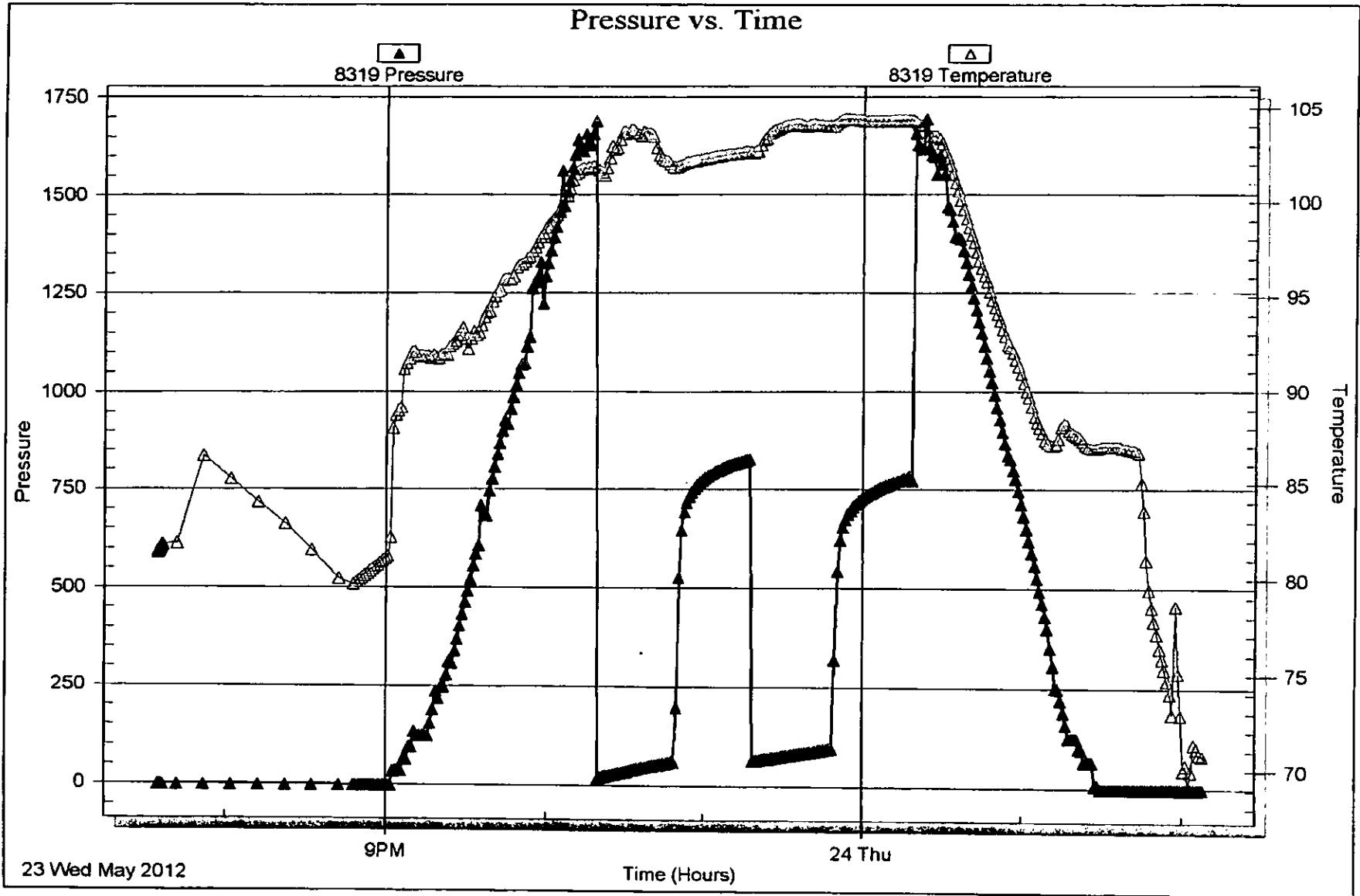
Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments: RW .18@60







TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 47113

Well Name & No. Ar lenc #1 Test No 4 Date 5/23/12
 Company Palomino Petroleum, Inc. Elevation 2074 KB 2069 GL
 Address 4924 SE 84th ST Newton KS 67114
 Co. Rep / Geo. Ken Wallace Rig Mallard
 Location: Sec. 16 Twp. 9 Rge. 19 Co. Rooks State KS

Interval Tested 3396-3480 Zone Tested KC
 Anchor Length 84 Drill Pipe Run 3145 Mud Wt. 9.1
 Top Packer Depth 3391 Drill Collars Run 241 Vis 49
 Bottom Packer Depth 3396 Wl. Pipe Run _____ WL 7.6
 Total Depth 3480 Chlorides 2,700 ppm System LCM
 Blow Description IF - 3.2 blow
ISL - No blow
FF - 1.0 blow
FSI - No blow

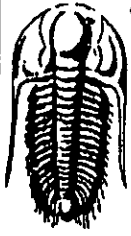
Rec	Feet of	%gas	%oil	%water	%mud
<u>135</u>	<u>vs wcm</u>			<u>5</u>	<u>95</u>
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud

Rec Total 135 BHT 105 Gravity _____ API RW 18 @ 60 °F Chlorides 50000 ppm
 (A) Initial Hydrostatic 1658 Test 1150 T-On Location 19:35
 (B) First Initial Flow 16 Jars T-Started 19:35
 (C) First Final Flow 61 Safety Joint 75 T Open 22:20
 (D) Initial Shut-In 825 Circ Sub T-Pulled 03:20
 (E) Second Initial Flow 63 Hourly Standby T Out 2:10
 (F) Second Final Flow 95 Mileage 36X2 111.60 Comments _____
 (G) Final Shut-In 784 Sampler Ruined Shale Packer
 (H) Final Hydrostatic 1,621 Straddle Ruined Packer
 Shale Packer Extra Copies
 Extra Packer Extra Recorder
 Day Standby Sub Total 0
 Accessibility Total 1336.60
 Sub Total 1336.60 MP/DST Disc't _____

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

Approved By _____ Our Representative Butt Dick

TriLOBite Testing Inc. shall not be liable for damaged or 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. Loss or damaged in the hole shall be paid for at cost by the party for whom the test is made.



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

Palomino Petroleum, Inc.

16-9s-19w Rooks, KS

4924 SE 84th ST
New ton KS 67114

Arlene #1

Job Ticket: 47114

DST#: 5

ATTN: Ken Wallace

Test Start: 2012.05.24 @ 13:50:30

GENERAL INFORMATION:

Formation: **Arbuckle**

Deviated: **No Whipstock** ft (KB)

Time Tool Opened: 15:56:30

Time Test Ended: 19:09:30

Test Type: **Conventional Bottom Hole (Reset)**

Tester: **Brett Dickinson**

Unit No: **59**

Interval: **3482.00 ft (KB) To 3559.00 ft (KB) (TVD)**

Total Depth: **3559.00 ft (KB) (TVD)**

Hole Diameter: **7.88 inches** Hole Condition: **Fair**

Reference Elevations: **2074.00 ft (KB)**

2069.00 ft (CF)

KB to GR/CF: **5.00 ft**

Serial #: 8369

Inside

Press@RunDepth: **36.77 psig @ 3483.00 ft (KB)**

Start Date: **2012.05.24**

End Date:

2012.05.24

Start Time: **13:50:35**

End Time:

19:09:29

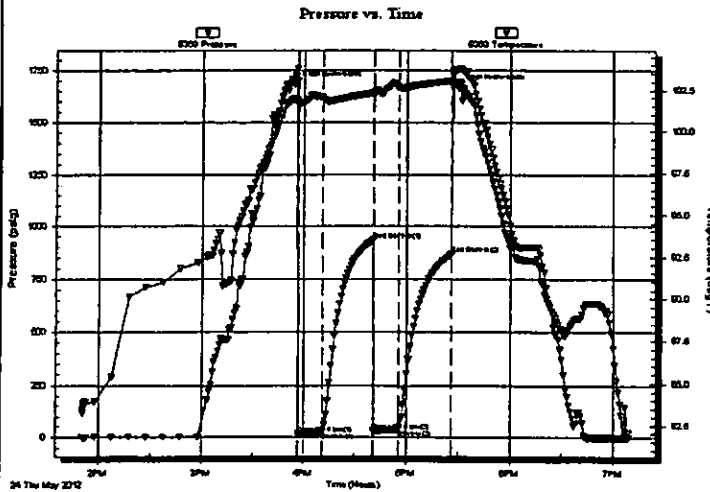
Capacity: **8000.00 psig**

Last Calib.: **2012.05.24**

Time On Btm: **2012.05.24 @ 15:54:30**

Time Off Btm: **2012.05.24 @ 17:29:30**

TEST COMMENT: IF-3/4" blow
ISI-No blow
FF-No blow
FSI-No blow



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1683.29	101.93	Initial Hydro-static
2	17.96	101.57	Open To Flow (1)
17	26.90	102.02	Shut-in(1)
46	934.42	102.29	End Shut-In(1)
47	30.07	102.19	Open To Flow (2)
61	36.77	102.63	Shut-in(2)
92	868.37	103.04	End Shut-In(2)
95	1669.07	103.72	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
30.00	mud	0.15

* Recovery from multiple tests

Gas Rates

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



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Palomino Petroleum, Inc.

16-9s-19w Rooks,KS

4924 SE 84th ST
New ton KS 67114

Arlene #1

Job Ticket: 47114

DST#: 5

ATTN: Ken Wallace

Test Start: 2012.05.24 @ 13:50:30

GENERAL INFORMATION:

Formation: **Arbuckle**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 15:56:30

Time Test Ended: 19:09:30

Test Type: Conventional Bottom Hole (Reset)

Tester: Brett Dickinson

Unit No: 59

Interval: 3482.00 ft (KB) To 3559.00 ft (KB) (TVD)

Total Depth: 3559.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Fair

Reference Elevations: 2074.00 ft (KB)

2069.00 ft (CF)

KB to GR/CF: 5.00 ft

Serial #: 8319 Outside

Press@RunDepth: psig @ 3483.00 ft (KB)

Start Date: 2012.05.24

End Date:

2012.05.24

Capacity:

8000.00 psig

Start Time: 13:51:05

End Time:

19:09:29

Last Calib.:

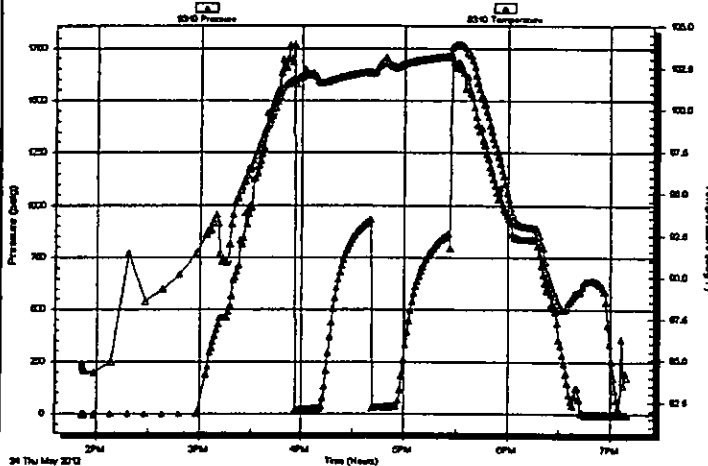
2012.05.24

Time On Btm:

Time Off Btm:

TEST COMMENT: IF-3/4" blow
IS-No blow
FF-No blow
FSI-No blow

Pressure vs. Time



PRESSURE SUMMARY

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

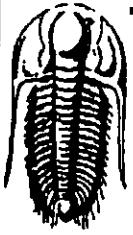
Recovery

Length (ft)	Description	Volume (bbl)
30.00	mud	0.15

* Recovery from multiple tests

Gas Rates

Choko (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
ATTN: Ken Wallace

16-9s-19w Rooks,KS
Arlene #1
Job Ticket: 47114 **DST#: 5**
Test Start: 2012.05.24 @ 13:50:30

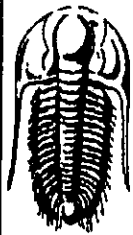
Tool Information

Drill Pipe:	Length: 3236.00 ft	Diameter: 3.80 inches	Volume: 45.39 bbl	Tool Weight: 2000.00 lb
Heavy Wt. Pipe:	Length: ft	Diameter: 2.70 inches	Volume: - bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 241.00 ft	Diameter: 2.25 inches	Volume: 1.19 bbl	Weight to Pull Loose: 45000.00 lb
			<u>Total Volume: - bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	16.00 ft			String Weight: Initial 42000.00 lb
Depth to Top Packer:	3482.00 ft			Final 42000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	77.00 ft			
Tool Length:	98.00 ft			
Number of Packers:	2	Diameter: 6.75 inches		

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths
Change Over Sub	1.00			3462.00	
Shut In Tool	5.00			3467.00	
Hydraulic tool	5.00			3472.00	
Packer	5.00			3477.00	21.00 Bottom Of Top Packer
Packer	5.00			3482.00	
Stubb	1.00			3483.00	
Recorder	0.00	8369	Inside	3483.00	
Recorder	0.00	8319	Outside	3483.00	
Perforations	7.00			3490.00	
Change Over Sub	1.00			3491.00	
Drill Pipe	63.00			3554.00	
Change Over Sub	1.00			3555.00	
Perforations	1.00			3556.00	
Bullnose	3.00			3559.00	77.00 Bottom Packers & Anchor

Total Tool Length: 98.00



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum, Inc.

16-9s-19w Rooks,KS

4924 SE 84th ST
New ton KS 67114

Arlene #1

Job Ticket: 47114

DST#: 5

ATTN: Ken Wallace

Test Start: 2012.05.24 @ 13:50:30

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: 49.00 sec/qt

Cushion Volume:

bbbl

Water Loss: 7.59 in³

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 2700.00 ppm

Filter Cake: inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbbl
30.00	mud	0.148

Total Length: 30.00 ft Total Volume: 0.148 bbl

Num Fluid Samples: 0

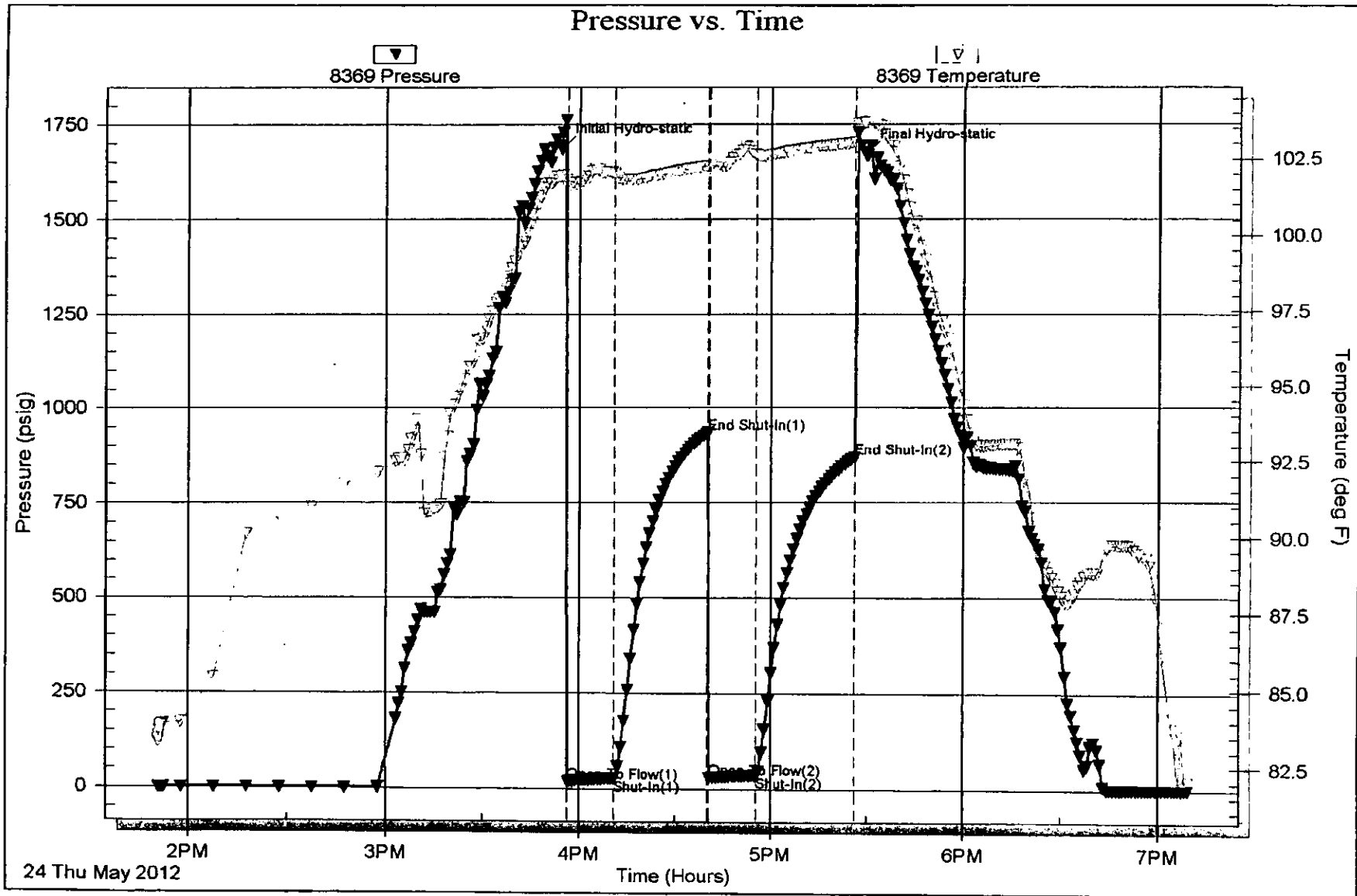
Num Gas Bombs: 0

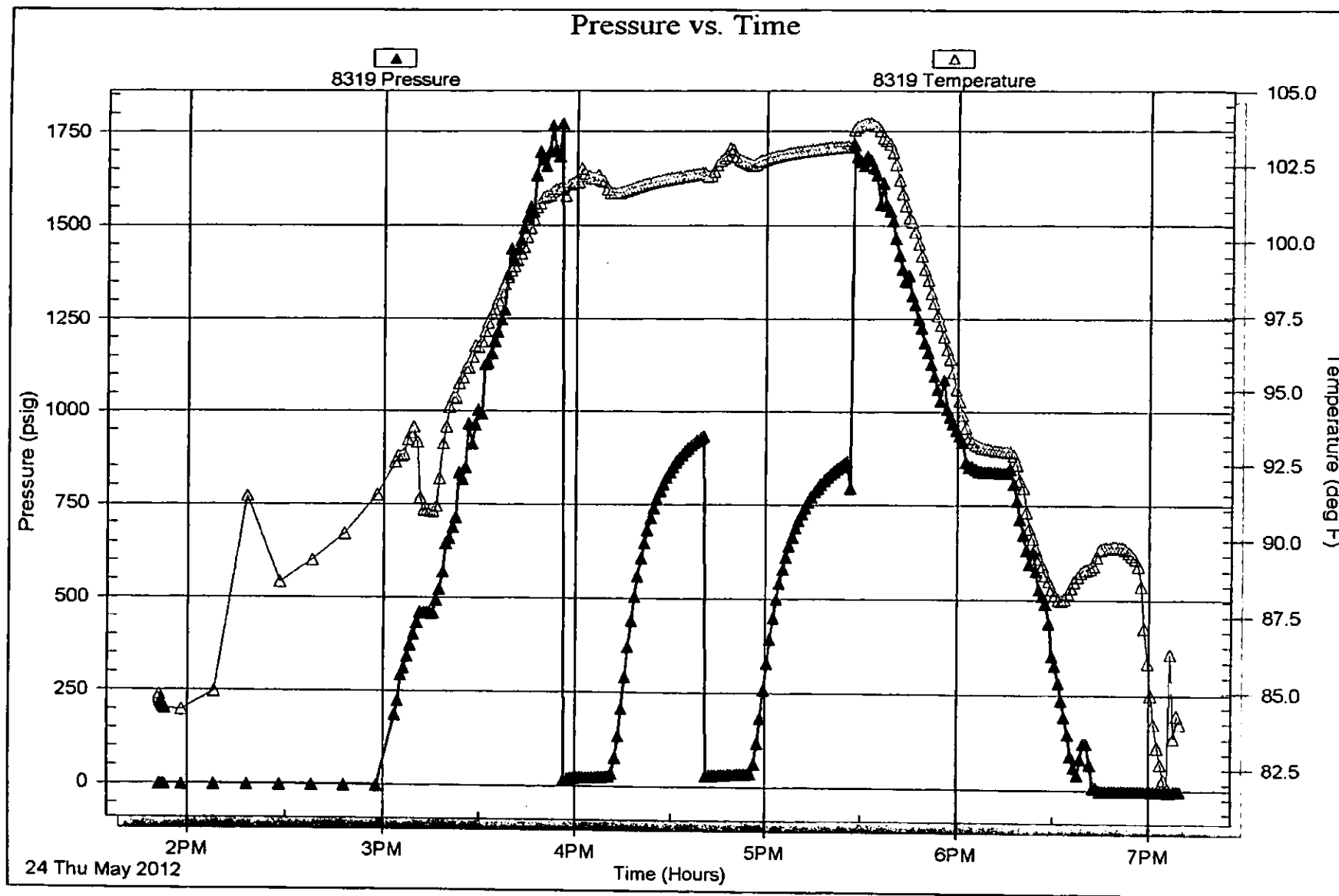
Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments:







TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 47114

Well Name & No Arlene #1 Test No 5 Date 5/24/12
 Company Palemio Petroleum, Inc. Elevation 2074 KB 2069 GL
 Address 4924 SE 84th ST Newton KS 67114
 Co. Rep / Geo Ken Wallace Rig Mallard
 Location: Sec. 16 Twp 9 Rge 19 Co. Rooks State KS

Interval Tested 3482-3559 Zone Tested A-6
 Anchor Length 77 Drill Pipe Run 3236 Mud Wt 9.1
 Top Packer Depth 3477 Drill Collars Run 241 Vis 49
 Bottom Packer Depth 3482 Wt. Pipe Run _____ WL 7.6
 Total Depth 3559 Chlorides 2700 ppm System LCM _____

Blow Description IF - 3/4 in blow
ISI - No blow
IF - N blow
FSD - N blow

Rec	Feet of	%gas	%oil	%water	%mud
<u>30</u>	<u>Mud</u>				
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud

Rec Total	BHT
<u>30</u>	<u>10.3</u>
(A) Initial Hydrostatic	<u>6683</u>
(B) First Initial Flow	<u>15</u>
(C) First Final Flow	<u>27</u>
(D) Initial Shut-In	<u>934</u>
(E) Second Initial Flow	<u>30</u>
(F) Second Final Flow	<u>37</u>
(G) Final Shut-In	<u>868</u>
(H) Final Hydrostatic	<u>669</u>

Gravity _____ API RW _____ @ _____ F Chlorides _____ ppm
 Test 1150
 Jars _____
 Safety Joint 75
 Circ Sub _____
 Hourly Standby _____
 Mileage 36 x 2 111.60
 Sampler _____
 Straddle _____
 Shale Packer _____
 Extra Packer _____
 Extra Recorder _____
 Day Standby _____
 Accessibility _____
 Sub Total 1336.60

T-On Location 13:50
 T-Started 13:50
 T-Open 15:25
 T Pulled 17:25
 T-Out 19:05
 Comments _____
 Ruined Shale Packer
 Ruined Packer
 Extra Copies
 Sub Total 0
 Total 1336.60
 MP/DST Disc't _____

Initial Open 15
 Initial Shut-In 30
 Final Flow 15
 Final Shut-In 30

Approved By _____ Our Representative _____

TriLOBITE Testing Inc. shall not be liable for damaged or 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 hole shall be paid for at cost by the party for whom the test is made