



KANSAS CORPORATION COMMISSION 1093688
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: Phil Askey
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 #: _____
6/5/2012 6/12/2012 6/29/2012
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 15-101-22374-00-00
Spot Description: _____
NE NW SE NE Sec. 10 Twp. 16 S. R. 27 East West
1363 Feet from North / South Line of Section
852 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Lane
Lease Name: Fay Well #: 1
Field Name: Wildcat
Producing Formation: LKC, Mississippian
Elevation: Ground: 2507 Kelly Bushing: 2511
Total Depth: 4500 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: 1916 Feet
If Alternate II completion, cement circulated from: 1916
feet depth to: 0 w/ 150 sx cm.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: 0 ppm Fluid volume: 0 bbls
Dewatering method used: Evaporated
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License #: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Permit #: _____

AFFIDAVIT

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

Submitted Electronically

KCC Office Use ONLY

- Letter of Confidentiality Received
Date: _____
 Confidential Release Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
ALT I II III Approved by: NAOMI JAMES Date: 09/26/2012



1093688

Operator Name: Palomino Petroleum, Inc. Lease Name: Fay Well #: 1
 Sec. 10 Twp. 16 S. R. 27 East West County: Lane

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 <i>(Attach Additional Sheets)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Name Attached	Top Attached	Datum Attached
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 <i>(If no, Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
List All E. Logs Run: Dual Receiver Cement Bond Log RAG				

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	160	2%gel 3%cc
Production	7.875	5.5	14	4496	SMD EA2	195	500 gal mud flush 20bbl KCl

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 <i>(Amount and Kind of Material Used)</i>	Depth
4	4382-4385, 4391-4395	500 gal MOD202, 350 gal 15% MCA, 300gal 15% NE, 2000gal 15% NE	

TUBING RECORD: Size: <u>2.875</u> Set At: <u>4463</u> Packer At: <u>3965</u>		Liner Run: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR: <u>07/12/2012</u>	Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) _____	
Estimated Production Per 24 Hours	Oil Bbls. <u>41</u>	Gas Mcf <u>26</u> 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 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) _____	PRODUCTION INTERVAL: _____ _____
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Form	ACO1 - Well Completion
Operator	Palomino Petroleum, Inc.
Well Name	Fay 1
Doc ID	1093688

Tops

Anhy.	1933	+578
Base Anhy.	1968	+543
Topeka	3512	-1001
Heebner	3753	-1242
LKC	3794	-1283
Stark	4026	-1515
BKC	4090	-1579
Marmaton	4122	-1611
Pawnee	4224	-1713
Ft. Scott	4279	-1768
Cherokee Sh.	4304	-1793
Miss Dolo	4390	-1879
LTD	4500	-1989



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



Invoice

DATE	INVOICE #
6/27/2012	22756

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

RECEIVED
JUN 30 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Fay	Lane	Express Well Serv...	Oil	Development	Acidize Formation	Dusty
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
500D	Mileage - 1 Way				40	Miles	6.00	240.00
501D	Acid Pump Charge				1	Job	650.00	650.00
300 - 15%	Regular Acid				1,500	Gallons	1.75	2,625.00
230	Surf-3 ESA-N35 (Losurf 300)				3	Gallon(s)	25.00	75.00
232	Musal ESA-64				30	Gallon(s)	20.00	600.00
235	INH.1 ESA-28				2	Gallon(s)	35.00	70.00
254	Micell-1				3	Gallon(s)	40.00	120.00
500D	Mileage - 1 Way On 06/28/2012				40	Miles	6.00	240.00
501D	Acid Pump Charge On 06/28/2012				1	Job	650.00	650.00
510	Delivery Charge - Transport (4 Hour Minimum) On 06/28/2012				5	Hours	90.00	450.00
300 - 15%	Regular Acid				800	Gallons	1.75	1,400.00
230	Surf-3 ESA-N35 (Losurf 300)				1	Gallon(s)	25.00	25.00
232	Musal ESA-64				16	Gallon(s)	20.00	320.00
235	INH.1 ESA-28				1	Gallon(s)	35.00	35.00
254	Micell-1				1	Gallon(s)	40.00	40.00
244	Medium Crush Rock Salt				800	Lb(s)	0.20	160.00
246	Guar Gel				30	Lb(s)	5.00	150.00
299	Diesel				10	Gallon(s)	4.00	40.00
Subtotal								7,890.00
Sales Tax Lane County							6.30%	0.00

Thank You For Your Business!

Total

\$7,890.00



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

TICKET
 No 22756

PAGE 1 OF 2

SERVICE LOCATIONS 1. NESS CITY KS	WELL/PROJECT NO. #1	LEASE FAY	COUNTY/PARISH LANE Co.	STATE KS.	CITY CAT EDGE PENDENNES	DATE 06 27 12	OWNER
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR Express Well Serv.	RIG NAME/NO. #4	SHIPPED VIA	DELIVERED TO 2 1/2 N. ON RD CHEIF TO	ORDER NO. 286 2E. TO S. GATE S. E.	
3.	WELL TYPE OIL WELL	WELL CATEGORY DISBURSEMENT	JOB PURPOSE ACIDIZING FORMATION	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			UM		UM		
500		1			MILEAGE 107	1	@	40	ml	6.00	240.00
501		1			ACID Pump CHARGE	1	@			650.00	650.00
300		1			WE ACID	1500	gal	15	%	1.75	2625.00
230		1			SURF-3	3	gal			25.00	75.00
232		1			MUSAL	30	gal	2	%	20.00	600.00
235		1			INHER-	2	gal			35.00	70.00
254		1			MICELL-1	3	gal			40.00	120.00

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

x *Glenn Blinck*

DATE SIGNED: 06 27 12 TIME SIGNED: 1400 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 1	4380.00
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				R 2	3910.00
WE UNDERSTOOD AND MET YOUR NEEDS?				SUBTOTAL	7890.00
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				Lane TAX	6.39%
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				TOTAL	7890.00
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO				
<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: *DUSTY D. FULK* APPROVAL:

Thank You

JOB LOG

SWIFT Services, Inc.

DATE 06 27 12 PAGE NO. 7

CUSTOMER PALOMOND PETROLEUM WELL NO. #1 LEASE FAY JOB TYPE ACIDIZING FORMATION TICKET NO. 22956

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	09 18							DAJ LOCATED EXPRESS SWAB TESTING.
								TAKEN SEAT NEAR PERFS 3977'-79' / 3986'-91'
								FLO HT. SPOT NONE
								2 7/8 x 5 1/2 TREAT 3935'
								CS. 56' 1.3328 Bbl
								Tb. 3935' 22.78365 Bbl
								TOTAL 24.11645 Bbl
								MADE TOLLS TO BOTTOM ZONES TO
								SEE IF COMMUNICATED 1" AND 20'
								BELOW WE HAVE COMMUNICATION.
								AND DROD 4T SWAB DOWN & DO 1/2 HR
								TEST NO COMMUNICATION
								NEW PERFS SETTING.
								TAKEN 3600' PERFS 4038'-41'
								FLO HT 442' SPOT 4042'
								2 7/8 x 5 1/2 TREAT 4030'
								CS 11' 26.68 Bbl
								Tb 4030' 23.3337 Bbl
								TOTAL 23.5955 Bbl
1147	3-0	4.50	✓			VAC		SPATED ACID
1204	3	4.75	✓			0		START PUMPENK REST OF ACID
		7	✓			0		ON FLUSH PUMPENK OUT OF SWAB
								TANK 10' 11 1/2" - 131 1/2"
1217	3-0	24.55	✓			200		LOADED 1 Bbl LATE GOOD SPOT
1224	18-0	24.50	✓			250		STAGNANT.
1230	"	24.25	✓			350		"
1231	18	25	✓			250		FEEDING.
1233	25	25.5	✓			200		
	25	26	✓			275		
	25	27	✓			350		
	25	28	✓			275		
	25	29	✓			175		
	25-0	30	✓			VAC		SHUT DOWN
1249	0	31	✓			VAC		BL. DOWN TANK @ 9' 3 3/4" 111.75"

JOB LOG

SWIFT Services, Inc.

DATE 10/28/12 PAGE NO. 2

CUSTOMER Montano Petro WELL NO. #1 LEASE FAY JOB TYPE ACIDIZE FORMATION TICKET NO. 22756

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	0715							ON LOCATED EXPRESS WARRING,
								TRG SEARCH PERFS 3977' - 4041'
								FIGHT 78' SPOT NOISE
								2 7/8 x 5 1/2" TREAT 3965'
								G. 76' 182' 4 Bbl
								Td. 2965' 22.95 235 1861
								TOTAL 24.78135 Bbl
	0805	4	110	✓		0		START PUMPING 1ST ACID
		4	16	✓		0		ON FIRST PULL
		4	25	✓		0		ACID ON BOTTOM
		4	34	✓		0		PULL ON BOTTOM
		4.6	37	✓		600		LOADED
		5	41	✓		600		PULL OUT 2ND PULL
		5.2	57	✓		650		2ND PULL OUT ON ACID
		5.9	66	✓		750		RUN FLUSH
		6	91	✓		800		ON OVER FLUSH
		5.9	107	✓		750		
		0	107	✓		450		1ST P
						250		10
						200		20
						150		30 RELEASED BACK H. Bbl
								103 TOTAL LOAD
								RUN DOWN
								TICKETS
	1000							JOB COMPLETED
								JUSTY & RUSSELL THANK YOU

SWIFT



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



Invoice

DATE	INVOICE #
6/26/2012	22741

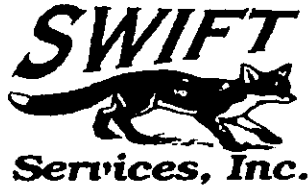
BILL TO
Palomino Petroleum Inc. 4924 S E 84th Street Newton, KS 67114-8827

RECEIVED
JUN 20 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Pay	Lane	Express Well Serv...	Oil	Development	Acidize	Jason
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
500D	Mileage - 1 Way				50	Miles	6.00	300.00
501D	Acid Pump Charge				1	Job	650.00	650.00
303 - 15%	MCA Acid				350	Gallons	2.35	822.50
235	INH.1 ESA-28				1	Gallon(s)	35.00	35.00
232	Musal ESA-64				7	Gallon(s)	20.00	140.00
	Subtotal							1,947.50
	Sales Tax Lane County						6.30%	0.00

Thank You For Your Business!	Total	\$1,947.50
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CHARGE TO: PALMINDO PETROLEUM
 ADDRESS:
 CITY, STATE, ZIP CODE:

TICKET
 No 22741

PAGE 1 OF

SERVICE LOCATIONS
 1. NESS CITY, KS WELL/PROJECT NO. LEASE FAY #1 COUNTY/PARISH LANE STATE KS CITY PENDENNIS, KS DATE 26 JUN 12 OWNER
 2. TICKET TYPE SERVICE SALES CONTRACTOR EXPRESS WELL SERV RIG NAME/NO. SHIPPED VIA DELIVERED TO ORDER NO.
 3. WELL TYPE OIL WELL CATEGORY DEVELOPMENT JOB PURPOSE ACIDIZE WELL PERMIT NO. WELL LOCATION 2AN, 2E, S/E INTO
 4. REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF			U/M			
<u>S00</u>					<u>MILEAGE #110</u>	<u>50</u>	<u>ML</u>		<u>6.00</u>	<u>300.00</u>
<u>S01</u>					<u>Pump CHARGE</u>	<u>1</u>	<u>QTB</u>		<u>650.00</u>	<u>650.00</u>
<u>303</u>					<u>MCA ACID</u>	<u>350</u>	<u>gal</u>	<u>15%</u>	<u>2.35</u>	<u>822.50</u>
<u>235</u>					<u>BONIB-1</u>	<u>1</u>	<u>gk</u>		<u>35.00</u>	<u>35.00</u>
<u>232</u>					<u>MUSOL</u>	<u>7</u>	<u>gal</u>		<u>20.00</u>	<u>140.00</u>

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

x [Signature]
 DATE SIGNED 26 JUN 12 TIME SIGNED 11:30 A.M. P.M.

REMIT PAYMENT TO:
 SWIFT SERVICES, INC.
 P.O. BOX 466
 NESS CITY, KS 67560
 785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	PAGE TOTAL
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				<u>1947.50</u>
WE UNDERSTOOD AND MET YOUR NEEDS?				
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO			Lanc TAX <u>6.3%</u>
<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 invoice.

SWIFT OPERATOR [Signature] APPROVAL

Thank You

SWIFT



Services, Inc.

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



Invoice

DATE	INVOICE #
6/25/2012	22739

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

RECEIVED

JUN 28 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Fay	Lane	Express Well Serv...	Oil	Development	Acidize	Jason
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
500D	Mileage - 1 Way				50	Miles	6.00	300.00
501D	Acid Pump Charge				1	Job	650.00	650.00
305 - 15%	MOD 202				500	Gallons	4.25	2,125.00
230	Surf-3 ESA-N35 (Losurf 300)				2	Gallon(s)	25.00	50.00
235	INH.1 ESA-28				2	Gallon(s)	35.00	70.00
254	Micell-1				1	Gallon(s)	40.00	40.00
232	Musal ESA-64				10	Gallon(s)	20.00	200.00
	Subtotal							3,435.00
	Sales Tax Lane County						6.30%	0.00
Thank You For Your Business!							Total	\$3,435.00



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

TICKET
 No 22739

PAGE 1 OF

SERVICE LOCATIONS
 1. **NESS CITY, KS.** WELL/PROJECT NO. LEASE **FAY #1** COUNTY/PARISH **LANE** STATE **KS.** CITY **PENDENNIS, KS.** DATE **25 JUN 12** OWNER
 2. TICKET TYPE SERVICE SALES CONTRACTOR **EXPRESS WELL-SERVU** RIG NAME/NO. SHIPPED VIA DELIVERED TO ORDER NO.
 3. WELL TYPE **OIL** WELL CATEGORY **DEVELOPMENT** JOB PURPOSE **ACIDIZE** WELL PERMIT NO. WELL LOCATION **2 1/2 N, 2 E, S/E Twp**
 4. REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
200					MILEAGE #110	50	ML			6.00	300.00
501					Pump CHARGE					6.50	650.00
305					MOD 202	500	gal	15%		4.25	2125.00
230					SURF-3	2	gal			25.00	50.00
235					INHIB-1	2	gal			35.00	70.00
254					MICELL-1	1	gal			40.00	40.00
232					MUSOL	10	gal			20.00	200.00

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

x *Allen W. Hunsel*
 DATE SIGNED **25 JUN 12** TIME SIGNED **1215** A.M. P.M.

REMIT PAYMENT TO:

SWIFT SERVICES, INC.
 P.O. BOX 466
 NESS CITY, KS 67560
 785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	PAGE TOTAL
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				3435.00
WE UNDERSTOOD AND MET YOUR NEEDS?				
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES	<input type="checkbox"/> NO		TOTAL
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				3435.00

Lane TAX 6.3%

SWIFT OPERATOR: _____ APPROVAL: _____

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

Thank You!

SWIFT



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



Invoice

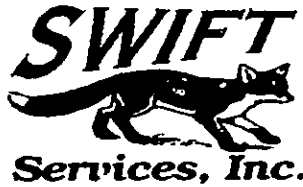
DATE	INVOICE #
6/20/2012	22600

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

RECEIVED
JUN 23 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Fay	Lane	Express Well Serv...	Oil	Development	Cement Port Collar	Wayne
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				50	Miles	6.00	300.00
576D-D	Pump Charge - Port Collar				1	Job	1,250.00	1,250.00
105	Port Collar Tool Rental With Man				1	Each	350.00	350.00T
330	Swift Multi-Density Standard (MIDCON II)				150	Sacks	16.50	2,475.00T
276	Flocele				50	Lb(s)	2.00	100.00T
290	D-Air				2	Gallon(s)	35.00	70.00T
581D	Service Charge Cement				200	Sacks	2.00	400.00
583D	Drayage				499.25	Ton Miles	1.00	499.25
	Subtotal							5,444.25
	Sales Tax Lane County						6.30%	188.69
We Appreciate Your Business!							Total	\$5,632.94



CHARGE TO PALDINO PETROLEUM
ADDRESS
CITY, STATE, ZIP CODE

TICKET
Nº 22600

PAGE	OF
1	1

SERVICE LOCATIONS 1. NESS CITY, KS	WELL/PROJECT NO. #1	LEASE FAY	COUNTY/PARISH LANE	STATE KS	CITY	DATE 6-20-12	OWNER SAME
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR EXPRESS WELL SERVICE	RIG NAME/NO.	SHIPPED VIA GT	DELIVERED TO LOCATION	ORDER NO.	
3.	WELL TYPE Oil	WELL CATEGORY DEVELOPMENT	JOB PURPOSE CEMENT PORT COLLAR	WELL PERMIT NO.	WELL LOCATION #1 PENDING, KS		
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 # 111	50	MI		6.00	300.00
5760		1			PUMP CHARGE	1	JOB		1250.00	1250.00
105		1			PORT COLLAR OPENING TOOL	1	JOB		350.00	350.00
330		1			SWIFT MULTI-DECKER STANDARD	150	SKS		16.50	2475.00
276		1			FLOCCLE	50	LBS		2.00	100.00
290		1			DADR	2	GAL		35.00	70.00
581		1			SERVICE CHARGE CEMENT	200	SKS		2.00	400.00
583		1			DRAPAGE	19970	LBS	499.25	1.00	499.25

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY,** and **LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

X
DATE SIGNED **6-20-12** 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
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?			
WE UNDERSTOOD AND MET YOUR NEEDS?			
OUR SERVICE WAS PERFORMED WITHOUT DELAY?			
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?			
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO		
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND			

PAGE TOTAL	5444.25
Lane TAX 6.3%	188.69
TOTAL	5632.94

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

SWIFT OPERATOR **WAYNE WILSON** APPROVAL

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 6-20-12 PAGE NO.

CUSTOMER PALOMIZO PETROLEUM WELL NO. # LEASE FAY JOB TYPE CEMENT PORT COLLAR TICKET NO. 22600

CHART NO.	TIME	RATE (BPM)	VOLUME (BBLS/GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	0900							ON LOCATION
								TUBING - 2 3/8 CASING - 5 1/2" PORT COLLAR - 1912'
	0920				✓		1000	PSE TEST CASTING - HEAD
	0925	3	2	✓		350		OPEN PORT COLLAR - TEST RATE
	0935	4	83	✓		350		MIX CEMENT 150 SKS SMD
	1000	4	6 1/2	✓		500		DISPLACE CEMENT - CLOSE PORT COLLAR
	1010			✓		1000		PSE TEST - HEAD CEMENT TO PRT 15 SKS
	1020	4	20	✓		500		RW 4 JTS - CIRCULATE CLEAN
								WASH TRUCK
	1100							JOB COMPLETE
								THANK YOU WAYNE, NICK, ISAAC, FLINT

SWIFT



Services, Inc.

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



Invoice

DATE	INVOICE #
6/12/2012	22595

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	#1	Fay	Lane	WW Drilling	Oil	Development	5-1/2" LongString	Wayne
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				50	Miles	6.00	300.00
578D-L	Pump Charge - Long String - 4496 Feet				1	Job	1,500.00	1,500.00
221	Liquid KCL (Clayfix)				2	Gallon(s)	25.00	50.00T
281	Mud Flush				500	Gallon(s)	1.25	625.00T
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 - Top Joint #62 - 1916 Feet				1	Each	2,400.00	2,400.00T
406-5	5 1/2" Latch Down Plug & Baffle				1	Each	250.00	250.00T
407-5	5 1/2" Insert Float Shoe With Auto Fill				1	Each	350.00	350.00T
409-5	5 1/2" Turbolizer				14	Each	90.00	1,260.00T
325	Standard Cement				100	Sacks	13.50	1,350.00T
330	Swift Multi-Density Standard (MIDCON II)				125	Sacks	16.50	2,062.50T
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
290	D-Air				2	Gallon(s)	35.00	70.00T
581D	Service Charge Cement				225	Sacks	2.00	450.00
583D	Drayage				571.5	Ton Miles	1.00	571.50
	Subtotal							12,634.00
	Sales Tax Lane County						6.30%	618.19
We Appreciate Your Business!							Total	\$13,252.19



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

TICKET
 No 22595

PAGE 1 OF 2

SERVICE LOCATIONS 1. NESS CITY, KS	WELL/PROJECT NO. #1	LEASE FAY	COUNTY/PARISH LANE	STATE Ks	CITY	DATE 6-12-12	OWNER SAME
2.	TICKET TYPE SALES	CONTRACTOR W W DRIG	RIG NAME/NO.	SHIPPED CT	DELIVERED TO LOCATION	ORDER NO.	
3.	WELL TYPE OIL	WELL CATEGORY DEVELOPMENT	JOB PURPOSE 5 1/2" LONGSTRENG	WELL PERMIT NO.	WELL LOCATION PAWELWIS, KS - 1/4E, 2 1/2N, 3EW		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.	U/M	QTY.	U/M	UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575		1			MILEAGE # 110	50	ME			6.00	300.00
578		1			PUMP CHARGE	1	JOB	496	FT	1500.00	1500.00
221		1			LIQUID KCL	2	GA			25.00	50.00
281		1			MOD FLUSH	500	GA			1.25	625.00
402		1			REGULAR CENTRALIZER	1	EA	5 1/2"		70.00	70.00
403		1			CEMENT BASKET	3	EA			250.00	750.00
404		1			PORT COLLAR TOP JT # 62	1	EA	1916	FT	2400.00	2400.00
406		1			LATCH DOWN PLUG - BAFFLE	1	EA			250.00	250.00
407		1			INSERT FLOAT SHOE W/AUTO FILL	1	EA			350.00	350.00
409		1			TURBOIZERS	14	EA			90.00	1260.00

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MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

X 
 DATE SIGNED **6-12-12** TIME SIGNED **2030** 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 #1	7555.00
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				#2	5079.00
WE UNDERSTOOD AND MET YOUR NEEDS?				sub total	12,634.00
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				TAX	1618.19
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				Lane 6.3%	
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO			TOTAL	13,252.19
<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 invoice.

SWIFT OPERATOR **WAYNE WILSON** APPROVAL

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE **6-12-12** PAGE NO. **1**

CUSTOMER **PALOMINO PETROLEUM** WELL NO. **21** LEASE **FAY** JOB TYPE **5 1/2" LONGSTRING** TICKET NO. **22595**

CHART NO.	TIME	RATE (BPM)	VOLUME (BBLS-GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	2030							ON LOCATION
	2115							START 5 1/2" CASING IN WELL
								TD - 4500 SET = 4496
								TP - 4496 5 1/2" # 14
								ST - 33'
								CONTRACT SPS - 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 15, 61
								CMT SPS - 2, 7, 62
								POST COURSE = 1916 TOPT # 62
	2325							DROP BALL - CIRCULATE
	0030	6 1/2	12		✓		400	PUMP 500 GAL MUD FLUSH
	0032	6 1/2	20		✓		400	PUMP 20 BBLS KCL-FLUSH
	0037		7					PLUG RH (30 SPS)
	0042	6	37		✓		300	MAX CEMENT - 95 SPS SMD = 12.5 PP6
		5	24		✓		150	100 SPS BA-2 = 15.5 PP6
	0052							WASH OUT PUMP - LINES
	0052							RELEASE CATCH DOWN PLUG
	0055	7	0		✓			DISPLACE PLUG
		7	105				850	
	0112	6	108.9				1500	PLUG DOWN - SET UP CATCH IN PLUG
	0115						OK	RELEASE SET - HELD
								WASH TRUCK
	0200							JOB COMPLETE

THANK YOU
WAXE, JEFF, TJ



CONSOLIDATED
Oil Well Services, LLC

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

RECEIVED
JUN 13 2012

INVOICE

Invoice # 250308

Invoice Date: 06/11/2012 Terms: 10/10/30,n/30

Page 1

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

FAY #1
33991
10-16-27
06-05-2012
KS

Part Number	Description	Qty	Unit Price	Total
1104S	CLASS "A" CEMENT (SALE)	160.00	17.6500	2824.00
1102	CALCIUM CHLORIDE (50#)	450.00	.8900	400.50
1118B	PREMIUM GEL / BENTONITE	300.00	.2500	75.00

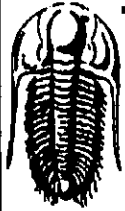
Sublet Performed	Description	Total
9999-130	CASH DISCOUNT	-329.95
9999-130	CASH DISCOUNT	-178.74

Description	Hours	Unit Price	Total
463 CEMENT PUMP (SURFACE)	1.00	1085.00	1085.00
463 EQUIPMENT MILEAGE (ONE WAY)	40.00	5.00	200.00
566 TON MILEAGE DELIVERY	1.00	502.40	502.40

Amount Due 5294.77 if paid after 07/11/2012

Parts:	3299.50	Freight:	.00	Tax:	187.08	AR	4765.29
Labor:	.00	Misc:	.00	Total:	4765.29		
Sublt:	-508.69	Supplies:	.00	Change:	.00		

Signed _____ Date _____



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Palomino Petroleum Inc
4924 SE 84th St
Newton, Ks
67114
ATTN: Phil Asky

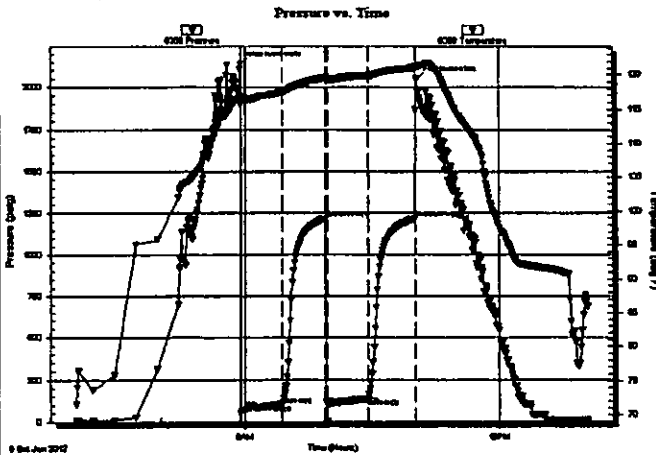
10-16s-27w Lane, Ks
Fay #1
Job Ticket: 48276 DST#: 1
Test Start: 2012.06.09 @ 07:00:40

GENERAL INFORMATION:

Formation: H-1
Deviated: No Whipstock: 0.00 ft (KB)
Time Tool Opened: 08:56:40
Time Test Ended: 13:20:25
Test Type: Conventional Bottom Hole (Initial)
Tester: Shane McBride
Unit No: 55
Interval: 3942.00 ft (KB) To 4005.00 ft (KB) (TVD)
Total Depth: 4005.00 ft (KB) (TVD)
Reference Elevations: 2511.00 ft (KB)
2506.00 ft (CF)
Hole Diameter: 7.88 inches Hole Condition: Poor
KB to GR/CP: 5.00 ft

Serial #: 8368 Outside
Press@RunDepth: 135.82 psig @ 3943.00 ft (KB) Capacity: 8000.00 psig
Start Date: 2012.06.09 End Date: 2012.06.09 Last Calib.: 2012.06.09
Start Time: 07:00:40 End Time: 13:03:25 Time On Btm: 2012.06.09 @ 08:56:25
Time Off Btm: 2012.06.09 @ 11:01:10

TEST COMMENT: B.O.B. in 17 min.
No return
B.O.B. in 12 min.
1/4" in return blow



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2141.10	116.71	Initial Hydro-static
1	49.76	115.66	Open To Flow (1)
30	101.68	117.49	Shut-in(1)
61	1219.24	119.56	End Shut-in(1)
62	106.97	119.23	Open To Flow (2)
91	135.92	119.82	Shut-in(2)
124	1215.27	121.06	End Shut-in(2)
125	2050.11	121.27	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
60.00	g m c o 15g 25m 60o	0.30
120.00	g o c m 15g 35o 50m	1.12
50.00	g s o c m 10g 5o 85m	0.70
0.00	196' gas in pipe	0.00

Gas Rates

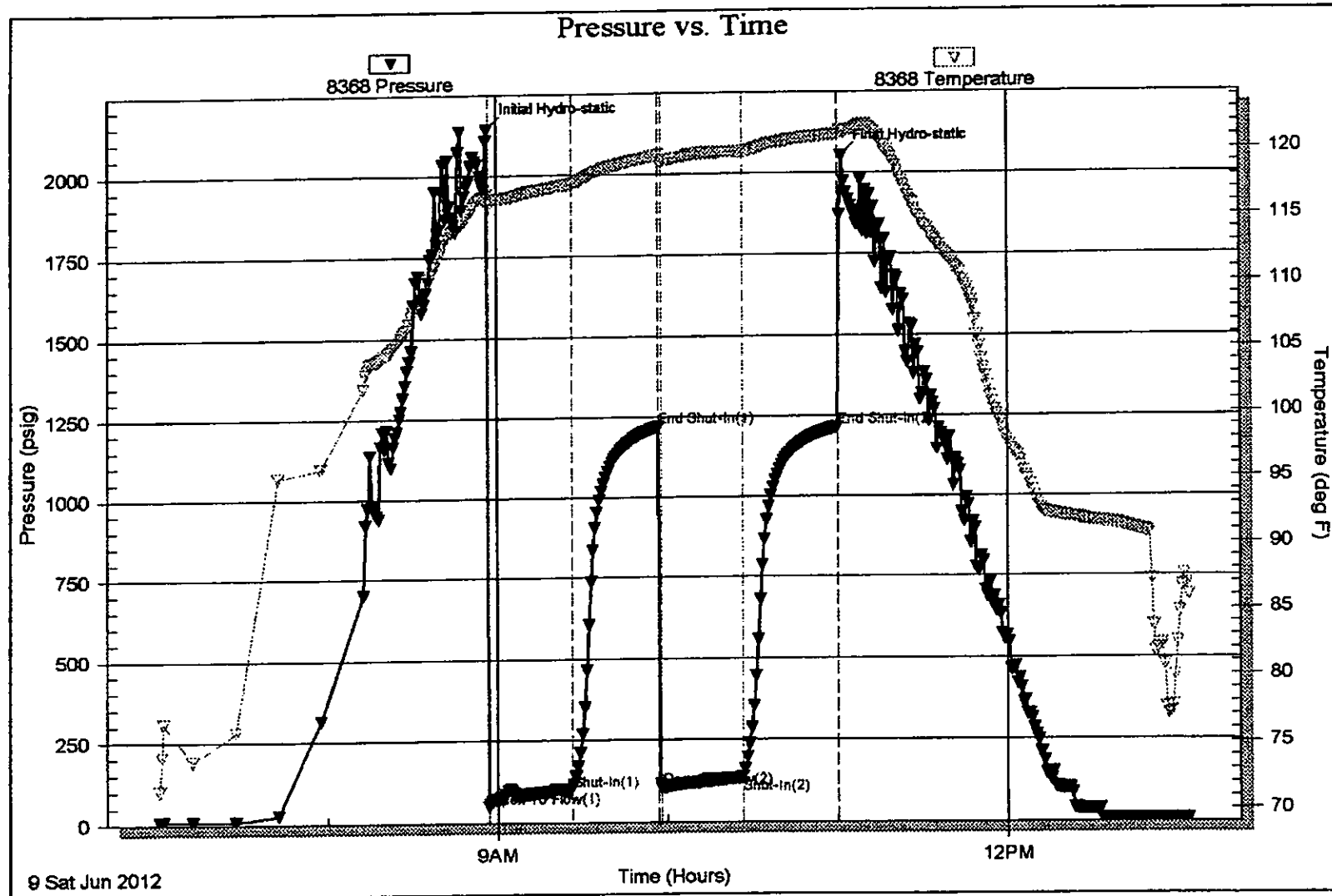
Choke (Inches)	Pressure (psig)	Gas Rate (McF/D)

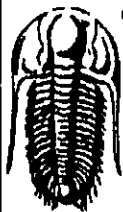
Serial #: 8368

Outside Palomino Petroleum Inc

Fay #1

DST Test Number: 1





TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Pabrino Petroleum Inc

10-16s-27w Lane, Ks

4924 SE 84th St
Newton, Ks
67114

Fay #1

Job Ticket: 48277

DST#: 2

ATTN: Phil Asky

Test Start: 2012.06.09 @ 21:10:17

GENERAL INFORMATION:

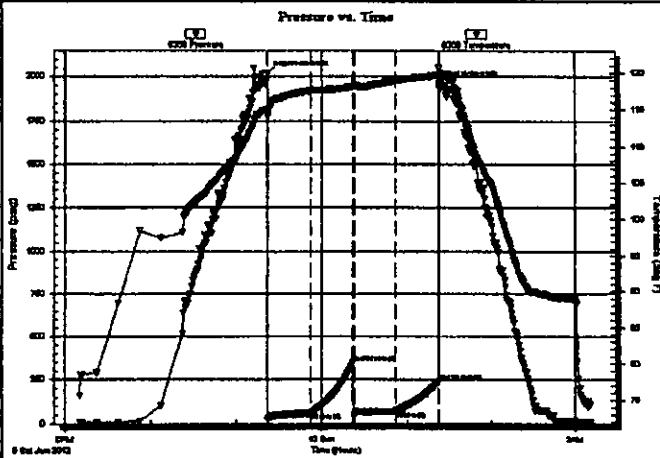
Formation: J
 Deviated: No Whipstock: 0.00 ft (KB)
 Time Tool Opened: 23:22:17
 Time Test Ended: 03:35:17
 Interval: 4003.00 ft (KB) To 4035.00 ft (KB) (TVD)
 Total Depth: 4035.00 ft (KB) (TVD)
 Hole Diameter: 7.88 inches Hole Condition: Poor
 Test Type: Conventional Bottom Hole (Reset)
 Tester: Shane McBride
 Unit No: 55
 Reference Elevations: 2511.00 ft (KB)
 2508.00 ft (CF)
 KB to GR/CF: 5.00 ft

Serial #: 8368

Outside

Press@RunDepth: 69.90 psig @ 4004.00 ft (KB)
 Start Date: 2012.06.09 End Date: 2012.06.10
 Start Time: 21:10:17 End Time: 03:11:17
 Capacity: 8000.00 psig
 Last Calib.: 2012.06.10
 Time On Btmr: 2012.06.09 @ 23:21:47
 Time Off Btmr: 2012.06.10 @ 01:22:32

TEST COMMENT: B.O.B. in 30 min.
 No return
 B.O.B. in 2 min.
 No return



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2018.96	114.96	Initial Hydro-static
1	23.37	114.21	Open To Flow (1)
31	60.28	117.55	Shut-In (1)
61	349.83	118.09	End Shut-In (1)
61	44.51	118.18	Open To Flow (2)
90	69.90	118.96	Shut-In (2)
121	240.15	119.68	End Shut-In (2)
121	1959.90	120.74	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
127.00	s g o c m 5g 15o 85m	0.67
0.00	535' gas in pipe	0.00

* Recovery from multiple tests

Gas Rates

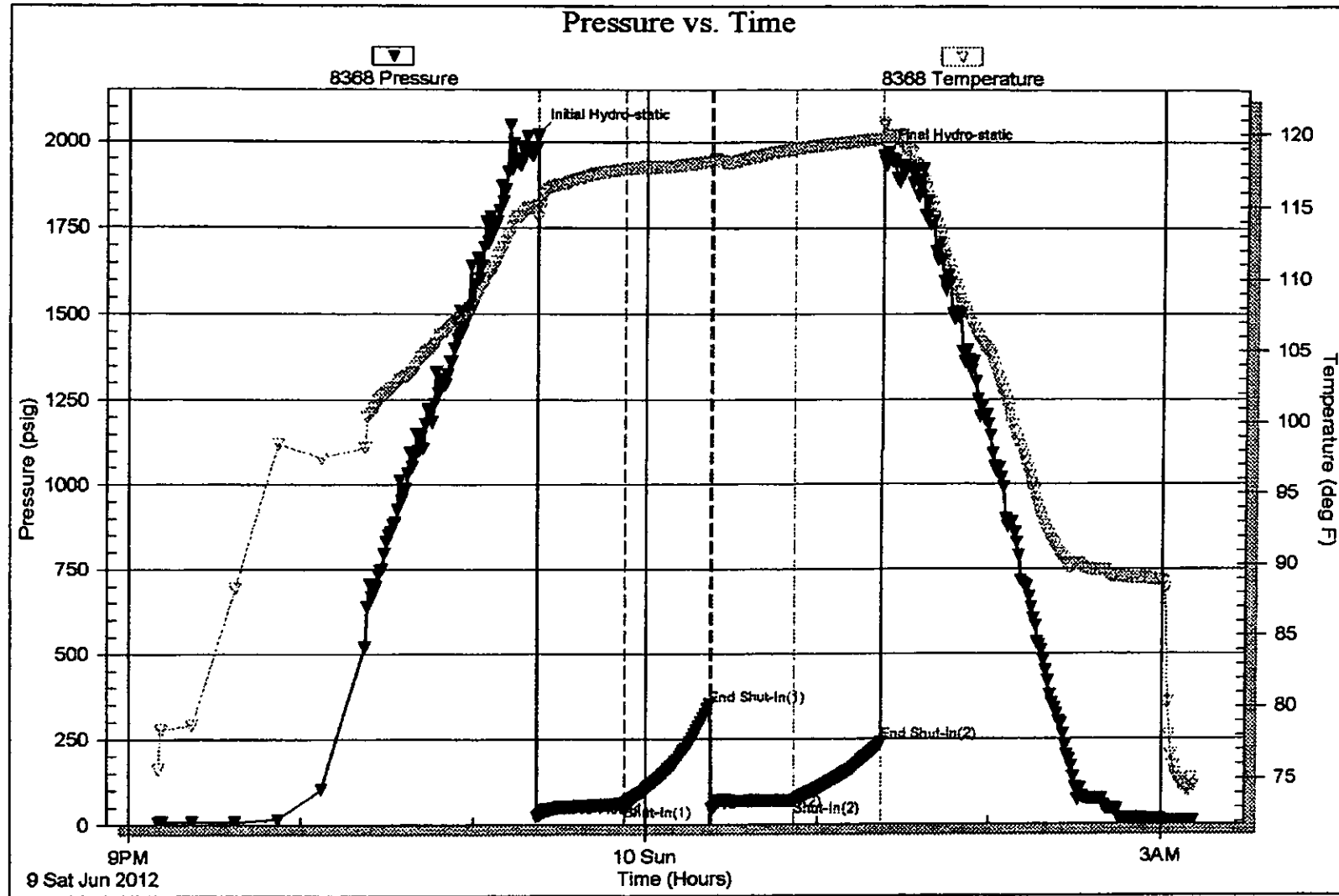
	Choke (inches)	Pressure (psig)	Gas Rate (MCFD)

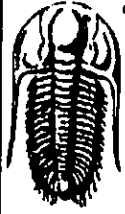
Serial #: 8368

Outside Palomino Petroleum Inc

Fay #1

DST Test Number: 2





TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Palomino Petroleum Inc
 4924 SE 84th St
 Newton, Ks
 67114
 ATTN: Phil Asky

10-16s-27w Lane, Ks
 Fay #1
 Job Ticket: 48278 DST#: 3
 Test Start: 2012.06.10 @ 11:51:11

GENERAL INFORMATION:

Formation: K-L
 Deviated: No Whipstock: 0.00 ft (KB)
 Time Tool Opened: 13:44:11
 Time Test Ended: 17:10:26

Interval: 4034.00 ft (KB) To 4097.00 ft (KB) (TVD)
 Total Depth: 4097.00 ft (KB) (TVD)
 Hole Diameter: 7.88 inches Hole Condition: Fair

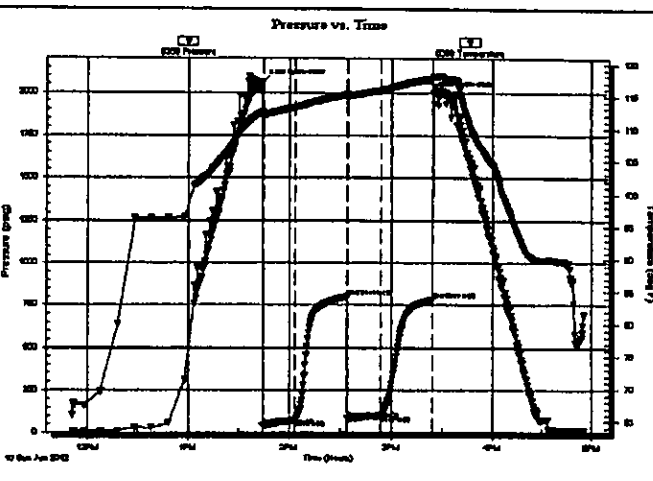
Test Type: Conventional Bottom Hole (Reset)
 Tester: Shane McBride
 Unit No: 55

Reference Elevations: 2511.00 ft (KB)
 2506.00 ft (CF)
 KB to GR/CF: 5.00 ft

Serial #: 8368 Outside
 Press@RunDepth: 95.26 psig @ 4035.00 ft (KB)
 Start Date: 2012.06.10 End Date: 2012.06.10
 Start Time: 11:51:11 End Time: 16:55:26

Capacity: 8000.00 psig
 Last Calib.: 2012.06.10
 Time On Btm: 2012.06.10 @ 13:43:56
 Time Off Btm: 2012.06.10 @ 15:24:41

TEST COMMENT: 1/4" in blow died back to a surface blow 1/8" in
 No return
 Surface blow 1/8" in blew throughout
 No return



PRESSURE SUMMARY			
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2060.21	112.45	Initial Hydro-static
1	35.44	111.63	Open To Flow (1)
20	70.76	113.20	Shut-In(1)
50	796.45	115.17	End Shut-In(1)
51	79.07	114.93	Open To Flow (2)
70	95.26	115.82	Shut-In(2)
101	781.04	117.66	End Shut-In(2)
101	1995.23	118.05	Final Hydro-static

Recovery		
Length (ft)	Description	Volume (bbl)
120.00	mud 100%mw/oil spots	0.59
0.00	show of free oil on top 1" in	0.00

Gas Rates			
	Choke (Inches)	Pressure (psig)	Gas Rate (M cfb)

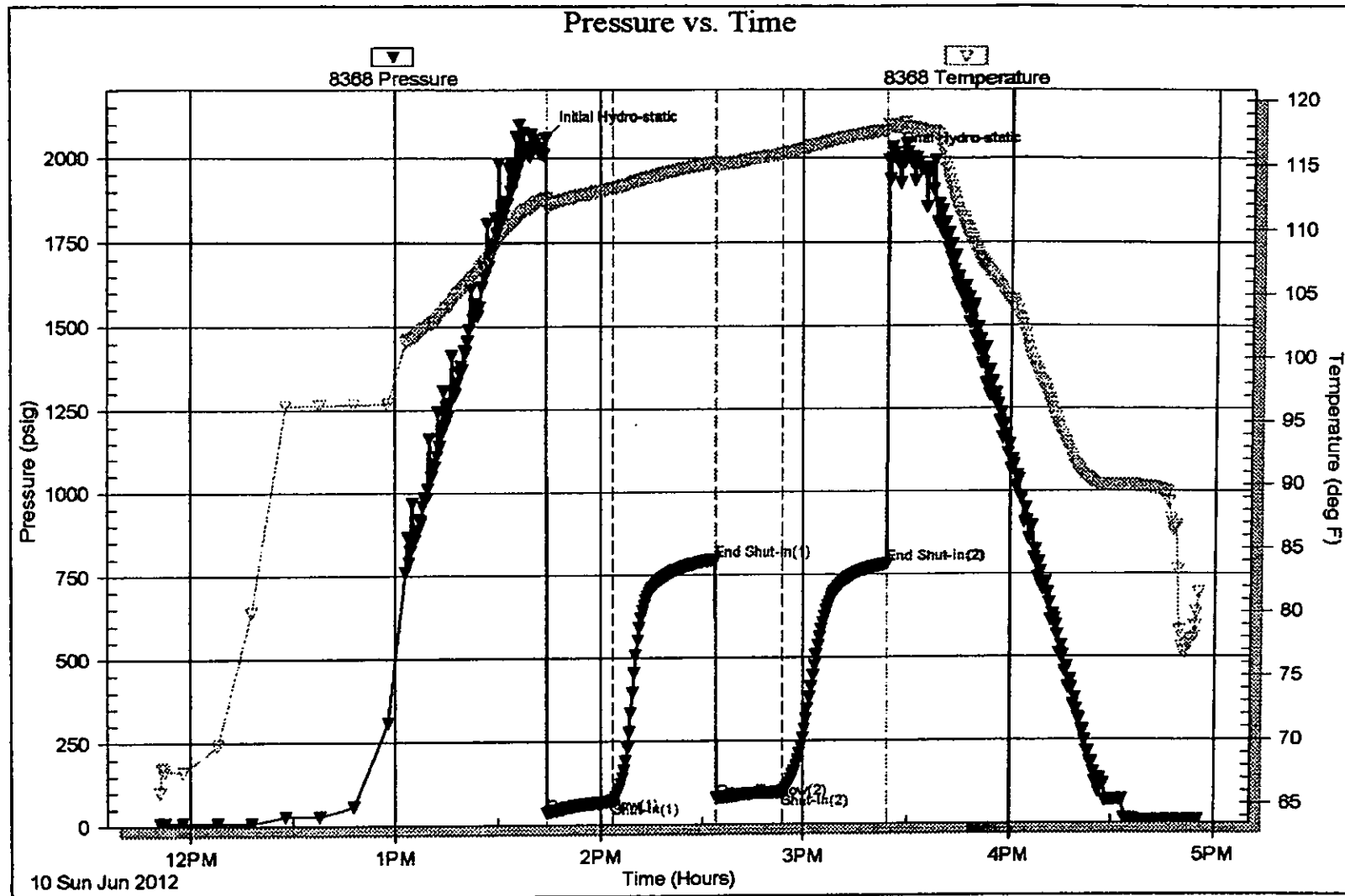
* Recovery from multiple tests

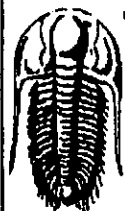
Serial #: 8368

Outside Palomino Petroleum Inc

Fay #1

DST Test Number: 3





**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Palomino Petroleum Inc

10-16s-27w Lane, Ks

4924 SE 84th St
Newton, Ks
67114

Fay #1

Job Ticket: 48279

DST#: 4

ATTN: Phil Asky

Test Start: 2012.06.11 @ 20:28:00

GENERAL INFORMATION:

Formation: Mississippi

Deviated: No Whipstock 0.00 ft (KB)

Time Tool Opened: 22:24:00

Time Test Ended: 03:15:00

Test Type: Conventional Bottom Hole (Reset)

Tester: Shane McBride

Unit No: 55

Interval: 4318.00 ft (KB) To 4407.00 ft (KB) (TVD)

Total Depth: 4407.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Good

Reference Elevations: 2511.00 ft (KB)

2506.00 ft (CF)

KB to GR/CF: 5.00 ft

Serial #: 8368

Press@RunDepth: 121.80 psig @ ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.06.11

End Date:

2012.06.12

Last Calib.: 2012.06.12

Start Time: 20:28:00

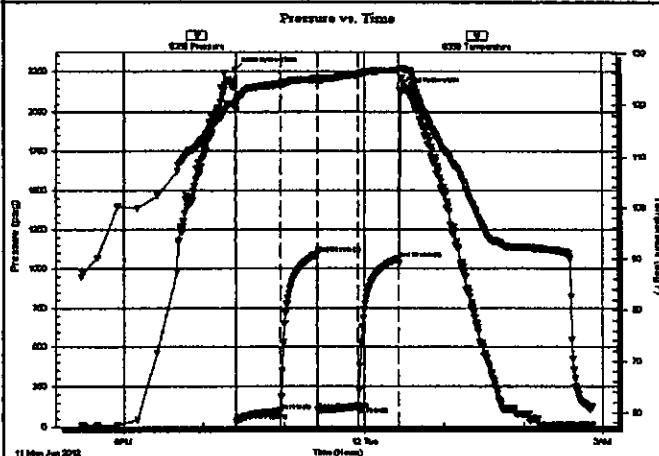
End Time:

02:52:30

Time On Btm: 2012.06.11 @ 22:23:30

Time Off Btm: 2012.06.12 @ 00:28:30

TEST COMMENT: IF: 5 1/2" Blow
St: Weak Return
FF: 5" Blow
FSt: Weak Return



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2261.77	120.31	Initial Hydro-static
1	30.38	119.20	Open To Flow (1)
34	93.98	123.98	Shut-in(1)
61	1093.42	124.92	End Shut-in(1)
62	99.29	124.61	Open To Flow (2)
92	121.80	125.85	Shut-in(2)
122	1065.04	126.59	End Shut-in(2)
123	2132.73	126.87	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
180.00	SGOCM 5g 25o 70m	1.41
45.00	CGO 5g 95o	0.63
0.00	75' GP	0.00

* Recovery from multiple tests

Gas Rates

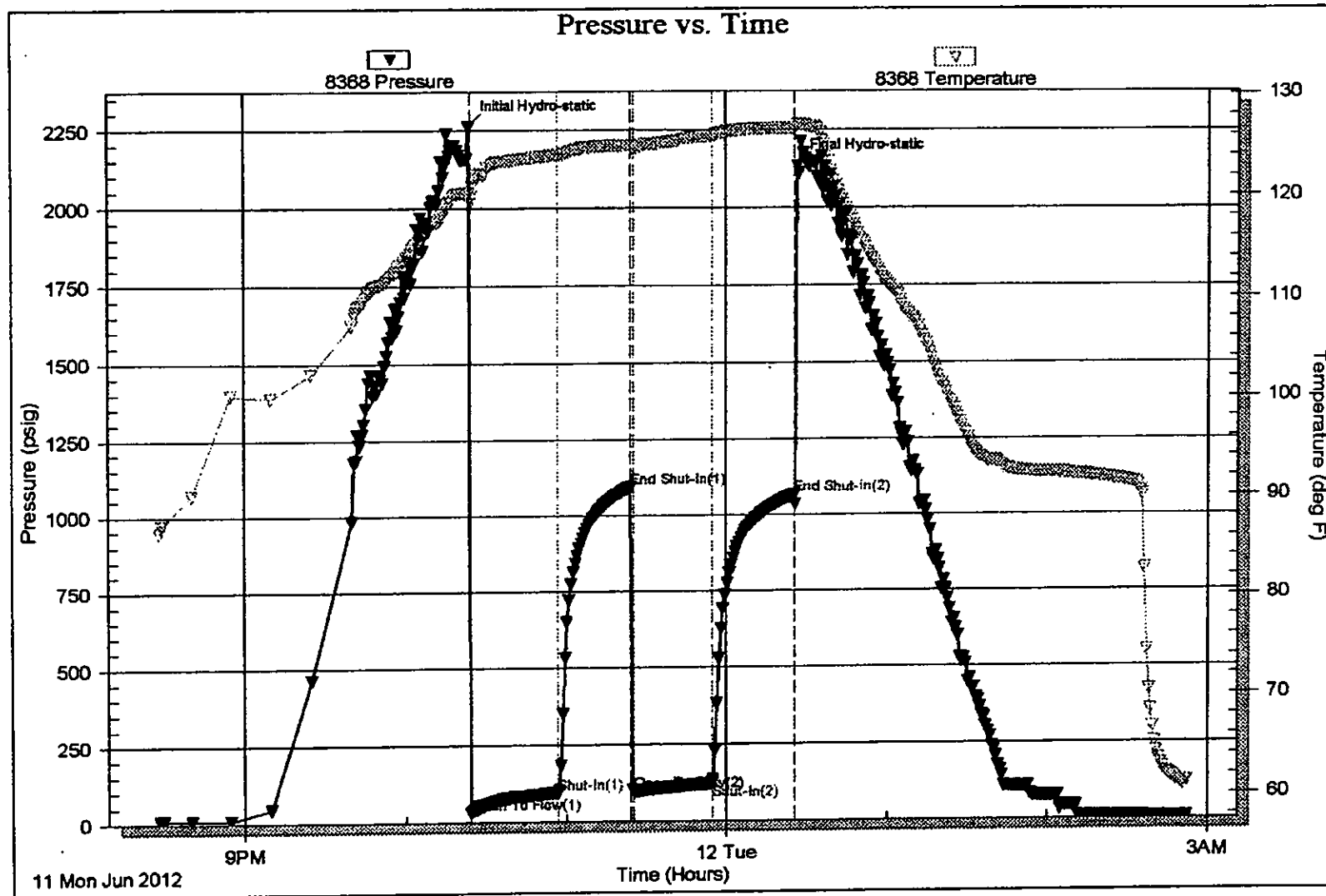
	Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)

Serial #: 8368

Palomino Petroleum Inc

Fay #1

DST Test Number: 4



SWIFT



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



Invoice

DATE	INVOICE #
6/27/2012	22756

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

RECEIVED
JUN 30 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Fay	Lane	Express Well Serv...	Oil	Development	Acidize Formation	Dusty
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
500D	Mileage - 1 Way				40	Miles	6.00	240.00
501D	Acid Pump Charge				1	Job	650.00	650.00
300 - 15%	Regular Acid				1,500	Gallons	1.75	2,625.00
230	Surf-3 ESA-N35 (Losurf 300)				3	Gallon(s)	25.00	75.00
232	Musal ESA-64				30	Gallon(s)	20.00	600.00
235	INH.1 ESA-28				2	Gallon(s)	35.00	70.00
254	Micell-1				3	Gallon(s)	40.00	120.00
500D	Mileage - 1 Way On 06/28/2012				40	Miles	6.00	240.00
501D	Acid Pump Charge On 06/28/2012				1	Job	650.00	650.00
510	Delivery Charge - Transport (4 Hour Minimum) On 06/28/2012				5	Hours	90.00	450.00
300 - 15%	Regular Acid				800	Gallons	1.75	1,400.00
230	Surf-3 ESA-N35 (Losurf 300)				1	Gallon(s)	25.00	25.00
232	Musal ESA-64				16	Gallon(s)	20.00	320.00
235	INH.1 ESA-28				1	Gallon(s)	35.00	35.00
254	Micell-1				1	Gallon(s)	40.00	40.00
244	Medium Crush Rock Salt				800	Lb(s)	0.20	160.00
246	Guar Gel				30	Lb(s)	5.00	150.00
299	Diesel				10	Gallon(s)	4.00	40.00
	Subtotal							7,890.00
	Sales Tax Lane County						6.30%	0.00

Cement for 5 1/2" casing 6/27

Thank You For Your Business!	Total	\$7,890.00 ✓
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CHARGE TO:
PALMWOOD PETROLEUM INC.
 ADDRESS
 CITY, STATE, ZIP CODE

TICKET
 No 22756

PAGE 1 OF 1

SERVICE LOCATIONS 1. NESS CITY KS	WELL/PROJECT NO #1	LEASE FAY	COUNTY/PARISH LANE Co.	STATE KS.	CITY EAST EDGE PEADENNES	DATE 06 27 12	OWNER
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR EXPRESS WELL SERV.	RIG NAME/NO. #4	SHIPPED VIA	DELIVERED TO 2 1/2 N. ON ROAD CHELF TO 288 2E. TO S. GATE S. E. W.	ORDER NO.	
3.	WELL TYPE DEE WELL	WELL CATEGORY DS. V. L. ANCWT	JOB PURPOSE ACIDIZ. FORMATION	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			UM		UM		
500		1			MILEAGE 107	1	@	40	ML	6.00	240.00
501		1			ACID Pump CHARGE	1	@			650.00	650.00
300		1			WE ACID	1500	gal	15	%	1.75	2625.00
230		1			SURE-3	3	gal			25.00	75.00
232		1			MUSAL	30	gal	2	%	20.00	600.00
235		1			INHER-1	2	gal			35.00	70.00
254		1			MICELL-1	3	gal			40.00	120.00

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

x *[Signature]*
 DATE SIGNED **06 27 12** TIME SIGNED **1400** 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 1	4380.00
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				Pg 2	3910.00
WE UNDERSTOOD AND MET YOUR NEEDS?				SUBTOTAL	7890.00
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				LONE TAX	6.3%
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				TOTAL	7890.00
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO				
<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 order.
 SWIFT OPERATOR **DUSTY D. FULK** APPROVAL
 Thank You.

JOB LOG

SWIFT Services, Inc.

DATE 06 27 12 PAGE NO. 7
 TICKET NO. 22356

CUSTOMER Palomares Petroleum WELL NO. #1 LEASE FAY JOB TYPE Acidize Formation

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	0918							DN LOCATED EXPRESS SWAB TESTING.
								TRAIL SEAT NEAR PERFS 3977'-79' / 3986'-91' FLD HT. SPOT NONE 2 7/8 x 5 1/2 TREAT 3935' CS. 56' 1.3328 Bbl TH. 3935' 22.78365 Bbl TOTAL 24.11645 Bbl
								MOVE TOOLS TO BOTTOM ZONES TO SEE IF COMMUNICATED 1 ST ONE 20' BELOW WE HAVE COMMUNICATION. 2 ND ONE 41' SWAB DOWN & DO 1/2 HR TEST NO COMMUNICATION NEW PERFS SET IN.
								TRAIL 3600' PERFS 4038'-41' FLD HT 442' SPOT 4042' 2 7/8 x 5 1/2 TREAT 4030' CS 11' 26.18 Bbl TH 4030' 23.3337 Bbl TOTAL 23.5955 Bbl
	1147	3-0	4.50	✓		VAC		SPOTTED ACID
	1204	3	4.75	✓		0		START PUMPING REST OF ACID
			7	✓		0		ON FLUSH PUMPING OUT OF SWAB TANK 10' 11 1/2" - 131 1/2"
	1217	3-0	24.56	✓		200		LOADED 1 Bbl LATE GOOD SPOT
	1224	.18-0	24.50	✓		250		STAGNANT.
	1230	"	24.25	✓		350		"
	1231	.18	25	✓		250		FEEDING.
	1233	.25	25.5	✓		200		
		.25	26	✓		275		
		.25	27	✓		300		
		.25	28	✓		275		
		.25	29	✓		175		
		.25-0	30	✓		VAC		SHUT DOWN
	1249	0	31	✓		VAC		BL. DOWN TANK @ 9' 3 3/4" 11.75"

SWIFT



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



Invoice

DATE	INVOICE #
6/26/2012	22741

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

RECEIVED
JUN 28 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#	Fay	Lane	Express Well Serv...	Oil	Development	Acidize	Jason
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
500D	Mileage - 1 Way				50	Miles	6.00	300.00
501D	Acid Pump Charge				1	Job	650.00	650.00
303 - 15%	MCA Acid				350	Gallons	2.35	822.50
235	INH.1 ESA-28				1	Gallon(s)	35.00	35.00
232	Musal ESA-64				7	Gallon(s)	20.00	140.00
	Subtotal							1,947.50
	Sales Tax Lane County						6.30%	0.00
<i>350 gal. 15% MCA acid 6/26</i>								
Thank You For Your Business!							Total	\$1,947.50 ✓



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

TICKET
 No 22741

PAGE 1 OF

SERVICE LOCATIONS
 1. NESS CITY, KS WELL/PROJECT NO. FAY #1 LEASE LANE COUNTY/PARISH KS CITY PENDENNIS, KS DATE 26 JUN 12 OWNER
 2. TICKET TYPE SERVICE SALES CONTRACTOR EXPRESS WELL SERV RIG NAME/NO. SHIPPED VIA DELIVERED TO ORDER NO.
 3. WELL TYPE OIL WELL CATEGORY DEVELOPMENT JOB PURPOSE ACIDIZE WELL PERMIT NO. WELL LOCATION 22N, 2E, S/E INTD
 4. REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UM		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
500					MILEAGE #110	50		MIL		6.00	300.00
501					Pump CHARGE	1		9.50		6.50	6.50
303					MCA ACID	350		gal	15%	2.35	822.50
235					EDWIB-1	1		gal		35.00	35.00
232					MUSOL	7		gal		20.00	140.00

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

x [Signature]
 DATE SIGNED 26 JUN 12 TIME SIGNED 11:30 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	1947.50
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?					
WE UNDERSTOOD AND MET YOUR NEEDS?					
OUR SERVICE WAS PERFORMED WITHOUT DELAY?					
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?					
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO			
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL	1947.50

Lanc TAX 6.3%

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

SWIFT OPERATOR [Signature] APPROVAL

Thank You!

SWIFT



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



Invoice

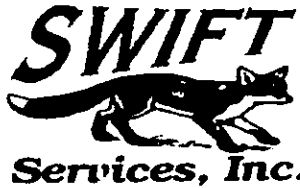
DATE	INVOICE #
6/25/2012	22739

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

RECEIVED
JUN 28 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Fay	Lane	Express Well Serv...	Oil	Development	Acidize	Jason
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
500D	Milcage - 1 Way				50	Miles	6.00	300.00
501D	Acid Pump Charge				1	Job	650.00	650.00
305 - 15%	MOD 202				500	Gallons	4.25	2,125.00
230	Surf-3 ESA-N35 (I.osurf 300)				2	Gallon(s)	25.00	50.00
235	INH.1 ESA-28				2	Gallon(s)	35.00	70.00
254	Micell-1				1	Gallon(s)	40.00	40.00
232	Musal ESA-64				10	Gallon(s)	20.00	200.00
	Subtotal							3,435.00
	Sales Tax Lane County						6.30%	0.00
500 gal. 15% MOD 202 6/25								
Thank You For Your Business!							Total	\$3,435.00 ✓



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

TICKET
 No 22739

PAGE 1 OF

SERVICE LOCATIONS: 1. NESS CITY, KS.
 WELL/PROJECT NO.:
 LEASE: FAY #1
 COUNTY/PARISH: LANE
 STATE: KS. CITY: PENNINGTON, KS. DATE: 25 JUN 12 OWNER:
 TICKET TYPE: SERVICE SALES CONTRACTOR: EXPRESS WELL SERV RIG NAME/NO.: SHIPPED VIA: DELIVERED TO: ORDER NO.:
 WELL TYPE: OIL WELL CATEGORY: DEVELOPMENT JOB PURPOSE: ACIDIZE WELL PERMIT NO.: WELL LOCATION: 2 1/2 N, 2 E, S/E T10
 REFERRAL LOCATION: INVOICE INSTRUCTIONS:

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF			U/M			
500					MILEAGE #110	50	MIL	6	100	300
501					Pump CHARGE	1	CHG	650	100	650
305					MOD 202	500	gal	4	25	2125
230					SURF-3	2	gal	25	100	50
235					LINIB-1	2	gal	35	100	70
254					MICELL-1	1	gal	40	100	40
232					MUSOL	10	gal	20	100	200

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY,** and **LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

DATE SIGNED: 25 JUN 12 TIME SIGNED: 1215 A.M. P.M.

REMIT PAYMENT TO:
 SWIFT SERVICES, INC.
 P.O. BOX 466
 NESS CITY, KS 67560
 785-798-2300

SURVEY

OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?	AGREE	UN-DECIDED	DIS-AGREE
WE UNDERSTOOD AND MET YOUR NEEDS?			
OUR SERVICE WAS PERFORMED WITHOUT DELAY?			
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?			
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO		
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND			

PAGE TOTAL: 3435

Lane TAX @ 6.3%

TOTAL: 3435.00

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

SWIFT OPERATOR: APPROVAL:

Thank You

SWIFT



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



Invoice

DATE	INVOICE #
6/20/2012	22600

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

RECEIVED • Acidizing
JUN 23 2012 • Cement
• Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Fay	Lane	Express Well Serv...	Oil	Development	Cement Port Collar	Wayne
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				50	Miles	6.00	300.00
576D-D	Pump Charge - Port Collar				1	Job	1,250.00	1,250.00
105	Port Collar Tool Rental With Man				1	Each	350.00	350.00T
330	Swift Multi-Density Standard (MIDCON II)				150	Sacks	16.50	2,475.00T
276	Flocele				50	Lb(s)	2.00	100.00T
290	D-Air				2	Gallon(s)	35.00	70.00T
581D	Service Charge Cement				200	Sacks	2.00	400.00
583D	Drayage				499.25	Ton Miles	1.00	499.25
	Subtotal							5,444.25
	Sales Tax Lane County						6.30%	188.69
<i>Cement for port collar 6/20</i>								
We Appreciate Your Business!							Total	\$5,632.94 ✓



CHARGE TO PALMENO PETROLEUM
ADDRESS
CITY, STATE, ZIP CODE

TICKET
Nº 22600

PAGE	OF
1	1

SERVICE LOCATIONS 1. NESS CITY, KS	WELL/PROJECT NO. #1	LEASE FAY	COUNTY/PARISH LANE	STATE KS	CITY	DATE 6-20-12	OWNER SAME
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR EXPRESS WELL SERVICE	RIG NAME/NO.	SHIPPED VIA CT	DELIVERED TO LOCATON	ORDER NO.	
3.	WELL TYPE Oil	WELL CATEGORY DEVELOPMENT	JOB PURPOSE CEMENT PORT COLLAR	WELL PERMIT NO.	WELL LOCATION N/ PENDENTS, KS		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF		QTY.	UM	QTY.	UM	
575		1			MILEAGE # 111	50	ME		6.00	300.00
576D		1			PUMP CHARGE	1	JOB		1250.00	1250.00
105		1			PORT COLLAR OPENING TOOL	1	JOB		350.00	350.00
730		1			SWIFT MULTI-DEWETTY STANDARD	150	SBS		16.50	2475.00
276		1			FLOCELE	50	LBS		2.00	100.00
290		1			DADR	2	GAH		35.00	70.00
581		1			SERVICE CHARGE CEMENT	200	SBS		2.00	400.00
583		1			DRAVAGE	19970	LBS	499.25	1.00	499.25

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

X
DATE SIGNED **6-20-12** 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	
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?					5444.25
WE UNDERSTOOD AND MET YOUR NEEDS?					
OUR SERVICE WAS PERFORMED WITHOUT DELAY?					
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?					
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO				
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL	5632.94

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

SWIFT OPERATOR **WAYNE WILSON** APPROVAL

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE **6-20-12** PAGE NO. **1**

CUSTOMER **PALOMIZO PETROLEUM** WELL NO. **#1** LEASE **FAY** JOB TYPE **CEMENT PORT COLLAR** TICKET NO. **22600**

CHART NO.	TIME	RATE (BPM)	VOLUME (BBLS) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	0900							ON LOCATION
								TUBING - 2 3/8 CASING - 5 1/2" PORT COLLAR - 1912'
	0920				✓		1000	PSE TEST CASING-HEAD
	0925	3	2	✓		350		OPEN PORT COLLAR - TEST RATE
	0935	4	83	✓		350		MIX CEMENT 150 SKS SMD
	1000	4	6 1/2	✓		500		DISPLACE CEMENT - CLOSE PORT COLLAR
	1010				✓		1000	PSE TEST - HEAD CEMENT TO PORT 15 SKS
	1020	4	20		✓		500	RW 4 JIS - CIRCULATE CLEAN
								WASH TRUCK
	1100							JOB COMPLETE
								THANK YOU WAYNE, NICK, ISAAC, FLINT