



KANSAS CORPORATION COMMISSION 1096228
OIL & GAS CONSERVATION DIVISION

Form ACO-1
June 2009

Form Must Be Typed
Form must be Signed
All blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 30742
Name: Palomino Petroleum, Inc.
Address 1: 4924 SE 84TH ST
Address 2: _____
City: NEWTON State: KS Zip: 67114 + 8827
Contact Person: Klee R. Watchous
Phone: (316) 799-1000
CONTRACTOR: License # 33575
Name: WW Drilling, LLC
Wellsite Geologist: Ryan Seib
Purchaser: None

Designate Type of Completion:

- New Well Re-Entry Workover
- Oil WSW SWD SIOW
 Gas D&A ENHR SIGW
 OG GSW Temp. Abd.
 CM (Coal Bed Methane)
 Cathodic Other (Core, Expl., etc.): _____

If Workover/Re-entry: Old Well Info as follows:

Operator: _____
Well Name: _____
Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to ENHR Conv. to SWD
 Conv. to GSW
 Plug Back: _____ Plug Back Total Depth _____
 Commingled Permit #: _____
 Dual Completion Permit #: _____
 SWD Permit #: _____
 ENHR Permit #: _____
 GSW Permit #: _____
08/07/2012 08/13/2012 08/14/2012
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 15-135-25448-00-00
Spot Description: _____
NW NW SW NE Sec. 16 Twp. 20 S. R. 22 East West
1513 Feet from North / South Line of Section
2590 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Ness
Lease Name: Cox-Miller Well #: 1
Field Name: Wildcat
Producing Formation: None
Elevation: Ground: 2204 Kelly Bushing: 2209
Total Depth: 4450 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at: 216 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: 22800 ppm Fluid volume: 800 bbls
Dewatering method used: Evaporated
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License #: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Permit #: _____

AFFIDAVIT

I am the affiant and I hereby certify that all requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Submitted Electronically

KCC Office Use ONLY

- Letter of Confidentiality Received
Date: _____
 Confidential Release Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
ALT I II III Approved by: Deanna Gerrisor Date: 10/12/2012



1096228

Operator Name: Palomino Petroleum, Inc. Lease Name: Cox-Miller Well #: 1
 Sec. 16 Twp. 20 S. R. 22 East West County: Ness

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

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Submitted Electronically <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run: Radiation Guard 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	12.25	8.625	23	216	Common	165	3%cc 2%gel

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

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

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <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	Cox-Miller 1
Doc ID	1096228

Tops

Name	Top	Datum
Anhy.	1446	+ 763
Base Anhy.	1480	+ 729
Heebner	3700	-1491
Lansing	3749	-1540
BKC	4079	-1870
Marmaton	4129	-1920
Pawnee	4199	-1990
Ft. Scott	4272	-2063
Cherokee Sh	4297	-2088
Miss.	4367	-2158
Osage	4392	-2183
LTD	4449	-2240



CONSOLIDATED
Oil Well Services, LLC

RECEIVED
AUG 11 2012

REMIT TO
Consolidated Oil Well Services, LLC
Dept. 970
P.O. Box 4346
Houston, TX 77210-4346

MAIN OFFICE
P.O. Box 884
Chanute, KS 66720
620/431-9210 • 1-800/467-8676
Fax 620/431-0012

INVOICE

Invoice # 251876

=====
Invoice Date: 08/08/2012 Terms: 10/10/30,n/30 Page 1
=====

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

COX-MILLER #1
37059
16-20-22
08-06-2012
KS

Part Number	Description	Qty	Unit Price	Total
1104S	CLASS "A" CEMENT (SALE)	165.00	17.6500	2912.25
1102	CALCIUM CHLORIDE (50#)	465.00	.8900	413.85
1118B	PREMIUM GEL / BENTONITE	310.00	.2500	77.50

Sublet Performed	Description	Total
9996-130	CEMENT MATERIAL DISCOUNT	-340.36
9995-130	CEMENT EQUIPMENT DISCOUNT	-157.00

	Description	Hours	Unit Price	Total
399	CEMENT PUMP (SURFACE)	1.00	1085.00	1085.00
399	EQUIPMENT MILEAGE (ONE WAY)	15.00	5.00	75.00
566	MIN. BULK DELIVERY	1.00	410.00	410.00

Amount Due 5188.02 if paid after 09/07/2012

Parts:	3403.60	Freight:	.00	Tax:	192.98	AR	4669.22
Labor:	.00	Misc:	.00	Total:	4669.22		
Sublt:	-497.36	Supplies:	.00	Change:	.00		

Signed _____ Date _____



CONSOLIDATED
Oil Well Services, LLC

REMIT TO
Consolidated Oil Well Services, LLC
Dept. 970
P.O. Box 4346
Houston, TX 77210-4346

RECEIVED

AUG 20 2012

MAIN OFFICE
P.O. Box 884
Chanute, KS 66720
620/431-9210 • 1-800/467-8676
Fax 620/431-0012

INVOICE

Invoice # 252110

Invoice Date: 08/17/2012 Terms: 10/10/30,n/30 Page 1

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

COX-MILLER #1
37079
16-20-22
08-14-2012
KS

Part Number	Description	Qty	Unit Price	Total
1131	60/40 POZ MIX	230.00	15.1000	3473.00
1118B	PREMIUM GEL / BENTONITE	791.00	.2500	197.75
1107	FLO-SEAL (25#)	58.00	2.8200	163.56
4432	8 5/8" WOODEN PLUG	1.00	96.0000	96.00

Sublet Performed	Description	Total
9996-130	CEMENT MATERIAL DISCOUNT	-393.03
9995-130	CEMENT EQUIPMENT DISCOUNT	-183.50

Description	Hours	Unit Price	Total
463 P & A NEW WELL	1.00	1325.00	1325.00
463 EQUIPMENT MILEAGE (ONE WAY)	20.00	5.00	100.00
T-127 MIN. BULK DELIVERY	1.00	410.00	410.00

Amount Due 6012.92 if paid after 09/16/2012

Parts:	3930.31	Freight:	.00	Tax:	222.85	AR	5411.63
Labor:	.00	Misc:	.00	Total:	5411.63		
Sublt:	-576.53	Supplies:	.00	Change:	.00		

Signed _____ Date _____



CONSOLIDATED
Oil Well Services, LLC

TICKET NUMBER 37079
LOCATION Orkney
FOREMAN Fuzzy

PO Box 884, Chanute, KS 66720
620-431-9210 or 800-467-9676

FIELD TICKET & TREATMENT REPORT
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY																
8-14-12	6285	Cox-miller #1	16	20	22	Ness																
CUSTOMER Palomino Petroleum			<table border="1"> <thead> <tr> <th>TRUCK #</th> <th>DRIVER</th> <th>TRUCK #</th> <th>DRIVER</th> </tr> </thead> <tbody> <tr> <td>463</td> <td>Cory D</td> <td></td> <td></td> </tr> <tr> <td>528-127</td> <td>Jordan</td> <td></td> <td></td> </tr> <tr> <td></td> <td>Travis W</td> <td>Ride along</td> <td></td> </tr> </tbody> </table>				TRUCK #	DRIVER	TRUCK #	DRIVER	463	Cory D			528-127	Jordan				Travis W	Ride along	
TRUCK #	DRIVER	TRUCK #					DRIVER															
463	Cory D																					
528-127	Jordan																					
	Travis W	Ride along																				
MAILING ADDRESS																						
CITY	STATE	ZIP CODE																				

JOB TYPE PTA HOLE SIZE 7 7/8 HOLE DEPTH 4450 CASING SIZE & WEIGHT _____
 CASING DEPTH _____ DRILL PIPE 4 1/2 TUBING _____ OTHER _____
 SLURRY WEIGHT 1.41 SLURRY VOL 14.1 WATER gal/sk 6.7 CEMENT LEFT in CASING _____
 DISPLACEMENT _____ DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety meeting on W-W #10 Rig up and plug as ordered

505 SK @ 1460'
805 SK @ 660' 230 SKs 60140 490 gal 1/4" closed
505 SK @ 240'
20 SK @ 60' w/ plug
30 SK RH

Thanks Fuzzy

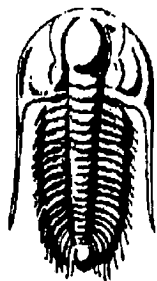
ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5405.0	1	PUMP CHARGE	1325.00	1325.00
5406	20	MILEAGE	5.00	100.00
5407	9.9	Ten mileage Delivery (min)	410.00	410.00
1131	230 SKS	60140 pos	15.10	3473.00
1188	791 #	Bridonite	.25	197.75
1107	58 #	closed	2.82	163.56
4432	1	9 5/8 wood cup plug	96.00	96.00
		subtotal		5765.31
		loss 1090 disc		576.53
		subtotal		5188.78
		SALES TAX		222.85
		ESTIMATED TOTAL		5411.63

Rev'n 3737

AUTHORIZATION [Signature] TITLE _____ DATE _____

I acknowledge that the payment terms, unless specifically amended in writing on the front of the form or in the customer's account records, at our office, and conditions of service on the back of this form are in effect for services identified on this form

250110



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum**

4924 SE 84th St.
Newton, KS 67114

ATTN: Ryan Seib

Cox-Miller #1

16-20s-22w Ness,KS

Start Date: 2012.08.13 @ 10:14:30

End Date: 2012.08.13 @ 15:52:30

Job Ticket #: 49478 DST #: 1

Trilobite Testing, Inc

PO Box 362 Hays, KS 67601

ph: 785-625-4778 fax: 785-625-5620

Printed: 2012.08.24 @ 13:41:34

Palomino Petroleum

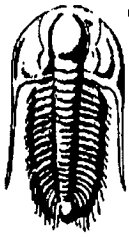
16-20s-22w Ness,KS

Cox-Miller #1

DST # 1

Mississippian

2012.08.13



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

Palomino Petroleum
4924 SE 84th St.
New ton, KS 67114
ATTN: Ryan Seib

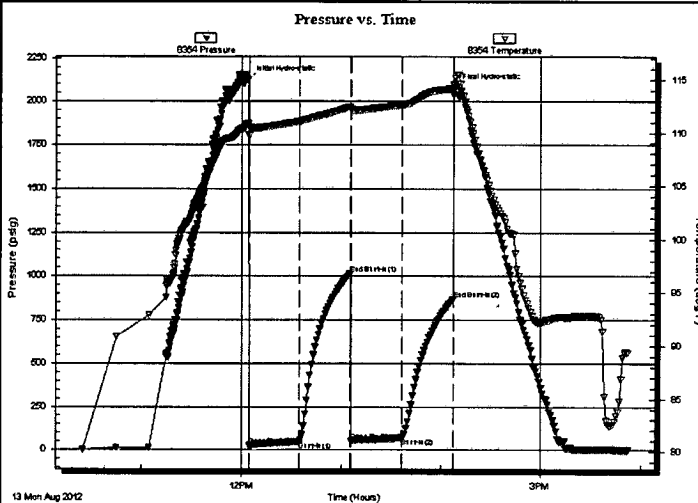
16-20s-22w Ness,KS
Cox-Miller #1
Job Ticket: 49478 **DST#: 1**
Test Start: 2012.08.13 @ 10:14:30

GENERAL INFORMATION:

Formation: **Mississippian**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 12:04:20
Time Test Ended: 15:52:30
Test Type: Conventional Bottom Hole (Initial)
Tester: Dustin Rash
Unit No: 38
Interval: **4289.00 ft (KB) To 4398.00 ft (KB) (TVD)**
Reference Elevations: 2209.00 ft (KB)
Total Depth: 4398.00 ft (KB) (TVD) 2204.00 ft (CF)
Hole Diameter: 7.88 inches Hole Condition: Fair KB to GR/CF: 5.00 ft

Serial #: 8354 Inside
Press@RunDepth: 68.08 psig @ 4390.00 ft (KB) Capacity: 8000.00 psig
Start Date: 2012.08.13 End Date: 2012.08.13 Last Calib.: 2012.08.13
Start Time: 10:24:30 End Time: 15:52:30 Time On Btm: 2012.08.13 @ 12:04:10
Time Off Btm: 2012.08.13 @ 14:09:00

TEST COMMENT: IF-Very weak building blow . Built to 3 inches.
IS-No Return.
FF-Very weak building blow . Built to 1&1/2 inches.
FS-No Return.



PRESSURE SUMMARY

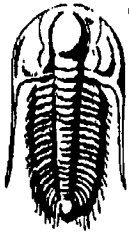
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2122.64	110.85	Initial Hydro-static
1	24.64	109.74	Open To Flow (1)
31	46.04	111.06	Shut-In(1)
61	1011.00	112.46	End Shut-In(1)
62	53.19	112.21	Open To Flow (2)
93	68.08	112.62	Shut-In(2)
124	866.14	114.16	End Shut-In(2)
125	2081.14	115.14	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
60.00	100%Mud	0.30
15.00	5%Oil/95%Mud	0.07

Gas Rates

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



TRILOBITE TESTING, INC

DRILL STEM TEST REPORT

Palomino Petroleum

4924 SE 84th St.
New ton, KS 67114

ATTN: Ryan Seib

16-20s-22w Ness, KS

Cox-Miller #1

Job Ticket: 49478

DST#: 1

Test Start: 2012.08.13 @ 10:14:30

GENERAL INFORMATION:

Formation: **Mississippian**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 12:04:20

Time Test Ended: 15:52:30

Test Type: Conventional Bottom Hole (Initial)

Tester: Dustin Rash

Unit No: 38

Interval: **4289.00 ft (KB) To 4398.00 ft (KB) (TVD)**

Total Depth: 4398.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Fair

Reference Elevations: 2209.00 ft (KB)

2204.00 ft (CF)

KB to GR/CF: 5.00 ft

Serial #: 8520 Outside

Press@RunDepth: psig @ 4390.00 ft (KB)

Start Date: 2012.08.13

End Date:

2012.08.13

Capacity: 8000.00 psig

Last Calib.:

2012.08.13

Start Time: 10:24:45

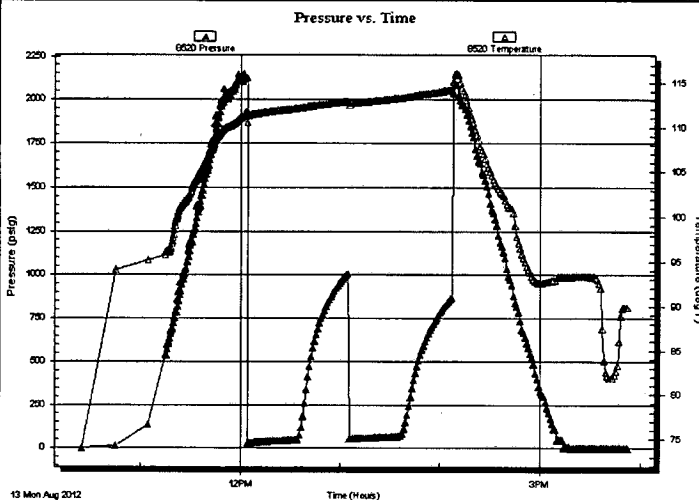
End Time:

15:52:15

Time On Btm:

Time Off Btm:

TEST COMMENT: IF-Very weak building blow . Built to 3 inches.
IS-No Return.
FF-Very weak building blow . Built to 1&1/2 inches.
FS-No Return.



PRESSURE SUMMARY

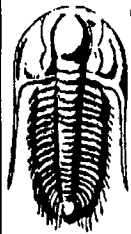
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation

Recovery

Length (ft)	Description	Volume (bbl)
60.00	100%Mud	0.30
15.00	5%Oil/95%Mud	0.07

Gas Rates

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



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum

16-20s-22w Ness,KS

4924 SE 84th St.
New ton, KS 67114

Cox-Miller #1

Job Ticket: 49478

DST#: 1

ATTN: Ryan Seib

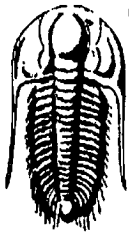
Test Start: 2012.08.13 @ 10:14:30

Tool Information

Drill Pipe:	Length: 4149.00 ft	Diameter: 3.80 inches	Volume: 58.20 bbl	Tool Weight:	3000.00 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: 122.00 ft	Diameter: 2.25 inches	Volume: 0.60 bbl	Weight to Pull Loose:	5000.00 lb
			<u>Total Volume: 58.80 bbl</u>	Tool Chased	0.00 ft
Drill Pipe Above KB:	10.00 ft			String Weight: Initial	65000.00 lb
Depth to Top Packer:	4289.00 ft			Final	65000.00 lb
Depth to Bottom Packer:	ft				
Interval between Packers:	109.00 ft				
Tool Length:	137.00 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			4262.00	
Shut In Tool	5.00			4267.00	
Hydraulic tool	5.00			4272.00	
Jars	5.00			4277.00	
Safety Joint	3.00			4280.00	
Packer	5.00			4285.00	28.00 Bottom Of Top Packer
Packer	4.00			4289.00	
Stubb	1.00			4290.00	
Perforations	5.00			4295.00	
Change Over Sub	1.00			4296.00	
Drill Pipe	93.00			4389.00	
Change Over Sub	1.00			4390.00	
Recorder	0.00	8354	Inside	4390.00	
Recorder	0.00	8520	Outside	4390.00	
Perforations	5.00			4395.00	
Bullnose	3.00			4398.00	109.00 Bottom Packers & Anchor
Total Tool Length:	137.00				



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum
4924 SE 84th St.
New ton, KS 67114
ATTN: Ryan Seib

16-20s-22w Ness,KS
Cox-Miller #1
Job Ticket: 49478 **DST#: 1**
Test Start: 2012.08.13 @ 10:14:30

Mud and Cushion Information

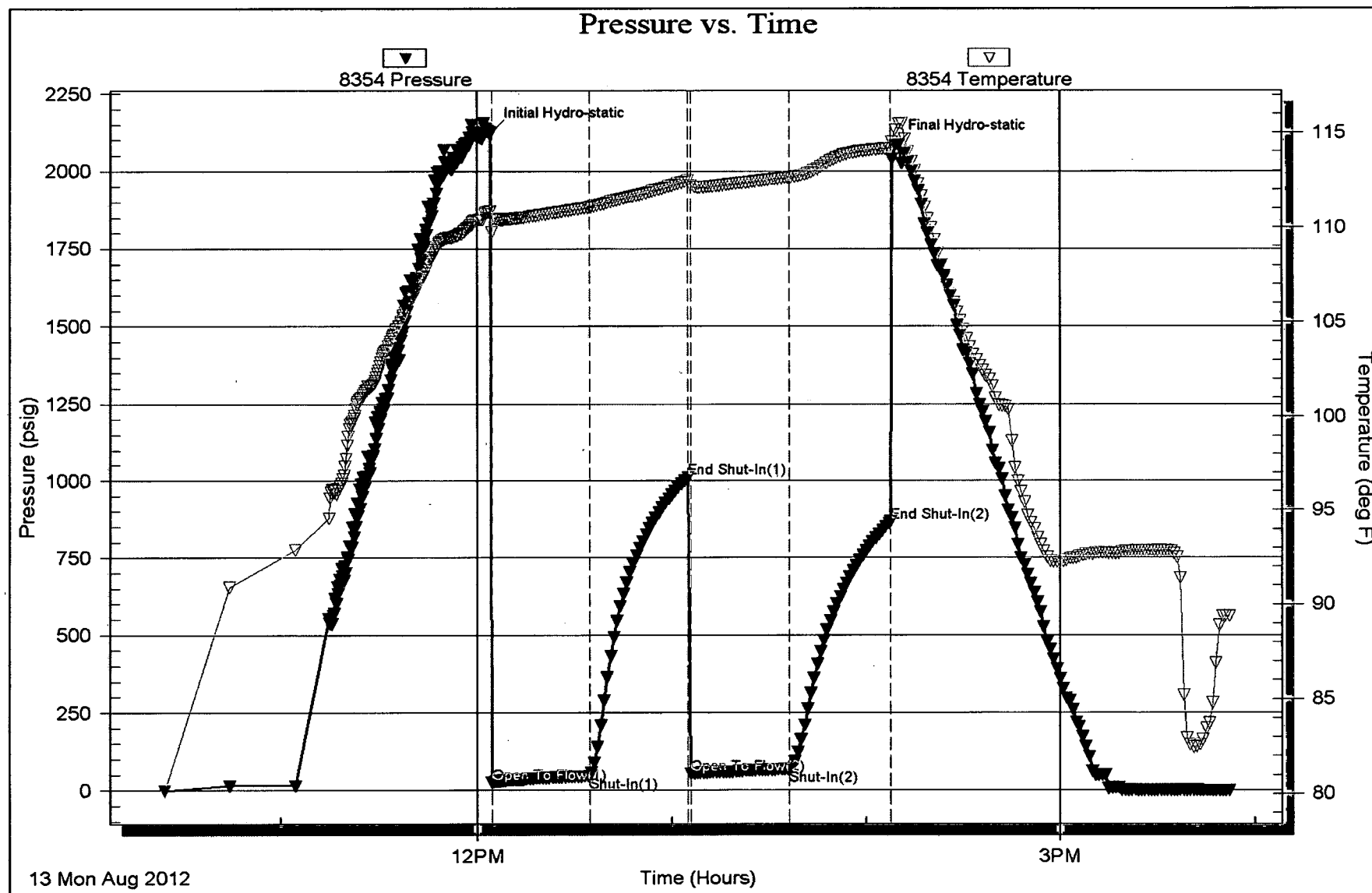
Mud Type: Gel Chem	Cushion Type:	Oil API:	deg API
Mud Weight: 9.00 lb/gal	Cushion Length: ft	Water Salinity:	ppm
Viscosity: 55.00 sec/qt	Cushion Volume: bbl		
Water Loss: 10.38 in ³	Gas Cushion Type:		
Resistivity: ohm.m	Gas Cushion Pressure: psig		
Salinity: 4400.00 ppm			
Filter Cake: inches			

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
60.00	100%Mud	0.295
15.00	5%Oil/95%Mud	0.074

Total Length: 75.00 ft Total Volume: 0.369 bbl
Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:
Laboratory Name: Laboratory Location:
Recovery Comments:

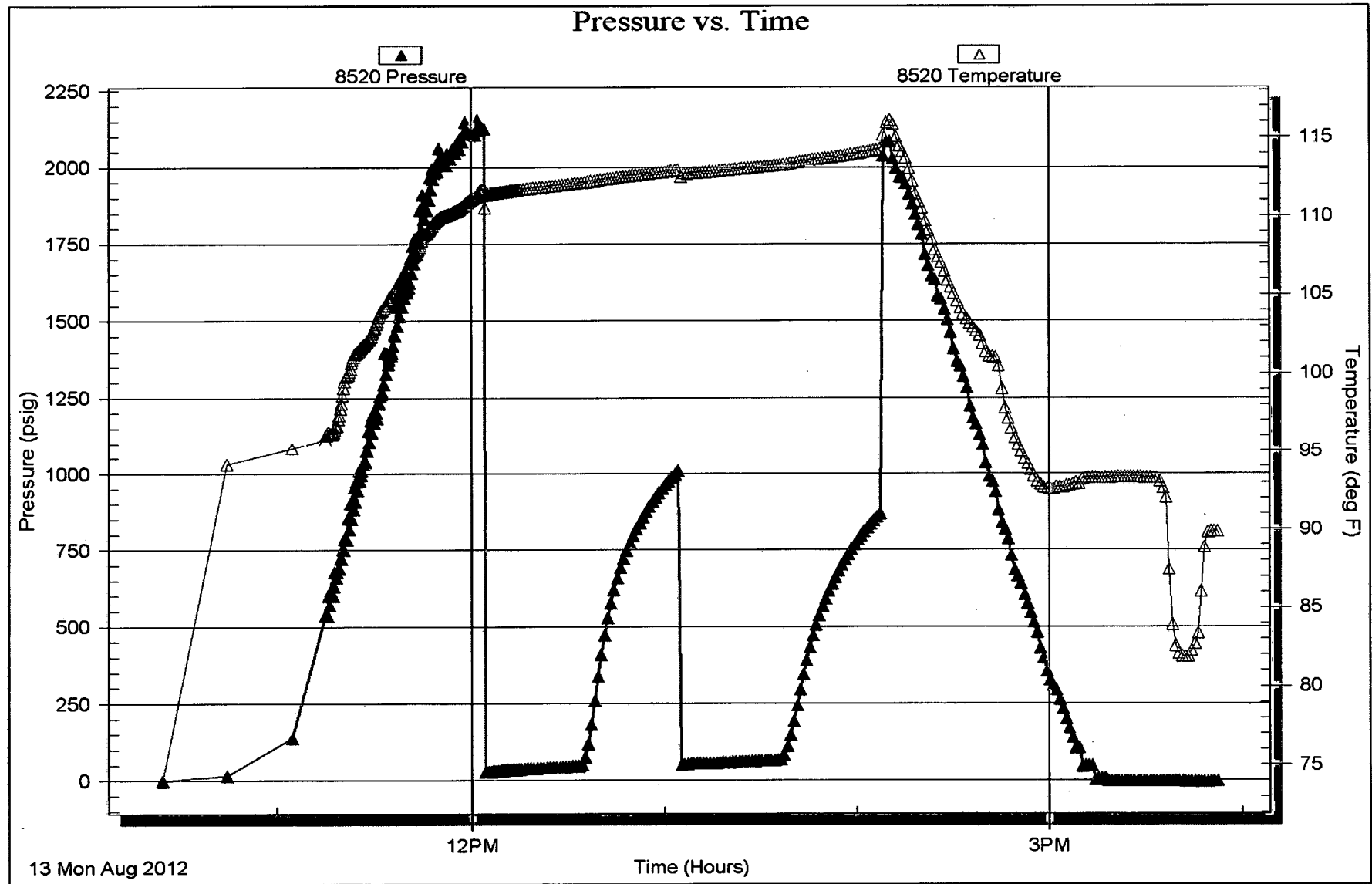


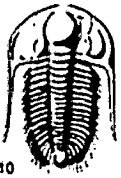
Serial #: 8520

Outside Palomino Petroleum

Cox-Miller #1

DST Test Number: 1





TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 49478

Well Name & No. Cox-Miller #1 Test No. 1 Date 8-13-12
 Company Palomino Petroleum Elevation 2209 KB 2204 GL
 Address 4924 SE 84th St. Newton, KS 67114
 Co. Rep / Geo. Ryan Rig WW #10
 Location: Sec. 16 Twp. 20S Rge. 22W Co. Ness State KS

Interval Tested 4289-4398 Zone Tested Mississippian
 Anchor Length 109' Drill Pipe Run 4149 Mud Wt. 9.4
 Top Packer Depth 4284 Drill Collars Run 122 Vis 55
 Bottom Packer Depth 4289 Wt. Pipe Run 0 WL 10.4
 Total Depth 4398 Chlorides 4400 ppm System LCM -

Blow Description IF - Very weak building blow. Built to 3 inches,
JST - No Return,
FF - Very weak building blow, Built to 1 1/2 inches,
FSE - No Return.

Rec	Feet of	%gas	%oil	%water	%mud
<u>15</u>	<u>USOCM</u>	<u>5</u>		<u>95</u>	
<u>60</u>	<u>Mud</u>			<u>100</u>	

Rec Total 75' BHT 11.5 Gravity _____ API RW _____ @ _____ °F Chlorides _____ ppm

(A) Initial Hydrostatic 2123
 (B) First Initial Flow 25
 (C) First Final Flow 46
 (D) Initial Shut-In 1011
 (E) Second Initial Flow 53
 (F) Second Final Flow 68
 (G) Final Shut-In 866
 (H) Final Hydrostatic 2081

Test
 Jars 250
 Safety Joint 75
 Circ Sub
 Hourly Standby
 Mileage 6.5X2 201.50
 Sampler
 Straddle
 Shale Packer
 Extra Packer
 Extra Recorder
 Day Standby
 Accessibility
 Sub Total 1776.50

T-On Location 0900
 T-Started 1030
 T-Open 1204
 T-Pulled 1405
 T-Out 1545
 Comments BWT-1014

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

Ruined Shale Packer
 Ruined Packer
 Extra Copies
 Sub Total 0
 Total 1776.50

Approved By _____ Our Representative [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.