



KANSAS CORPORATION COMMISSION 1098242
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 # 5822
Name: Val Energy, 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 #: _____

<u>09/13/2012</u>	<u>09/21/2012</u>	<u>10/11/2012</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-195-22813-00-00
Spot Description: _____
SW SE NW SE Sec. 7 Twp. 15 S. R. 25 East West
1446 Feet from North / South Line of Section
1723 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Trego
Lease Name: Valentine Well #: 1
Field Name: Wildcat
Producing Formation: Ft. Scott & Mississippian
Elevation: Ground: 2354 Kelly Bushing: 2364
Total Depth: 4380 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: 1800 Feet
If Alternate II completion, cement circulated from: 1800
feet depth to: 0 w/ 150 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 Garrisor Date: 10/31/2012



1098242

Operator Name: Palomino Petroleum, Inc. Lease Name: Valentine Well #: 1
 Sec. 7 Twp. 15 S. R. 25 East West County: Trego

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 Guarg Log Dual Receiver 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	150	3%cc 2%gel
Production	7.875	5.5	14	4379	SMD EA-2	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 <i>(Amount and Kind of Material Used)</i>	Depth
4	4288-4294	500 gal. MOD 202, 2% m.s.	
4	4176-4180	600 gals. 15% NE, 2% m.s., 1250 gals. 20% NE 2% m.s.	

TUBING RECORD: Size: <u>2.875</u> Set At: <u>4343.75</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>10/19/2012</u>	Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other <i>(Explain)</i> _____
Estimated Production Per 24 Hours	Oil Bbls. <u>48</u> Gas Mcf <u> </u> Water Bbls. <u>0</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 <i>(Specify)</i> _____	PRODUCTION INTERVAL: _____ _____
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Form	ACO1 - Well Completion
Operator	Palomino Petroleum, Inc.
Well Name	Valentine 1
Doc ID	1098242

Tops

Name	Top	Datum
Anhy.	1813	(+551)
Base Anhy.	1849	(+515)
Heebner	3639	(-1275)
Lansing	3680	(-1316)
BKC	3971	(-1607)
Pawnee	4110	(-1746)
Ft. Scott	4175	(-1811)
Cherokee Sh.	4201	(-1837)
Miss. Por.	4282	(-1918)
LTD	4380	(-2016)



DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum Inc.**

4924 SE 84th St.
Newton, KS 67114

ATTN: Ryan Seib

Valentine #1

7-15s-25w Trego,KS

Start Date: 2012.09.17 @ 03:45:00

End Date: 2012.09.17 @ 10:24:09

Job Ticket #: 48451 DST #: 1

Trilobite Testing, Inc

PO Box 362 Hays, KS 67601

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

Printed: 2012.09.24 @ 15:52:08



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

Palomino Petroleum Inc.

7-15s-25w Trego,KS

4924 SE 84th St.
New ton, KS 67114

Valentine #1

Job Ticket: 48451

DST#: 1

ATTN: Ryan Seib

Test Start: 2012.09.17 @ 03:45:00

GENERAL INFORMATION:

Formation: **Lansing**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 06:25:40

Time Test Ended: 10:24:09

Test Type: Conventional Bottom Hole (Initial)

Tester: Chuck Smith

Unit No: 62

Interval: 3810.00 ft (KB) To 3880.00 ft (KB) (TVD)

Reference Elevations: 2364.00 ft (KB)

Total Depth: 3880.00 ft (KB) (TVD)

2354.00 ft (CF)

Hole Diameter: 7.88 inches Hole Condition: Good

KB to GR/CF: 10.00 ft

Serial #: 8018 Inside

Press@RunDepth: 75.37 psig @ 3814.00 ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.09.17

End Date: 2012.09.17

Last Calib.: 2012.09.17

Start Time: 04:24:01

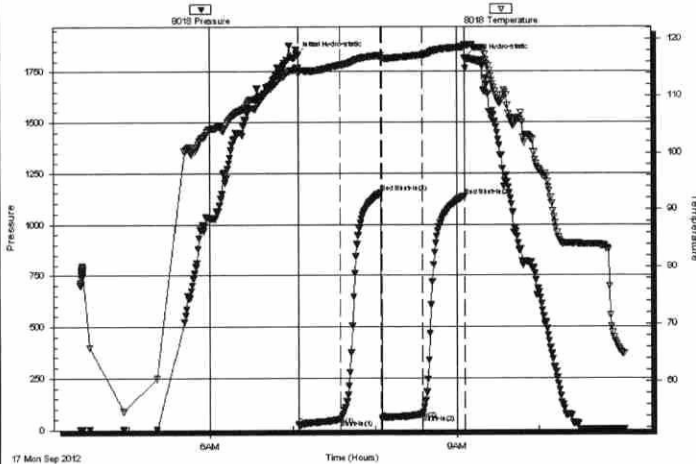
End Time: 11:03:10

Time On Btm: 2012.09.17 @ 07:03:10

Time Off Btm: 2012.09.17 @ 09:05:39

TEST COMMENT: B.O.B. @ 27 min.
No return.
B.O.B. @ 10 min.
Weak surface return.

Pressure vs. Time



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1832.08	114.98	Initial Hydro-static
2	23.81	113.97	Open To Flow (1)
32	49.88	115.44	Shut-In(1)
62	1151.63	117.20	End Shut-In(1)
62	51.89	116.75	Open To Flow (2)
92	75.37	117.28	Shut-In(2)
123	1134.14	118.68	End Shut-In(2)
123	1816.21	118.85	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
120.00	GOCM 10g 25o 65m	1.68
5.00	OCM 45o 55m	0.07

Gas Rates

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



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum Inc.

7-15s-25w Trego,KS

4924 SE 84th St.
New ton, KS 67114

Valentine #1

Job Ticket: 48451

DST#: 1

ATTN: Ryan Seib

Test Start: 2012.09.17 @ 03:45:00

Tool Information

Drill Pipe:	Length: 3795.00 ft	Diameter: 3.80 inches	Volume: 53.23 bbl	Tool Weight: 2300.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: inches	Volume: 0.00 bbl	Weight set on Packer: 22000.00 lb
Drill Collar:	Length: 0.00 ft	Diameter: 2.25 inches	Volume: 0.00 bbl	Weight to Pull Loose: 85000.00 lb
			<u>Total Volume: 53.23 bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	12.50 ft			String Weight: Initial 68000.00 lb
Depth to Top Packer:	3810.00 ft			Final 69000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	70.00 ft			
Tool Length:	97.50 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			3783.50	
Shut In Tool	5.00			3788.50	
Hydraulic tool	5.00			3793.50	
Jars	5.00			3798.50	
Safety Joint	2.50			3801.00	
Packer	5.00			3806.00	27.50 Bottom Of Top Packer
Packer	4.00			3810.00	
Stubb	1.00			3811.00	
Perforations	3.00			3814.00	
Recorder	0.00	8018	Inside	3814.00	
Recorder	0.00	6751	Outside	3814.00	
Perforations	0.00			3814.00	
Change Over Sub	1.00			3815.00	
Drill Pipe	61.00			3876.00	
Change Over Sub	1.00			3877.00	
Bullnose	3.00			3880.00	70.00 Bottom Packers & Anchor
Total Tool Length:	97.50				



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum Inc.

7-15s-25w Trego,KS

4924 SE 84th St.
New ton, KS 67114

Valentine #1

Job Ticket: 48451

DST#: 1

ATTN: Ryan Seib

Test Start: 2012.09.17 @ 03:45:00

Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

deg API

Mud Weight: 9.00 lb/gal

Cushion Length:

ft

Water Salinity:

ppm

Viscosity: 45.00 sec/qt

Cushion Volume:

bbbl

Water Loss: 7.96 in³

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 2200.00 ppm

Filter Cake: 1.00 inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
120.00	GOCM 10g 25o 65m	1.683
5.00	OCM 45o 55m	0.070

Total Length: 125.00 ft

Total Volume: 1.753 bbl

Num Fluid Samples: 0

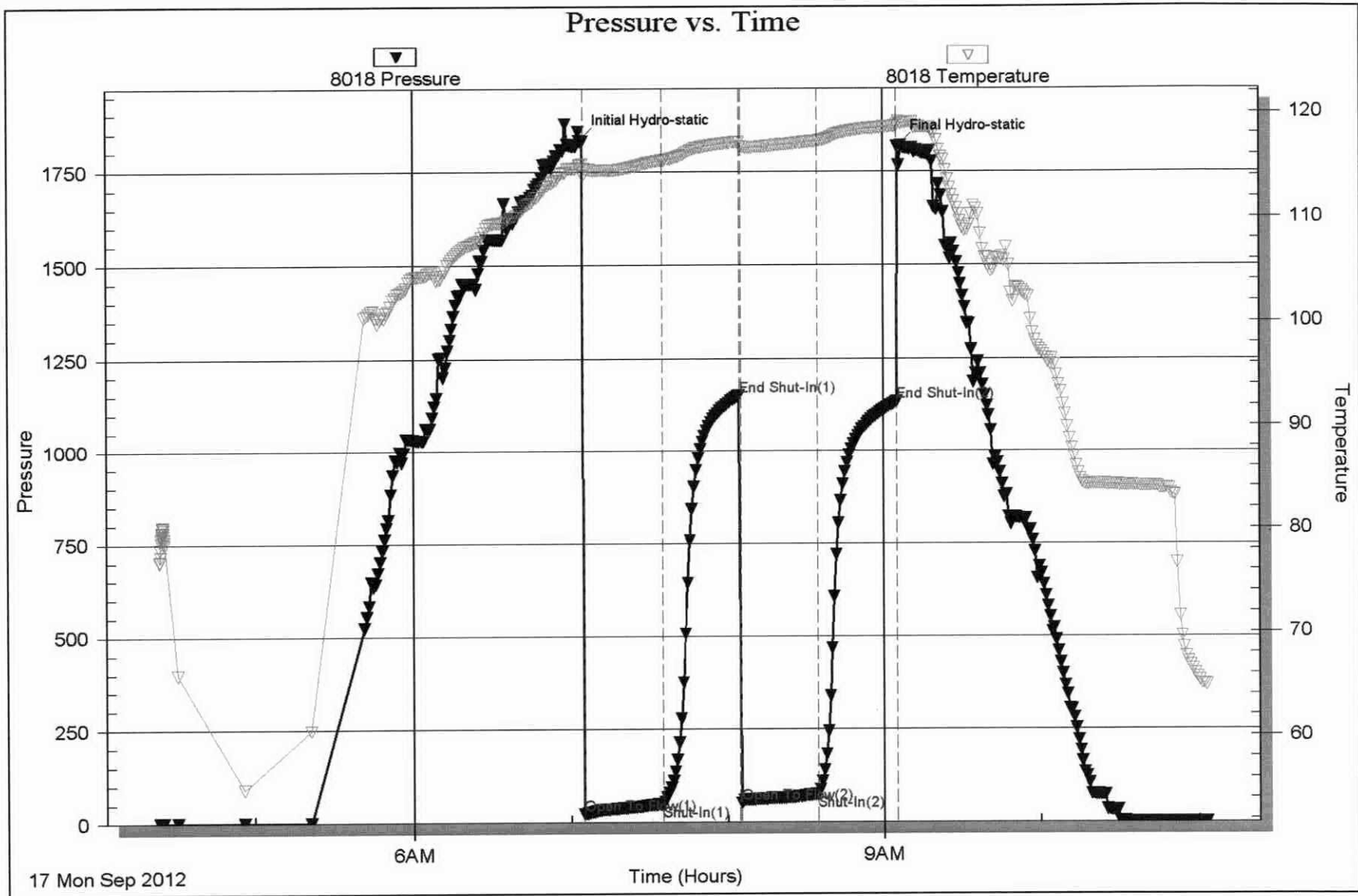
Num Gas Bombs: 0

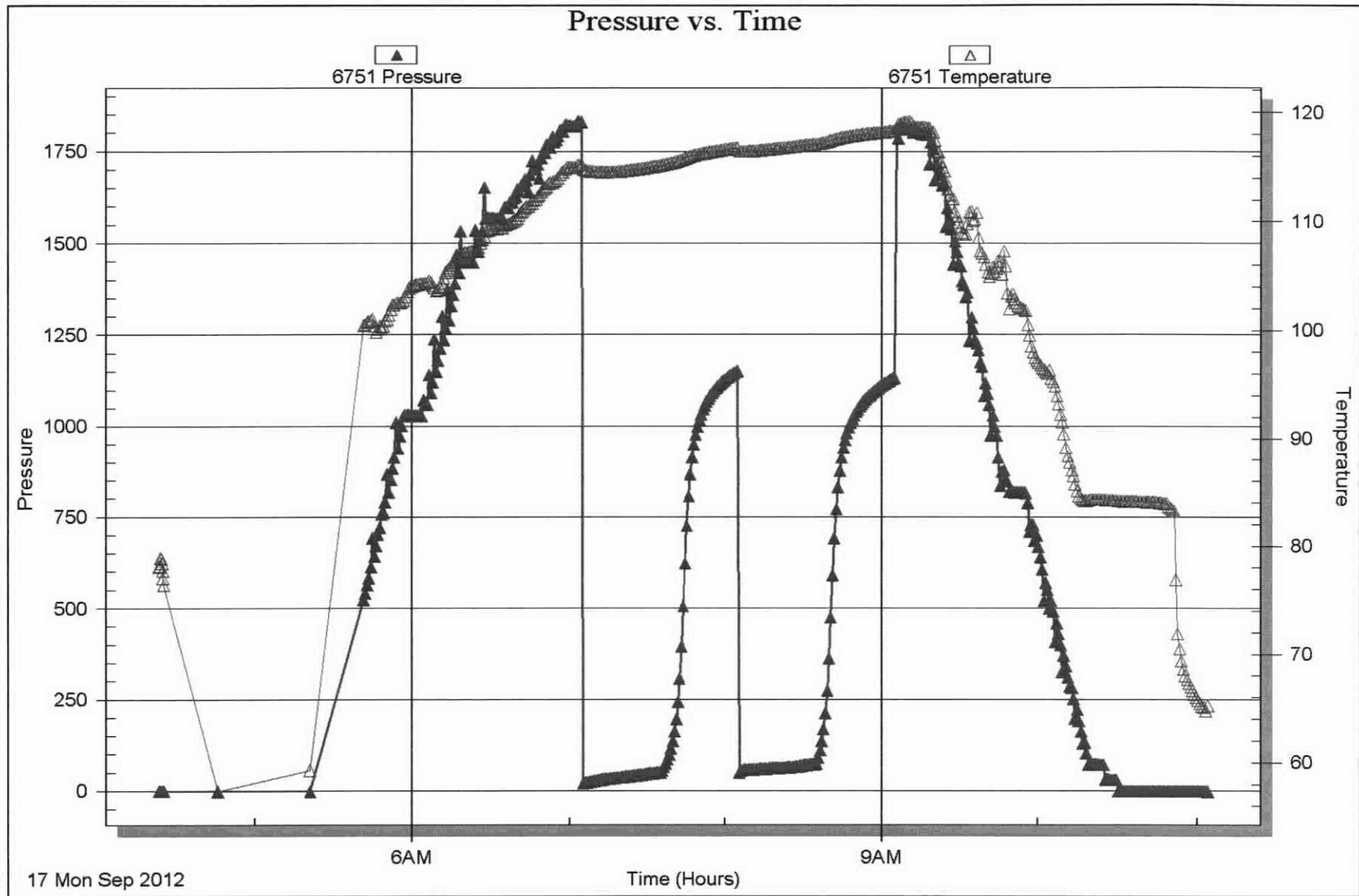
Serial #:

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

Valentine #1

7-15s-25w Trego,KS

Start Date: 2012.09.17 @ 22:22:00

End Date: 2012.09.18 @ 05:00:39

Job Ticket #: 48452 DST #: 2

Trilobite Testing, Inc

PO Box 362 Hays, KS 67601

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

Printed: 2012.09.24 @ 15:50:44

Palomino Petroleum Inc. 7-15s-25w Trego,KS Valentine #1 DST # 2 Lansing 2012.09.17



TRILOBITE TESTING, INC

DRILL STEM TEST REPORT

Palomino Petroleum Inc.

7-15s-25w Trego,KS

4924 SE 84th St.
New ton, KS 67114

Valentine #1

Job Ticket: 48452

DST#: 2

ATTN: Ryan Seib

Test Start: 2012.09.17 @ 22:22:00

GENERAL INFORMATION:

Formation: **Lansing**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 00:29:40

Time Test Ended: 05:00:39

Test Type: Conventional Bottom Hole (Reset)

Tester: Chuck Smith

Unit No: 62

Interval: 3881.00 ft (KB) To 3935.00 ft (KB) (TVD)

Total Depth: 3935.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Good

Reference Elevations: 2364.00 ft (KB)

2354.00 ft (CF)

KB to GR/CF: 10.00 ft

Serial #: 8018

Inside

Press@RunDepth: 21.03 psig @ 3899.00 ft (KB)

Start Date: 2012.09.17

End Date: 2012.09.18

Capacity: 8000.00 psig

Last Calib.: 2012.09.18

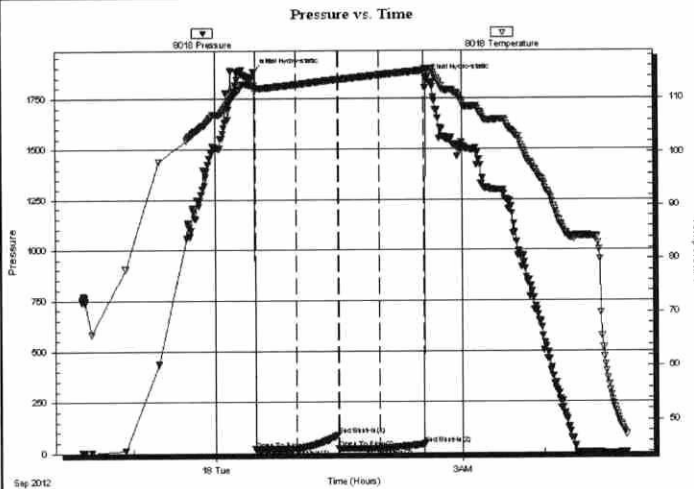
Start Time: 22:22:01

End Time: 05:00:40

Time On Btm: 2012.09.18 @ 00:28:20

Time Off Btm: 2012.09.18 @ 02:33:30

TEST COMMENT: Surface blow died @ 9 min.
No return.
Surface blow died @ 7 min.
No return.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1881.82	112.49	Initial Hydro-static
2	19.15	111.37	Open To Flow (1)
31	21.09	112.59	Shut-In(1)
62	88.37	113.53	End Shut-In(1)
62	21.42	113.50	Open To Flow (2)
92	21.03	114.33	Shut-In(2)
125	43.21	115.16	End Shut-In(2)
126	1845.74	115.46	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
5.00	OCM 5o 95m	0.07

* 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.

7-15s-25w Trego,KS

4924 SE 84th St.
New ton, KS 67114

Valentine #1

Job Ticket: 48452

DST#: 2

ATTN: Ryan Seib

Test Start: 2012.09.17 @ 22:22:00

Tool Information

Drill Pipe:	Length: 3887.00 ft	Diameter: 3.80 inches	Volume: 54.52 bbl	Tool Weight: 2300.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: inches	Volume: 0.00 bbl	Weight set on Packer: 22000.00 lb
Drill Collar:	Length: 0.00 ft	Diameter: 2.25 inches	Volume: 0.00 bbl	Weight to Pull Loose: 80000.00 lb
			<u>Total Volume: 54.52 bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	33.50 ft			String Weight: Initial 68000.00 lb
Depth to Top Packer:	3881.00 ft			Final 68000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	54.00 ft			
Tool Length:	81.50 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			3854.50	
Shut In Tool	5.00			3859.50	
Hydraulic tool	5.00			3864.50	
Jars	5.00			3869.50	
Safety Joint	2.50			3872.00	
Packer	5.00			3877.00	27.50 Bottom Of Top Packer
Packer	4.00			3881.00	
Stubb	1.00			3882.00	
Perforations	17.00			3899.00	
Recorder	0.00	8018	Inside	3899.00	
Recorder	0.00	6751	Outside	3899.00	
Perforations	0.00			3899.00	
Change Over Sub	1.00			3900.00	
Drill Pipe	31.00			3931.00	
Change Over Sub	1.00			3932.00	
Bullnose	3.00			3935.00	54.00 Bottom Packers & Anchor
Total Tool Length:	81.50				



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum Inc.

7-15s-25w Trego,KS

4924 SE 84th St.
New ton, KS 67114

Valentine #1

Job Ticket: 48452

DST#: 2

ATTN: Ryan Seib

Test Start: 2012.09.17 @ 22:22:00

Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

deg API

Mud Weight: 9.00 lb/gal

Cushion Length:

ft

Water Salinity:

ppm

Viscosity: 52.00 sec/qt

Cushion Volume:

bbl

Water Loss: 8.76 in³

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 3900.00 ppm

Filter Cake: 1.00 inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
5.00	OCM 5o 95m	0.070

Total Length: 5.00 ft Total Volume: 0.070 bbl

Num Fluid Samples: 0

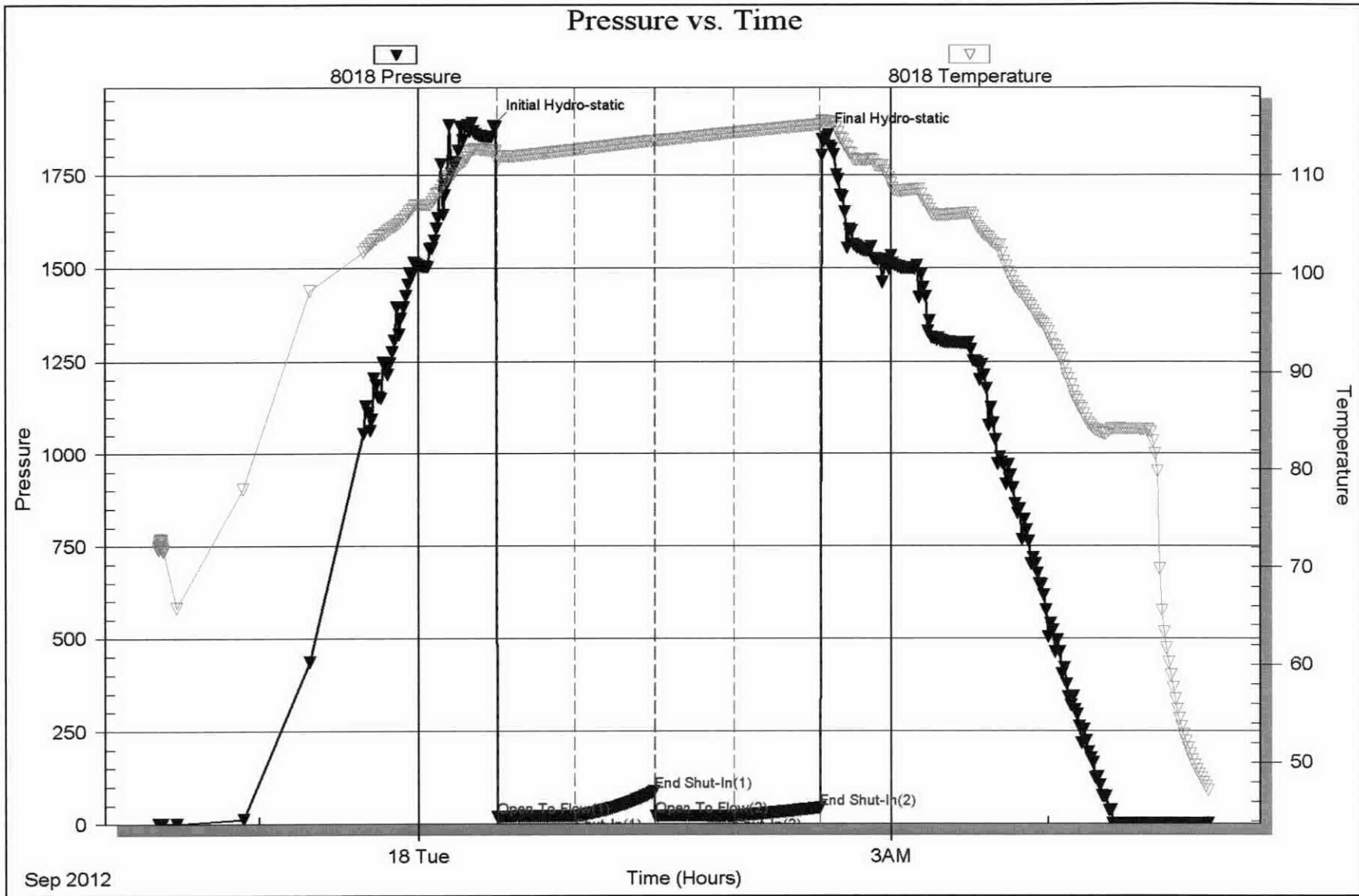
Num Gas Bombs: 0

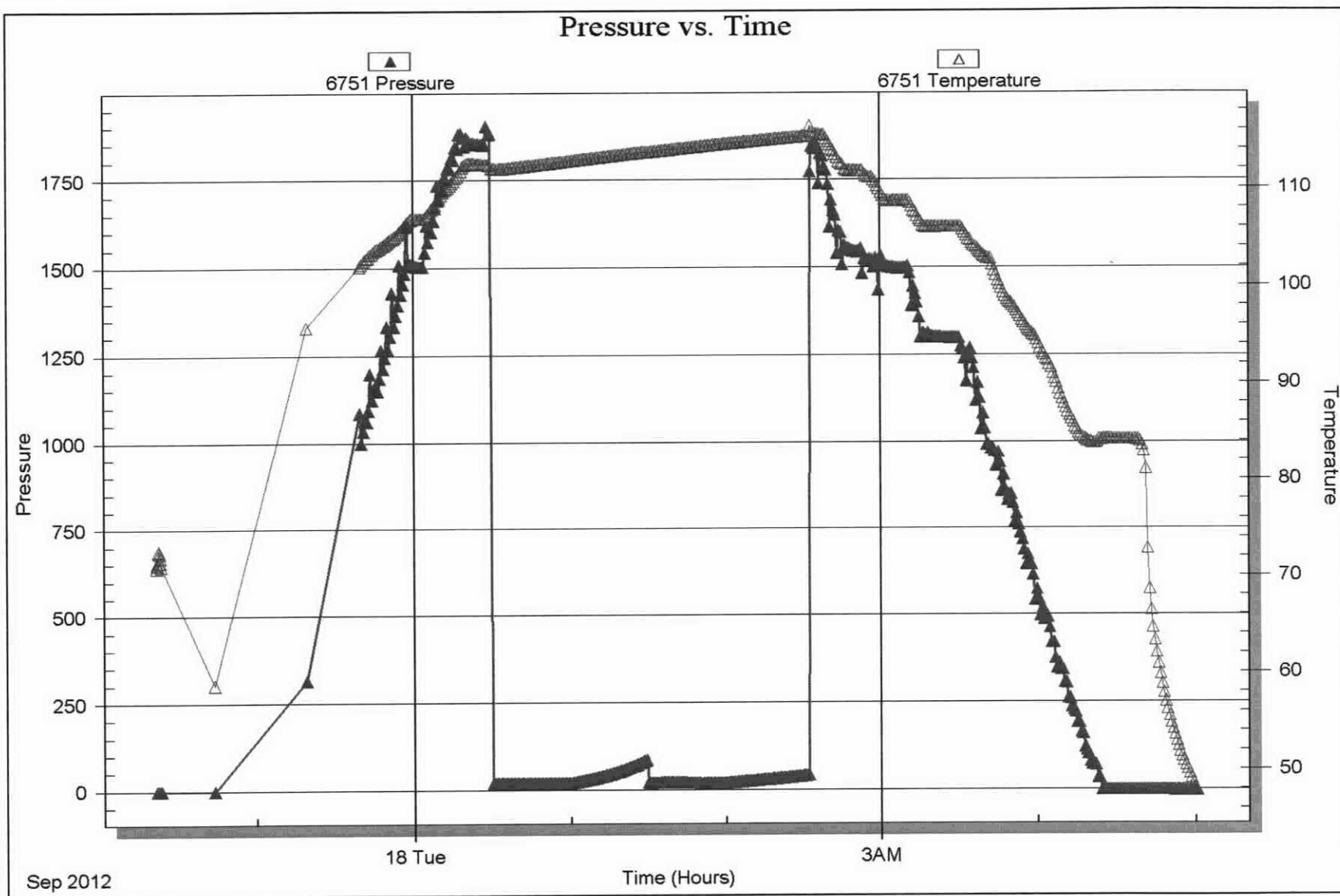
Serial #:

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

Valentine #1

7-15s-25w Trego,KS

Start Date: 2012.09.19 @ 09:07:00

End Date: 2012.09.19 @ 16:28:39

Job Ticket #: 48453 DST #: 3

Trilobite Testing, Inc

PO Box 362 Hays, KS 67601

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

Printed: 2012.09.24 @ 15:49:24

Palomino Petroleum Inc.

7-15s-25w Trego,KS

Valentine #1

DST # 3

Mississippiplan

2012.09.19



TRILOBITE TESTING, INC

DRILL STEM TEST REPORT

Palomino Petroleum Inc.

7-15s-25w Trego,KS

4924 SE 84th St.
New ton, KS 67114

Valentine #1

Job Ticket: 48453

DST#: 3

ATTN: Ryan Seib

Test Start: 2012.09.19 @ 09:07:00

GENERAL INFORMATION:

Formation: **Mississippian**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 11:28:20

Time Test Ended: 16:28:39

Test Type: Conventional Bottom Hole (Reset)

Tester: Chuck Smith

Unit No: 62

Interval: 4224.00 ft (KB) To 4298.00 ft (KB) (TVD)

Reference Elevations: 2364.00 ft (KB)

Total Depth: 4298.00 ft (KB) (TVD)

2354.00 ft (CF)

Hole Diameter: 7.88 inches Hole Condition: Good

KB to GR/CF: 10.00 ft

Serial #: 8018 Inside

Press@RunDepth: 79.23 psig @ 4232.00 ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.09.19

End Date:

2012.09.19

Last Calib.: 2012.09.19

Start Time: 09:07:01

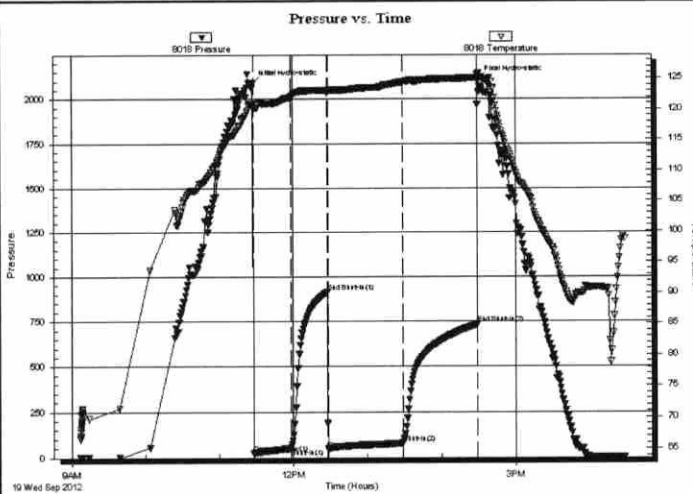
End Time:

16:28:40

Time On Btm: 2012.09.19 @ 11:27:00

Time Off Btm: 2012.09.19 @ 14:29:30

TEST COMMENT: 9" Blow .
No return.
B.O.B. @ 45 min.
Weak surface return died @ 15 min.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2089.34	120.94	Initial Hydro-static
2	23.40	120.14	Open To Flow (1)
32	51.72	121.95	Shut-In(1)
62	915.13	123.08	End Shut-In(1)
62	48.61	122.92	Open To Flow (2)
122	79.23	124.40	Shut-In(2)
182	733.45	125.10	End Shut-In(2)
183	2105.84	125.86	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
122.00	GOCM 10g 25 o 65m	1.71
31.00	GOCM 10g 40o 50m	0.43

* 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.

7-15s-25w Trego, KS

4924 SE 84th St.
New ton, KS 67114

Valentine #1

Job Ticket: 48453

DST#: 3

ATTN: Ryan Seib

Test Start: 2012.09.19 @ 09:07:00

Tool Information

Drill Pipe:	Length: 4224.00 ft	Diameter: 3.80 inches	Volume: 59.25 bbl	Tool Weight: 2300.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: inches	Volume: 0.00 bbl	Weight set on Packer: 22000.00 lb
Drill Collar:	Length: 0.00 ft	Diameter: 2.25 inches	Volume: 0.00 bbl	Weight to Pull Loose: 85000.00 lb
			<u>Total Volume: 59.25 bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	27.50 ft			String Weight: Initial 74000.00 lb
Depth to Top Packer:	4224.00 ft			Final 75000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	74.00 ft			
Tool Length:	101.50 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			4197.50	
Shut In Tool	5.00			4202.50	
Hydraulic tool	5.00			4207.50	
Jars	5.00			4212.50	
Safety Joint	2.50			4215.00	
Packer	5.00			4220.00	27.50 Bottom Of Top Packer
Packer	4.00			4224.00	
Stubb	1.00			4225.00	
Perforations	7.00			4232.00	
Recorder	0.00	8018	Inside	4232.00	
Recorder	0.00	6751	Outside	4232.00	
Perforations	0.00			4232.00	
Change Over Sub	1.00			4233.00	
Drill Pipe	61.00			4294.00	
Change Over Sub	1.00			4295.00	
Bullnose	3.00			4298.00	74.00 Bottom Packers & Anchor
Total Tool Length:	101.50				



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum Inc.

7-15s-25w Trego,KS

4924 SE 84th St.
New ton, KS 67114

Valentine #1

Job Ticket: 48453

DST#: 3

ATTN: Ryan Seib

Test Start: 2012.09.19 @ 09:07:00

Mud and Cushion Information

Mud Type: Gel Chem
Mud Weight: 9.00 lb/gal
Viscosity: 50.00 sec/qt
Water Loss: 8.37 in³
Resistivity: ohm.m
Salinity: 3800.00 ppm
Filter Cake: 1.00 inches

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

Oil API: deg API
Water Salinity: ppm

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
122.00	GOCM 10g 25 o 65m	1.711
31.00	GOCM 10g 40o 50m	0.435

Total Length: 153.00 ft Total Volume: 2.146 bbl

Num Fluid Samples: 0

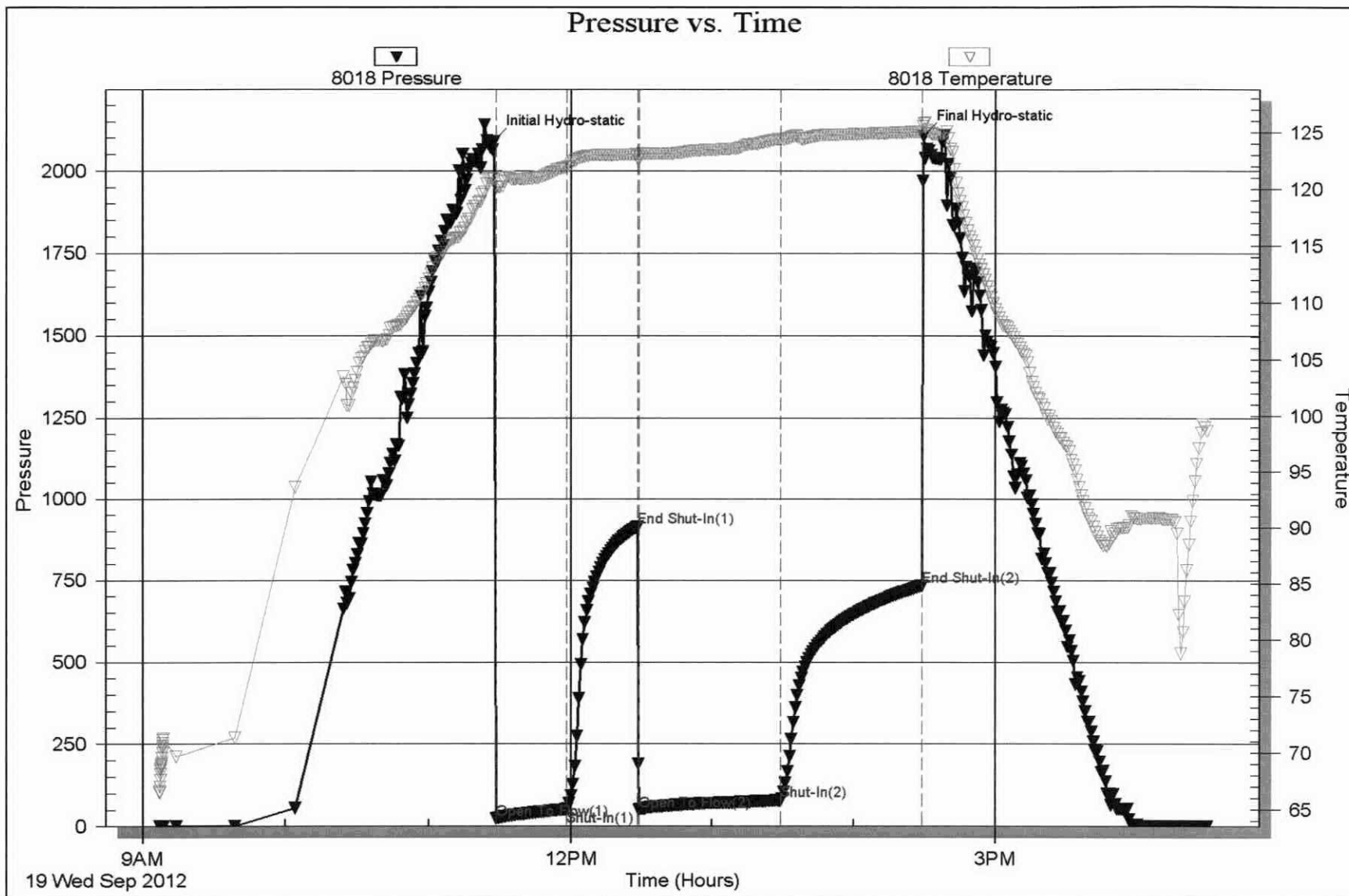
Num Gas Bombs: 0

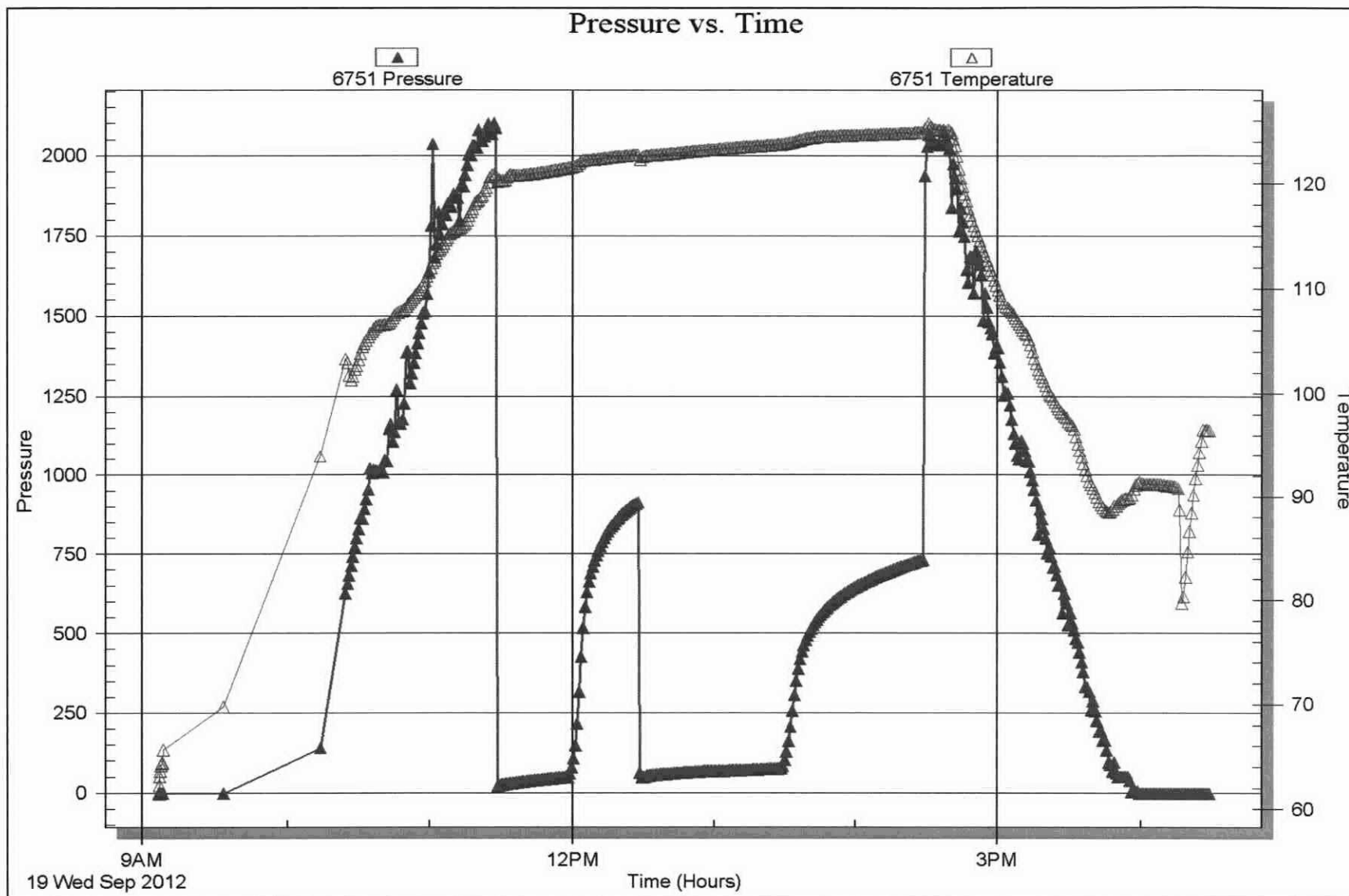
Serial #:

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

Valentine #1

7-15s-25w Trego,KS

Start Date: 2012.09.20 @ 00:52:00

End Date: 2012.09.20 @ 07:23:00

Job Ticket #: 48454 DST #: 4

Trilobite Testing, Inc

PO Box 362 Hays, KS 67601

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

Printed: 2012.09.24 @ 15:48:34



TRILOBITE TESTING, INC

DRILL STEM TEST REPORT

Palomino Petroleum Inc.

7-15s-25w Trego,KS

4924 SE 84th St.
New ton, KS 67114

Valentine #1

Job Ticket: 48454

DST#: 4

ATTN: Ryan Seib

Test Start: 2012.09.20 @ 00:52:00

GENERAL INFORMATION:

Formation: **Mississippian**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 03:14:30

Time Test Ended: 07:23:00

Test Type: Conventional Bottom Hole (Reset)

Tester: Chuck Smith

Unit No: 62

Interval: **4396.00 ft (KB) To 4323.00 ft (KB) (TVD)**

Reference Elevations: 2364.00 ft (KB)

Total Depth: 4323.00 ft (KB) (TVD)

2354.00 ft (CF)

Hole Diameter: 7.88 inches Hole Condition: Good

KB to GR/CF: 10.00 ft

Serial #: 8018 Inside

Press@RunDepth: 22.43 psig @ 4320.00 ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.09.20

End Date: 2012.09.20

Last Calib.: 2012.09.20

Start Time: 00:52:01

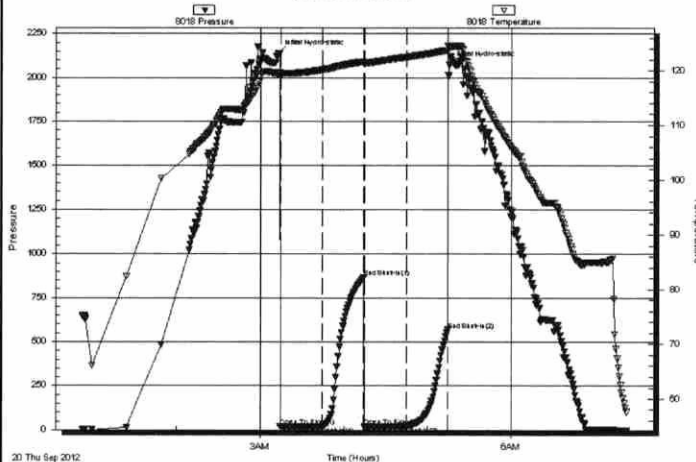
End Time: 07:23:00

Time On Btm: 2012.09.20 @ 03:12:30

Time Off Btm: 2012.09.20 @ 05:15:50

TEST COMMENT: 1/4" Blow .
No return.
No blow .
No return.

Pressure vs. Time



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2136.74	119.47	Initial Hydro-static
2	19.31	119.04	Open To Flow (1)
33	21.13	120.17	Shut-In(1)
62	867.14	121.69	End Shut-In(1)
63	21.65	121.23	Open To Flow (2)
93	22.43	122.52	Shut-In(2)
123	567.43	123.77	End Shut-In(2)
124	2072.15	124.28	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
10.00	OCM 2o 98m	0.14

* 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.

7-15s-25w Trego,KS

4924 SE 84th St.
New ton, KS 67114

Valentine #1

Job Ticket: 48454

DST#: 4

ATTN: Ryan Seib

Test Start: 2012.09.20 @ 00:52:00

Tool Information

Drill Pipe:	Length: 4295.00 ft	Diameter: 3.80 inches	Volume: 60.25 bbl	Tool Weight: 2300.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: inches	Volume: 0.00 bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 0.00 ft	Diameter: 2.25 inches	Volume: 0.00 bbl	Weight to Pull Loose: 90000.00 lb
			<u>Total Volume: 60.25 bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	26.50 ft			String Weight: Initial 74000.00 lb
Depth to Top Packer:	4296.00 ft			Final 74000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	27.00 ft			
Tool Length:	54.50 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			4269.50	
Shut In Tool	5.00			4274.50	
Hydraulic tool	5.00			4279.50	
Jars	5.00			4284.50	
Safety Joint	2.50			4287.00	
Packer	5.00			4292.00	27.50 Bottom Of Top Packer
Packer	4.00			4296.00	
Stubb	1.00			4297.00	
Perforations	23.00			4320.00	
Recorder	0.00	8018	Inside	4320.00	
Recorder	0.00	6751	Outside	4320.00	
Perforations	0.00			4320.00	
Bullnose	3.00			4323.00	27.00 Bottom Packers & Anchor

Total Tool Length: 54.50



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum Inc.

7-15s-25w Trego,KS

4924 SE 84th St.
New ton, KS 67114

Valentine #1

Job Ticket: 48454

DST#: 4

ATTN: Ryan Seib

Test Start: 2012.09.20 @ 00:52:00

Mud and Cushion Information

Mud Type: Gel Chem
Mud Weight: 9.00 lb/gal
Viscosity: 59.00 sec/qt
Water Loss: 8.38 in³
Resistivity: ohm.m
Salinity: 3800.00 ppm
Filter Cake: 1.00 inches

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

Oil API: deg API
Water Salinity: ppm

Recovery Information

Recovery Table

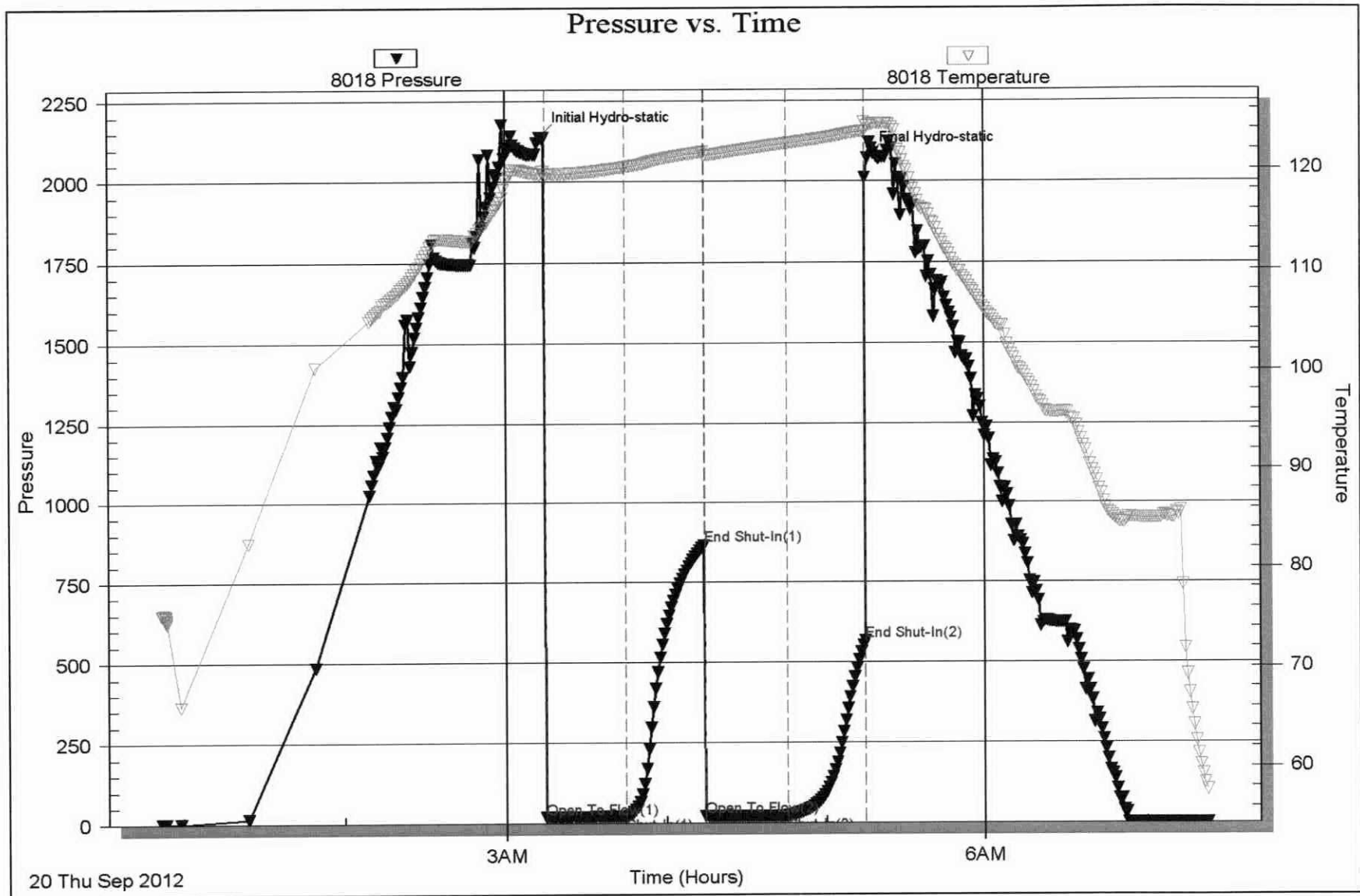
Length ft	Description	Volume bbl
10.00	OCM 2o 98m	0.140

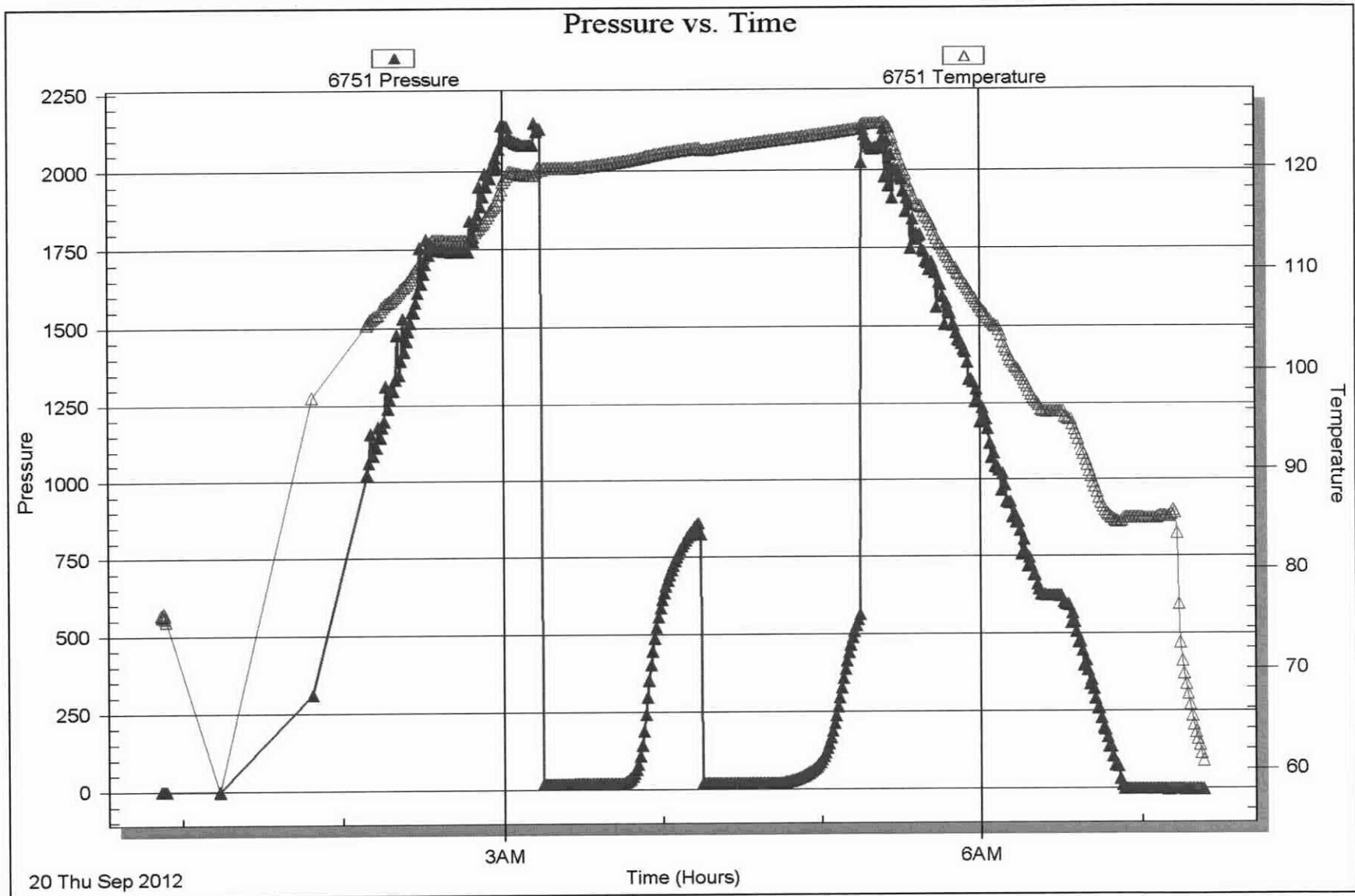
Total Length: 10.00 ft Total Volume: 0.140 bbl

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

Valentine #1

7-15s-25w Trego,KS

Start Date: 2012.09.20 @ 23:55:16

End Date: 2012.09.21 @ 08:30:31

Job Ticket #: 47868 DST #: 5

Trilobite Testing, Inc

PO Box 362 Hays, KS 67601

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

Printed: 2012.09.24 @ 15:47:34



TRILOBITE TESTING, INC

DRILL STEM TEST REPORT

Palomino Petroleum Inc.

7-15s-25w Trego,KS

4924 SE 84th St.
New ton, KS 67114

Valentine #1

Job Ticket: 47868

DST#: 5

ATTN: Ryan Seib

Test Start: 2012.09.20 @ 23:55:16

GENERAL INFORMATION:

Formation: **Ft Scott**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 03:12:31

Time Test Ended: 08:30:31

Test Type: Conventional Straddle (Reset)

Tester: Jason McLemore

Unit No: 54

Interval: 4144.00 ft (KB) To 4220.00 ft (KB) (TVD)

Reference Elevations: 2364.00 ft (KB)

Total Depth: 4380.00 ft (KB) (TVD)

2354.00 ft (CF)

Hole Diameter: 7.88 inches Hole Condition: Good

KB to GR/CF: 10.00 ft

Serial #: 8366 Inside

Press@RunDepth: 170.05 psig @ 4211.00 ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.09.20

End Date: 2012.09.21

Last Calib.: 2012.09.21

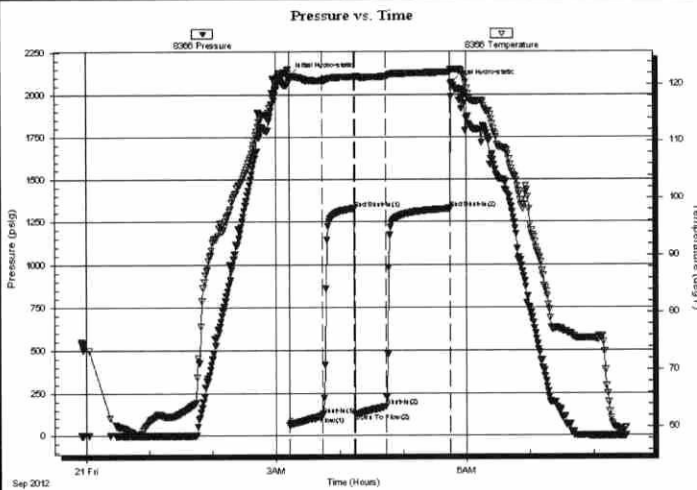
Start Time: 23:55:18

End Time: 08:30:31

Time On Btm: 2012.09.21 @ 03:12:16

Time Off Btm: 2012.09.21 @ 05:45:31

TEST COMMENT: IFF-Strong, BOB in 4 Min.
ISI-Blow back Built to 3/4"
FFP-Strong, BOB in 5 Min.
FSI-Blow back Built to 1"



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2110.45	121.15	Initial Hydro-static
1	60.92	120.59	Open To Flow (1)
32	117.19	120.73	Shut-In(1)
62	1325.75	121.40	End Shut-In(1)
62	131.82	121.23	Open To Flow (2)
91	170.05	121.43	Shut-In(2)
152	1326.14	122.22	End Shut-In(2)
154	2067.16	122.67	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
330.00	GMO 30%G 60%O 10%M	4.63
0.00	1710' 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.

7-15s-25w Trego,KS

4924 SE 84th St.
New ton, KS 67114

Valentine #1

Job Ticket: 47868

DST#: 5

ATTN: Ryan Seib

Test Start: 2012.09.20 @ 23:55:16

Tool Information

Drill Pipe:	Length: 4136.00 ft	Diameter: 3.80 inches	Volume: 58.02 bbl	Tool Weight: 2300.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: inches	Volume: 0.00 bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 0.00 ft	Diameter: 2.25 inches	Volume: 0.00 bbl	Weight to Pull Loose: 85000.00 lb
			<u>Total Volume: 58.02 bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	20.00 ft			String Weight: Initial 75000.00 lb
Depth to Top Packer:	4144.00 ft			Final 76000.00 lb
Depth to Bottom Packer:	4220.00 ft			
Interval between Packers:	76.00 ft			
Tool Length:	264.00 ft			
Number of Packers:	3	Diameter: 6.75 inches		
Tool Comments:				

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths
Change Over Sub	1.00			4117.00	
Shut In Tool	5.00			4122.00	
Hydraulic tool	5.00			4127.00	
Jars	5.00			4132.00	
Safety Joint	2.00			4134.00	
Packer	5.00			4139.00	28.00 Bottom Of Top Packer
Packer	5.00			4144.00	
Stubb	1.00			4145.00	
Perforations	2.00			4147.00	
Change Over Sub	1.00			4148.00	
Blank Spacing	62.00			4210.00	
Change Over Sub	1.00			4211.00	
Recorder	0.00	8366	Inside	4211.00	
Recorder	0.00	8789	Outside	4211.00	
Perforations	5.00			4216.00	
Blank Off Sub	1.00			4217.00	
Blank Spacing	3.00			4220.00	76.00 Tool Interval
Packer	1.00			4221.00	
Change Over Sub	1.00			4222.00	
Recorder	0.00	8289	Below	4222.00	
Blank Spacing	154.00			4376.00	
Change Over Sub	1.00			4377.00	
Bullnose	3.00			4380.00	160.00 Bottom Packers & Anchor
Total Tool Length:	264.00				



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum Inc.

7-15s-25w Trego,KS

4924 SE 84th St.
New ton, KS 67114

Valentine #1

Job Ticket: 47868

DST#: 5

ATTN: Ryan Seib

Test Start: 2012.09.20 @ 23:55:16

Mud and Cushion Information

Mud Type: Gel Chem
Mud Weight: 9.00 lb/gal
Viscosity: 45.00 sec/qt
Water Loss: 7.96 in³
Resistivity: ohm.m
Salinity: 2200.00 ppm
Filter Cake: 1.00 inches

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

Oil API: 38 deg API
Water Salinity: ppm

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
330.00	GMO 30%G 60%O 10%M	4.629
0.00	1710' GIP	0.000

Total Length: 330.00 ft Total Volume: 4.629 bbl

Num Fluid Samples: 0

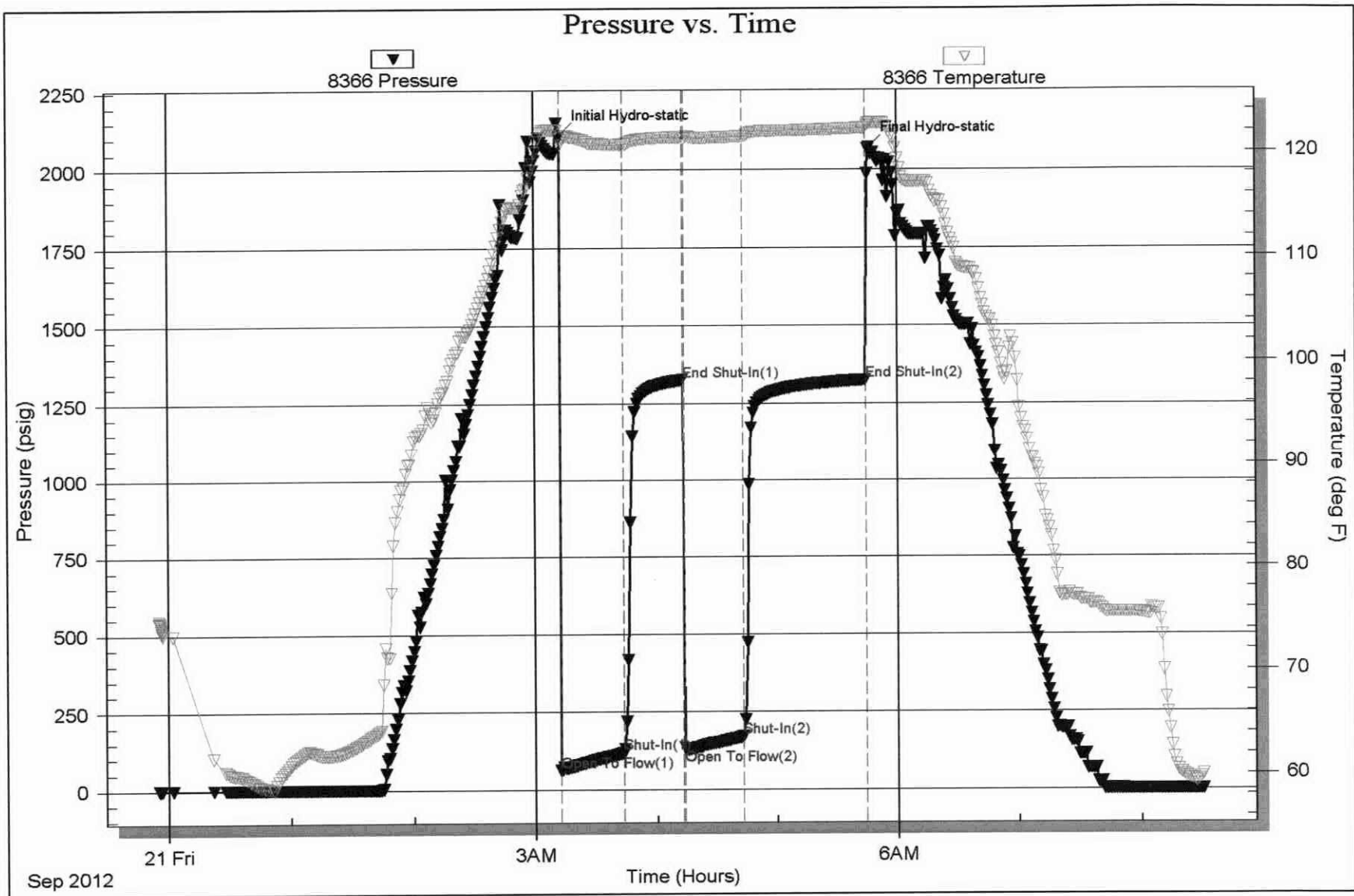
Num Gas Bombs: 0

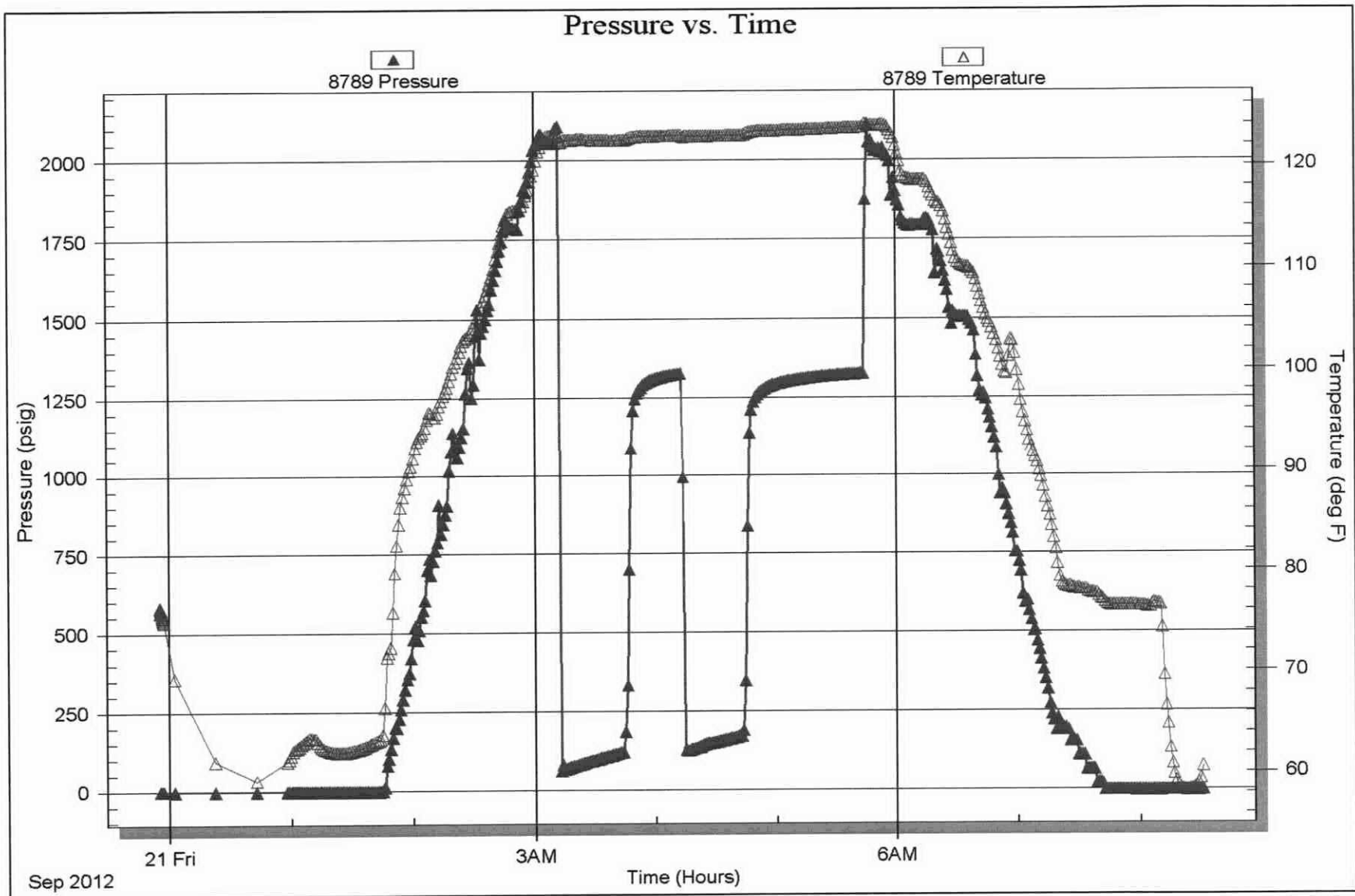
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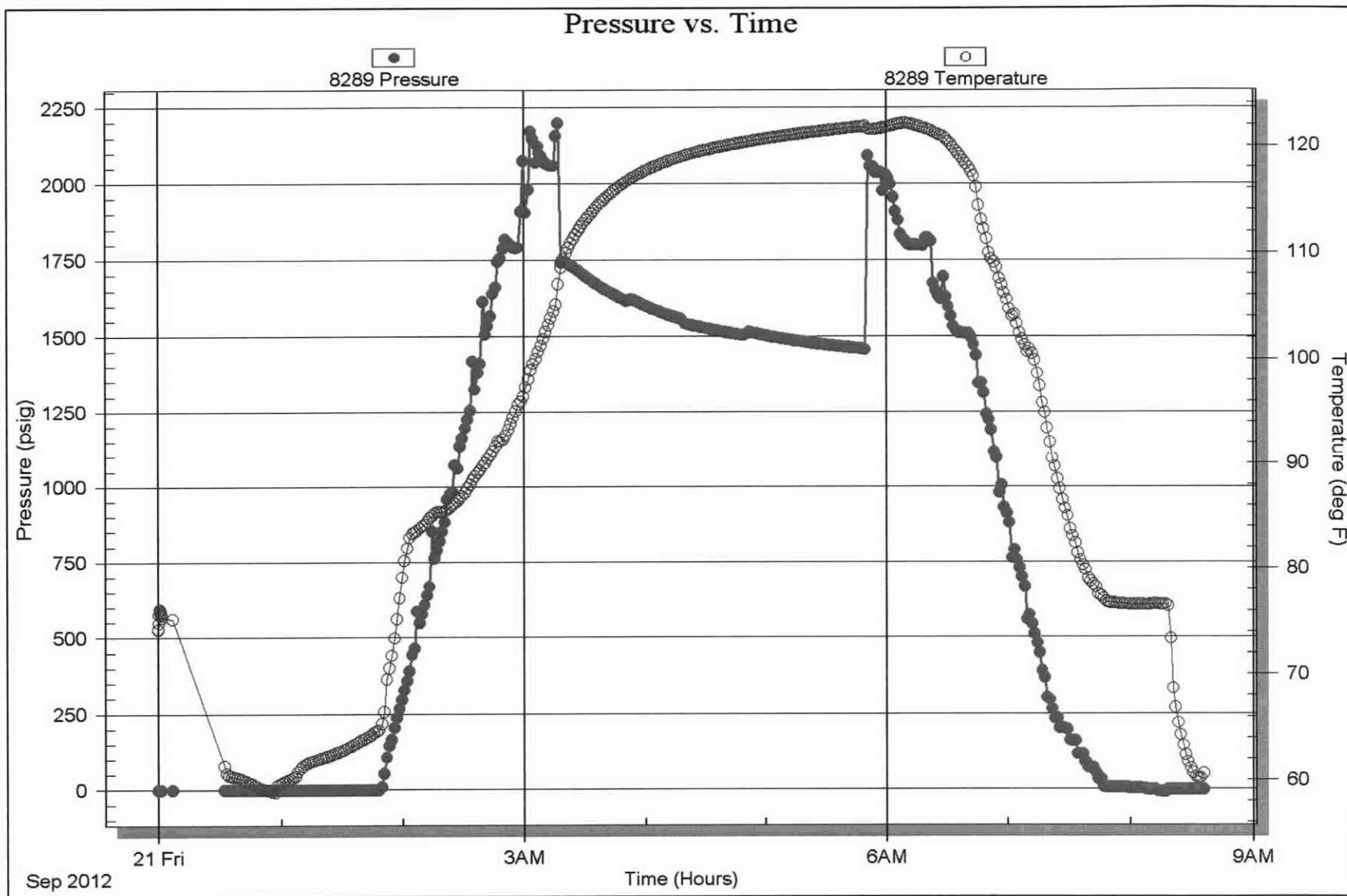
Laboratory Name:

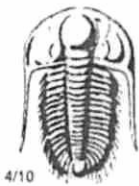
Laboratory Location:

Recovery Comments:









TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 48451

Well Name & No. Valentine #1 Test No. 1 Date 9-17-12
 Company Palomino Petroleum Inc. Elevation _____ KB 2354 GL _____
 Address 4924 SE 84th St. Newton, KS 67114
 Co. Rep / Geo. Ryan Seib Rig Val #2
 Location: Sec. 7 Twp. 15s Rge. 25w Co. Gove Trego State KS

Interval Tested 3810-3880 Zone Tested Lansing
 Anchor Length 70 Drill Pipe Run 3795 Mud Wt. 9.1
 Top Packer Depth 3804 Drill Collars Run 0 Vis 45
 Bottom Packer Depth 3810 Wt. Pipe Run 0 WL 8.0
 Total Depth 3880 Chlorides 2200 ppm System LCM 1"
 Blow Description B.O.B. @ 27 min.
No return.
B.O.B. @ 10 min.

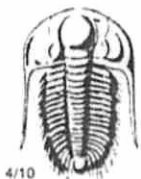
Rec	Feet of	%gas	%oil	%water	%mud
Rec <u>5</u>	Feet of <u>0cm</u>	%gas	<u>45</u> %oil	%water	<u>55</u> %mud
Rec <u>120</u>	Feet of <u>60cm</u>	<u>10</u> %gas	<u>25</u> %oil	%water	<u>65</u> %mud
Rec _____	Feet of _____	%gas	%oil	%water	%mud
Rec _____	Feet of _____	%gas	%oil	%water	%mud

Rec Total 125 BHT 119 Gravity — API RW _____ @ _____ °F Chlorides — ppm

(A) Initial Hydrostatic 1832 Test _____ T-On Location 3:45
 (B) First Initial Flow 24 Jars 250 _____ T-Started 4:24
 (C) First Final Flow 50 Safety Joint 75 _____ T-Open 7:05
 (D) Initial Shut-In 1152 Circ Sub NIC _____ T-Pulled 9:05
 (E) Second Initial Flow 52 Hourly Standby _____ T-Out 11:03
 (F) Second Final Flow 75 Mileage 120 RT 186 _____ Comments _____
 (G) Final Shut-In 1134 Sampler _____
 (H) Final Hydrostatic 1816 Straddle _____ Ruined Shale Packer _____
 Shale Packer _____ Ruined Packer _____
 Extra Packer _____ Extra Copies _____
 Initial Open 30 Extra Recorder _____ Sub Total 0
 Initial Shut-In 30 Day Standby _____ Total 1661
 Final Flow 30 Accessibility _____ MP/DST Disc't _____
 Final Shut-In 30 Sub Total 1661

Approved By [Signature] Our Representative Chuck Smith

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. 48452

Well Name & No. Valentine #1 Test No. 2 Date 9-17-12
 Company Palomino Petroleum Inc. Elevation _____ KB 2354 GL _____
 Address 4924 SE 84th St. Newton, KS 67114
 Co. Rep / Geo. Ryan Scib Rig Val#2
 Location: Sec. 7 Twp. 25w 15s Rge. 25w Co. Trego State KS

Interval Tested 3881-3935 Zone Tested Lansing
 Anchor Length 54 Drill Pipe Run 3887 Mud Wt. 9.3
 Top Packer Depth 3877 Drill Collars Run 0 Vis 52
 Bottom Packer Depth 3881 Wt. Pipe Run 0 WL 8.8
 Total Depth 3935 Chlorides 3900 ppm System LCM 1

Blow Description Surface blow died @ 9 min.
No return.
Surface blow died @ 7 min.
No return.

Rec	Feet of	%gas	%oil	%water	%mud
Rec <u>5</u>	Feet of <u>OCM</u>	%gas	<u>3</u> %oil	%water	<u>97</u> %mud
Rec _____	Feet of _____	%gas	%oil	%water	%mud
Rec _____	Feet of _____	%gas	%oil	%water	%mud
Rec _____	Feet of _____	%gas	%oil	%water	%mud

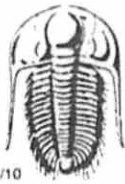
Rec Total 5 BHT 115 Gravity - API RW _____ @ _____ °F Chlorides - ppm

(A) Initial Hydrostatic 1882 Test 1150 T-On Location 22:00
 (B) First Initial Flow 19 Jars 250 T-Started 22:22
 (C) First Final Flow 21 Safety Joint 75 T-Open 00:30
 (D) Initial Shut-In 88 Circ Sub N/C T-Pulled 02:33
 (E) Second Initial Flow 21 Hourly Standby _____ T-Out 5:01
 (F) Second Final Flow 21 Mileage 120RT 186 Comments _____
 (G) Final Shut-In 43 Sampler _____
 (H) Final Hydrostatic 1846 Straddle _____ Ruined Shale Packer _____

Shale Packer 250 Ruined Packer _____
 Extra Packer _____ Extra Copies _____
 Initial Open 30 Extra Recorder _____ Sub Total 0
 Initial Shut-In 30 Day Standby _____ Total _____
 Final Flow 30 Accessibility _____ MP/DST Disc't _____
 Final Shut-In 30 Sub Total 1911

Approved By _____ Our Representative Chuck Amiel

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. 48453

Well Name & No. Valentine #1 Test No. 3 Date 9-19-12
 Company Palomino Petroleum Inc. Elevation _____ KB 2354 GL _____
 Address 4924 SE 84th St. Newton, KS 67114
 Co. Rep / Geo. Ryan Scib Rig Val#2
 Location: Sec. 7 Twp. 15s Rge. 25W Co. Trego State KS

Interval Tested 4224 - 4298 Zone Tested Mississippian
 Anchor Length 74 Drill Pipe Run 4224 Mud Wt. 9.3
 Top Packer Depth 4220 Drill Collars Run 0 Vis 50
 Bottom Packer Depth 4224 Wt. Pipe Run 0 WL 8.7
 Total Depth 4298 Chlorides 3800 ppm System LCM 2"
 Blow Description 9" Blow
No return.
B.O.B. @ 45 min
Weak surface return died @ 15 min

Rec	Feet of	%gas	%oil	%water	%mud
Rec <u>31</u>	Feet of <u>60CM</u>	<u>10</u> %gas	<u>40</u> %oil	<u>50</u> %water	<u>50</u> %mud
Rec <u>122</u>	Feet of <u>60CM</u>	<u>10</u> %gas	<u>25</u> %oil	<u>65</u> %water	<u>65</u> %mud
Rec _____	Feet of _____	_____ %gas	_____ %oil	_____ %water	_____ %mud
Rec _____	Feet of _____	_____ %gas	_____ %oil	_____ %water	_____ %mud

Rec Total 153 BHT 125 Gravity - API RW _____ @ _____ °F Chlorides _____ ppm

(A) Initial Hydrostatic 2089 Test 1250 T-On Location 8:30
 (B) First Initial Flow 23 Jars 250 T-Started 9:07
 (C) First Final Flow 52 Safety Joint 75 T-Open 11:28
 (D) Initial Shut-In 915 Circ Sub NIC T-Pulled 14:29
 (E) Second Initial Flow 49 Hourly Standby _____ T-Out 16:29
 (F) Second Final Flow 79 Mileage 120RT 186 Comments _____
 (G) Final Shut-In 733 Sampler _____
 (H) Final Hydrostatic 2106 Straddle _____ Ruined Shale Packer _____
 Shale Packer 250 Ruined Packer _____
 Extra Packer _____ Extra Copies _____
 Extra Recorder _____ Sub Total 116.67
 Day Standby 1d 3.5hrs Total 2127.67
 Accessibility _____ MP/DST Disc't _____
 Sub Total _____

Approved By _____ Our Representative Chuck Amick

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. 48454

Well Name & No. Valentine #1 Test No. 4 Date 9-20-12
 Company Palomino Petroleum Inc. Elevation _____ KB 2354 GL _____
 Address 4924 SE 84th St. Newton, KS 67114
 Co. Rep / Geo. Ryan Scib Rig Val #2
 Location: Sec. 7 Twp. 15s Rge. 25w Co. Trego State KS

Interval Tested 4296 - 4323 Zone Tested Mississippian
 Anchor Length 27 Drill Pipe Run 4295 Mud Wt. 9.3
 Top Packer Depth 4292 Drill Collars Run 0 Vis 59
 Bottom Packer Depth 4296 Wt. Pipe Run 0 WL 8.4
 Total Depth 4323 Chlorides 3800 ppm System LCM 1"
 Blow Description 1/4" Blow
No return
No blow
No return

Rec	Feet of	%gas	%oil	%water	%mud
Rec <u>10</u>	Feet of <u>OCM</u>	%gas	<u>2</u> %oil	%water <u>98</u>	%mud
Rec _____	Feet of _____	%gas	%oil	%water	%mud
Rec _____	Feet of _____	%gas	%oil	%water	%mud
Rec _____	Feet of _____	%gas	%oil	%water	%mud

Rec Total 10 BHT 124 Gravity - API RW _____ @ _____ °F Chlorides - ppm _____

(A) Initial Hydrostatic 2137 Test 1250 T-On Location 00:50
 (B) First Initial Flow 19 Jars 250 T-Started 00:52
 (C) First Final Flow 21 Safety Joint 75 T-Open 3:15
 (D) Initial Shut-In 867 Circ Sub NIC T-Pulled 5:15
 (E) Second Initial Flow 22 Hourly Standby _____ T-Out 7:23
 (F) Second Final Flow 22 Mileage 120 186 Comments _____
 (G) Final Shut-In 567 Sampler _____
 (H) Final Hydrostatic 2072 Straddle _____ Ruined Shale Packer _____
 Shale Packer 250 Ruined Packer 320
 Extra Packer _____ Extra Copies _____
 Initial Open 30 Extra Recorder _____ Sub Total 320
 Initial Shut-In 30 Day Standby _____ Total 2331
 Final Flow 30 Accessibility _____ MP/DST Disc't _____
 Final Shut-In 30 Sub Total _____

Approved By _____

Our Representative Chuck Amiel

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. 47868

Well Name & No. Valentine #1 Test No. 5 Date 9-20-12
 Company Palomino Petroleum, Inc. Elevation 2364 KB 2354 GL
 Address 4924 SE 84th Street, Newton, KS 67114
 Co. Rep / Geo. Ryan Stib Rig Val #2
 Location: Sec. 7 Twp. 15s Rge. 25w Co. Trego State KS

Interval Tested 4144 - 4220 Zone Tested Ft Scott
 Anchor Length 76' Drill Pipe Run 4136 Mud Wt. 9.4
 Top Packer Depth 4139 Drill Collars Run 0 Vis 60
 Bottom Packer Depth 4144 st1 @ 4220 Wt. Pipe Run 0 WL 7.0
 Total Depth 4380 Chlorides 4100 ppm System LCM 2#
 Blow Description IFP - Strong, BOB in 4 min.
ISI - Blowback Built to 3/4"
FFP - Strong, BOB in 5 min.
FSI - Blowback Built to 1"

Rec	Feet of	%gas	%oil	%water	%mud
330	Gassy Muddy oil	30	60	10	
	1710 GIP				

Rec Total 330 BHT 122 Gravity 38 API RW @ _____ °F Chlorides _____ ppm

(A) Initial Hydrostatic 2110 Test 1250 T-On Location 23:09
 (B) First Initial Flow 61 Jars 250 T-Started 23:55
 (C) First Final Flow 117 Safety Joint 75 T-Open 3:12
 (D) Initial Shut-In 1324 Circ Sub _____ T-Pulled 5:42
 (E) Second Initial Flow 132 Hourly Standby _____ T-Out 8:33
 (F) Second Final Flow 170 Mileage 140.7 186 Comments _____
 (G) Final Shut-In 1326 Sampler _____
 (H) Final Hydrostatic 2067 Straddle 600 Ruined Shale Packer _____
 Shale Packer _____ Ruined Packer _____
 Extra Packer _____ Extra Copies _____
 Extra Recorder _____ Sub Total _____
 Day Standby _____ Total 2361
 Accessibility _____ MP/DST Disc't _____
 Sub Total 2361

Approved By _____ Our Representative Jason Mc Samon Thank You

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.



RECEIVED

SEP 24 2012

INVOICE

PO Box 93999
Southlake, TX 76092

Invoice Number: 132699

Invoice Date: Sep 13, 2012

Voice: (817) 546-7282

Page: 1

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	Valentine #1	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS2-01	Great Bend	Sep 13, 2012	10/13/12

Quantity	Item	Description	Unit Price	Amount
150.00	MAT	Class A Common	17.90	2,685.00
3.00	MAT	Gel	23.40	70.20
5.00	MAT	Chloride	64.00	320.00
162.09	SER	Cubic Feet	2.48	401.98
266.40	SER	Ton Mileage	2.60	692.64
1.00	SER	Surface	1,512.25	1,512.25
36.00	SER	Pump Truck Mileage	7.70	277.20
36.00	SER	Light Vehicle Mileage	4.40	158.40
1.00	CEMENTER	Wayne Davis		
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

\$ 1529.41

ONLY IF PAID ON OR BEFORE

Oct 8, 2012

Subtotal	6,117.67
Sales Tax	209.11
Total Invoice Amount	6,326.78
Payment/Credit Applied	
TOTAL	6,326.78

ALLIED OIL & GAS SERVICES, LLC 053733

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

SERVICE POINT:

Crest & Bond

DATE <u>9-13-12</u>	SEC <u>7</u>	TWP <u>15</u>	RANGE <u>25</u>	CALLED OUT	ON LOCATION	JOB START <u>7:30 AM</u>	JOB FINISH <u>8:00 AM</u>
LEASE <u>Valentine</u>	WELL # <u>1</u>	LOCATION <u>Utica East ROE Swath</u>			COUNTY <u>Mass</u>	STATE <u>KS</u>	
OLD OR <input checked="" type="checkbox"/> NEW (Circle one)				<u>East into</u>		<u>6.8</u>	

CONTRACTOR Val 2

TYPE OF JOB Sucker

HOLE SIZE 12 1/4 T.D. 233

CASING SIZE 8 1/2 DEPTH 225

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. 15

PERFS.

DISPLACEMENT 13.25 BBLs

EQUIPMENT

OWNER Palomino 2-01

CEMENT

AMOUNT ORDERED 150SX Class A + 3%cc + 2%gel

PUMP TRUCK CEMENTER Wayne Davis

366 HELPER Kevin Eddy

BULK TRUCK

341 DRIVER Alan C

BULK TRUCK

DRIVER

COMMON	<u>150</u>	@ <u>17.90</u>	<u>2,685.00</u>
POZMIX		@	
GEL	<u>3</u>	@ <u>33.40</u>	<u>70.20</u>
CHLORIDE	<u>4005</u>	@ <u>64.00</u>	<u>320.00</u>
ASC		@	
		@	
		@	
		@	
		@	
		@	
		@	
HANDLING	<u>162.09</u>	@ <u>2.48</u>	<u>401.98</u>
MILEAGE	<u>7.4 x 36 x</u>	<u>2.60</u>	<u>692.64</u>
	<u>266.90</u>	TOTAL	<u>4,169.82</u>

REMARKS:

Pipe on bottom Break circulation
with Rig mud
Run 3 BBLs water ahead
mix 150SX Class A + 3%cc + 2%gel
Displace BBLs flush
Shut in
Cement did circulate

SERVICE

DEPTH OF JOB	<u>226</u>		
PUMP TRUCK CHARGE		<u>1512.35</u>	
EXTRA FOOTAGE		@	
MILEAGE	<u>Hum 36</u>	@ <u>7.70</u>	<u>277.80</u>
MANIFOLD		@	
	<u>Hum 36</u>	@ <u>4.40</u>	<u>158.40</u>
		@	

CHARGE TO: Palomino

STREET _____

CITY _____ STATE _____ ZIP _____

TOTAL 1947.85

PLUG & FLOAT EQUIPMENT

	@		
	@		
	@		
	@		
	@		

TOTAL _____

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

PRINTED NAME Rick Smith

SIGNATURE Rick Smith

SALES TAX (If Any)	<u>209.11</u>	
TOTAL CHARGES	<u>6,117.67</u>	
DISCOUNT	<u>1,529.41</u>	IF PAID IN 30 DAYS
	<u>4,588.25</u>	



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



Invoice

DATE	INVOICE #
9/21/2012	23291

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

RECEIVED
SEP 26 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Valentine	Trego	Val Energy #2	Oil	Development	Cement LongStri...	Blaine
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				40	Miles	6.00	240.00
578D-L	Pump Charge - Long String				1	Job	1,500.00	1,500.00
403-5	5 1/2" Cement Basket				4	Each	250.00	1,000.00T
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				15	Each	90.00	1,350.00T
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				458.28	Ton Miles	1.00	458.28
	Subtotal							12,780.78
	Sales Tax Trego County						6.80%	689.01
We Appreciate Your Business!							Total	\$13,469.79



CHARGE TO: Palamino Petroleum

ADDRESS

CITY, STATE, ZIP CODE

TICKET
N° 23291

PAGE 1 OF 2

SERVICE LOCATIONS 1. <u>Wichita KS</u>	WELL/PROJECT NO. <u>#1</u>	LEASE <u>Valentine</u>	COUNTY/PARISH <u>Trego</u>	STATE <u>KS</u>	CITY <u>Utica</u>	DATE <u>21 SEP 12</u>	OWNER
2.	TICKET TYPE <input type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <u>VAL</u>	RIG NAME/NO. <u>2</u>	SHIPPED VIA <u>CT</u>	DELIVERED TO <u>location</u>	ORDER NO.	
3.	WELL TYPE <u>oil</u>	WELL CATEGORY <u>Development</u>	JOB PURPOSE <u>cement long string</u>	WELL PERMIT NO.	WELL LOCATION <u>7-15-25W</u>		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575		1			MILEAGE TRX 114	40		mi		6.00	240.00
578		1			Pump Charge	1		ea		1500.00	1500.00
403		1			Cement Basket	5 1/2	4	in	ea	250.00	1000.00
404		1			PORT COLLAR	5 1/2	1	in	ea	2400.00	2400.00
406		1			Latchdown Plug & Baffle	5 1/2	1	in	ea	250.00	250.00
407		1			Insert Float shoe w/ AUTO PILL	5 1/2	1	in	ea	350.00	350.00
409		1			TURBOLIZER	5 1/2	15	in	ea	90.00	1350.00

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 1	7090.00
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				2	5690.78
WE UNDERSTOOD AND MET YOUR NEEDS?				subtotal	12,780.78
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				Trego TAX 6.85%	689.01
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				TOTAL	13,469.79
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 _____ APPROVAL Pat [Signature]

Thank You!



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

TICKET CONTINUATION

TICKET No. 23291

CUSTOMER Palomino Petroleum WELL Valentine 1 DATE 21 SEP 12 PAGE 2 OF 2

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY.		QTY.	U/M	UNIT PRICE	AMOUNT
		LOC	ACCT	DF								
330		1				5 MD cement	125	sk			16 50	2062.50
325		1				STANDARD cement (for EA-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				flocel	50	lb			2 00	100 00
281		1				mudflush	500	gal			1 25	625 00
221		1				KCL liquid	4	gal			25 00	100 00
290		1				D-AIR	2	gal			35 00	70 00
581		1				SERVICE CHARGE	225				2 00	450 00
583		1				MILEAGE CHARGE		TOTAL WEIGHT	LOADED MILES		1 00	458 28
									40			458 28

CONTINUATION TOTAL 5690.78

JOB LOG

SWIFT Services, Inc.

DATE 2/15/12 PAGE NO.

CUSTOMER Palomares Petroleum WELL NO. 1 LEASE Valentine JOB TYPE Cement long string TICKET NO. 23291

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 SA-2 w/ 1/2" floccle RTD 4380 105jt 5 1/2 14" casing set at 4379' shoe jt 32.25 Casing size 1-14, 61 Best 2,8,15,62 Port Collar #62 18'00' on loc TRK 114
	1830							start 5 1/2" 14" casing in well circulate - drop ball
	1905							
	2100							
	2200	4 3/4	12				200	Pump 500 gal mud flush
		4 3/4	20				200	Pump 20 bbl KCL flush
	2205		10					Plug RH - MH 30 sk - 20 sks
	2220	4 3/4	28				200	mix SMD cement @ 12.7 ppg
		4 3/4	24				200	mix SA-2 cement 100 sk @ 15.3 ppg
	2235							Drop latch down plug wash out pump & line
	2240	6 3/4						Displace plug
		6 3/4	95				800	
	2300	6 3/4	106				1750	Land plug
	2305							Release pressure to truck - dried up wash truck Rack up
	2345							job complete Thanks F. Blaine, T.J. DAVE



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



Invoice

DATE	INVOICE #
9/27/2012	23299

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

RECEIVED
OCT 13 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Valentine	Trego	Cheyenne Well Se...	Oil	Development	Cement Port Collar	Blaine
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
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
104	Port Collar Tool Rental				1	Each	250.00	250.00T
581D	Service Charge Cement				200	Sacks	2.00	400.00
583D	Drayage				398.04	Ton Miles	1.00	398.04
	Subtotal							5,183.04
	Sales Tax Trego County						6.80%	196.86
We Appreciate Your Business!							Total	\$5,379.90



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

TICKET N° 23299

PAGE 1 OF 1

SERVICE LOCATIONS 1. <u>Ness City KS</u>	WELL/PROJECT NO. <u>1</u>	LEASE <u>Valentine</u>	COUNTY/PARISH <u>Trego</u>	STATE <u>KS</u>	CITY <u>Utica</u>	DATE <u>27 SEP 12</u>	OWNER
2.	TICKET TYPE <input type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <u>Chyenne</u>	RIG NAME/NO. <u>0</u>	SHIPPED VIA <u>CT</u>	DELIVERED TO <u>Location</u>	ORDER NO.	
3.	WELL TYPE <u>0-1</u>	WELL CATEGORY <u>Development</u>	JOB PURPOSE <u>cement port collar</u>	WELL PERMIT NO.	WELL LOCATION <u>7-15-25u</u>		
4.	REFERRAL LOCATION	INVOICE INSTRUCTIONS					

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575		1			MILEAGE TRK 114	40		mi		6.00	240.00
576D		1			Pump Charge	1		ea		1250.00	1250.00
330		1			S.M. cement	150		sk		16.50	2475.00
276		1			Flocele	50		lb		2.00	100.00
290		1			D-AIR	2		gal		35.00	70.00
104		1			Port Collar tool rental	1		ea		250.00	250.00
581		1			service charge	200		sk		2.00	400.00
583		1			Drayage	19902	16		38804 T/M	1.00	39804.00

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 Stem Winkler
 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	5183.04
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?				Trego TAX 6.8%	196.86
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	5379.90
<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 ABG bill APPROVAL _____

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 27 SEP 12 PAGE NO.

CUSTOMER Palmer WELL NO. #1 LEASE Valentine JOB TYPE cement port collar TICKET NO. 23289

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								200 sk SMD w/ 1/4" floccle 2 3/4" x 5 1/2" port collar at 1800'
	1500							on loc TRK114
	1538					1000	1000	test to 1000psi - hold open port collar
	1542	3	2			300		inj rate 3 bpm @ 300 psi
	1547	3 3/4				300		mix SMD cement @ 11.2 ppg
		3 3/4	7			300		fluid to surface
		3 3/4	82			500		— cement to surface —
								{ 150 sk mixed } { 15 topit }
	1605	3 3/4	6			500		pump 6 bbl H ₂ O close port collar
	1615					1000	1000	test to 1000psi - hold
	1625							Run 5 joints
	1632	3 3/4	20			300	300	Reverse hole clean 2 cement (blows)
								wash truck pull tool
	1725							job complete
								Plumber Blaine, Flint, TX & Dave