



KANSAS CORPORATION COMMISSION 1093715
OIL & GAS CONSERVATION DIVISION

Form ACO-1
June 2009
Form Must Be Typed
Form must be Signed
All blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 30742
Name: Palomino Petroleum, Inc.
Address 1: 4924 SE 84TH ST
Address 2: _____
City: NEWTON State: KS Zip: 67114 + 8827
Contact Person: Klee R. Watchous
Phone: (316) 799-1000
CONTRACTOR: License # 5123
Name: Pickrell Drilling Company, Inc.
Wellsite Geologist: Nicholas P. Gerstner
Purchaser: _____

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>6/7/2012</u>	<u>6/20/2012</u>	<u>7/30/2012</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-135-25412-00-00

Spot Description: _____
SW SE SW SE Sec. 10 Twp. 16 S. R. 26 East West
40 Feet from North / South Line of Section
1895 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

- NE NW SE SW

County: Ness

Lease Name: Baker-Evel Well #: 1

Field Name: Unice-Northeast

Producing Formation: Mississippian

Elevation: Ground: 2615 Kelly Bushing: 2625

Total Depth: 4634 Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: 220 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set: _____ Feet

If Alternate II completion, cement circulated from: 220

feet depth to: 220 w/ _____ sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: 0 ppm Fluid volume: 0 bbls

Dewatering method used: Evaporated

Location of fluid disposal if hauled offsite:

Operator Name: _____

Lease Name: _____ License #: _____

Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West

County: _____ Permit #: _____

AFFIDAVIT

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

Submitted Electronically

KCC Office Use ONLY

- Letter of Confidentiality Received
Date: _____
 Confidential Release Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
ALT I II III Approved by: NAOMI JAMES Date: 09/27/2012



1093715

Operator Name: Palomino Petroleum, Inc. Lease Name: Baker-Evel Well #: 1
 Sec. 10 Twp. 16 S. R. 26 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: Attached	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Attached Top Datum 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	220	Class A	150	2%gel 3%cc
Production	7.875	5.5	14	4616	SMD EA2	175	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 (Amount and Kind of Material Used)	Depth
4	4546'-4550-,4552'-4558'	600 gal MOD202	

TUBING RECORD: Size: <u>2.875</u> Set At: <u>220</u> Packer At: <u> </u> Liner Run: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. <u>08/09/2012</u>	Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) <u> </u>
Estimated Production Per 24 Hours	Oil Bbls. <u> </u> Gas Mcf <u> </u> Water Bbls. <u>1.47</u> Gas-Oil Ratio <u> </u> Gravity <u> </u>

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <i>(Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) <u> </u>	PRODUCTION INTERVAL: <u> </u> <u> </u>
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Form	ACO1 - Well Completion
Operator	Palomino Petroleum, Inc.
Well Name	Baker-Evel 1
Doc ID	1093715

All Electric Logs Run

Dual Receiver Cement Bond Log
Temperature Log
Dual Induction Log
Micro Log
Compensated Density/Neutron Log

Form	ACO1 - Well Completion
Operator	Palomino Petroleum, Inc.
Well Name	Baker-Evel 1
Doc ID	1093715

Tops

Anhy.	2053	+ 572
Base Anhy.	2086	+ 539
Topeka	3639	-1014
Heebner	3902	-1277
LKC	3944	-1319
BKC	4239	-1614
Marmaton	4282	-1657
Ft. Scott	4440	-1815
Cherokee Sh.	4463	-1838
Miss.	4521	-1896
LTD	4636	-2011

SWIFT



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



Invoice

DATE	INVOICE #
6/19/2012	22731

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

RECEIVED
JUN 21 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Barker Evel	Ness	Pickrell Drilling R...	Oil	Development	5-1/2" LongString	Jason
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				40	Miles	6.00	240.00
579D	Pump Charge - Two-Stage - 4634 Feet				1	Job	1,850.00	1,850.00
402-5	5 1/2" Centralizer				1	Each	70.00	70.00T
403-5	5 1/2" Cement Basket				3	Each	250.00	750.00T
407-5	5 1/2" Insert Float Shoe With Auto Fill				1	Each	350.00	350.00T
408-5	5 1/2" D.V. Tool & Plug Set				1	Each	3,000.00	3,000.00T
409-5	5 1/2" Turbolizer				13	Each	90.00	1,170.00T
417-5	5 1/2" D.V. Latch Down Plug & Baffle				1	Each	200.00	200.00T
281	Mud Flush				500	Gallon(s)	1.25	625.00T
221	Liquid KCL (Clayfix)				6	Gallon(s)	25.00	150.00T
276	Flocele				113	Lb(s)	2.00	226.00T
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				5	Gallon(s)	35.00	175.00T
325	Standard Cement				100	Sacks	13.50	1,350.00T
330	Swift Multi-Density Standard (MIDCON II)				350	Sacks	16.50	5,775.00T
581D	Service Charge Cement				450	Sacks	2.00	900.00
583D	Drayage				907.46	Ton Miles	1.00	907.46
	Subtotal							18,213.46
	Sales Tax Ness County						6.30%	901.91
We Appreciate Your Business!						Total		\$19,115.37



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

TICKET No 22731

PAGE 1 OF 2

SERVICE LOCATIONS: 1. NESS CITY, KS
 WELL/PROJECT NO.: BARKER EVEL #1
 LEASE: NESS
 COUNTY/PARISH: NESS
 STATE: KS
 CITY: UTICA, KS.
 DATE: 19 JUN 12
 OWNER:
 TICKET TYPE: SERVICE SALES
 CONTRACTOR: PICKRELL DRILLING RIG #1
 RIG NAME/NO.:
 SHIPPED VIA:
 DELIVERED TO:
 ORDER NO.:
 WELL TYPE: OIL
 WELL CATEGORY: DEVELOPMENT
 JOB PURPOSE: 5 1/2 LONGSTRING
 WELL PERMIT NO.:
 WELL LOCATION: 2N, 1/2W, N1E20
 REFERRAL LOCATION:
 INVOICE INSTRUCTIONS:

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UM		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575					MILEAGE #110	40		MIL		6.00	240.00
579					PUMP CHARGE	1	4634	FT.		1850.00	1850.00
402					CENTRALIZER	1		EA.		701.00	701.00
403					CEMENT BASKETS	3		EA.		250.00	750.00
407					INSERT FLOAT SHOE W/AUTO FILL	1		EA.		350.00	350.00
408					DV TOOL & PLUG SET	1	2048	FT.		3000.00	3000.00
409					TURBOLIZER	13		EA.		90.00	1170.00
417					DV LATCH DOWN PLUG & BAFFLE	1		EA.		200.00	200.00
281					MUD FLUSH	500		94Z		1.25	625.00
221					LIQUID KCL	6		94Z		25.00	150.00

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

DATE SIGNED: 19 Jun 12
 TIME SIGNED: 2330
 A.M.
 P.M.

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

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	PAGE TOTAL	AMOUNT
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				1	8405.00
WE UNDERSTOOD AND MET YOUR NEEDS?				2	9808.46
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				subtotal	18,213.46
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				ness TAX 6.3%	901.91
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	19,115.37
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND					

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket.
 SWIFT OPERATOR: [Signature]
 APPROVAL: [Signature]
 Thank You!



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

TICKET CONTINUATION

TICKET No. 22731

CUSTOMER PALMINDO PETROLEUM WELL BARKER EVEL #1 DATE 19 JUN 12 PAGE 2 OF 2

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY.		UNIT PRICE	AMOUNT	
		LOC	ACCT	DF			QTY.	U/M			
276						FLOCELE	113	lbs	2 ⁰⁰	226	⁰⁰
283						SALT	500	lbs	2 ⁰⁰	100	⁰⁰
284						CAUSEAL	5	sx	35 ⁰⁰	175	⁰⁰
285						CFR-1	50	lbs	4 ⁰⁰	200	⁰⁰
290						D-AIR	5	gal	35 ⁰⁰	175	⁰⁰
325						STANDARD CEMENT EA 2	100	sx	13 ⁵⁰	1350	⁰⁰
330						SWIFT MULTI DENSITY	357	sx	16 ⁵⁰	5775	⁰⁰
581						SERVICE CHARGE					
583											
						CUBIC FEET	450	sx	2 ⁰⁰	900	⁰⁰
						TON MILES	907.46		1 ⁰⁰	907	⁴⁶
						RELEASE	45.573				
						LOADED MILES	70				
										CONTINUATION TOTAL	9808 ⁴⁶

JOB LOG

SWIFT Services, Inc.

DATE 9 JUN 12 PAGE NO.

CUSTOMER PALOMINO PETROLEUM WELL NO. LEASE BAKER-EVEL #1 JOB TYPE S² LONGSTRING TICKET NO. 22731

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1430							ON LOCATION
	1820							START PIPE S ² -14 # RTD @ 46.34 SHOE JOINT 33.10 NEUTRALIZERS 1,3,4,5,6,7,8,10,11,12,13,14,15,61 BASKETS 2, 7, 62 DV TOOL TOP OF JT 62 @ 2048
	2032							DROP BALL CIRCULATE
	2113	6	12		✓		400	Pump 500 gal MUD FLUSH
	2	6	20		✓		400	Pump 20 BBL KCL FLUSH
	2121		7.5					PLUG RH-MH (30SX-20SX)
	2123	4	29		✓			MIX 75SX SMD
		4	24		✓			MIX 100SX EA2
	2143							WASH OUT Pump & LINES
	2145	6			✓			START DISPLACING PLUG
	2203	0	112		✓		1500	PLUG DOWN PSI UP LATCH PLUG IN.
	2204				✓			RELEASE PSI DRY
	2206							DROP DV OPENING TOOL
	2216				✓		1200	OPEN DV
	2218	6	125		✓			MIX 225SX SMD
	2247							WASH OUT Pump & LINES
	2249	6			✓			START DISPLACING CLOSING PLUG
	2300	0	50		✓		1100	PLUG DOWN CLOSE DV TOOL
	2301							RELEASE PSI - DRY CEMENT DID NOT CIRCULATE
	2303							WASH TRUCK
	2330							JOB COMPLETE THANKS #110 JASON JEFF TJ ISAAC



INVOICE

PO Box 93999
Southlake, TX 76092

Invoice Number: 131445
Invoice Date: Jun 8, 2012
Page: 1

RECEIVED
JUN 16 2012



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

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

Customer ID	Well Name/# or Customer P.O.	Payment Terms	
Palo	Baker Evel #1	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1-01	Great Bend	Jun 8, 2012	7/8/12

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	Cubic Feet	2.10	342.09
222.00	SER	Ton Miles	2.35	521.70
1.00	SER	Surface	1,125.00	1,125.00
30.00	SER	Heavy Vehicle Mileage	7.00	210.00
30.00	SER	Light Vehicle Mileage	4.00	120.00
1.00	CEMENTER	Darin Franklin		
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

\$1200.76

ONLY IF PAID ON OR BEFORE
Jul 3, 2012

Subtotal	5,111.04
Sales Tax	175.91
Total Invoice Amount	5,286.95
Payment/Credit Applied	
TOTAL	5,286.95

ALLIE OIL & GAS SERVICE, LLC 053960

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

WELL NAME: Greystone Ks

DATE <u>6-8-2012</u>	SEC. <u>10</u>	TWP. <u>16</u>	RANGE <u>26</u>	CALLED OUT	ON LOCATION <u>12:30 PM</u>	JOB START <u>2:00 PM</u>	JOB FINISH <u>2:30 PM</u>
LEASE <u>Ever</u>	WELL # <u>1</u>	LOCATION <u>Ut. cs Ks 2 north, 1/2 west</u>			COUNTY <u>Ness</u>	STATE <u>Ks</u>	
OLD OR NEW (Circle one)							

CONTRACTOR Pickersill #1

TYPE OF JOB SOLCS

HOLE SIZE 12 1/4 T.D. 224

CASING SIZE 8 5/8 24# DEPTH 223'

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 20'

PERFS. _____

DISPLACEMENT 13 bbls fresh water

OWNER Psilimino Petroleum

CEMENT AMOUNT ORDERED 150s. class at 3% cc
200 Gal

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 to 430</u>	@ <u>2.35</u>	<u>521.70</u>
			TOTAL <u>3,656.04</u>

EQUIPMENT

PUMP TRUCK CEMENTER Dustin F

578 HELPER John

BULK TRUCK

344-188 DRIVER Kevin W.

BULK TRUCK

_____ DRIVER _____

REMARKS:

Pipe on bottom & break Circulation

Pump 3 bbls water ahead, mix

150s. of cement, displace 13 bbls

fresh water, shut in cement

circulated to casing

SERVICE

DEPTH OF JOB	<u>223'</u>		
PUMP TRUCK CHARGE			<u>1125.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>Hum 30</u>	@ <u>7.00</u>	<u>210.00</u>
MANIFOLD	<u>Hum 30</u>	@ <u>4.00</u>	<u>120.00</u>
		@	
			TOTAL <u>1455.00</u>

CHARGE TO: Psilimino Petroleum

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

<u>None</u>	@	
	@	
	@	
	@	
	@	
TOTAL _____		

To: Allied Oil & Gas Services, LLC.

You are hereby requested to rent cementing equipment and furnish cement 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 x Mike Kern

SIGNATURE x Mike Kern

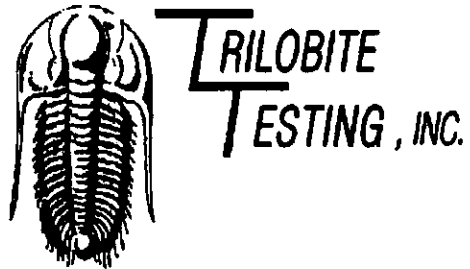
Thank You!!!

SALES TAX (if Any) _____

TOTAL CHARGES 5,111.04

DISCOUNT 258 1,277.76 IF PAID IN 30 DAYS

3,833.28



DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum Inc.**

4924 SE 84th St
Newton KS 67114-8827

ATTN: Nick Gerstner

Baker-Evel #1

10-16s-26w Ness,KS

Start Date: 2012.06.18 @ 07:20:00

End Date: 2012.06.18 @ 14:16:15

Job Ticket #: 48311 DST #: 1

Trilobite Testing, Inc

PO Box 362 Hays, KS 67601

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

Printed: 2012.06.19 @ 14:17:21



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Palomino Petroleum Inc.
4924 SE 84th St
New ton KS 67114-8827
ATTN: Nick Gerstner

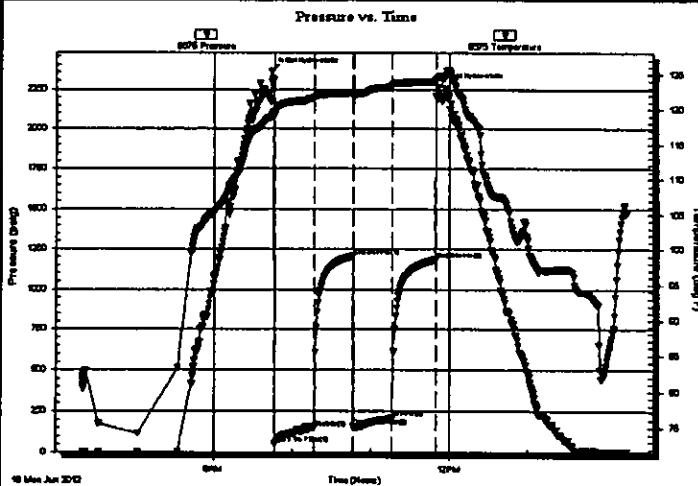
10-16s-26w Ness,KS
Baker-Evel #1
Job Ticket: 48311 DST#: 1
Test Start: 2012.06.18 @ 07:20:00

GENERAL INFORMATION:

Formation: **Mississippi n**
Deviated: **No Whipstock** ft (KB)
Time Tool Opened: 09:46:15
Time Test Ended: 14:16:15
Interval: **4461.00 ft (KB) To 4558.00 ft (KB) (TVD)**
Total Depth: **4558.00 ft (KB) (TVD)**
Hole Diameter: **7.88 inches** Hole Condition: **Fair**
Test Type: **Conventional Bottom Hole (Initial)**
Tester: **Jace McKinney**
Unit No: **46**
Reference Elevations: **2625.00 ft (KB)**
2615.00 ft (CF)
KB to GR/CF: **10.00 ft**

Serial #: 8675 Inside
Press@RunDepth: **210.25 psig @ 4462.00 ft (KB)** Capacity: **8000.00 psig**
Start Date: **2012.06.18** End Date: **2012.06.18** Last Calib.: **2012.06.18**
Start Time: **07:20:01** End Time: **14:16:15** Time On Btm: **2012.06.18 @ 09:44:15**
Time Off Btm: **2012.06.18 @ 11:51:30**

TEST COMMENT: B.O.B. in 17 min.
Bled off for 5 min. No return blow
B.O.B. in 22 min.
Bled off for 5 min. No return blow



PRESSURE SUMMARY

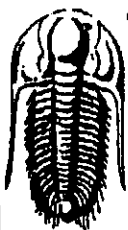
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2359.82	119.11	Initial Hydro-static
2	50.05	119.05	Open To Flow (1)
32	147.63	121.65	Shut-in(1)
62	1205.01	122.33	End Shut-in(1)
62	153.91	121.81	Open To Flow (2)
92	210.25	123.38	Shut-in(2)
126	1182.88	123.93	End Shut-in(2)
128	2262.64	124.40	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
122.00	gco 10%G 90%O	0.60
189.00	gcom 10%G 30%O 60%M	2.64
114.00	ocm 40%O 60%M	1.60

Gas Rates

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



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Palomino Petroleum Inc.

10-16s-26w Ness,KS

4924 SE 84th St
New ton KS 67114-8827

Baker-Evel #1

Job Ticket: 48311

DST#: 1

ATTN: Nick Gerstner

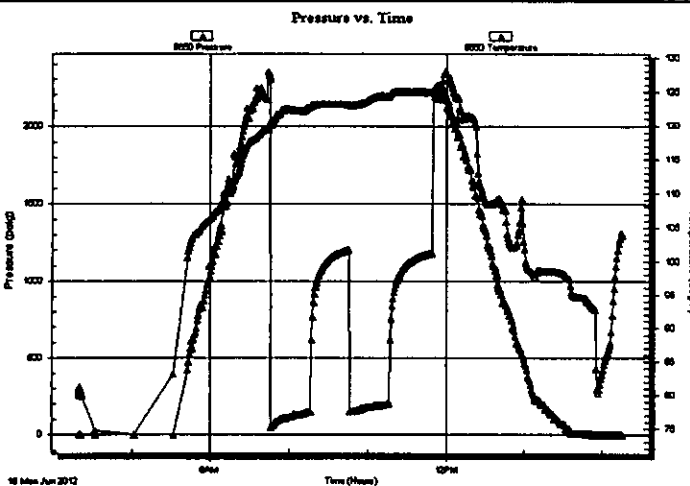
Test Start: 2012.06.18 @ 07:20:00

GENERAL INFORMATION:

Formation: **Mississippian**
 Deviated: No Whipstock: ft (KB)
 Time Tool Opened: 09:46:15
 Time Test Ended: 14:16:15
 Interval: **4461.00 ft (KB) To 4558.00 ft (KB) (TVD)**
 Total Depth: **4558.00 ft (KB) (TVD)**
 Hole Diameter: **7.88 inches** Hole Condition: Fair
 Test Type: Conventional Bottom Hole (Initial)
 Tester: Jace McKinney
 Unit No: 46
 Reference Elevations: 2625.00 ft (KB)
 2615.00 ft (CF)
 KB to GR/CF: 10.00 ft

Serial #: 8650 Outside
 Press@RunDepth: psig @ 4462.00 ft (KB) Capacity: 8000.00 psig
 Start Date: 2012.06.18 End Date: 2012.06.18 Last Calib.: 2012.06.18
 Start Time: 07:20:01 End Time: 14:16:00 Time On Btrrc
 Time Off Btrrc

TEST COMMENT: B.O.B. in 17 min.
 Bled off for 5 min. No return blow
 B.O.B. in 22 min.
 Bled off for 5 min. No return blow



PRESSURE SUMMARY

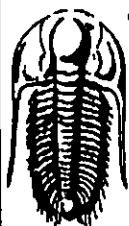
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation

Recovery

Length (ft)	Description	Volume (bbl)
122.00	gco 10%G 90%O	0.60
189.00	gcom 10%G 30%O 60%M	2.64
114.00	ocm 40%O 60%M	1.60

Gas Rates

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



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum Inc.
4924 SE 84th St
New ton KS 67114-8827
ATTN: Nick Gerstner

10-16s-26w Ness,KS
Baker-Evel #1
Job Ticket: 48311 **DST#: 1**
Test Start: 2012.06.18 @ 07:20:00

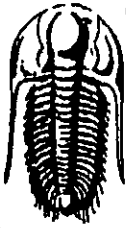
Tool Information

Drill Pipe:	Length: 4324.11 ft	Diameter: 3.80 inches	Volume: 60.66 bbl	Tool Weight: 2500.00 lb
Heavy Wt. Pipe:	Length: ft	Diameter: inches	Volume: - bbl	Weight set on Packer: 30000.00 lb
Drill Collar:	Length: 122.94 ft	Diameter: 2.25 inches	Volume: 0.60 bbl	Weight to Pull Loose: 92000.00 lb
		<u>Total Volume:</u>	- bbl	Tool Chased 0.00 ft
Drill Pipe Above KB:	13.55 ft			String Weight: Initial 82000.00 lb
Depth to Top Packer:	4461.00 ft			Final 84000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	97.00 ft			
Tool Length:	124.50 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			4434.50	
Shut In Tool	5.00			4439.50	
Hydraulic tool	5.00			4444.50	
Jars	5.00			4449.50	
Safety Joint	2.50			4452.00	
Packer	5.00			4457.00	27.50 Bottom Of Top Packer
Packer	4.00			4461.00	
Stubb	1.00			4462.00	
Recorder	0.00	8675	Inside	4462.00	
Recorder	0.00	8650	Outside	4462.00	
Perforations	28.00			4490.00	
Change Over Sub	1.00			4491.00	
Drill Pipe	63.00			4554.00	
Change Over Sub	1.00			4555.00	
Bullnose	3.00			4558.00	97.00 Bottom Packers & Anchor

Total Tool Length: 124.50



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum Inc.
4924 SE 84th St
New ton KS 67114-8827
ATTN: Nick Gerstner

10-16s-26w Ness,KS
Baker-Evel #1
Job Ticket: 48311 **DST#: 1**
Test Start: 2012.06.18 @ 07:20:00

Mud and Cushion Information

Mud Type: Gel Chem
Mud Weight: 10.00 lb/gal
Viscosity: 42.00 sec/qt
Water Loss: 19.95 in³
Resistivity: ohm.m
Salinity: 3200.00 ppm
Filter Cake: 2.00 inches

Cushion Type:
Cushion Length: ft
Cushion Volume: bbl
Gas Cushion Type:
Gas Cushion Pressure: psig

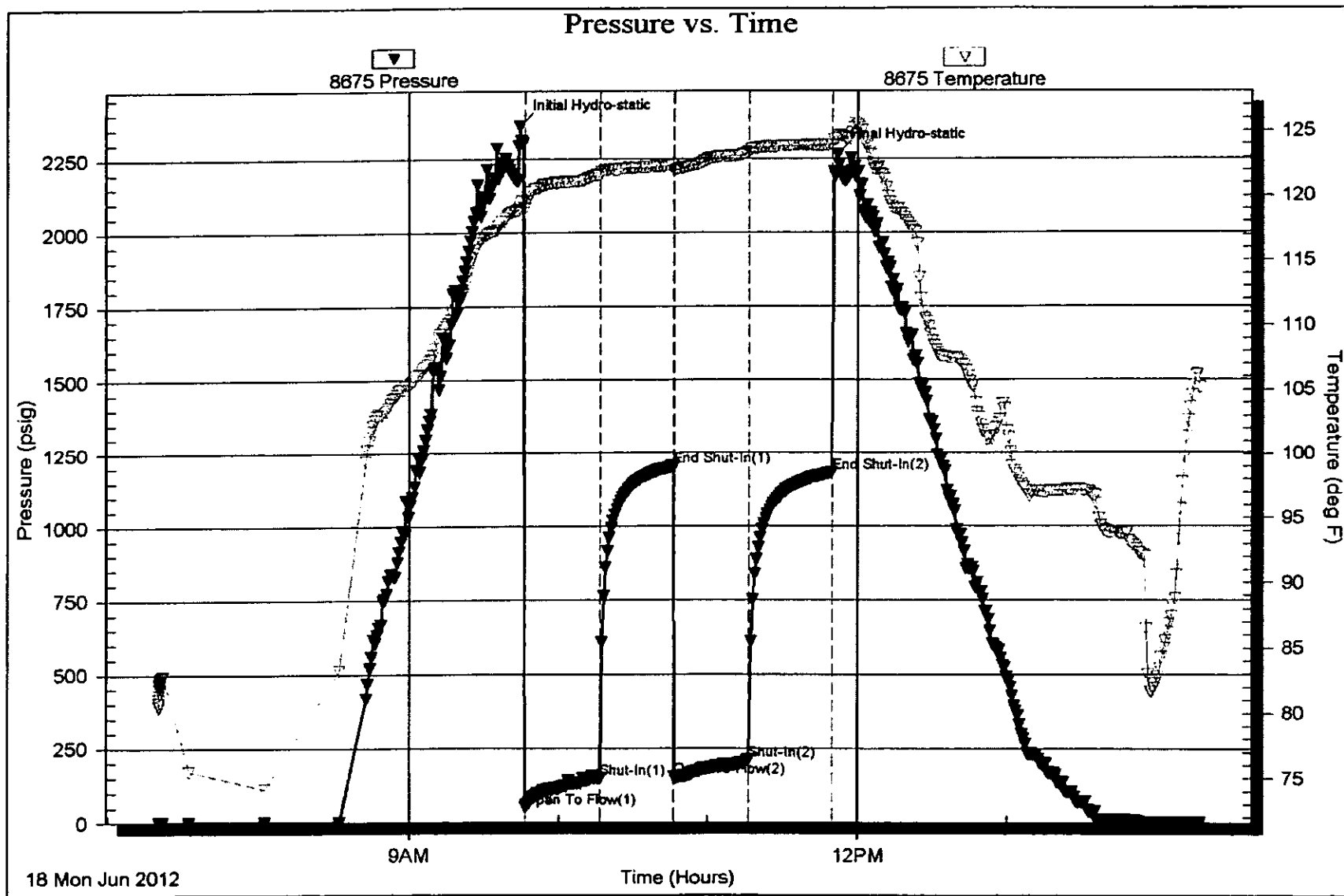
Oil API: 30 deg API
Water Salinity: ppm

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
122.00	gco 10%G 90%O	0.600
189.00	gcom 10%G 30%O 60%M	2.643
114.00	ocm 40%O 60%M	1.599

Total Length: 425.00 ft Total Volume: 4.842 bbl
Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:
Laboratory Name: Laboratory Location:
Recovery Comments: API 33 @ 90 F = 30

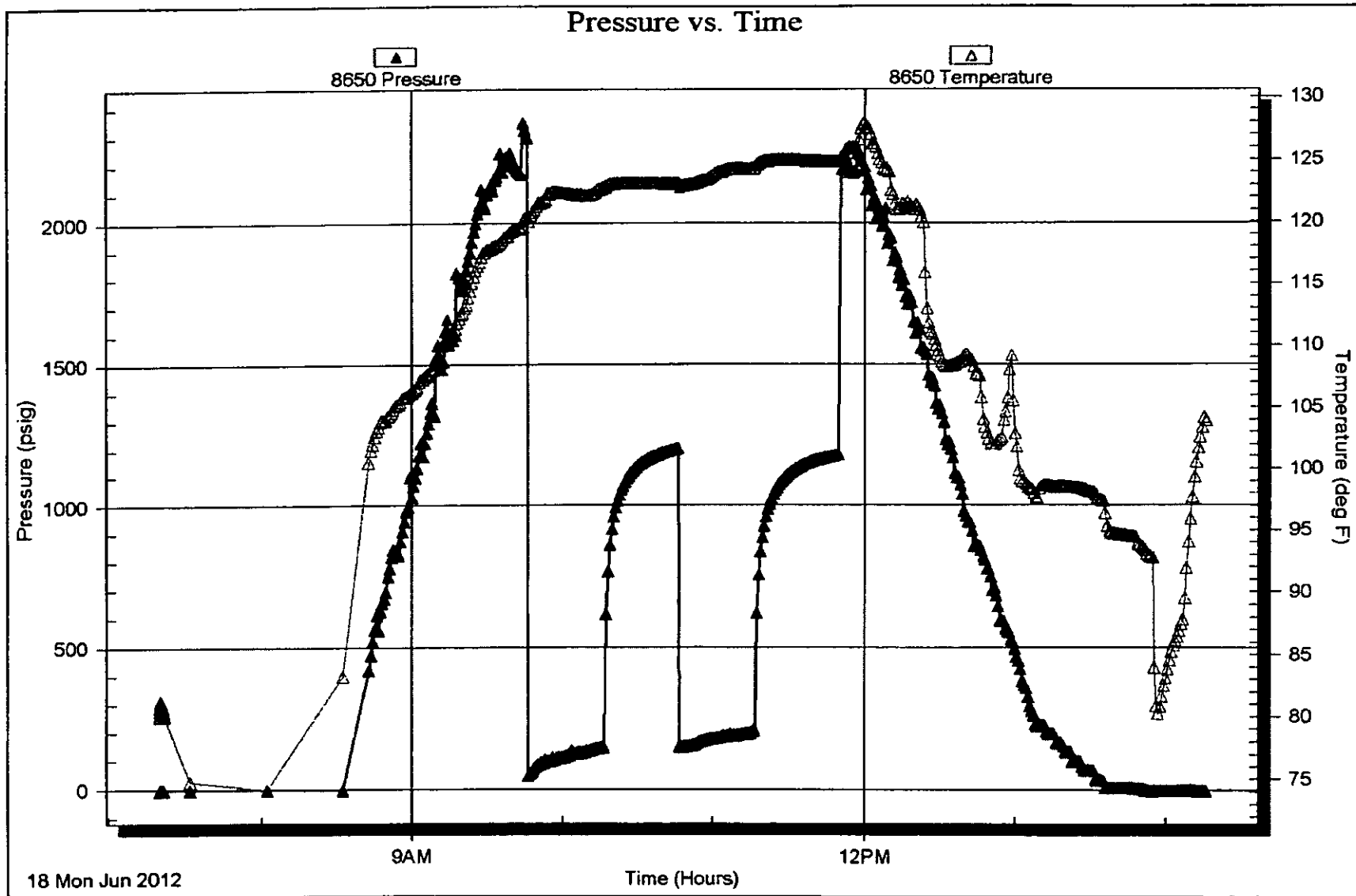


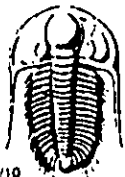
Serial #: 8650

Outside Palomino Petroleum Inc.

Baker-Evel #1

DST Test Number: 1





TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 48311

Well Name & No. Baker - Evcl # 1 Test No. 1 Date 6/18/12
 Company Palomino Petroleum Inc. Elevation 2625 KB 2165 GL
 Address 4924 SE 84th ST Newton KS 67114 - 8827
 Co. Rep / Geo. Nick Corstner Rig Pickercell # 1
 Location: Sec. 10 Twp. 16S Rge. 26W Co. Ne55 State K5

Interval Tested 4461 - 4558 Zone Tested Mississippian
 Anchor Length 97 Drill Pipe Run 4324.11 Mud Wt. 9.55
 Top Packer Depth 4457 Drill Collars Run 122.94 Vis 42
 Bottom Packer Depth 4461 Wt. Pipe Run WL 2000
 Total Depth 4558 Chlorides 3,200 ppm System LCM 2#

Blow Description B.O.B. in 17 min.
Bled off for 5 min. No return below
B.O.B. in 22 min.
Bled off for 5 min. No return below

Rec	Feet of	%gas	%oil	%water	%mud
<u>114</u>	<u>OCM</u>	<u>40</u>	<u> </u>	<u>60</u>	<u> </u>
<u>109</u>	<u>GLOM</u>	<u>10</u>	<u>30</u>	<u>60</u>	<u> </u>
<u>122</u>	<u>GCD</u>	<u>10</u>	<u>90</u>	<u> </u>	<u> </u>
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud

Rec Total 425 BHT 124 Gravity 30 API RW — @ — °F Chlorides ppm
 (A) Initial Hydrostatic 2,360 Test 1250 T-On Location 2:45
 (B) First Initial Flow 50 Jars 250 T-Started 7:20
 (C) First Final Flow 148 Safety Joint 75 T-Open 9:46
 (D) Initial Shut-In 1,205 Circ Sub N/C T-Pulled 11:50
 (E) Second Initial Flow 154 Hourly Standby 1 hr Standby 100 T-Out 14:16
 (F) Second Final Flow 210 Mileage 106 BT 164.30 Comments rate 2
 (G) Final Shut-In 1,183 Sampler
 (H) Final Hydrostatic 2,263 Straddle
 Shale Packer Ruined Shale Packer
 Extra Packer Ruined Packer
 Extra Recorder Extra Copies

Initial Open 30
 Initial Shut-In 30
 Final Flow 30
 Final Shut-In 30
 Sub Total 1839.30
 Total 1839.30
 MP/DST Disc't

Approved By [Signature] Our Representative [Signature]
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