



KANSAS CORPORATION COMMISSION 1097291
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: Ryan Seib
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 #: _____
08/23/2012 09/06/2012 10/04/2012
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 15-135-25467-00-00
Spot Description: _____
NE NW SW SW Sec. 29 Twp. 16 S. R. 26 East West
1174 Feet from North / South Line of Section
467 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Ness
Lease Name: McKinnie Well #: 1
Field Name: Little Blue East
Producing Formation: Ft. Scott
Elevation: Ground: 2652 Kelly Bushing: 2662
Total Depth: 4670 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at: 223 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: 2065 Feet
If Alternate II completion, cement circulated from: 2065
feet depth to: 0 w/ 200 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: Deanna Garrison Date: 10/24/2012



1097291

Operator Name: Palomino Petroleum, Inc. Lease Name: McKinnie Well #: 1
 Sec. 29 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: Radiation Guard Log Cement Bond Log	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum Attached Attached Attached
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CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	12.25	8.625	23	223	Class A	160	3%cc 2%gel
Production	7.875	5.5	14	4654	SMD EA2	170	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	4594'-97', 4472'-76'	300 gal. MOD 202, 2% m.s., 400 gal. MOD 202 with 2% m.s., Acidized with 1500 gals. 20% NE with 2% m.s.	

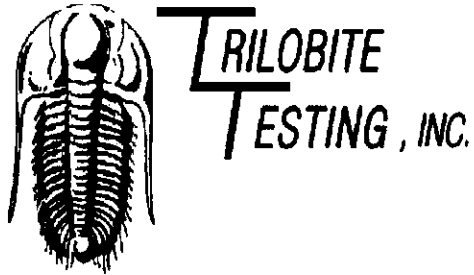
TUBING RECORD: Size: <u>2.875</u> Set At: <u>4443</u> Packer At: <u>4443</u> Liner Run: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. <u>10/12/2012</u>	Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) _____
Estimated Production Per 24 Hours	Oil Bbls. <u>45</u> Gas Mcf <u>0</u> Water Bbls. <u>0</u> 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) (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	McKinnie 1
Doc ID	1097291

Tops

Anhy.	2084	+578
Base Anhy.	2118	+544
Heebner	3931	-1269
Lansing	3973	-1314
BKC	4275	-1613
Marmaton	4313	-1651
Pawnee	4415	-1753
Ft. Scott	4470	-1808
Cherokee Sh.	4497	-1835
Miss. Poro.	4570	-1908
LTD	4669	-2007



DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum, Inc**

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

McKinnie #1

29 16s 26w Ness, KS

Start Date: 2012.09.01 @ 05:38:00

End Date: 2012.09.01 @ 11:36:15

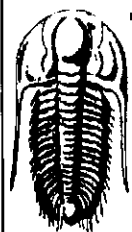
Job Ticket #: 48294 DST #: 1

Trilobite Testing, Inc

PO Box 362 Hays, KS 67601

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

Printed: 2012.09.11 @ 08:33:52



TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Palomino Petroleum, Inc

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48294

DST#: 1

Test Start: 2012.09.01 @ 05:38:00

GENERAL INFORMATION:

Formation: **Lansing**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 07:48:30

Time Test Ended: 11:36:15

Test Type: Conventional Bottom Hole (Initial)

Tester: Bradley Walter

Unit No: 55

Interval: **4118.00 ft (KB) To 4227.00 ft (KB) (TVD)**

Reference Elevations: 2652.00 ft (KB)

Total Depth: 4227.00 ft (KB) (TVD)

2642.00 ft (CF)

Hole Diameter: 7.88 inches Hole Condition: Good

KB to GR/CF: 10.00 ft

Serial #: 6667

Inside

Press@RunDepth: 78.06 psig @ 4119.00 ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.09.01

End Date:

2012.09.01

Last Calib.: 2012.09.01

Start Time: 05:38:15

End Time:

11:36:15

Time On Btm: 2012.09.01 @ 07:48:00

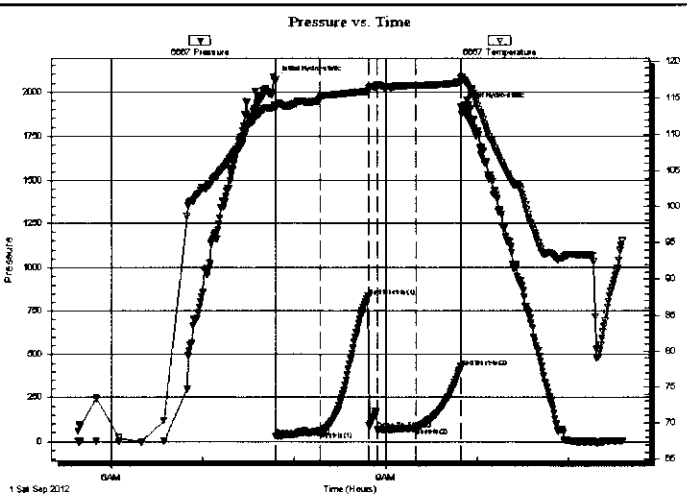
Time Off Btm: 2012.09.01 @ 09:49:45

TEST COMMENT: IF: 3 1/2" blow.

IS: No return.

FF: 1" blow.

FSI: No return.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2066.94	113.89	Initial Hydro-static
1	29.12	113.70	Open To Flow (1)
30	58.12	114.89	Shut-In(1)
61	835.16	115.84	End Shut-In(1)
67	68.16	116.67	Open To Flow (2)
92	78.06	116.66	Shut-In(2)
122	428.72	117.05	End Shut-In(2)
122	1918.96	117.64	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
60.00	ow cm 10o 20w 70m	0.30
62.00	socm 2o 98m	0.32

Gas Rates

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



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum, Inc

29 16s 26w Ness, KS

4924 SE 84th St
New ton, KS 67114

McKinnie #1

Job Ticket: 48294

DST#: 1

ATTN: Ryan Seib

Test Start: 2012.09.01 @ 05:38:00

Tool Information

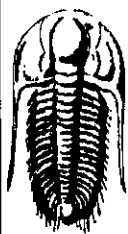
Drill Pipe:	Length: 3978.00 ft	Diameter: 3.80 inches	Volume: 55.80 bbl	Tool Weight: 2500.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: 0.00 inches	Volume: 0.00 bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 120.00 ft	Diameter: 2.25 inches	Volume: 0.59 bbl	Weight to Pull Loose: 88000.00 lb
		Total Volume: 56.39 bbl		Tool Chased 0.00 ft
Drill Pipe Above KB:	7.00 ft			String Weight: Initial 78000.00 lb
Depth to Top Packer:	4118.00 ft			Final 78000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	109.00 ft			
Tool Length:	136.00 ft			
Number of Packers:	2	Diameter: 6.75 inches		

Tool Comments:

Tool Description

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths
Change Over Sub	1.00			4092.00	
Shut In Tool	5.00			4097.00	
Hydraulic tool	5.00			4102.00	
Jars	5.00			4107.00	
Safety Joint	2.00			4109.00	
Packer	5.00			4114.00	27.00 Bottom Of Top Packer
Packer	4.00			4118.00	
Stubb	1.00			4119.00	
Recorder	0.00	6771	Outside	4119.00	
Recorder	0.00	6667	inside	4119.00	
Perforations	7.00			4126.00	
Change Over Sub	1.00			4127.00	
Drill Pipe	94.00			4221.00	
Change Over Sub	1.00			4222.00	
Bullnose	5.00			4227.00	109.00 Bottom Packers & Anchor

Total Tool Length: 136.00



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum, Inc

29 16s 26w Ness, KS

4924 SE 84th St
New ton, KS 67114

McKinnie #1

Job Ticket: 48294

DST#: 1

ATTN: Ryan Seib

Test Start: 2012.09.01 @ 05:38:00

Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

0 deg API

Mud Weight: 9.00 lb/gal

Cushion Length:

ft

Water Salinity:

0 ppm

Viscosity: 55.00 sec/qt

Cushion Volume:

bbbl

Water Loss: 9.94 in³

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 1800.00 ppm

Filter Cake: 1.00 inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbbl
60.00	ow cm 10o 20w 70m	0.295
62.00	socm 2o 98m	0.323

Total Length: 122.00 ft

Total Volume: 0.618 bbl

Num Fluid Samples: 0

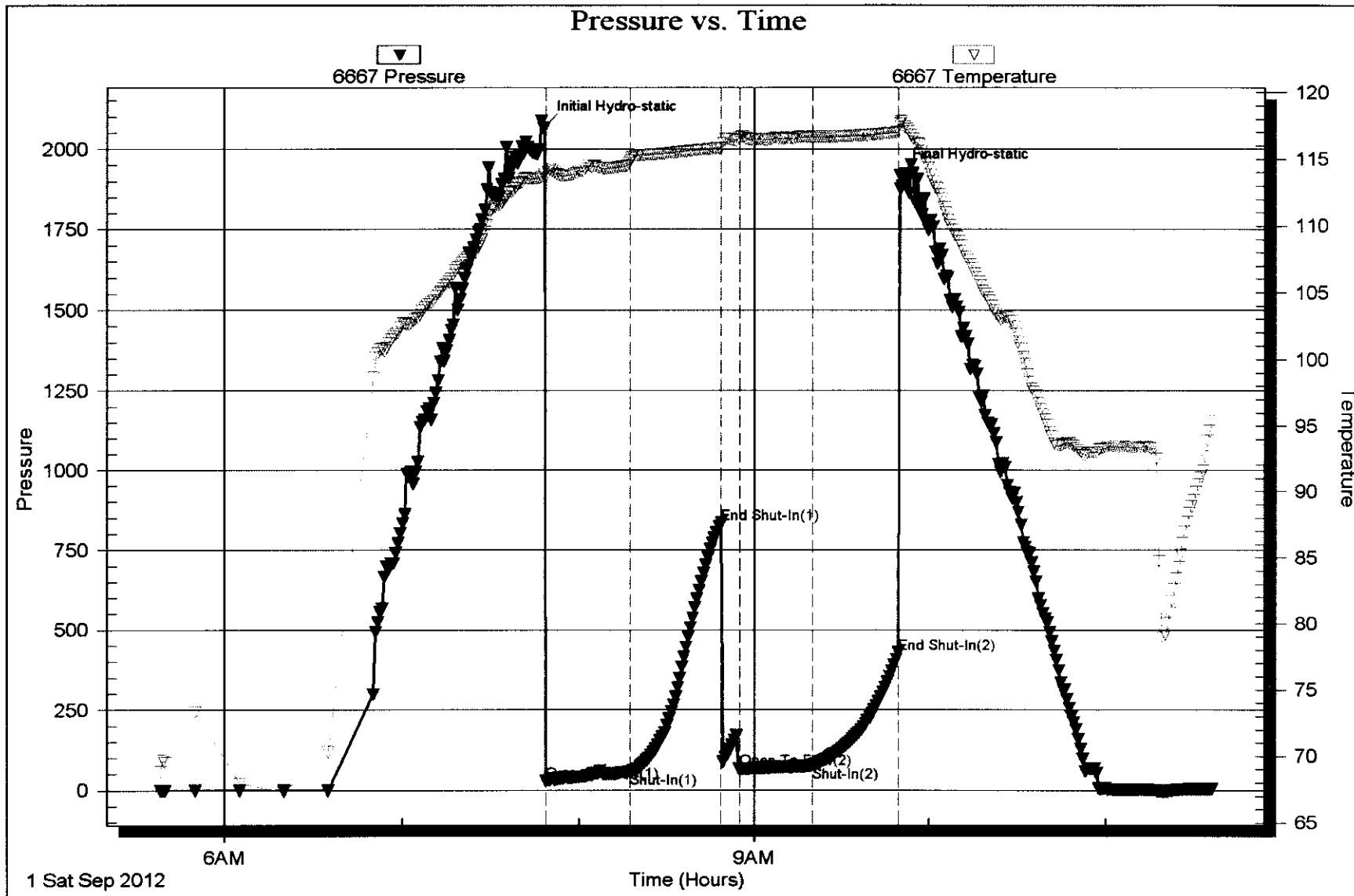
Num Gas Bombs: 0

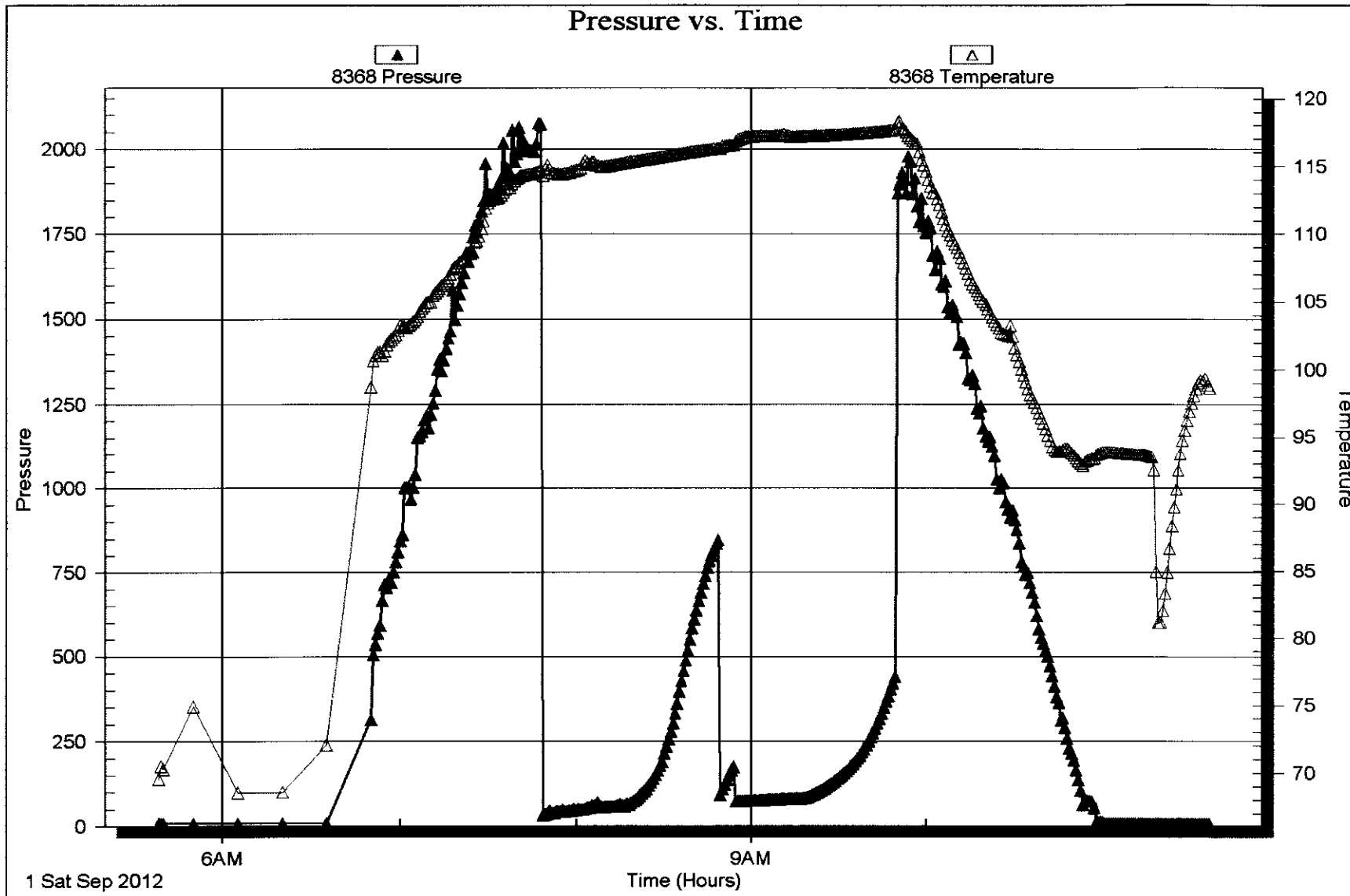
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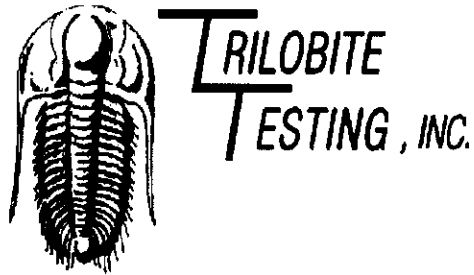
Laboratory Name:

Laboratory Location:

Recovery Comments:







DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum, Inc**

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

McKinnie #1

29 16s 26w Ness, KS

Start Date: 2012.09.02 @ 07:48:00

End Date: 2012.09.02 @ 13:47:45

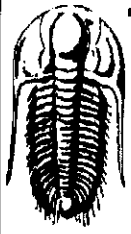
Job Ticket #: 48295 DST #: 2

Trilobite Testing, Inc

PO Box 362 Hays, KS 67601

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

Printed: 2012.09.11 @ 08:32:28



TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Palomino Petroleum, Inc
 4924 SE 84th St
 Newton, KS 67114
 ATTN: Ryan Seib

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48295

DST#: 2

Test Start: 2012.09.02 @ 07:48:00

GENERAL INFORMATION:

Formation: **Lansing**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 09:45:15

Time Test Ended: 13:47:45

Test Type: Conventional Bottom Hole (Reset)

Tester: Bradley Walter

Unit No: 55

Interval: **4215.00 ft (KB) To 4300.00 ft (KB) (TVD)**

Reference Elevations: 2652.00 ft (KB)

Total Depth: 4300.00 ft (KB) (TVD)

2642.00 ft (CF)

Hole Diameter: 7.88 inches Hole Condition: Good

KB to GR/CF: 10.00 ft

Serial #: 8368 Inside

Press@RunDepth: 63.01 psig @ 4216.00 ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.09.02

End Date: 2012.09.02

Last Calib.: 2012.09.02

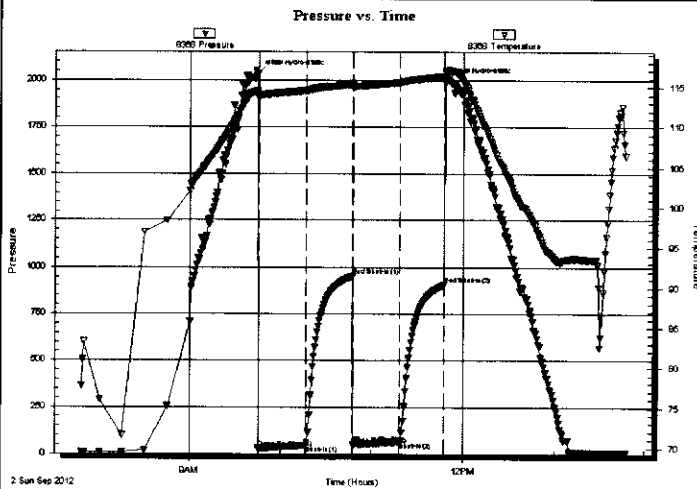
Start Time: 07:48:15

End Time: 13:47:45

Time On Btm: 2012.09.02 @ 09:45:00

Time Off Btm: 2012.09.02 @ 11:48:15

TEST COMMENT: IF: 2" blow.
 IS: No return.
 FF: 1/2" blow.
 FS: No return.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2032.46	114.54	Initial Hydro-static
1	27.25	113.66	Open To Flow (1)
32	45.43	114.55	Shut-In(1)
63	952.41	115.33	End Shut-In(1)
63	48.19	115.02	Open To Flow (2)
93	63.01	115.56	Shut-In(2)
123	907.13	116.35	End Shut-In(2)
124	1993.67	116.91	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
75.00	Mud 100m (oil spots)	0.37

* Recovery from multiple tests

Gas Rates

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



TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Palomino Petroleum, Inc

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48295

DST#: 2

Test Start: 2012.09.02 @ 07:48:00

GENERAL INFORMATION:

Formation: **Lansing**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 09:45:15

Time Test Ended: 13:47:45

Test Type: Conventional Bottom Hole (Reset)

Tester: Bradley Walter

Unit No: 55

Interval: **4215.00 ft (KB) To 4300.00 ft (KB) (TVD)**

Total Depth: 4300.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Good

Reference Elevations: 2652.00 ft (KB)

2642.00 ft (CF)

KB to GR/CF: 10.00 ft

Serial #: 6667

Outside

Press@RunDepth: psig @ 4216.00 ft (KB)

Start Date: 2012.09.02

End Date:

2012.09.02

Capacity:

8000.00 psig

Start Time: 07:48:15

End Time:

13:47:45

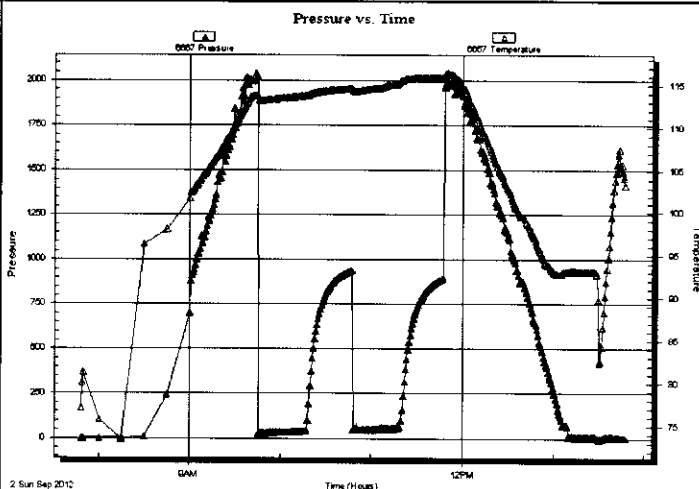
Last Calib.:

2012.09.02

Time On Btm:

Time Off Btm:

TEST COMMENT: IF: 2" blow .
ISI: No return.
FF: 1/2" blow .
FSI: No return.



PRESSURE SUMMARY

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

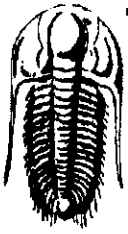
Recovery

Length (ft)	Description	Volume (bbl)
75.00	Mud 100m (oil spots)	0.37

* Recovery from multiple tests

Gas Rates

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



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum, Inc

29 16s 26w Ness, KS

4924 SE 84th St
New ton, KS 67114

McKinnie #1

Job Ticket: 48295

DST#: 2

ATTN: Ryan Seib

Test Start: 2012.09.02 @ 07:48:00

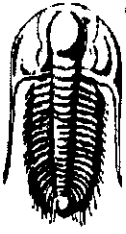
Tool Information

Drill Pipe:	Length: 4073.00 ft	Diameter: 3.80 inches	Volume: 57.13 bbl	Tool Weight: 2500.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: 0.00 inches	Volume: 0.00 bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 120.00 ft	Diameter: 2.25 inches	Volume: 0.59 bbl	Weight to Pull Loose: 90000.00 lb
			<u>Total Volume: 57.72 bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	5.00 ft			String Weight: Initial 80000.00 lb
Depth to Top Packer:	4215.00 ft			Final 80000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	85.00 ft			
Tool Length:	112.00 ft			
Number of Packers:	2	Diameter: 6.75 inches		
Tool Comments:				

Tool Description

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths
Change Over Sub	1.00			4189.00	
Shut In Tool	5.00			4194.00	
Hydraulic tool	5.00			4199.00	
Jars	5.00			4204.00	
Safety Joint	2.00			4206.00	
Packer	5.00			4211.00	27.00 Bottom Of Top Packer
Packer	4.00			4215.00	
Stubb	1.00			4216.00	
Recorder	0.00	6667	Outside	4216.00	
Recorder	0.00	8368	Inside	4216.00	
Perforations	14.00			4230.00	
Change Over Sub	1.00			4231.00	
Drill Pipe	63.00			4294.00	
Change Over Sub	1.00			4295.00	
Bullnose	5.00			4300.00	85.00 Bottom Packers & Anchor

Total Tool Length: 112.00



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

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

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48295

DST#: 2

Test Start: 2012.09.02 @ 07:48:00

Mud and Cushion Information

Mud Type: Gel Chem

Mud Weight: 9.00 lb/gal

Viscosity: 42.00 sec/qt

Water Loss: 7.96 in³

Resistivity: ohm.m

Salinity: 1500.00 ppm

Filter Cake: 1.00 inches

Cushion Type:

Cushion Length: ft

Cushion Volume: bbl

Gas Cushion Type:

Gas Cushion Pressure: psig

Oil API:

0 deg API

Water Salinity:

0 ppm

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
75.00	Mud 100m (oil spots)	0.369

Total Length: 75.00 ft Total Volume: 0.369 bbl

Num Fluid Samples: 0

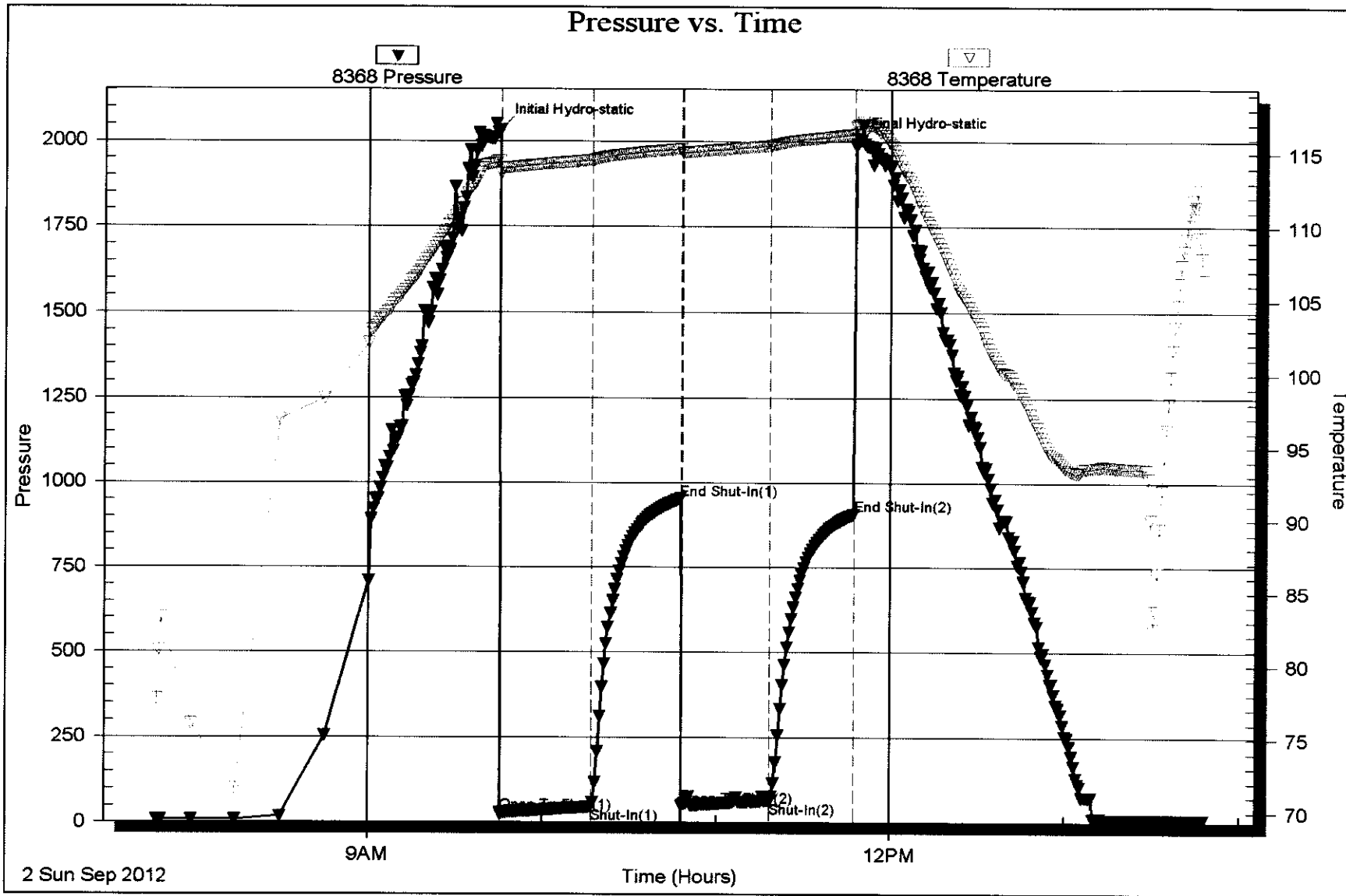
Num Gas Bombs: 0

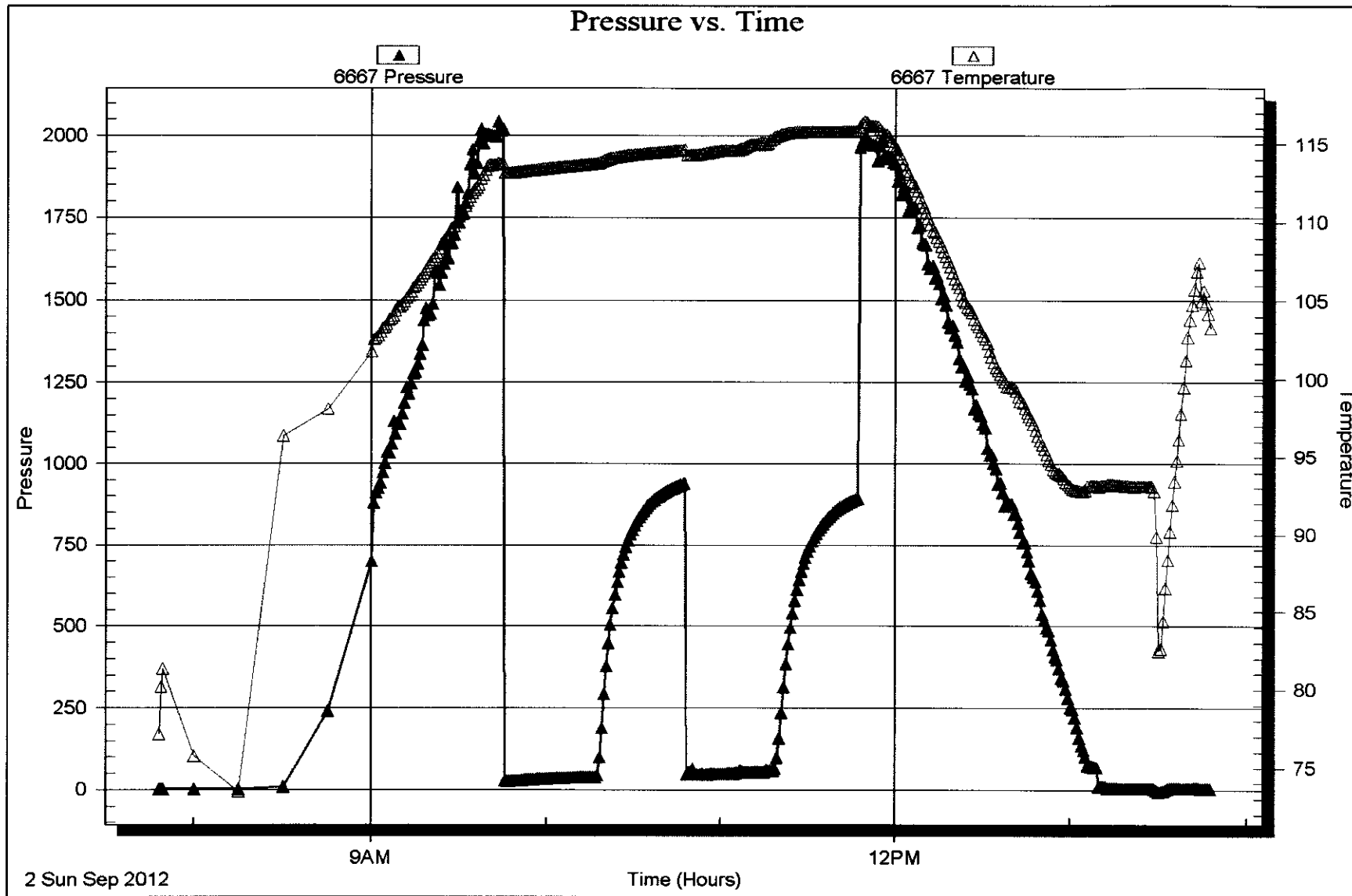
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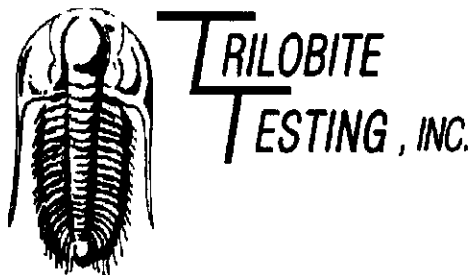
Laboratory Name:

Laboratory Location:

Recovery Comments:







DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum, Inc**

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

McKinnie #1

29 16s 26w Ness, KS

Start Date: 2012.09.03 @ 16:33:30

End Date: 2012.09.04 @ 00:25:00

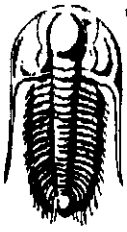
Job Ticket #: 48296 DST #: 3

Trilobite Testing, Inc

PO Box 362 Hays, KS 67601

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

Printed: 2012.09.11 @ 08:31:40



TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Palomino Petroleum, Inc
 4924 SE 84th St
 Newton, KS 67114
 ATTN: Ryan Seib

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48296

DST#: 3

Test Start: 2012.09.03 @ 16:33:30

GENERAL INFORMATION:

Formation: **Mississippian**
 Deviated: No Whipstock: ft (KB)
 Test Type: Conventional Bottom Hole (Reset)
 Time Tool Opened: 19:22:45 Tester: Bradley Walter
 Time Test Ended: 00:25:00 Unit No: 55
 Interval: **4578.00 ft (KB) To 4595.00 ft (KB) (TVD)** Reference Elevations: 2652.00 ft (KB)
 Total Depth: 4595.00 ft (KB) (TVD) 2642.00 ft (CF)
 Hole Diameter: 7.88 inches Hole Condition: Good KB to GR/CF: 10.00 ft

Serial #: 6771

Outside

Press@RunDepth: 31.82 psig @ 4579.00 ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.09.03

End Date:

2012.09.04

Last Calib.: 2012.09.04

Start Time: 16:33:45

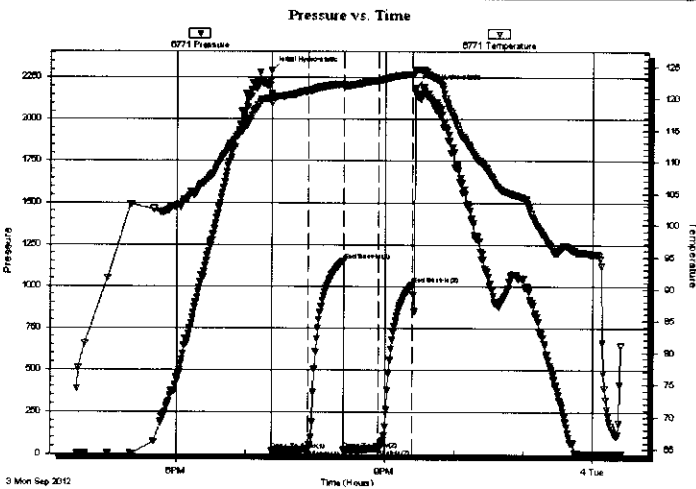
End Time:

00:25:00

Time On Btm: 2012.09.03 @ 19:22:30

Time Off Btm: 2012.09.03 @ 21:26:00

TEST COMMENT: IF: Surface blow .
 IS: No return.
 FF: No blow .
 FSI: No return.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2293.47	120.71	Initial Hydro-static
1	20.37	119.24	Open To Flow (1)
32	26.43	121.15	Shut-In(1)
62	1151.53	122.28	End Shut-In(1)
63	27.99	121.86	Open To Flow (2)
93	31.82	122.81	Shut-In(2)
121	1009.51	123.79	End Shut-In(2)
124	2187.24	124.45	Final Hydro-static

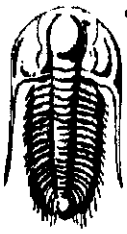
Recovery

Length (ft)	Description	Volume (bbl)
20.00	mud 100m (6" oil on top)	0.10

* Recovery from multiple tests

Gas Rates

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



TRILOBITE
TESTING, INC.

DRILL STEM TEST REPORT

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

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48296 DST#: 3
Test Start: 2012.09.03 @ 16:33:30

GENERAL INFORMATION:

Formation: **Mississippian**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 19:22:45
Time Test Ended: 00:25:00
Test Type: Conventional Bottom Hole (Reset)
Tester: Bradley Walter
Unit No: 55
Interval: **4578.00 ft (KB) To 4595.00 ft (KB) (TVD)**
Reference Elevations: 2652.00 ft (KB)
2642.00 ft (CF)
Total Depth: 4595.00 ft (KB) (TVD)
KB to GR/CF: 10.00 ft
Hole Diameter: 7.88 inches Hole Condition: Good

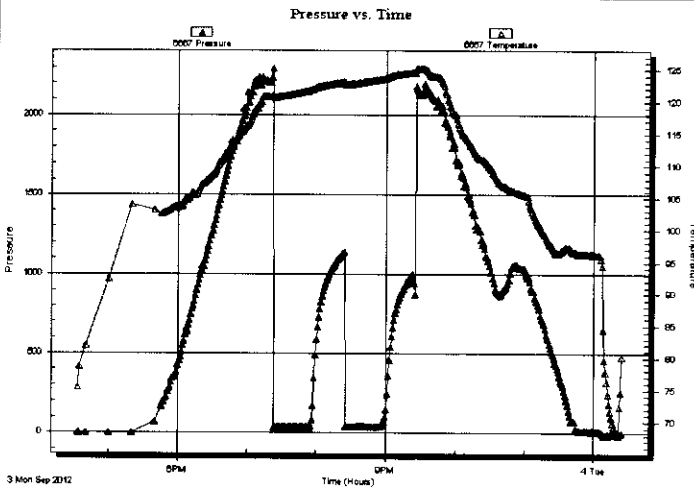
Serial #: 6667

Inside

Press@RunDepth: psig @ 4579.00 ft (KB)
Start Date: 2012.09.03 End Date: 2012.09.04
Start Time: 16:33:45 End Time: 00:25:00

Capacity: 8000.00 psig
Last Calib.: 2012.09.04
Time On Btm:
Time Off Btm:

TEST COMMENT: IF: Surface blow .
IS: No return.
FF: No blow .
FS: No return.



PRESSURE SUMMARY

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

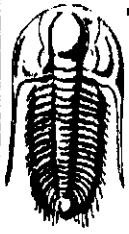
Recovery

Length (ft)	Description	Volume (bbl)
20.00	mud 100m (6" oil on top)	0.10

* Recovery from multiple tests

Gas Rates

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



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

TOOL DIAGRAM

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

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48296

DST#: 3

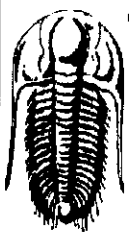
Test Start: 2012.09.03 @ 16:33:30

Tool Information

Drill Pipe:	Length: 4451.00 ft	Diameter: 3.80 inches	Volume: 62.44 bbl	Tool Weight: 2500.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: 0.00 inches	Volume: 0.00 bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 120.00 ft	Diameter: 2.25 inches	Volume: 0.59 bbl	Weight to Pull Loose: 95000.00 lb
			<u>Total Volume: 63.03 bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	20.00 ft			String Weight: Initial 82000.00 lb
Depth to Top Packer:	4578.00 ft			Final 82000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	17.00 ft			
Tool Length:	44.00 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			4552.00	
Shut In Tool	5.00			4557.00	
Hydraulic tool	5.00			4562.00	
Jars	5.00			4567.00	
Safety Joint	2.00			4569.00	
Packer	5.00			4574.00	27.00 Bottom Of Top Packer
Packer	4.00			4578.00	
Stubb	1.00			4579.00	
Recorder	0.00	6771	Outside	4579.00	
Recorder	0.00	6667	Inside	4579.00	
Perforations	11.00			4590.00	
Bullnose	5.00			4595.00	17.00 Bottom Packers & Anchor
Total Tool Length:		44.00			



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum, Inc

29 16s 26w Ness, KS

4924 SE 84th St
New ton, KS 67114

McKinnie #1

Job Ticket: 48296

DST#: 3

ATTN: Ryan Seib

Test Start: 2012.09.03 @ 16:33:30

Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

0 deg API

Mud Weight: 9.00 lb/gal

Cushion Length:

ft

Water Salinity:

0 ppm

Viscosity: 49.00 sec/qt

Cushion Volume:

bbl

Water Loss: 11.16 in³

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 1400.00 ppm

Filter Cake: 1.00 inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
20.00	mud 100m (6" oil on top)	0.098

Total Length: 20.00 ft

Total Volume: 0.098 bbl

Num Fluid Samples: 0

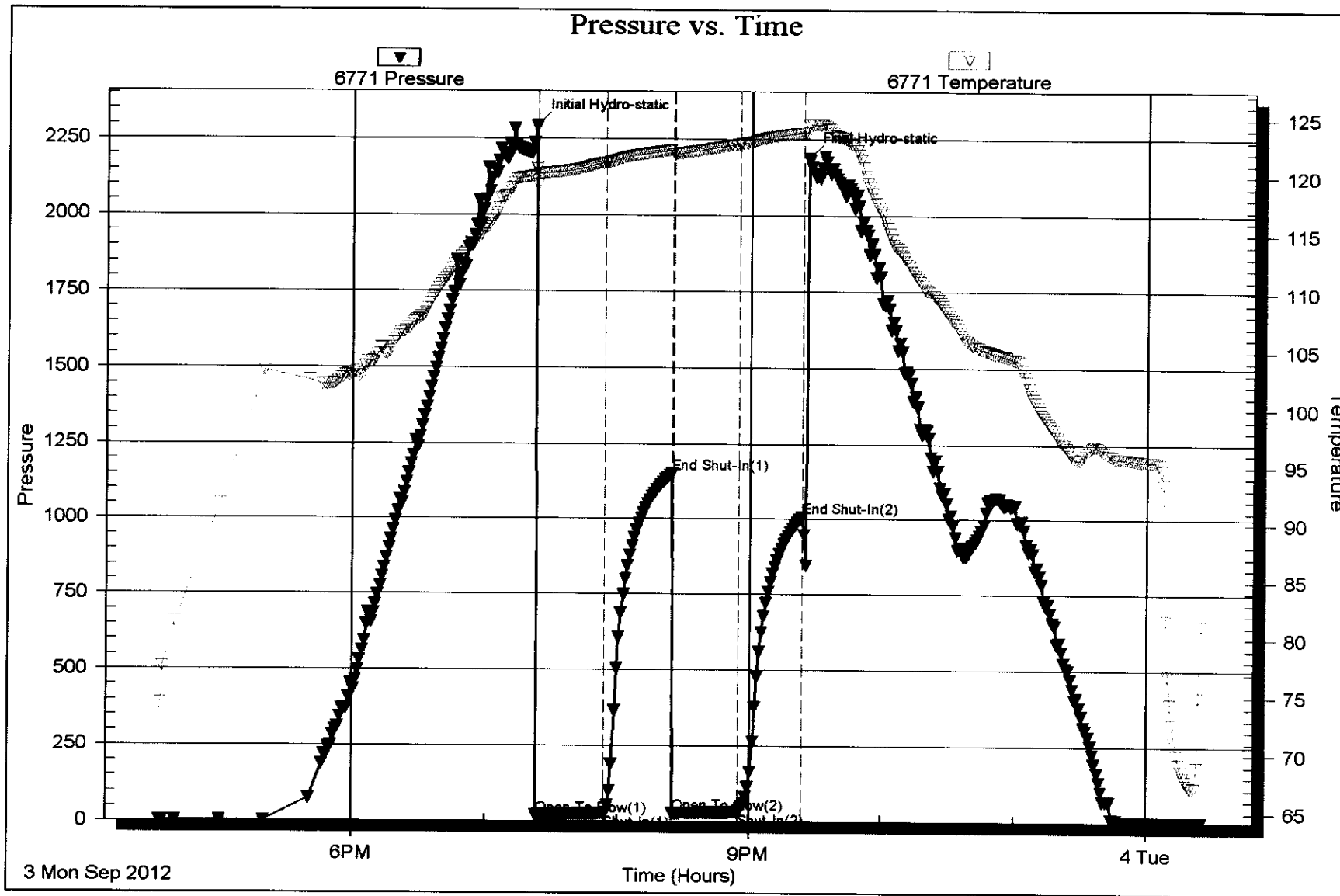
Num Gas Bombs: 0

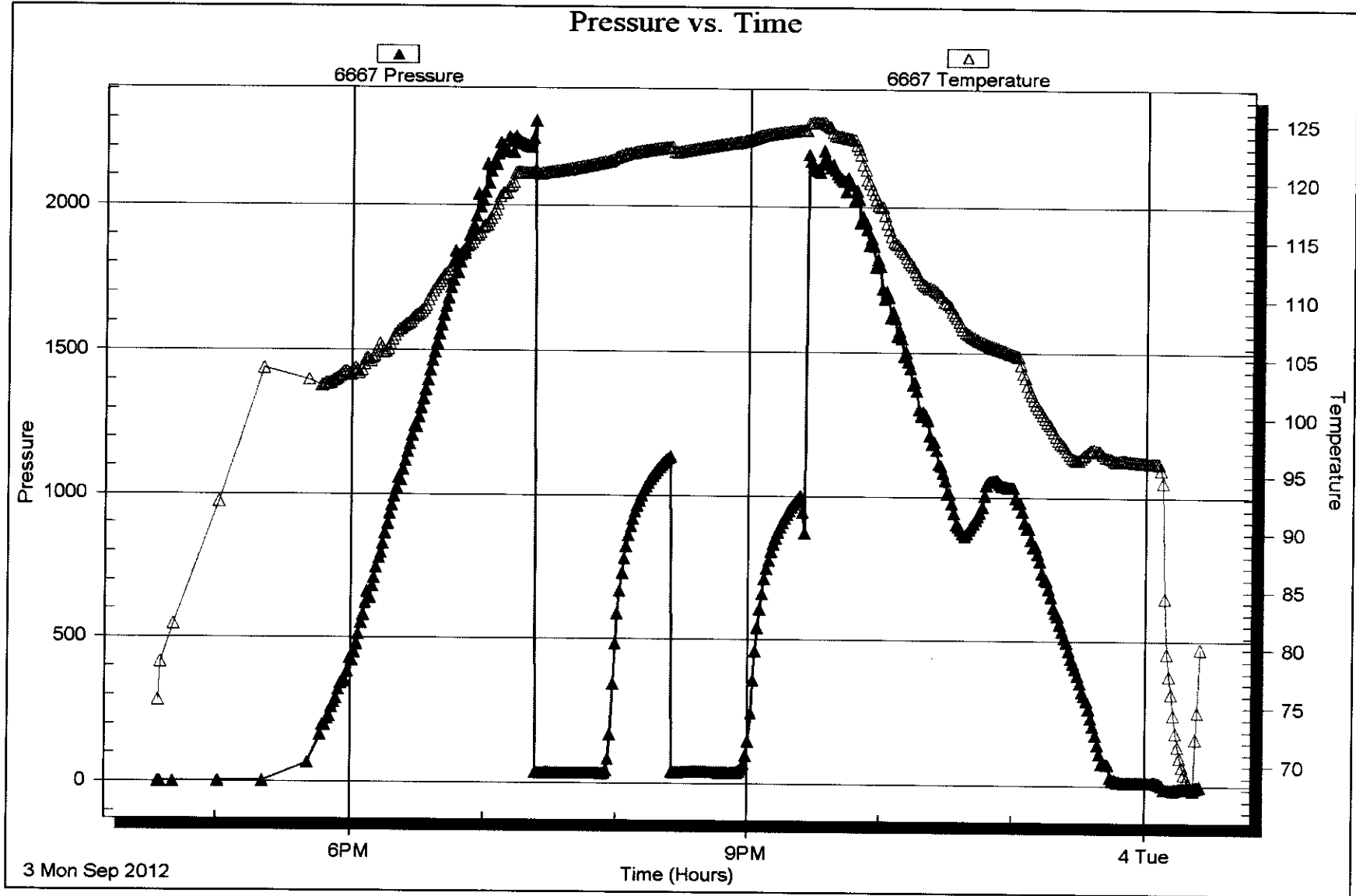
Serial #:

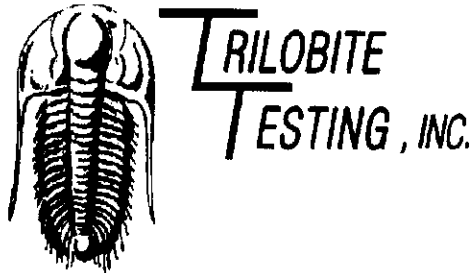
Laboratory Name:

Laboratory Location:

Recovery Comments:







DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum, Inc**

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

McKinnie #1

29 16s 26w Ness, KS

Start Date: 2012.09.04 @ 16:33:00

End Date: 2012.09.05 @ 04:47:15

Job Ticket #: 48297 DST #: 4

Trilobite Testing, Inc

PO Box 362 Hays, KS 67601

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

Printed: 2012.09.11 @ 08:30:10



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Palomino Petroleum, Inc

29 16s 26w Ness, KS

4924 SE 84th St
Newton, KS 67114

McKinnie #1

Job Ticket: 48297

DST#: 4

ATTN: Ryan Seib

Test Start: 2012.09.04 @ 16:33:00

GENERAL INFORMATION:

Formation: **Ft Scott - Mississip**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 19:50:00

Time Test Ended: 04:47:15

Test Type: Conventional Bottom Hole (Reset)

Tester: Bradley Walter

Unit No: 55

Interval: **4445.00 ft (KB) To 4615.00 ft (KB) (TVD)**

Total Depth: 4670.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Good

Reference Elevations: 2652.00 ft (KB)

2642.00 ft (CF)

KB to GR/CF: 10.00 ft

Serial #: 6771

Outside

Press@RunDepth: 1221.84 psig @ 4446.00 ft (KB)

Start Date: 2012.09.04

End Date:

2012.09.05

Capacity: 8000.00 psig

Last Calib.: 2012.09.05

Start Time: 16:33:15

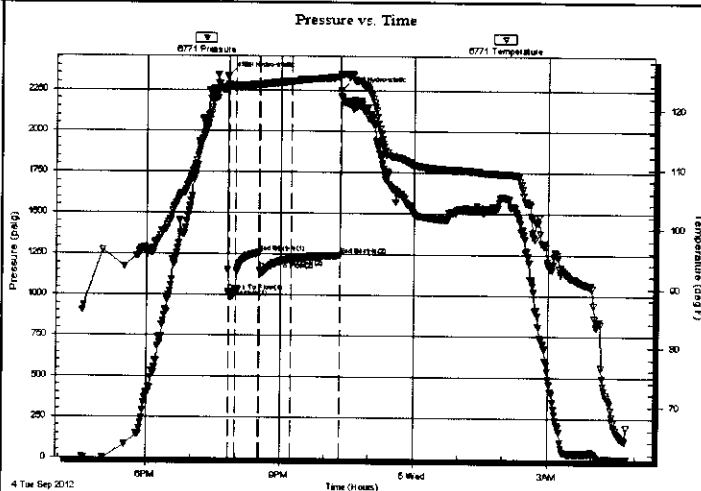
End Time:

04:47:15

Time On Btm: 2012.09.04 @ 19:48:15

Time Off Btm: 2012.09.04 @ 22:22:00

TEST COMMENT: IF: BOB @ 20 seconds.
IS: BOB @ 1 minute.
FF: BOB @ 45 seconds.
FS: BOB@ 1 min.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2332.54	123.78	Initial Hydro-static
2	1016.76	124.21	Open To Flow (1)
12	1034.30	123.91	Shut-In(1)
43	1259.01	124.17	End Shut-In(1)
44	1150.24	124.15	Open To Flow (2)
87	1221.84	124.72	Shut-In(2)
152	1243.27	125.48	End Shut-In(2)
154	2248.57	125.86	Final Hydro-static

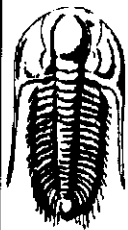
Recovery

Length (ft)	Description	Volume (bbl)
120.00	gocm 30g 30o 40m	0.59
2840.00	go 50g 50o	39.84
315.00	gmco 50g 10m 40o	4.42
0.00	1145' GIP	0.00

* Recovery from multiple tests

Gas Rates

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



TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Palomino Petroleum, Inc

29 16s 26w Ness, KS

4924 SE 84th St
New ton, KS 67114

McKinnie #1

Job Ticket: 48297

DST#: 4

ATTN: Ryan Seib

Test Start: 2012.09.04 @ 16:33:00

GENERAL INFORMATION:

Formation: **Ft Scott - Mississip**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 19:50:00

Time Test Ended: 04:47:15

Test Type: Conventional Bottom Hole (Reset)

Tester: Bradley Walter

Unit No: 55

Interval: **4445.00 ft (KB) To 4615.00 ft (KB) (TVD)**

Reference Elevations: 2652.00 ft (KB)

Total Depth: 4670.00 ft (KB) (TVD)

2642.00 ft (CF)

Hole Diameter: 7.88 inches Hole Condition: Good

KB to GR/CF: 10.00 ft

Serial #: 6667 Inside

Press@RunDepth: psig @ 4446.00 ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.09.04

End Date:

2012.09.05

Last Calib.:

2012.09.05

Start Time: 16:33:15

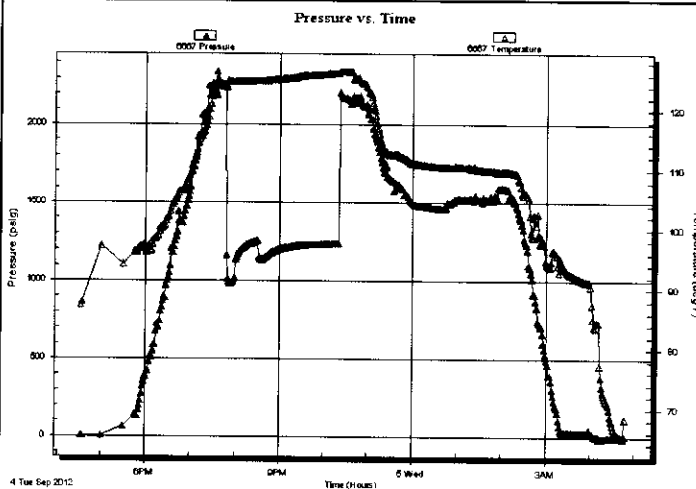
End Time:

04:47:15

Time On Btm:

Time Off Btm:

TEST COMMENT: IF: BOB @ 20 seconds.
ISI: BOB @ 1 minute.
FF: BOB @ 45 seconds.
FS: BOB @ 1 min.



PRESSURE SUMMARY

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

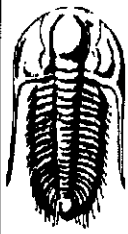
Recovery

Length (ft)	Description	Volume (bbl)
120.00	gocm 30g 30o 40m	0.59
2840.00	go 50g 50o	39.84
315.00	gmco 50g 10m 40o	4.42
0.00	1145' GIP	0.00

* Recovery from multiple tests

Gas Rates

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



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum, Inc

29 16s 26w Ness, KS

4924 SE 84th St
New ton, KS 67114

McKinnie #1

Job Ticket: 48297

DST#: 4

ATTN: Ryan Seib

Test Start: 2012.09.04 @ 16:33:00

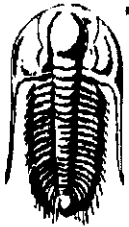
Tool Information

Drill Pipe:	Length: 4328.00 ft	Diameter: 3.80 inches	Volume: 60.71 bbl	Tool Weight: 2500.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: 0.00 inches	Volume: 0.00 bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 120.00 ft	Diameter: 2.25 inches	Volume: 0.59 bbl	Weight to Pull Loose: 99000.00 lb
		Total Volume: 61.30 bbl		Tool Chased 0.00 ft
Drill Pipe Above KB:	23.00 ft			String Weight: Initial 86000.00 lb
Depth to Top Packer:	4445.00 ft			Final 87000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	224.00 ft			
Tool Length:	244.00 ft			
Number of Packers:	2	Diameter: 6.75 inches		

Tool Comments:

Tool Description

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths
Change Over Sub	1.00			4426.00	
Shut In Tool	5.00			4431.00	
Hydraulic tool	5.00			4436.00	
Packer	5.00			4441.00	20.00 Bottom Of Top Packer
Packer	4.00			4445.00	
Stubb	1.00			4446.00	
Recorder	0.00	6771	Outside	4446.00	
Recorder	0.00	6667	Inside	4446.00	
Perforations	3.00			4449.00	
Change Over Sub	1.00			4450.00	
Drill Pipe	156.00			4606.00	
Change Over Sub	1.00			4607.00	
Perforations	5.00			4612.00	
Blank Off Sub	1.00			4613.00	
top of s packer	3.00			4616.00	224.00 Tool Interval
Packer	1.00			4617.00	
Perforations	13.00			4630.00	
Change Over Sub	1.00			4631.00	
Recorder	0.00	8368	Below	4631.00	
Drill Pipe	32.00			4663.00	
Change Over Sub	1.00			4664.00	
Bullnose	5.00			4669.00	1000243.00 Bottom Packers & Anchor
Total Tool Length:	244.00				



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum, Inc

29 16s 26w Ness, KS

4924 SE 84th St
New ton, KS 67114

McKinnie #1

Job Ticket: 48297

DST#: 4

ATTN: Ryan Seib

Test Start: 2012.09.04 @ 16:33:00

Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

38 deg API

Mud Weight: 9.00 lb/gal

Cushion Length:

ft

Water Salinity:

0 ppm

Viscosity: 60.00 sec/qt

Cushion Volume:

bbf

Water Loss: 11.97 in³

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 1600.00 ppm

Filter Cake: 1.00 inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbf
120.00	gocm 30g 30o 40m	0.590
2840.00	go 50g 50o	39.838
315.00	gmco 50g 10m 40o	4.419
0.00	1145' GIP	0.000

Total Length: 3275.00 ft

Total Volume: 44.847 bbf

Num Fluid Samples: 0

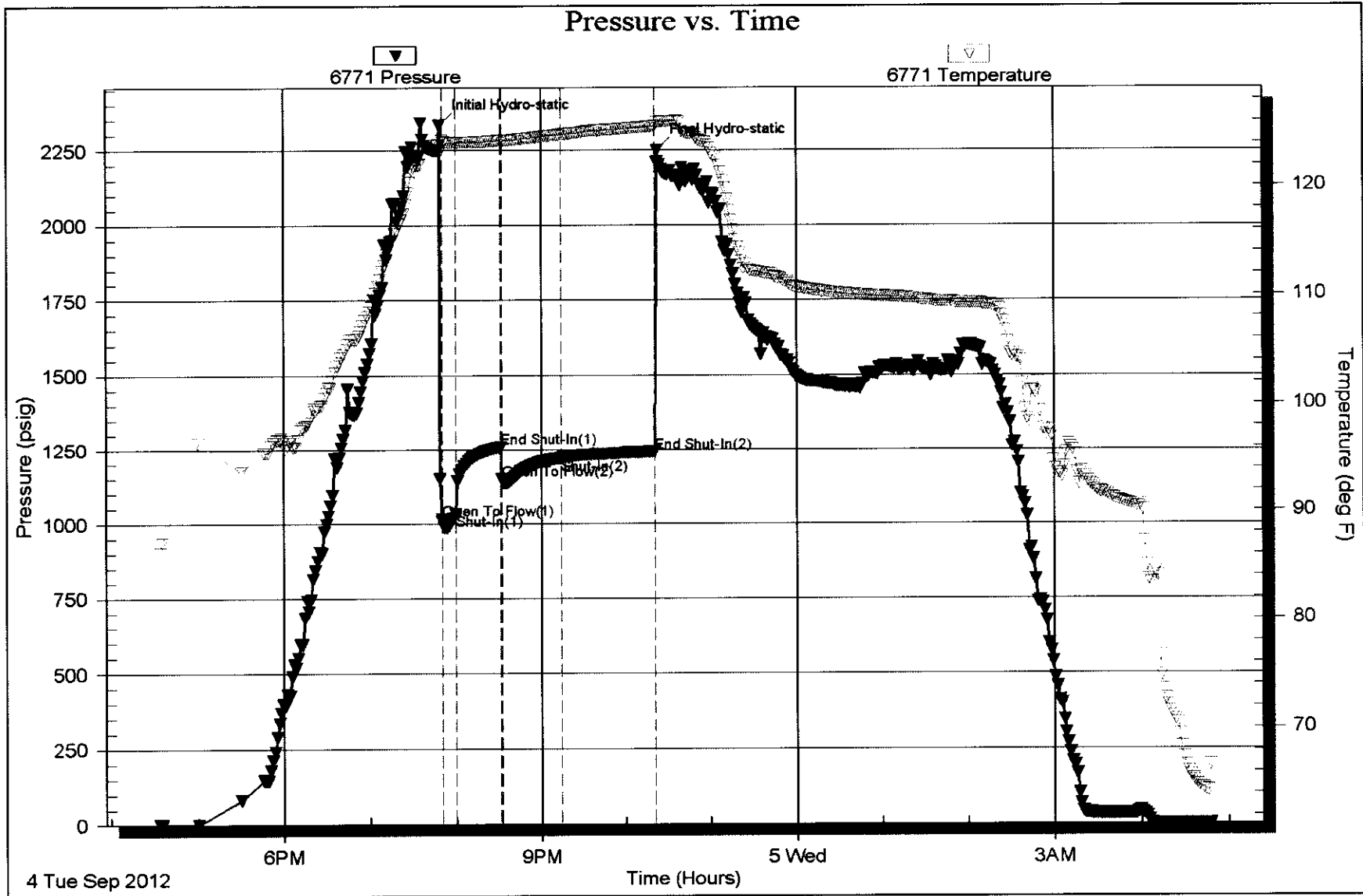
Num Gas Bombs: 0

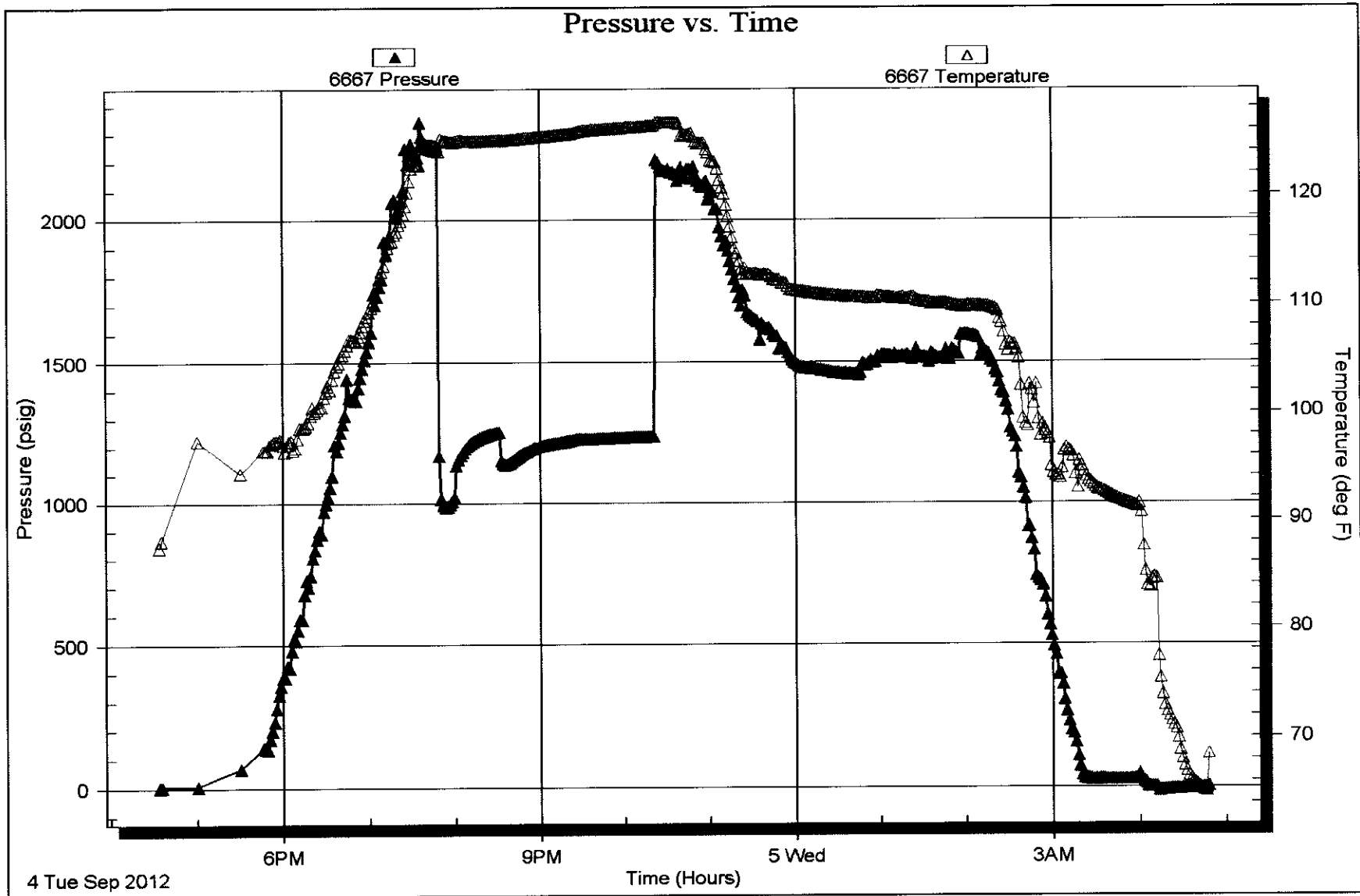
Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments:



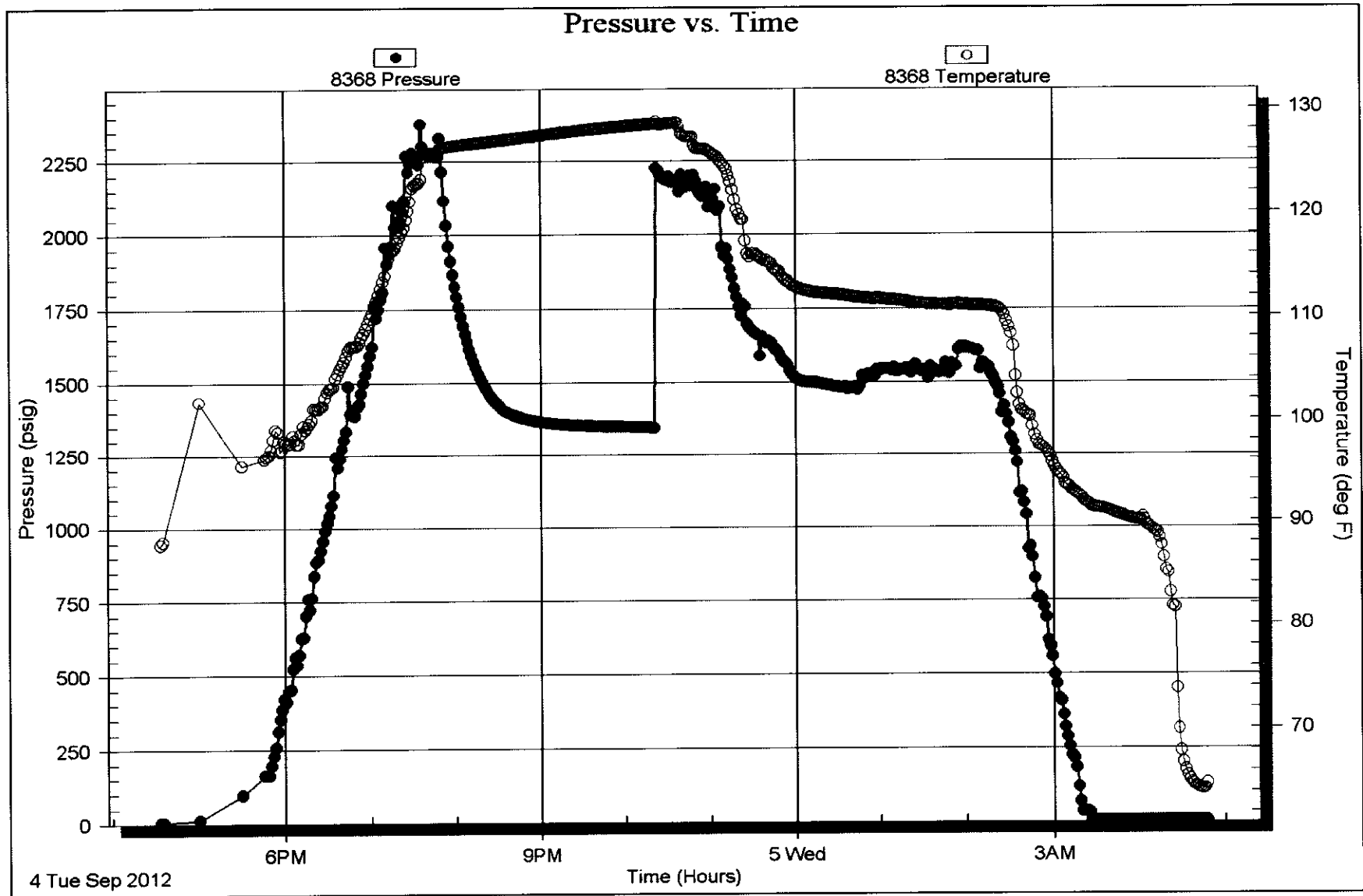


Serial #: 8368

Below (Stratton) Petroleum, Inc

McKinnie #1

DST Test Number: 4





TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 4829.

Well Name & No. McKinnie #1 Test No. 1 Date 9/1/12
 Company Palomares Petroleum, Inc Elevation 2652 KB 2642 GL
 Address 4924 SE 84th Street Newton, KS 67114
 Co. Rep / Geo. Ryan Seib Rig Pickwell #1
 Location: Sec. 29 Twp. 16s Rge. 26w Co. Ness State Ks

Interval Tested 4118 - 4227 Zone Tested Lansing
 Anchor Length 109' Drill Pipe Run 3974 Mud Wt. 9.3
 Top Packer Depth 4113 Drill Collars Run 120 Vis 55
 Bottom Packer Depth 4118 Wt. Pipe Run 8 WL 10.0
 Total Depth 4227 Chlorides 1800 ppm System LCM 1st

Blow Description IF: 3 1/2" blow
IS: No return
FF: 1" blow
FS: No return

Rec	Feet of	%gas	%oil	%water	%mud
62	500.00	2		98	
60	0.00	10		20	70

Rec Total 122 BHT 118 Gravity — API RW — @ — ° F Chlorides — ppm

(A) Initial Hydrostatic <u>2667</u>	<input checked="" type="checkbox"/> Test	T-On Location <u>C.330</u>
(B) First Initial Flow <u>29</u>	<input checked="" type="checkbox"/> Jars <u>250</u>	T-Started <u>0538</u>
(C) First Final Flow <u>58</u>	<input checked="" type="checkbox"/> Safety Joint <u>75</u>	T-Open <u>0749</u>
(D) Initial Shut-In <u>835</u>	<input checked="" type="checkbox"/> Circ Sub <u>N/C</u>	T-Pulled <u>0949</u>
(E) Second Initial Flow <u>68</u>	<input type="checkbox"/> Hourly Standby	T-Out <u>1136</u>
(F) Second Final Flow <u>78</u>	<input checked="" type="checkbox"/> Mileage <u>95 1/2</u> 147.25	Comments _____
(G) Final Shut-In <u>429</u>	<input type="checkbox"/> Sampler	
(H) Final Hydrostatic <u>1919</u>	<input type="checkbox"/> Straddle	<input type="checkbox"/> Ruined Shale Packer
Initial Open <u>30</u>	<input type="checkbox"/> Shale Packer	<input type="checkbox"/> Ruined Packer
Initial Shut-In <u>30</u>	<input type="checkbox"/> Extra Packer	<input type="checkbox"/> Extra Copies
Final Flow <u>30</u>	<input type="checkbox"/> Extra Recorder	Sub Total <u>0</u>
Final Shut-In <u>30</u>	<input type="checkbox"/> Day Standby	Total <u>1722.25</u>
	<input type="checkbox"/> Accessibility	MP/DST Disc't _____
	Sub Total <u>1722.25</u>	

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



TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 48295

Well Name & No. McKinnis #1 Test No. 2 Date 7/12/12
 Company Palomina Petroleum, Inc Elevation 2652 KB 2642 GL
 Address 4924 SE 84th street Newton, KS 67114
 Co. Rep / Geo. Ryan Seib Rig Pickrell #1
 Location: Sec. 29 Twp. 16s Rge. 26w Co. Ness State Ks

Interval Tested 4215 - 4300 Zone Tested Lansing &
 Anchor Length 85' Drill Pipe Run 4073 Mud Wt. 9.2
 Top Packer Depth 4210 Drill Collars Run 120 Vis 42
 Bottom Packer Depth 4215 Wt. Pipe Run Ø WL 8.3
 Total Depth 4300 Chlorides 1.500 ppm System LCM #

Blow Description IF: 2" blow
IS: No return.
FF: 1/2" blow
FS: No return.

Rec	Feet of	%gas	%oil	%water	%mud
<u>7.5</u>	<u>MUD (use spot)</u>				
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud

Rec Total 7.5 BHT 117 Gravity - API RW - @ - °F Chlorides - ppm

(A) Initial Hydrostatic <u>2032</u>	<input checked="" type="checkbox"/> Test 1250	T-On Location <u>0700</u>
(B) First Initial Flow <u>27</u>	<input checked="" type="checkbox"/> Jars 250	T-Started <u>0748</u>
(C) First Final Flow <u>45</u>	<input checked="" type="checkbox"/> Safety Joint 75	T-Open <u>0946</u>
(D) Initial Shut-In <u>952</u>	<input checked="" type="checkbox"/> Circ Sub	T-Pulled <u>1146</u>
(E) Second Initial Flow <u>49</u>	<input checked="" type="checkbox"/> Hourly Standby <u>2.0</u>	T-Out <u>1348</u>
(F) Second Final Flow <u>63</u>	<input checked="" type="checkbox"/> Mileage <u>9.54 x 2</u> 294.50	Comments <u>on location 2 hrs</u>
(G) Final Shut-In <u>907</u>	<input type="checkbox"/> Sampler	<u>7/12 For MUD VIS was 114</u>
(H) Final Hydrostatic <u>1494</u>	<input type="checkbox"/> Straddle	<u>lets well mud etc. fixed</u>

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

Shale Packer 250
 Extra Packer
 Extra Recorder
 Day Standby
 Accessibility

Sub Total 2119.50

Ruined Shale Packer
 Ruined Packer
 Extra Copies

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

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



TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 48291

Well Name & No. Mckinnic #1 Test No. 3 Date 09/03/12
 Company Palomar Petroleum, Inc Elevation 2652 KB 2642 GL
 Address 4924 SE 84th St. Newton, Ks 67114
 Co. Rep / Geo. Ryan Seib Rig Pickrell #2
 Location: Sec. 29 Twp. 16N Rge. 26W Co. Miss State Ks

Interval Tested 4578 - 4595 Zone Tested Mississippian
 Anchor Length 17' Drill Pipe Run 4451 Mud Wt. 9.2
 Top Packer Depth 4573 Drill Collars Run 120 Vis 49
 Bottom Packer Depth 4578 Wt. Pipe Run 0 WL 11.2
 Total Depth 4595 Chlorides 1400 ppm System LCM Tr
 Blow Description IF: Surface blow
IGI: No return.
FF: No blow.
FST: No return.

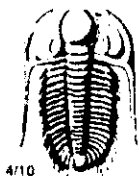
Rec	Feet of	%gas	%oil	%water	%mud
<u>20</u>	<u>Mud (6 inches oil on top)</u>			<u>100</u>	
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud

Rec Total 20 BHT 124 Gravity — API RW — @ — °F Chlorides — ppm

(A) Initial Hydrostatic <u>2293</u>	<input checked="" type="checkbox"/> Test 1250	T-On Location <u>1600</u>
(B) First Initial Flow <u>20</u>	<input checked="" type="checkbox"/> Jars 250	T-Started <u>1633</u>
(C) First Final Flow <u>26</u>	<input checked="" type="checkbox"/> Safety Joint 75	T-Open <u>1924</u>
(D) Initial Shut-In <u>1152</u>	<input checked="" type="checkbox"/> Circ Sub <u>N/C</u>	T-Pulled <u>2124</u>
(E) Second Initial Flow <u>24</u>	<input type="checkbox"/> Hourly Standby	T-Out <u>0025 09/04/12</u>
(F) Second Final Flow <u>32</u>	<input checked="" type="checkbox"/> Mileage <u>95 R/T</u> 147.25	Comments
(G) Final Shut-In <u>1010</u>	<input type="checkbox"/> Sampler	
(H) Final Hydrostatic <u>2187</u>	<input type="checkbox"/> Straddle	<input type="checkbox"/> Ruined Shale Packer
	<input checked="" type="checkbox"/> Shale Packer 250	<input type="checkbox"/> Ruined Packer
Initial Open <u>30</u>	<input type="checkbox"/> Extra Packer	<input type="checkbox"/> Extra Copies
Initial Shut-In <u>30</u>	<input type="checkbox"/> Extra Recorder	Sub Total <u>0</u>
Final Flow <u>30</u>	<input type="checkbox"/> Day Standby	Total
Final Shut-In <u>30</u>	<input type="checkbox"/> Accessibility	MP/DST Disc't
	Sub Total <u>1972.25</u>	

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



TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 48291

Well Name & No. McKinnic #1 Test No. 4 Date 09/3/12
 Company Palomino Petroleum, Inc Elevation 2652 KB 2642 GL
 Address 4924 SE 84th St. Newton, Ks 67114
 Co. Rep / Geo. Ryan Seib Rig Pickrell #1
 Location: Sec. 29 Twp. 16S Rge. 26W Co. Ness State Ks

Interval Tested 4445 - 4615 Zone Tested Flint - Mississippian
 Anchor Length 170' Drill Pipe Run 4328 Mud Wt. 9.3
 Top Packer Depth 4440 Drill Collars Run 120 Vis 60
 Bottom Packer Depth 4445 Wt. Pipe Run Ø WL 12
 Total Depth 4615 Chlorides 1600 ppm System LCM Ø

Blow Description IF: BOB @ 20 sec
ISI: BOBE 1 min Gas to surface @ 3 min.
FF: BOB @ 45 sec
FSI: BOB @ 10 min 1 min

Rec	Feet of	%gas	%oil	%water	%mud
<u>315</u>	<u>GMCO</u>	<u>50</u>	<u>40</u>	<u>10</u>	
<u>2840</u>	<u>90</u>	<u>50</u>	<u>50</u>		
<u>120</u>	<u>GOCM</u>	<u>30</u>	<u>30</u>	<u>40</u>	
	<u>1145 GIP</u>				

Rec Total 3275 BHT 126 Gravity 38 API RW — @ — ° F Chlorides — ppm

(A) Initial Hydrostatic <u>2333</u>	<input checked="" type="checkbox"/> Test <u>1250</u>	T-On Location <u>1600</u>
(B) First Initial Flow <u>1017</u>	<input checked="" type="checkbox"/> Jars <u>250</u>	T-Started <u>1633</u>
(C) First Final Flow <u>1034</u>	<input checked="" type="checkbox"/> Safety Joint <u>75</u>	T-Open <u>1949</u>
(D) Initial Shut-In <u>1259</u>	<input checked="" type="checkbox"/> Circ Sub <u>used</u> <u>50</u>	T-Pulled <u>2214</u>
(E) Second Initial Flow <u>1150</u>	<input type="checkbox"/> Hourly Standby	T-Out <u>0447</u>
(F) Second Final Flow <u>1222</u>	<input checked="" type="checkbox"/> Mileage <u>95 ft</u> <u>147.25</u>	Comments
(G) Final Shut-In <u>1243</u>	<input type="checkbox"/> Sampler	
(H) Final Hydrostatic <u>2249</u>	<input checked="" type="checkbox"/> Straddle <u>600</u>	<input type="checkbox"/> Ruined Shale Packer
	<input checked="" type="checkbox"/> Shale Packer <u>250</u>	<input type="checkbox"/> Ruined Packer

Initial Open <u>10</u>	<input type="checkbox"/> Extra Packer	Sub Total <u>0</u>
Initial Shut-In <u>30</u>	<input type="checkbox"/> Extra Recorder	Total <u>2897.25</u>
Final Flow <u>45</u>	<input type="checkbox"/> Day Standby	MP/DST Disc't
Final Shut-In <u>60</u>	<input type="checkbox"/> Accessibility	
	Sub Total <u>2897.25</u>	

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



PO Box 93999
Southlake, TX 76092

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

INVOICE

SEP 04 2012

Invoice Number: 132486

Invoice Date: Aug 24, 2012

Page: 1



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

Customer ID	Well Name/# or Customer P.O.	Payment Terms	
Palo	McKinnie #1	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1-01	Great Bend	Aug 24, 2012	9/23/12

Quantity	Item	Description	Unit Price	Amount
160.00	MAT	Class A Common	16.25	2,600.00
3.00	MAT	Gel	21.25	63.75
6.00	MAT	Chloride	58.20	349.20
172.99	SER	Cubic Feet	2.10	363.27
236.69	SER	Ton Mileage	2.35	556.24
1.00	SER	Surface	1,125.00	1,125.00
30.00	SER	Pump Truck Mileage	7.00	210.00
30.00	SER	Light Vehicle Mileage	4.00	120.00
1.00	CEMENTER	Charles Elkins		
1.00	EQUIP OPER	Kevin Eddy		
1.00	OPER ASSIST	Alan Genereux		

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

\$ 1346.86

ONLY IF PAID ON OR BEFORE

Sep 18, 2012

Subtotal	5,387.46
Sales Tax	189.82
Total Invoice Amount	5,577.28
Payment/Credit Applied	
TOTAL	5,577.28

ALLIED OIL & GAS SERVICES, LLC 059002

Federal Tax I.D. #

REMIT TO P.O. BOX 93999
SOUTHLAKE, TEXAS 76092

SERVICE POINT:
Great Bend

DATE <u>8/24/12</u>	SEC. <u>29</u>	TWP. <u>16</u>	RANGE <u>26</u>	CALLED OUT <u>10:20 AM</u>	ON LOCATION <u>01:30 AM</u>	JOB START <u>09:00 AM</u>	JOB FINISH <u>09:45 AM</u>
LEASE <u>45K/Insite</u>	WELL# <u>1</u>	LOCATION <u>96 W to 297 W to 40 W for 3.5 mi 1.25.9222</u>			COUNTY <u>McSS</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR Pickeral
TYPE OF JOB Surface
HOLE SIZE 12 1/2" T.D. 220 FT
CASING SIZE 8 3/8 23# DEPTH 211.2 FT (H 23)
TUBING SIZE _____ DEPTH _____
DRILL PIPE _____ DEPTH _____
TOOL _____ DEPTH _____
PRES. MAX 50 MINIMUM 0
MEAS. LINE _____ SHOE JOINT 20 FT
CEMENT LEFT IN CSG. 20 FT
PERFS. _____
DISPLACEMENT Fresh Water
EQUIPMENT _____

OWNER Palomino Petroleum
CEMENT AMOUNT ORDERED 160s Class "A" + 3% Gel + 2% Gel

PUMP TRUCK # 366 CEMENTER Charles Elkins HELPER Kevin Eddy
BULK TRUCK # 344 DRIVER Alan Genereux
BULK TRUCK # _____ DRIVER _____

COMMON	160	@ 16.25	2600.00
POZMIX		@	
GEL	3	@ 21.25	63.75
CHLORIDE	6	@ 58.20	349.20
ASC		@	
HANDLING	172.99	@ 2.10	363.27
MILEAGE	7.89 x 30 x	2.35	556.39
TOTAL			3932.76

REMARKS:
Cemented surface casing to 211.2 ft

236.69

SERVICE

DEPTH OF JOB	211.		
PUMP TRUCK CHARGE		1125.00	
EXTRA FOOTAGE		@	
MILEAGE H/M	30	@ 2.00	210.00
MANIFOLD		@	
	h/m 80	@ 4.00	120.00
TOTAL			1455.00

CHARGE TO: Palomino Petroleum
STREET _____
CITY _____ STATE _____ ZIP _____

To: Allied Oil & Gas Services, LLC.
You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

PRINTED NAME Mike Kern
SIGNATURE [Signature]

PLUG & FLOAT EQUIPMENT

	@	
	@	
	@	
	@	
	@	
TOTAL _____		

SALES TAX (If Any)	189.81
TOTAL CHARGES	5,387.46
DISCOUNT <u>25%</u>	1,346.80
IF PAID IN 30 DAYS	
4040.60	



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



RECEIVED
SEP 05 2012

Invoice

DATE	INVOICE #
9/5/2012	23276

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

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	McKinnie	Ness	Pickrell Drilling	Oil	Development	Cement LongStri...	Blaine
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				30	Miles	6.00	180.00
578D-L	Pump Charge - Long String				1	Job	1,500.00	1,500.00
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
404-5	5 1/2" Port Collar				1	Each	2,400.00	2,400.00T
406-5	5 1/2" Latch Down Plug & Baffle				1	Each	250.00	250.00T
407-5	5 1/2" Insert Float Shoe With Auto Fill				1	Each	350.00	350.00T
409-5	5 1/2" Turbolizer				12	Each	90.00	1,080.00T
330	Swift Multi-Density Standard (MIDCON II)				125	Sacks	16.50	2,062.50T
325	Standard Cement				100	Sacks	13.50	1,350.00T
284	Calseal				5	Sack(s)	35.00	175.00T
283	Salt				500	Lb(s)	0.20	100.00T
285	CFR-1				50	Lb(s)	4.00	200.00T
276	Flocele				50	Lb(s)	2.00	100.00T
281	Mud Flush				500	Gallon(s)	1.25	625.00T
221	Liquid KCL (Clayfix)				4	Gallon(s)	25.00	100.00T
290	D-Air				2	Gallon(s)	35.00	70.00T
581D	Service Charge Cement				225	Sacks	2.00	450.00
583D	Drayage				343.71	Ton Miles	1.00	343.71
	Subtotal							12,156.21
	Sales Tax Ness County						6.30%	610.00
We Appreciate Your Business!						Total		\$12,766.21



CHARGE TO: Palamino Petroleum
 ADDRESS:
 CITY, STATE, ZIP CODE:

TICKET N^o 23276

PAGE 1 OF 2

1. SERVICE LOCATIONS: Lincoln KS WELL/PROJECT NO. 1 LEASE McKinnie COUNTY/PARISH Ness STATE KS CITY Utica DATE 5 SEP 12 OWNER
 2. TICKET TYPE SERVICE SALES CONTRACTOR Pickrell RIG NAME/NO. 1 SHIPPED VIA CT DELIVERED TO location ORDER NO.
 3. WELL TYPE o.s. WELL CATEGORY Development JOB PURPOSE concrete long string WELL PERMIT NO. WELL LOCATION 29-16-26
 4. REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		QTY.		UNIT PRICE	AMOUNT
		LOC	ACCT	DF			U/M		U/M		
575		i			MILEAGE TRK 114	30	mi			6.00	180.00
578		1			Pump Charge	1	ea			1500.00	1500.00
402		1			Centralizer	5 1/2	in	1	ea	70.00	70.00
403		1			Cement Basket	5 1/2	in	3	ea	250.00	750.00
404		1			Port Collar	5 1/2	in	1	ea	2400.00	2400.00
406		1			Latch down plug & baffle	5 1/2	in	1	ea	250.00	250.00
407		1			INSERT Float shoe w/airfill	5 1/2	in	1	ea	350.00	350.00
409		1			Turbolizer	5 1/2	in	12	ea	90.00	1080.00

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
 DATE SIGNED TIME SIGNED 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	6.580.00
WE UNDERSTOOD AND MET YOUR NEEDS?				2	5576.21
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				subtotal	12,156.21
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				TAX 7.55% 16.3%	610.00
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	12,766.21
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND					

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

SWIFT OPERATOR

APPROVAL

Thank You!



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

TICKET CONTINUATION

TICKET No. 23276

CUSTOMER *Palomino Petroleum* WELL *McKinney 1* DATE *5 SEP 12* PAGE *2* OF *2*

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY.		QTY.		UNIT PRICE	AMOUNT
		LOG	ACCT	DF			UM	UM				
330		1				SMD cement	125	sk			16 50	2062 50
325		1				STANDARD cement (for 2A-2)	100	sk			13 50	1350 00
284		1				calseal	500	lb	5	sk	35 00	175 00
283		1				salt	500	lb			0 20	100 00
285		1				CFR-1	50	lb			4 00	200 00
276		1				flocele	50	lb			2 00	100 00
281		1				mudflush	500	gal			1 25	625 00
221		1				KCL flush	4	gal			25 00	100 00
290		1				D-AIR	2	gal			35 00	70 00
581		1				SERVICE CHARGE					2 00	450 00
583		1				MILEAGE CHARGE						343 71

CONTINUATION TOTAL 5576.21

JOB LOG

SWIFT Services, Inc.

DATE: 5 SEP 12 PAGE NO.

CUSTOMER: Palam Verde Petroleum WELL NO. 1 LEASE: McKinnie JOB TYPE: cement long string TICKET NO. 23276

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								125 sk SMD w/ 1/2" floccle 100 sks SA-2 w/ 1/2" floccle 111 jt 5 1/2" 14# casing 31 shoe jt Cont 1, 2, 3, 4, 5, 6, 7, 9, 11, 12, 13, 61 Basket 2, 8, 62 Post collar 62 2065' 3 jts out
	1330							on loc TRK 114
	1415							start 5 1/2" 14# casing in well
	1600							Drop ball - circulate.
	1700	4 3/4	12				200	Pump 500 gal mud flush
		4 3/4	20				200	Pump 20 bbl KCl flush
			7					Plug RH - MH 30 sks - 20 sk
	1713	4 3/4	38				200	mix SMD cement 75 sks @ 12.7 ppb
		4 3/4	24				200	mix SA-2 cement 100 sk @ 15.3 ppb
	1731							Drop latch down plug wash out pump & line
	1735	6 3/4					200	Displace plug (KCl in place 18 bbl)
		6 3/4	95				800	
	1800	6 3/4	112				1530	Land plug
								Release pressure to truck - dried up
	1805							wash truck Rack up
	1850							job complete Flint, Blaine, T & DAVE



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



RECEIVED

SEP 13 2012

Invoice

DATE	INVOICE #
9/11/2012	23401

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

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	McKinnie #1	Ness	Cheyenne Well Se...	Oil	Development	Cement Port Collar	Jason
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				40	Miles	6.00	240.00
576D-D	Pump Charge - Port Collar				1	Job	1,250.00	1,250.00
276	Flocele				50	Lb(s)	2.00	100.00T
290	D-Air				2	Gallon(s)	35.00	70.00T
105	Port Collar Tool Rental With Man				1	Each	350.00	350.00T
330	Swift Multi-Density Standard (MIDCON II)				200	Sacks	16.50	3,300.00T
581D	Service Charge Cement				225	Sacks	2.00	450.00
583D	Drayage				446.54	Ton Miles	1.00	446.54
	Subtotal							6,206.54
	Sales Tax Ness County						6.30%	240.66
We Appreciate Your Business!							Total	\$6,447.20



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

TICKET No 23401

PAGE 1 OF

SERVICE LOCATIONS: 1. **NESS CITY, KS.**

WELL/PROJECT NO. **MCKINNIE #1** COUNTY/PARISH **NESS** STATE **KS** CITY **UTICA, KS** DATE **11 SEP 12** OWNER

TICKET TYPE SERVICE SALES CONTRACTOR **CHEYENNE WELL SERV** RIG NAME/NO. SHIPPED VIA DELIVERED TO ORDER NO.

WELL TYPE **OIL** WELL CATEGORY **DEVELOPMENT** JOB PURPOSE **CEMENT PORT COLLAR** WELL PERMIT NO. WELL LOCATION **3W, 1/2 S E INTD**

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					MILEAGE #110	40	MIL	6.00		240.00
576D					Pump CHARGE	1	JOB	1250.00		1250.00
276					FLOCELE	50	LBS	2.00		100.00
290					D-AIR	2	PK	35.00		70.00
105					PORT COLLAR OPENING TOOL	1	JOB	350.00		350.00
330					SWIFT MULTI DENSITY	200	BOX	16.50		3300.00
581					SERVICE CHARGE CEMENT	225	SK	2.00		450.00
83					DRAYAGE	22327	LBS	446.54	Ton	446.54

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.

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	6206.54
TAX 6.3%	246.06
TOTAL	6447.20

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

x *[Signature]*
 DATE SIGNED **11 SEP 12** TIME SIGNED **1445** A.M. P.M.

SWIFT OPERATOR *[Signature]* APPROVAL *[Signature]*

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

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 1 SEP 12 PAGE NO.

CUSTOMER VALOMINO PETROLEUM

WELL NO.

LEASE MCKINNIE #1

JOB TYPE CEMENT PORT COLLAR

TICKET NO. 23401

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1300							ON LOCATION
								PORT COLLAR @ 2058
	1323				✓		1000	TEST - HELD
	1327	3			✓		500	OPEN PORT COLLAR - TAKE JTS, RATE
	1330	4	110	✓		800		MIX 200 SX SMD
		3 1/2	7 1/4	✓		500		DISPLACE CEMENT
								CIRCULATE 20 SX TO PIT
	1401				✓		1000	CLOSE PORT COLLAR - TEST - HELD
	1403							RUN 4 JTS
	1409	4			✓		400	REVERSE CEMENT OUT OF TUBING
	1417							WASH TRUCK
	1445							JOB COMPLETE
								THANKS #110
								JASON JEFF JOHN