



KANSAS CORPORATION COMMISSION 1098236
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 # 4958
Name: Mallard, J. V., Inc.
Wellsite Geologist: Kevin Bailey
Purchaser: None

Designate Type of Completion:

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

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

Operator: _____
Well Name: _____
Original Comp. Date: _____ Original Total Depth: _____

Deepening Re-perf. Conv. to ENHR Conv. to SWD

Conv. to GSW

Plug Back: _____ Plug Back Total Depth _____

Commingled Permit #: _____

Dual Completion Permit #: _____

SWD Permit #: _____

ENHR Permit #: _____

GSW Permit #: _____

<u>09/10/2012</u>	<u>09/18/2012</u>	<u>09/18/2012</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-135-25476-00-00

Spot Description: _____
NE SW SE SW Sec. 15 Twp. 17 S. R. 25 East West

544 Feet from North / South Line of Section

1804 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW

County: Ness

Lease Name: Patricia Ann Well #: 1

Field Name: Wildcat

Producing Formation: None

Elevation: Ground: 2458 Kelly Bushing: 2463

Total Depth: 4540 Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: 218 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set: _____ Feet

If Alternate II completion, cement circulated from: _____

feet depth to: _____ w/ _____ sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: 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: 11/01/2012



1098236

Operator Name: Palomino Petroleum, Inc. Lease Name: Patricia Ann Well #: 1
 Sec. 15 Twp. 17 S. R. 25 East West County: Ness

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

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Submitted Electronically <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run: Radiation Guard Log	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border: none;"> <tr> <td style="width:60%; border: none;">Name Attached</td> <td style="width:20%; border: none;">Top Attached</td> <td style="width:20%; border: none;">Datum Attached</td> </tr> </table>	Name Attached	Top Attached	Datum Attached
Name Attached	Top Attached	Datum Attached		

CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	12.25	8.625	23	218	Class A	150	3%cc 2%gel

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
___ Perforate				
___ Protect Casing	-			
___ Plug Back TD				
___ Plug Off Zone	-			

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record <i>(Amount and Kind of Material Used)</i>	Depth

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

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5) (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	Patricia Ann 1
Doc ID	1098236

Tops

Anhy.	1787	(+676)
Base Anhy.	1815	(+648)
Topeka	3532	(-1069)
Heebner	3804	(-1341)
Toronto	3824	(-1361)
Lansing	3839	(-1376)
Stark	4082	(-1619)
Hushpuckney	4112	(-1649)
BKC	4138	(-1675)
Marmaton	4178	(-1715)
Pawnee	4264	(-1801)
Ft. Scott	4339	(-1876)
Miss.	4436	(-1973)
LTD	4539	(-2076)



INVOICE

PO Box 93999
Southlake, TX 76092

Invoice Number: 132819

Invoice Date: Sep 18, 2012

Page: 1

Voice: (817) 546-7282

Fax: (817) 246-3361

RECEIVED

SEP 18 2012



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

Customer ID	Well Name/# or Customer P.O.	Payment Terms	
Palo	Patricia Ann #1	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1-03	Great Bend	Sep 18, 2012	10/18/12

Quantity	Item	Description	Unit Price	Amount
174.00	MAT	Class A Common	17.90	3,114.60
116.00	MAT	Pozmix	9.35	1,084.60
10.00	MAT	Gel	23.40	234.00
73.00	MAT	Flo Seal	2.97	216.81
311.00	SER	Cubic Feet	2.48	771.28
273.00	SER	Ton Mileage	2.60	709.80
1.00	SER	Plug to Abandon	2,249.84	2,249.84
21.00	SER	Pump Truck Mileage	7.70	161.70
21.00	SER	Light Vehicle Mileage	4.40	92.40
1.00	CEMENTER	Charles Elkins		
1.00	OPER ASSIST	John Campbell		
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

\$2676.85

ONLY IF PAID ON OR BEFORE

Oct 13, 2012

Subtotal	8,635.03
Sales Tax	544.01
Total Invoice Amount	9,179.04
Payment/Credit Applied	
TOTAL	9,179.04

ALLIED OIL & GAS SERVICES, LLC 059018

REMIT TO P.O. BOX 93999
SOUTH LAKE, TEXAS 76092

SERVICE POINT:
Great Bend, KS

DATE <u>9-18-12</u>	SEC <u>15</u>	TWP <u>17S</u>	RANGE <u>25W</u>	CALLED OUT	ON LOCATION <u>8:00 PM</u>	JOB START <u>9:30 AM</u>	JOB FINISH <u>12:00 AM</u>
LEASE <u>Patricia Ann</u>	WELL # <u>1</u>	LOCATION <u>96w to 285N + 4w, 3 miles West of Proche turn South on 17th for 4 miles. East on Rd 22E for 1/2 miles. South into Location</u>		COUNTY <u>NESS</u>	STATE <u>KS</u>		
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR Mallard Rig 2
 TYPE OF JOB PTA
 HOLE SIZE 2 7/8" T.D. 4540 ft
 CASING SIZE 8 7/8" 24" DEPTH 218 ft
 TUBING SIZE DEPTH
 DRILL PIPE 4 1/2" 16.60 DEPTH 1850 psi
 TOOL DEPTH
 PRES. MAX MINIMUM
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG.
 PERFS.
 DISPLACEMENT WBM + FW

OWNER Palimino Petroleum
 CEMENT
 AMOUNT ORDERED 2905x 6.0/4.0/4% Col + 1/4" Bx Flo-Seal

EQUIPMENT
 PUMP TRUCK CEMENTER Charles E. Kras
 # 398 HELPER John Campbell
 BULK TRUCK
 # 344/170 DRIVER Alan Generoux
 BULK TRUCK
 # DRIVER

COMMON	<u>174</u>	@ <u>17.90</u>	<u>3114.60</u>
POZ MIX	<u>116</u>	@ <u>7.55</u>	<u>1084.60</u>
GEL	<u>10</u>	@ <u>23.40</u>	<u>234.00</u>
CHLORIDE		@	
ASC		@	
<u>Plas Seal</u>	<u>73</u>	@ <u>2.97</u>	<u>216.81</u>
HANDLING	<u>311</u>	@ <u>2.48</u>	<u>771.28</u>
MILEAGE	<u>13.8 x 21.4</u>	@ <u>2.60</u>	<u>709.80</u>
TOTAL			<u>6131.09</u>

REMARKS:
Plug 1 @ 1850 ft: 6FW, 12.5 cmt, 2FW, 21 WBM
Plug 2 @ 1130 ft: 6FW, 70 cmt, 8FW
Plug 3 @ 650 ft: 6FW, 12.5 cmt, 4FW
Plug 4 @ 250 ft: 6FW, 10 cmt, 1FW
Plug 5 @ 60 ft: 5 cmt, 1FW
Plug Root Hole with 7.5 cmt
Plug Mouse Hole with 5 cmt

SERVICE
 DEPTH OF JOB 1850
 PUMP TRUCK CHARGE 2249.84
 EXTRA FOOTAGE @
 MILEAGE Hvm 21 @ 7.70 161.70
 MANIFOLD @
Hvm 21 @ 4.40 92.40

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

TOTAL 2,503.94

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.

SALES TAX (If Any) 544.00
 TOTAL CHARGES 8,635.93
 DISCOUNT 31% 2,676.85
 IF PAID IN 30 DAYS
5,958.12

PRINTED NAME Frank Symonec
 SIGNATURE Frank Symonec



INVOICE

PO Box 93999
Southlake, TX 76092

Invoice Number: 132814

Invoice Date: Sep 19, 2012

Page: 1

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

RECEIVED

SEP 19 2012



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

Customer ID	Well Name/# or Customer P.O.	Payment Terms	
Palo	Patricia Ann #1-1	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1-01	Great Bend	Sep 19, 2012	10/19/12

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
155.40	SER	Ton Mileage	2.60	404.04
1.00	SER	Surface	1,512.25	1,512.25
21.00	SER	Pump Truck Mileage	7.70	161.70
21.00	SER	Light Vehicle Mileage	4.40	92.40
1.00	CEMENTER	Wayne Davis		
1.00	EQUIP OPER	Trint Hall		
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

\$ 1411.89

ONLY IF PAID ON OR BEFORE
Oct 14, 2012

Subtotal	5,647.57
Sales Tax	193.74
Total Invoice Amount	5,841.31
Payment/Credit Applied	
TOTAL	5,841.31

ALLIED OIL & GAS SERVICES, LLC 053737

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

SERVICE POINT:
G-cut Bond

DATE <u>9-19-12</u>	SEC.	TWP.	RANGE	CALLED OUT	ON LOCATION	JOB START <u>9:00 PM</u>	JOB FINISH <u>9:30 PM</u>
LEASE <u>Patricia Junc</u>	WELL # <u>1-1</u>	LOCATION <u>Arnold US 3 w 4 S</u>		COUNTY <u>NESS</u>	STATE <u>KS</u>		
OLD OR <u>NEW</u> (Circle one)			<u>1E South 1-10</u>				

CONTRACTOR Mallard OWNER Palomino

TYPE OF JOB <u>Surface</u>	HOLE SIZE <u>12 1/4</u> TD. <u>218</u>		CEMENT	
CASING SIZE <u>8 1/2</u>	DEPTH <u>215</u>		AMOUNT ORDERED <u>150 SX class A +</u>	
TUBING SIZE	DEPTH		<u>3% gel + 2% gel</u>	
DRILL PIPE	DEPTH			
TOOL	DEPTH			
PRES. MAX	MINIMUM		COMMON <u>150</u> @ <u>17.90</u> <u>2,685.00</u>	
MEAS. LINE	SHOE JOINT		POZMIX @	
CEMENT LEFT IN CSG. <u>15</u>			GEL @ <u>23.40</u> <u>70.20</u>	
PERFS.			CHLORIDE <u>5</u> @ <u>64.00</u> <u>320.00</u>	
DISPLACEMENT <u>13 BBLS</u>			ASC @	

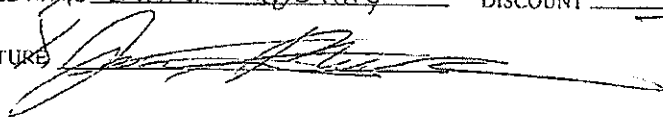
EQUIPMENT		HANDLING <u>162.09</u> @ <u>2.98</u> <u>401.98</u>	
PUMP TRUCK # <u>316</u>	CEMENTER <u>Wayne Davis</u>	MILEAGE <u>7.4 x 215</u> @ <u>2.60</u> <u>404.90</u>	
BULK TRUCK # <u>341</u>	HELPER <u>Trent Hill</u>	TOTAL <u>3,881.22</u>	
BULK TRUCK #	DRIVER <u>Alan</u>		
BULK TRUCK #	DRIVER		

REMARKS:
Pipe on Bottom Bond
Circulation with R2 mud
Run 3 BBLS water Ahead
Mix 150 SX class A + 3% gel
Displace 13 BBLS
Cement did circulate
Shut in

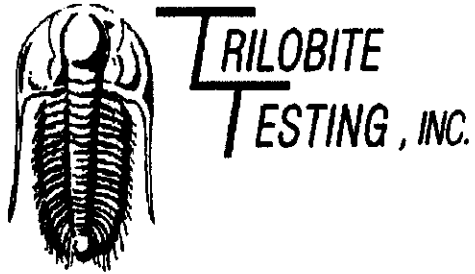
CHARGE TO: Palomino
 STREET _____
 CITY _____ STATE _____ ZIP _____

SERVICE		TOTAL <u>1766.35</u>	
DEPTH OF JOB <u>218</u>	PUMP TRUCK CHARGE <u>1512.25</u>		
EXTRA FOOTAGE @	MILEAGE <u>Hum 21</u> @ <u>7.70</u> <u>161.70</u>		
MANIFOLD <u>Hum 21</u> @ <u>4.40</u> <u>92.40</u>			

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 Justin McDonald
 SIGNATURE 

PLUG & FLOAT EQUIPMENT		TOTAL _____	
SALES TAX (If Any) <u>193.73</u>	TOTAL CHARGES <u>5,647.52</u>		
DISCOUNT <u>1,411.87</u>	IF PAID IN 30 DAYS		
		<u>4,235.65</u>	



DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum, Inc**

4924 SE 84th Street
Newton, KS 67114

ATTN: Kevin Bailey

#1 Patricia Ann

15-17s-25w Ness, KS

Start Date: 2012.09.16 @ 10:45:28

End Date: 2012.09.16 @ 17:04:13

Job Ticket #: 47865 DST #: 1

Trilobite Testing, Inc

PO Box 362 Hays, KS 67601

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



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

Palomino Petroleum, Inc

4924 SE 84th Street
New ton, KS 67114

ATTN: Kevin Bailey

15-17s-25w Ness,KS

#1 Patricia Ann

Job Ticket: 47865

DST#: 1

Test Start: 2012.09.16 @ 10:45:28

GENERAL INFORMATION:

Formation: **Ft Scott**

Deviated: No Whipstock: 0.00 ft (KB)

Time Tool Opened: 14:05:43

Time Test Ended: 17:04:13

Test Type: Conventional Bottom Hole (Initial)

Tester: Jason McLemore

Unit No: 54

Interval: **4520.00 ft (KB) To 4573.00 ft (KB) (TVD)**

Total Depth: 4573.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Good

Reference Elevations: 2463.00 ft (KB)

2458.00 ft (CF)

KB to GR/CF: 5.00 ft

Serial #: 8366 Inside

Press@RunDepth: 36.99 psig @ 4555.00 ft (KB)

Start Date: 2012.09.16

End Date:

2012.09.16

Start Time: 10:45:30

End Time:

17:04:13

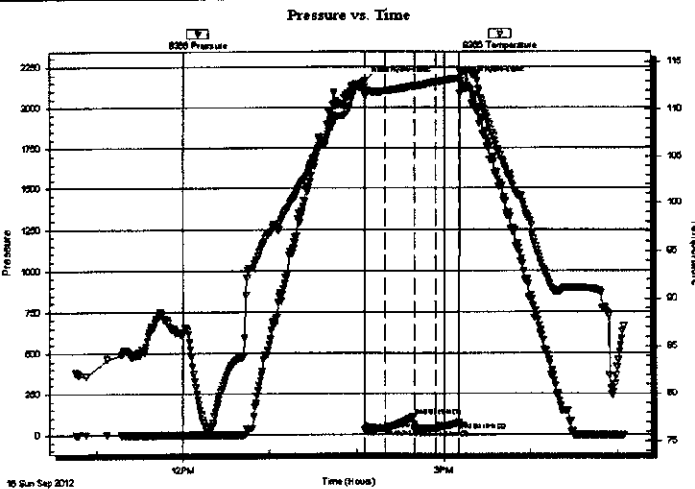
Capacity: 8000.00 psig

Last Calib.: 2012.09.16

Time On Btm: 2012.09.16 @ 14:05:28

Time Off Btm: 2012.09.16 @ 15:11:13

TEST COMMENT: IFF-Weak Surface Blow
ISI-Dead
FFP-Weak Intermittant Blow
FSI-Dead



PRESSURE SUMMARY

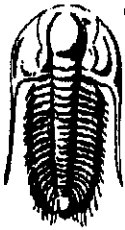
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2164.35	112.40	Initial Hydro-static
1	31.90	111.45	Open To Flow (1)
15	36.02	111.94	Shut-In(1)
34	110.64	112.46	End Shut-In(1)
35	31.20	112.44	Open To Flow (2)
49	36.99	112.88	Shut-In(2)
65	74.45	113.35	End Shut-In(2)
66	2162.75	113.96	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
5.00	Drilling Mud W/Oil Specks & Odor	0.02

Gas Rates

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



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum, Inc

15-17s-25w Ness, KS

4924 SE 84th Street
Newton, KS 67114

#1 Patricia Ann

Job Ticket: 47865

DST#: 1

ATTN: Kevin Bailey

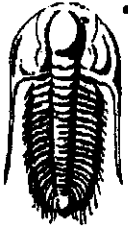
Test Start: 2012.09.16 @ 10:45:28

Tool Information

Drill Pipe:	Length: 4279.00 ft	Diameter: 3.80 inches	Volume: 60.02 bbl	Tool Weight: 2000.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: 2.70 inches	Volume: 0.00 bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 240.00 ft	Diameter: 2.25 inches	Volume: 1.18 bbl	Weight to Pull Loose: 56000.00 lb
			<u>Total Volume: 61.20 bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	27.00 ft			String Weight: Initial 54000.00 lb
Depth to Top Packer:	4520.00 ft			Final 54000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	53.00 ft			
Tool Length:	81.00 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			4493.00	
Shut In Tool	5.00			4498.00	
Hydraulic tool	5.00			4503.00	
Jars	5.00			4508.00	
Safety Joint	2.00			4510.00	
Packer	5.00			4515.00	28.00 Bottom Of Top Packer
Packer	5.00			4520.00	
Stubb	1.00			4521.00	
Perforations	1.00			4522.00	
Change Over Sub	1.00			4523.00	
Blank Spacing	31.00			4554.00	
Change Over Sub	1.00			4555.00	
Recorder	0.00	8366	Inside	4555.00	
Recorder	0.00	8289	Outside	4555.00	
Perforations	15.00			4570.00	
Bullnose	3.00			4573.00	53.00 Bottom Packers & Anchor
Total Tool Length:	81.00				



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum, Inc

15-17s-25w Ness, KS

4924 SE 84th Street
New ton, KS 67114

#1 Patricia Ann

Job Ticket: 47865

DST#: 1

ATTN: Kevin Bailey

Test Start: 2012.09.16 @ 10:45:28

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: bbl		
Water Loss: 8.78 in ³	Gas Cushion Type:		
Resistivity: ohm.m	Gas Cushion Pressure: psig		
Salinity: 3100.00 ppm			
Filter Cake: inches			

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
5.00	Drilling Mud W/Oil Specks & Odor	0.025

Total Length: 5.00 ft Total Volume: 0.025 bbl

Num Fluid Samples: 0

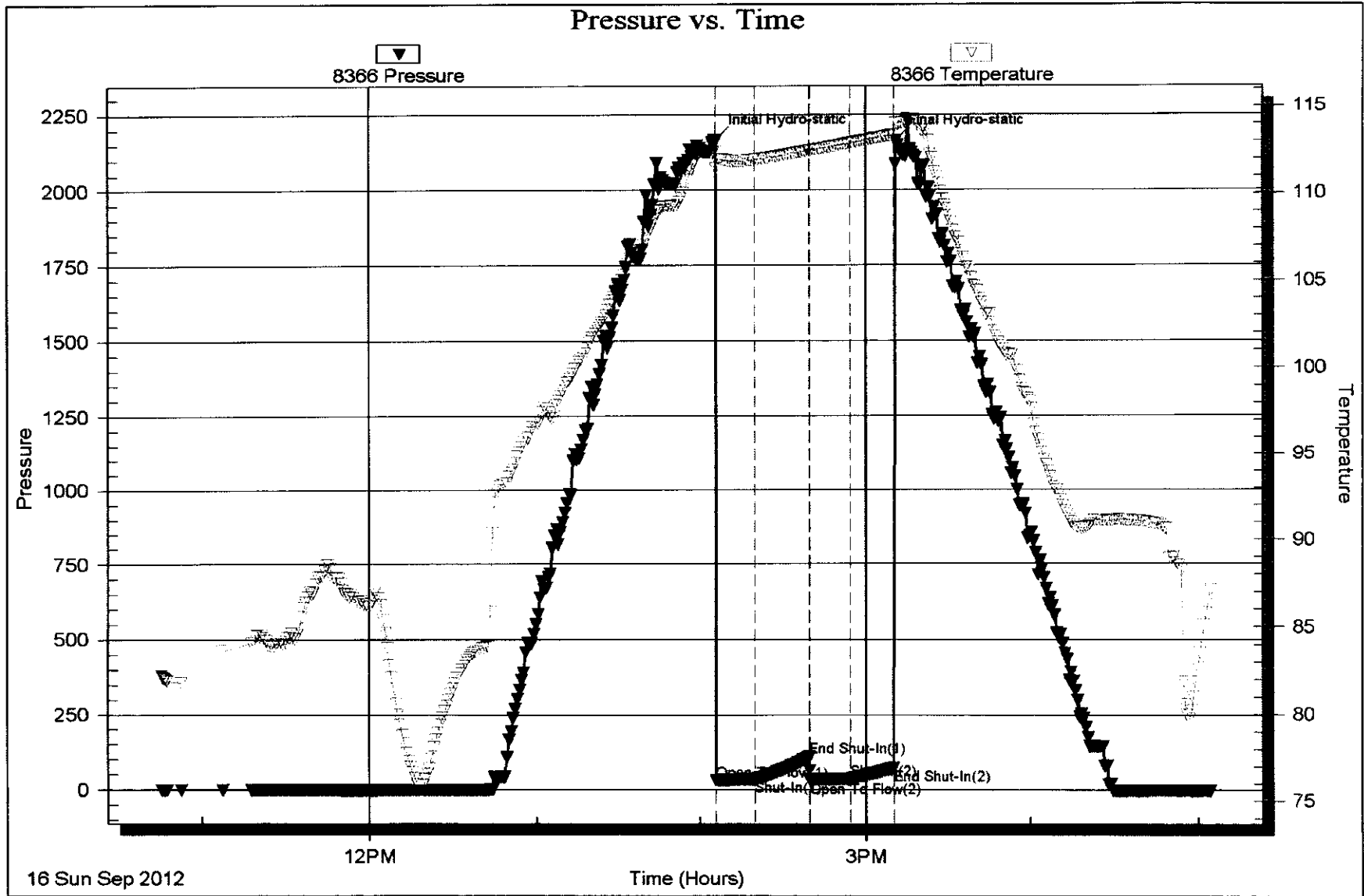
Num Gas Bombs: 0

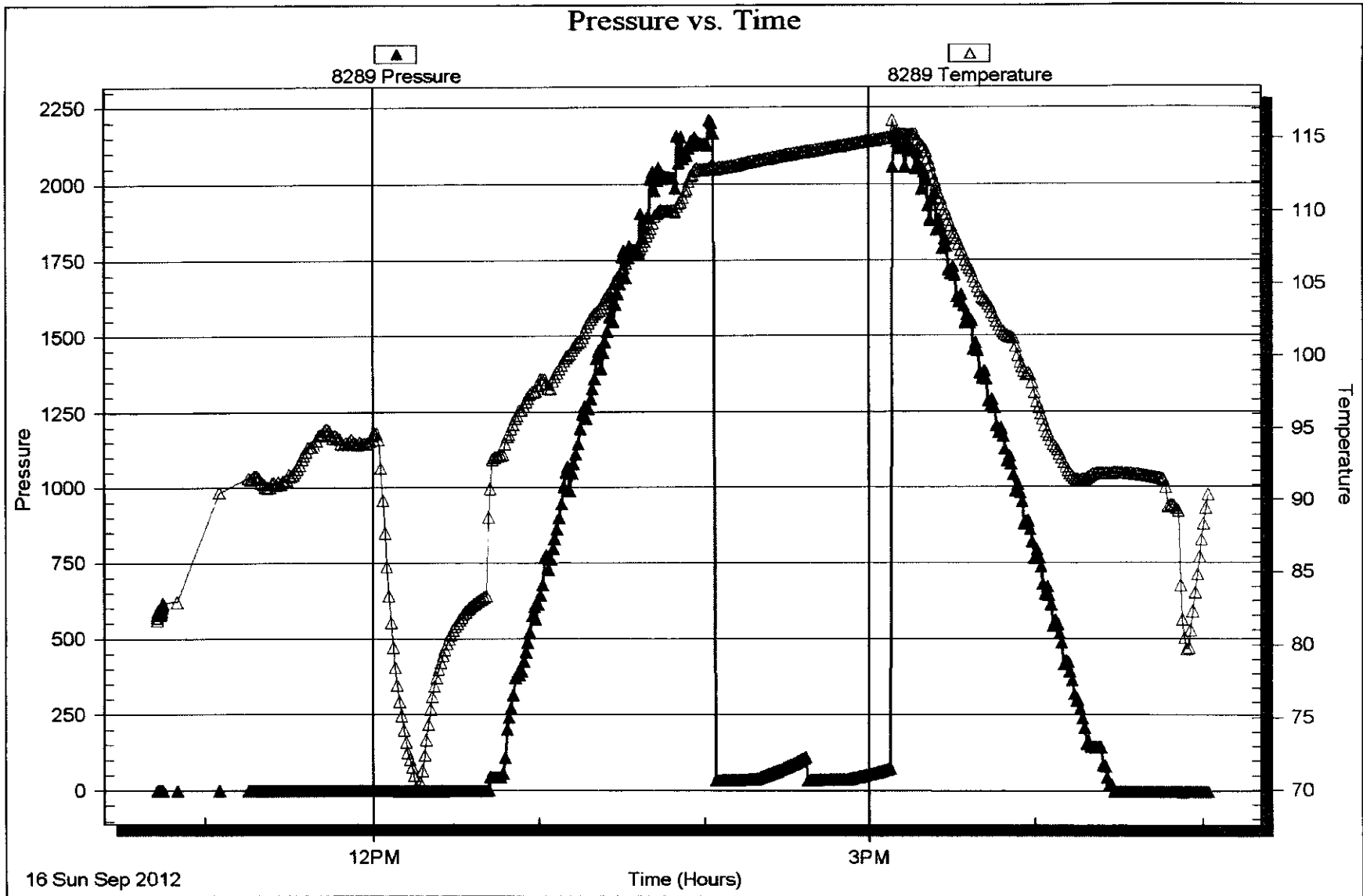
Serial #:

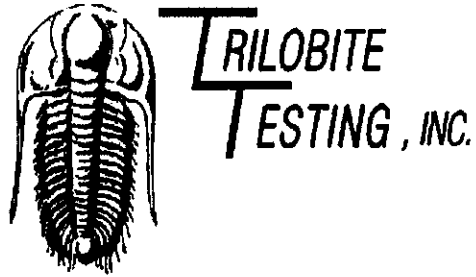
Laboratory Name:

Laboratory Location:

Recovery Comments:







DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum, Inc**

4924 SE 84th Street
Newton, KS 67114

ATTN: Kevin Bailey

#1 Patricia Ann

15-17s-25w Ness, KS

Start Date: 2012.09.17 @ 04:53:41

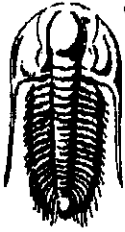
End Date: 2012.09.17 @ 13:20:56

Job Ticket #: 47866 DST #: 2

Trilobite Testing, Inc

PO Box 362 Hays, KS 67601

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



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Palomino Petroleum, Inc
4924 SE 84th Street
New ton, KS 67114
ATTN: Kevin Bailey

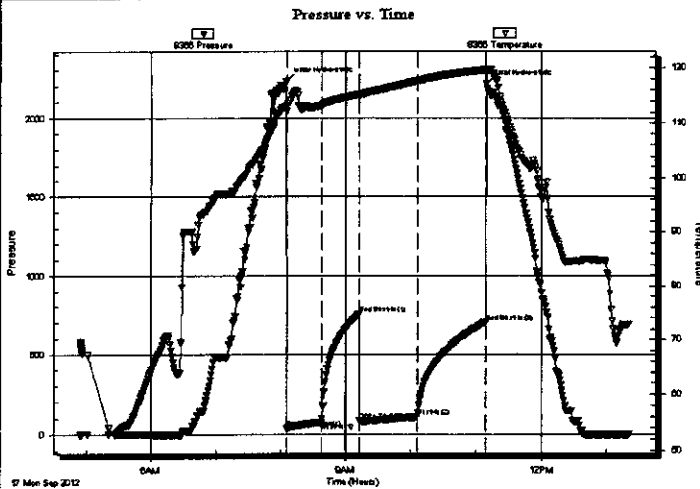
15-17s-25w Ness, KS
#1 Patricia Ann
Job Ticket: 47866 **DST#: 2**
Test Start: 2012.09.17 @ 04:53:41

GENERAL INFORMATION:

Formation: **Mississippi**
Deviated: No Whipstock: 0.00 ft (KB)
Time Tool Opened: 08:04:56
Time Test Ended: 13:20:56
Interval: **4410.00 ft (KB) To 4458.00 ft (KB) (TVD)**
Total Depth: 4458.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Good
Test Type: Conventional Bottom Hole (Reset)
Tester: Jason McLemore
Unit No: 54
Reference Elevations: 2463.00 ft (KB)
2458.00 ft (CF)
KB to GR/CF: 5.00 ft

Serial #: 8366 Inside
Press@RunDepth: 107.55 psig @ 4445.00 ft (KB) Capacity: 8000.00 psig
Start Date: 2012.09.17 End Date: 2012.09.17 Last Calib.: 2012.09.17
Start Time: 04:53:43 End Time: 13:20:56 Time On Btm: 2012.09.17 @ 08:04:41
Time Off Btm: 2012.09.17 @ 11:09:41

TEST COMMENT: IFP-Fair Blow , Built to 5"
IS-Dead
FFP-Weak Blow , Built to 2-1/2"
FS-Dead



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2232.45	113.08	Initial Hydro-static
1	34.63	112.17	Open To Flow (1)
33	74.86	113.23	Shut-In(1)
68	754.33	115.22	End Shut-In(1)
68	85.58	114.81	Open To Flow (2)
121	107.55	117.64	Shut-In(2)
184	702.63	119.65	End Shut-In(2)
185	2212.08	119.54	Final Hydro-static

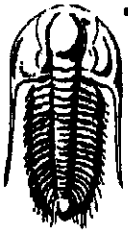
Recovery

Length (ft)	Description	Volume (bbl)
90.00	MCO-60%O-40%M	0.44
140.00	Free Oil	0.69

* 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

15-17s-25w Ness, KS

4924 SE 84th Street
Newton, KS 67114

#1 Patricia Ann

Job Ticket: 47866

DST#: 2

ATTN: Kevin Bailey

Test Start: 2012.09.17 @ 04:53:41

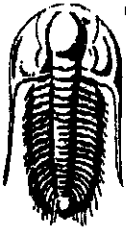
Tool Information

Drill Pipe:	Length: 4167.00 ft	Diameter: 3.80 inches	Volume: 58.45 bbl	Tool Weight: 2000.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: 2.70 inches	Volume: 0.00 bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 240.00 ft	Diameter: 2.25 inches	Volume: 1.18 bbl	Weight to Pull Loose: 54000.00 lb
			<u>Total Volume: 59.63 bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	25.00 ft			String Weight: Initial 52000.00 lb
Depth to Top Packer:	4410.00 ft			Final 52000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	48.00 ft			
Tool Length:	76.00 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			4383.00	
Shut In Tool	5.00			4388.00	
Hydraulic tool	5.00			4393.00	
Jars	5.00			4398.00	
Safety Joint	2.00			4400.00	
Packer	5.00			4405.00	28.00 Bottom Of Top Packer
Packer	5.00			4410.00	
Stubb	1.00			4411.00	
Perforations	1.00			4412.00	
Change Over Sub	1.00			4413.00	
Blank Spacing	31.00			4444.00	
Change Over Sub	1.00			4445.00	
Recorder	0.00	8366	Inside	4445.00	
Recorder	0.00	8789	Outside	4445.00	
Perforations	10.00			4455.00	
Bullnose	3.00			4458.00	48.00 Bottom Packers & Anchor
Total Tool Length:	76.00				



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum, Inc

15-17s-25w Ness, KS

4924 SE 84th Street
New ton, KS 67114

#1 Patricia Ann

Job Ticket: 47866

DST#: 2

ATTN: Kevin Bailey

Test Start: 2012.09.17 @ 04:53:41

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:

ppm

Viscosity: 45.00 sec/qt

Cushion Volume:

bbf

Water Loss: 8.78 in³

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 3100.00 ppm

Filter Cake: inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbf
90.00	MCO-60%O-40%M	0.443
140.00	Free Oil	0.688

Total Length: 230.00 ft

Total Volume: 1.131 bbf

Num Fluid Samples: 0

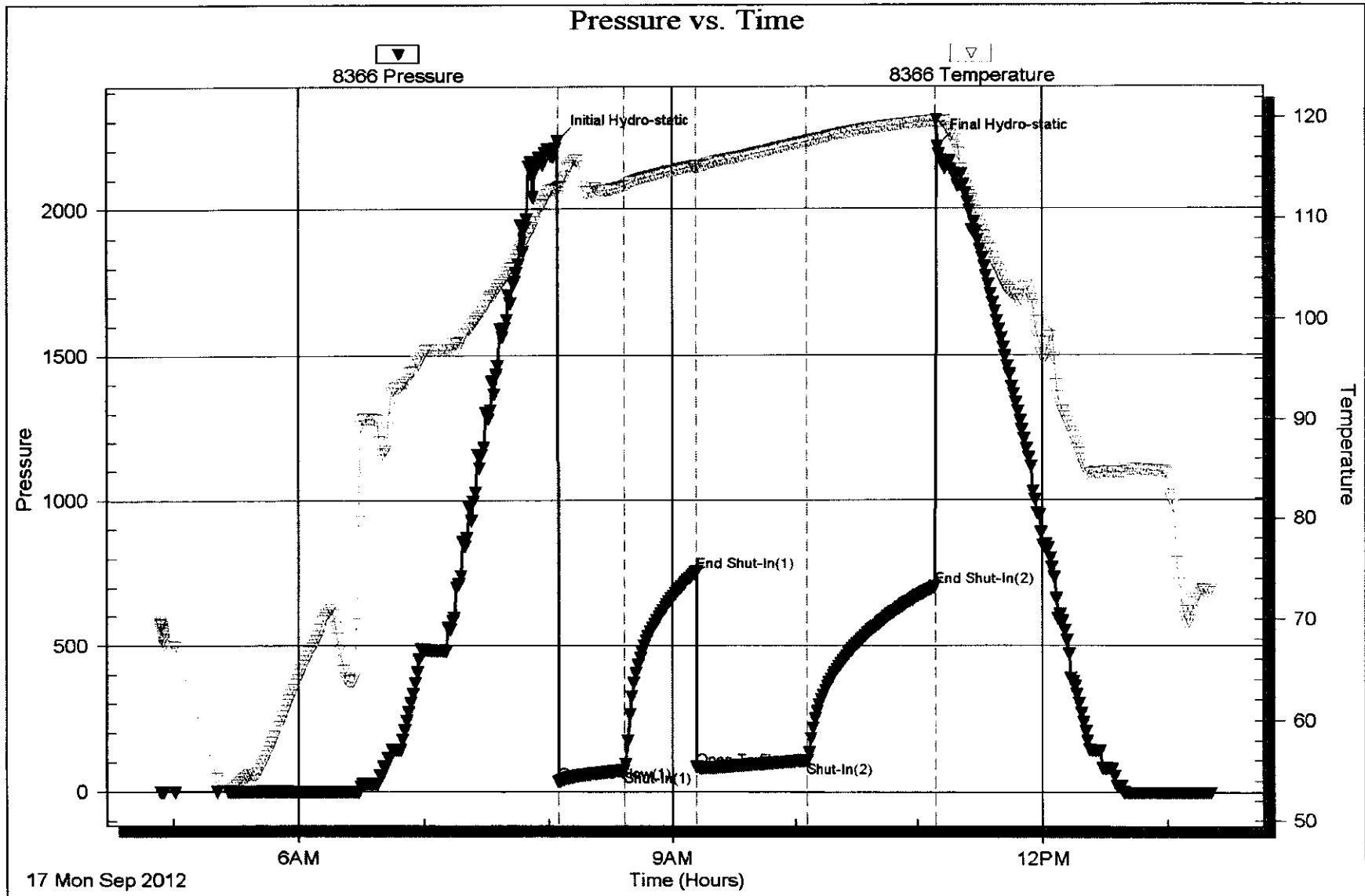
Num Gas Bombs: 0

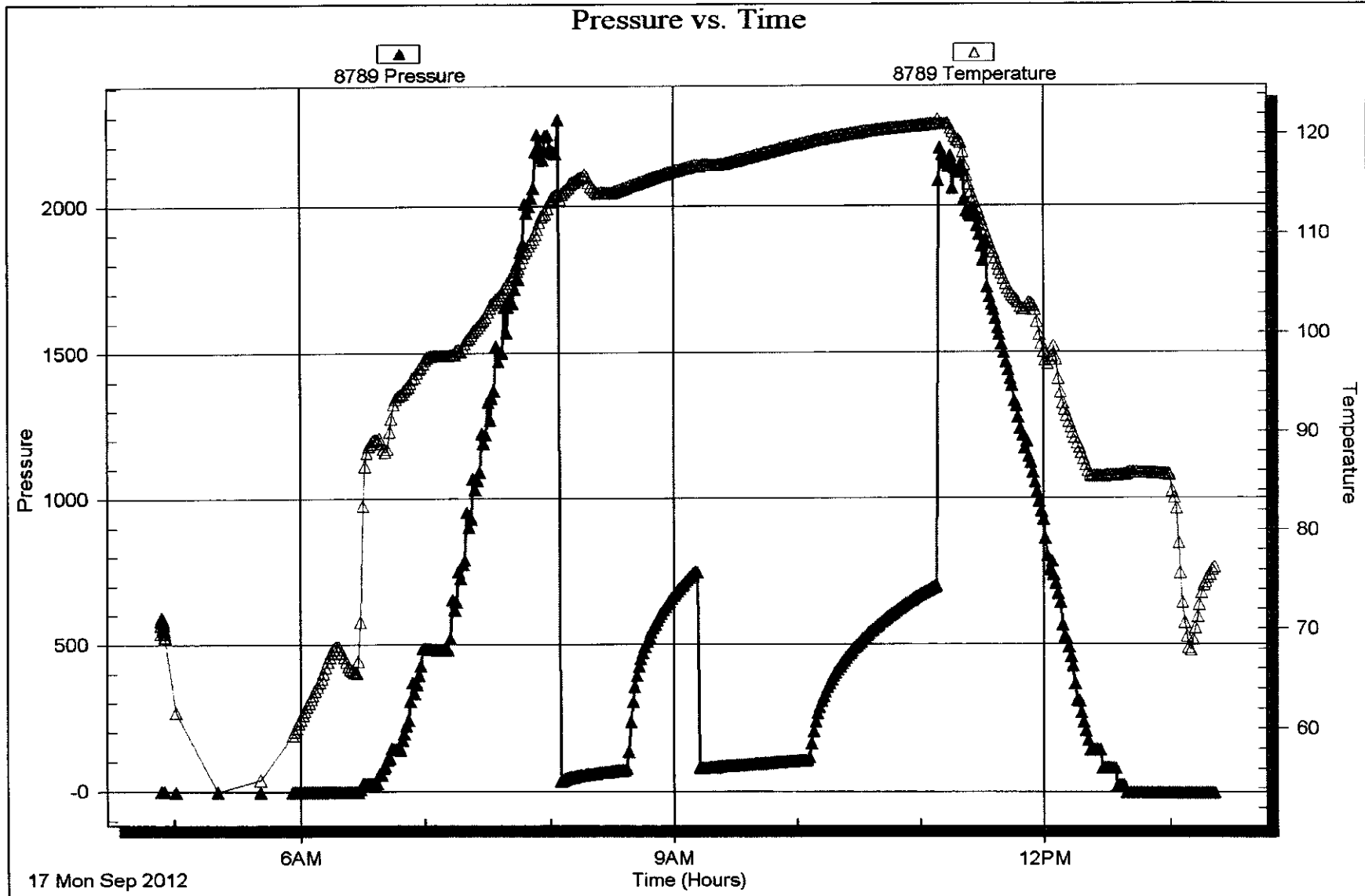
Serial #:

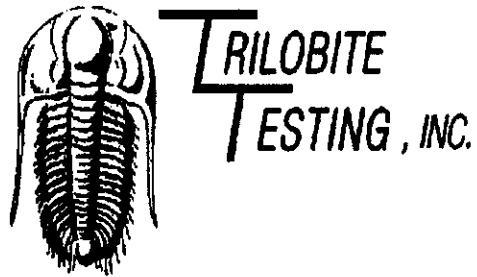
Laboratory Name:

Laboratory Location:

Recovery Comments:







DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum, Inc**

4924 SE 84th Street
Newton, KS 67114

ATTN: Kevin Bailey

#1 Patricia Ann

15-17s-25w Ness, KS

Start Date: 2012.09.17 @ 20:57:44

End Date: 2012.09.18 @ 03:49:29

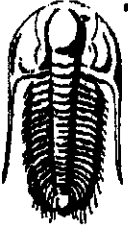
Job Ticket #: 47867 DST #: 3

Trilobite Testing, Inc

PO Box 362 Hays, KS 67601

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

Printed: 2012.09.21 @ 11:04:35



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Palomino Petroleum, Inc

4924 SE 84th Street
New ton, KS 67114

ATTN: Kevin Bailey

15-17s-25w Ness, KS

#1 Patricia Ann

Job Ticket: 47867

DST#: 3

Test Start: 2012.09.17 @ 20:57:44

GENERAL INFORMATION:

Formation: **Mississippi**

Deviated: No Whipstock: 0.00 ft (KB)

Time Tool Opened: 23:02:14

Time Test Ended: 03:49:29

Test Type: Conventional Bottom Hole (Reset)

Tester: Jason McLemore

Unit No: 54

Interval: **4458.00 ft (KB) To 4471.00 ft (KB) (TVD)**

Total Depth: 4471.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Good

Reference Elevations: 2463.00 ft (KB)

2458.00 ft (CF)

KB to GR/CF: 5.00 ft

Serial #: **8366** Inside

Press@RunDepth: 409.16 psig @ 4460.00 ft (KB)

Start Date: 2012.09.17

End Date:

2012.09.18

Start Time: 20:57:46

End Time:

03:49:29

Capacity: 8000.00 psig

Last Calib.: 2012.09.18

Time On Btm: 2012.09.17 @ 23:01:59

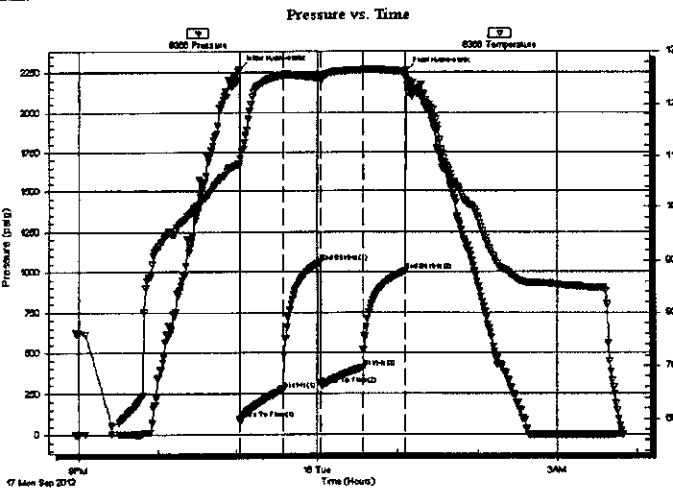
Time Off Btm: 2012.09.18 @ 01:06:14

TEST COMMENT: IFP-Strong, BOB in 4 Min.

ISI-Dead

FFP-Good Blow, BOB in 8 Min.

FSL-Dead



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2265.93	108.59	Initial Hydro-static
1	93.62	108.15	Open To Flow (1)
33	274.43	125.50	Shut-In(1)
61	1060.61	124.95	End Shut-In(1)
61	301.19	124.56	Open To Flow (2)
92	409.16	126.50	Shut-In(2)
124	1005.67	126.14	End Shut-In(2)
125	2258.48	126.29	Final Hydro-static

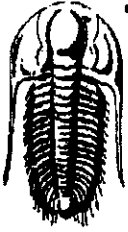
Recovery

Length (ft)	Description	Volume (bbl)
900.00	Salt Water	10.44
2.00	Free Oil	0.03

* 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 Street
New ton, KS 67114

ATTN: Kevin Bailey

15-17s-25w Ness,KS

#1 Patricia Ann
Job Ticket: 47867 **DST#: 3**
Test Start: 2012.09.17 @ 20:57:44

Tool Information

Drill Pipe:	Length: 4204.00 ft	Diameter: 3.80 inches	Volume: 58.97 bbl	Tool Weight: 2000.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: 2.70 inches	Volume: 0.00 bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 240.00 ft	Diameter: 2.25 inches	Volume: 1.18 bbl	Weight to Pull Loose: 54000.00 lb
			<u>Total Volume: 60.15 bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	14.00 ft			String Weight: Initial 52000.00 lb
Depth to Top Packer:	4458.00 ft			Final 52000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	13.00 ft			
Tool Length:	41.00 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			4431.00	
Shut In Tool	5.00			4436.00	
Hydraulic tool	5.00			4441.00	
Jars	5.00			4446.00	
Safety Joint	2.00			4448.00	
Packer	5.00			4453.00	28.00 Bottom Of Top Packer
Packer	5.00			4458.00	
Stubb	1.00			4459.00	
Perforations	1.00			4460.00	
Recorder	0.00	8366	Inside	4460.00	
Recorder	0.00	8289	Outside	4460.00	
Perforations	8.00			4468.00	
Bullnose	3.00			4471.00	13.00 Bottom Packers & Anchor

Total Tool Length: 41.00



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum, Inc
4924 SE 84th Street
New ton, KS 67114
ATTN: Kevin Bailey

15-17s-25w Ness, KS
#1 Patricia Ann
Job Ticket: 47867 **DST#: 3**
Test Start: 2012.09.17 @ 20:57:44

Mud and Cushion Information

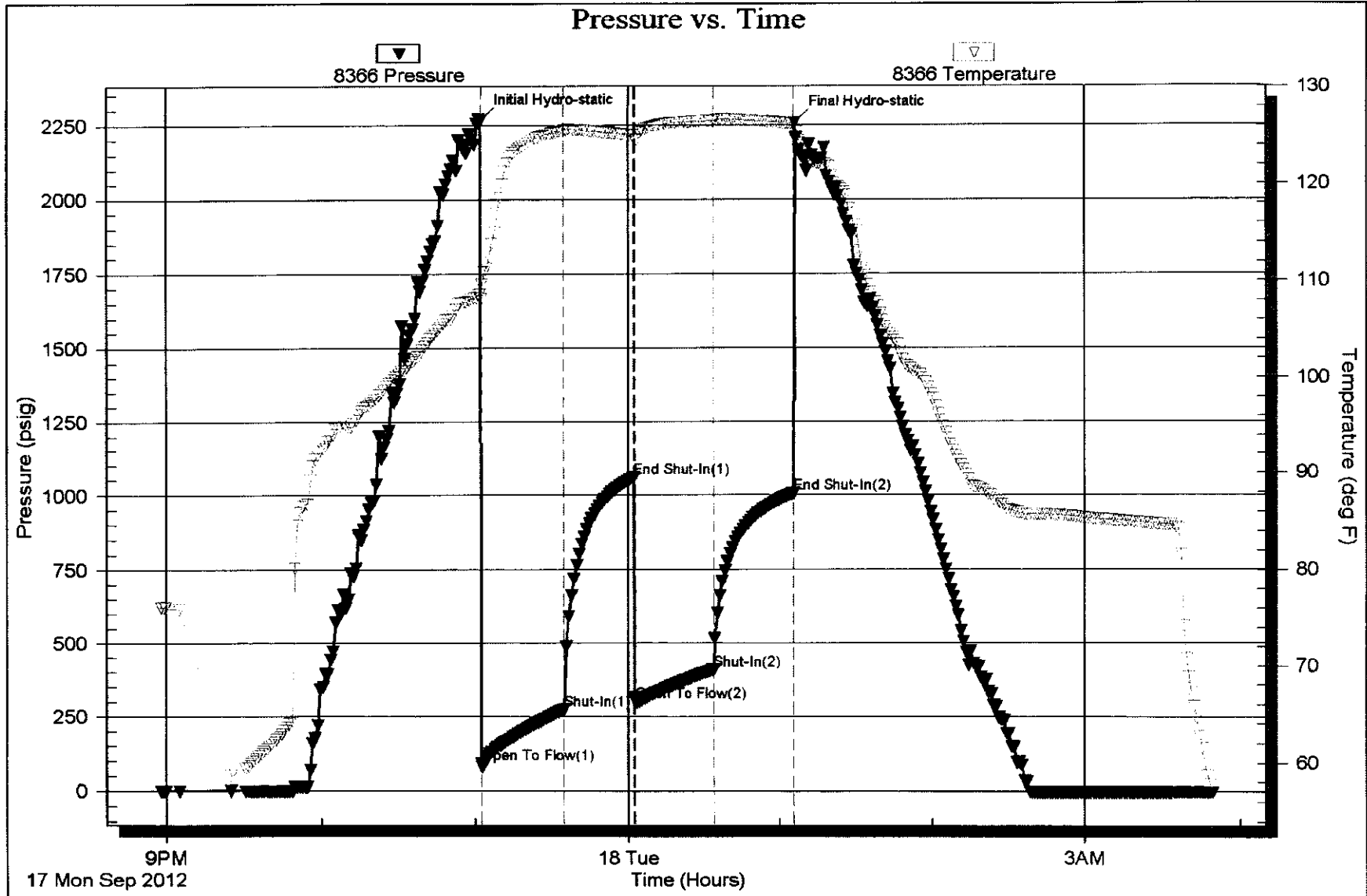
Mud Type: Gel Chem	Cushion Type:	Oil API: 38 deg API
Mud Weight: 9.00 lb/gal	Cushion Length: ft	Water Salinity: 14300 ppm
Viscosity: 45.00 sec/qt	Cushion Volume: bbl	
Water Loss: 8.78 in ³	Gas Cushion Type:	
Resistivity: ohm.m	Gas Cushion Pressure: psig	
Salinity: 3100.00 ppm		
Filter Cake: inches		

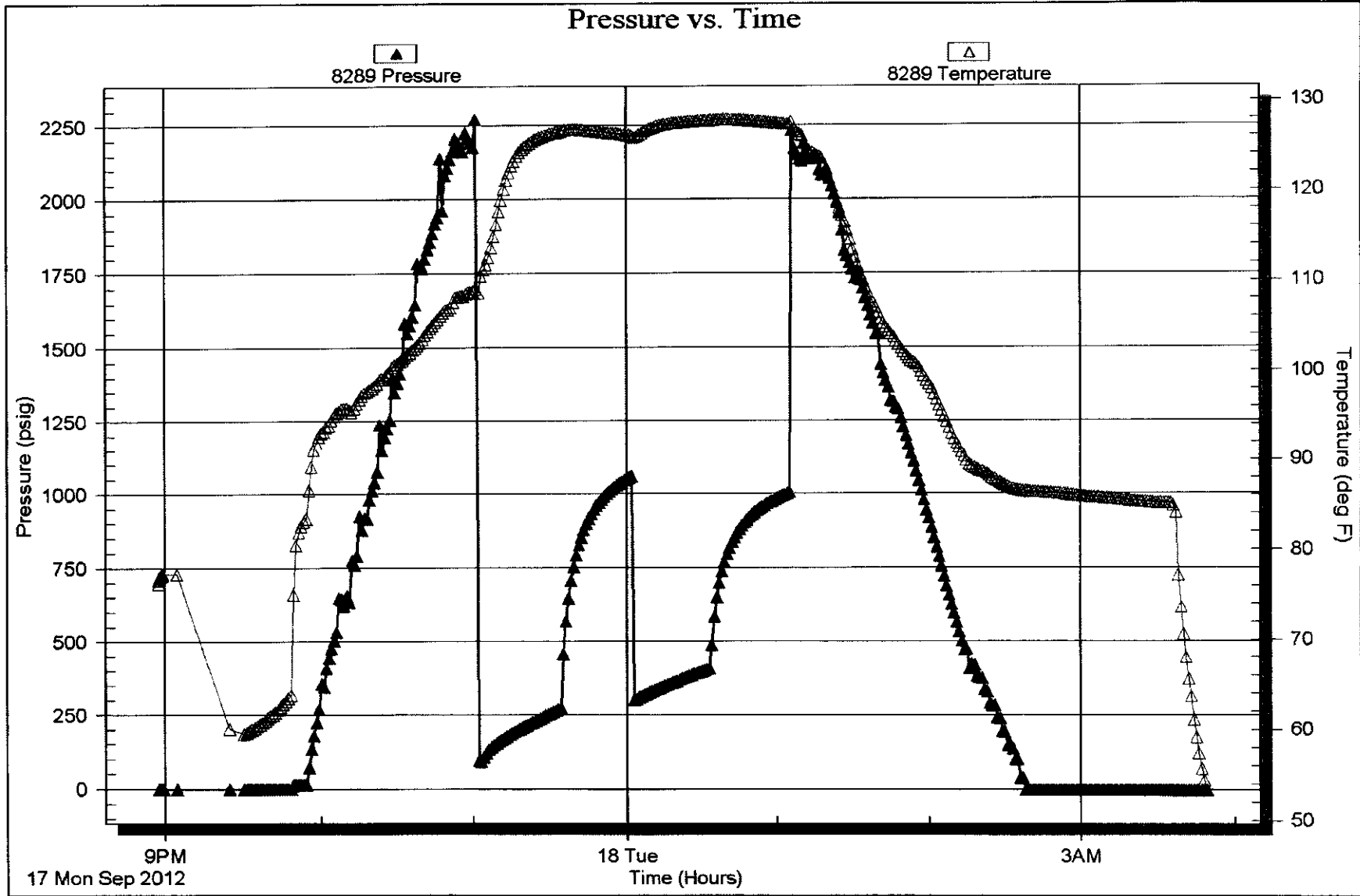
Recovery Information

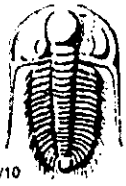
Recovery Table

Length ft	Description	Volume bbl
900.00	Salt Water	10.438
2.00	Free Oil	0.028

Total Length: 902.00 ft Total Volume: 10.466 bbl
Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:
Laboratory Name: Laboratory Location:
Recovery Comments:







TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 47865

Well Name & No. #1 Patricia Ann Test No. 1 Date 9-16-12
 Company Palomino Petroleum, Inc. Elevation 2463 KB 2758 GL
 Address 4924 SE 84th Street, Newton, KS. 67114
 Co. Rep / Geo. Kevin Bailey Rig Mallard
 Location: Sec. 15 Twp. 17s Rge. 25w Co. Ness State KS

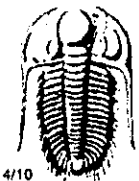
Interval Tested ~~4520 - 4573~~ (4323 - 4373) Zone Tested F+ Scott
 Anchor Length 53' Drill Pipe Run 4279 Mud Wt. 9.3
 Top Packer Depth 4315 Drill Collars Run 240 Vis 45
 Bottom Packer Depth 4320 Wt. Pipe Run 0 WL 8.8
 Total Depth 4373 Chlorides 3100 ppm System LCM Trace
 Blow Description IFP - Weak surface Blow
ISI - Dead
FFP - Weak Intermittent Blow
FSI - Dead

Rec	Feet of	%gas	%oil	%water	%mud
<u>5</u>	<u>Drilling Mud w/oil specks</u>				
	<u>and odor</u>				

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

(A) Initial Hydrostatic <u>2164</u>	<input checked="" type="checkbox"/> Test <u>1250</u>	T-On Location <u>10:33</u>
(B) First Initial Flow <u>32</u>	<input checked="" type="checkbox"/> Jars <u>250</u>	T-Started <u>10:43</u>
(C) First Final Flow <u>36</u>	<input checked="" type="checkbox"/> Safety Joint <u>75</u>	T-Open <u>14:04</u>
(D) Initial Shut-In <u>111</u>	<input type="checkbox"/> Circ Sub _____	T-Pulled <u>15:04</u>
(E) Second Initial Flow <u>31</u>	<input type="checkbox"/> Hourly Standby _____	T-Out <u>17:05</u>
(F) Second Final Flow <u>37</u>	<input checked="" type="checkbox"/> Mileage <u>140 RT 217</u>	Comments _____
(G) Final Shut-In <u>74</u>	<input type="checkbox"/> Sampler _____	
(H) Final Hydrostatic <u>2163</u>	<input type="checkbox"/> Straddle _____	<input type="checkbox"/> Ruined Shale Packer _____
	<input type="checkbox"/> Shale Packer _____	<input type="checkbox"/> Ruined Packer _____
Initial Open <u>15</u>	<input type="checkbox"/> Extra Packer _____	<input type="checkbox"/> Extra Copies _____
Initial Shut-In <u>15</u>	<input type="checkbox"/> Extra Recorder _____	Sub Total <u>0</u>
Final Flow <u>15</u>	<input type="checkbox"/> Day Standby _____	Total <u>1792</u>
Final Shut-In <u>15</u>	<input type="checkbox"/> Accessibility _____	MP/DST Disc't _____
	Sub Total <u>1792</u>	

Approved By _____ Our Representative Jason McLenon
 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. 47866

Well Name & No. #1 Patricia Ann Test No. 2 Date 9-17-12
 Company Palomino Petroleum, Inc. Elevation 2963 KB 2958 GL
 Address 4924 SE 84th Street, Newton, KS. 67114
 Co. Rep / Geo. Kevin Bailey Rig Mallard
 Location: Sec. 15 Twp. 17s Rge. 25W Co. Ness State KS

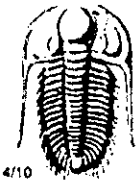
Interval Tested 4420 - 4458 Zone Tested Mississippi
 Anchor Length 48' Drill Pipe Run 4167 Mud Wt. 9.3
 Top Packer Depth ~~4405~~ 4405 Drill Collars Run 240 Vis 45
 Bottom Packer Depth ~~4373~~ 4410 Wt. Pipe Run 0 WL 8.8
 Total Depth 4458 Chlorides 3100 ppm System LCM Trace
 Blow Description IFF - Fair Blow, Built to 5"
TST - Dead
FFP - Weak Blow, Built to 2 1/2"
FST - Dead

Rec	Feet of	%gas	%oil	%water	%mud
<u>140</u>	<u>Free Oil</u>				
<u>90</u>	<u>Mud Cut Oil</u>	<u>60</u>			<u>40</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Rec Total 230 BHT 119' Gravity 38 API RW _____ @ _____ °F Chlorides _____ ppm

(A) Initial Hydrostatic 2232 Test 1250 T-On Location 4:43
 (B) First Initial Flow 35 Jars 250 T-Started 4:51
 (C) First Final Flow 75 Safety Joint 75 T-Open 8:03
 (D) Initial Shut-In 754 Circ Sub _____ T-Pulled 11:03
 (E) Second Initial Flow 86 Hourly Standby _____ T-Out 13:18
 (F) Second Final Flow 108 Mileage 217 Comments _____
 (G) Final Shut-In 703 Sampler _____
 (H) Final Hydrostatic 2212 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 1792
 Final Flow 60 Accessibility _____ MP/DST Disc't _____
 Final Shut-In 60 Sub Total 1792

Approved By _____ Our Representative Jason McJannet
 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. 47867

Well Name & No. #1 Patricia Ann Test No. 3 Date 9-17-12
 Company Palomino Petroleum, Inc. Elevation 2463 KB 2458 GL
 Address 4924 SE 84th Street, Newton, KS 67114
 Co. Rep / Geo. Kevin Bailey Rig Mallard
 Location: Sec. 15 Twp. 17s Rge. 25w Co. Ness State KS

Interval Tested 4458-4471 Zone Tested Mississippi
 Anchor Length 13' Drill Pipe Run 4204 Mud Wt. 9.3
 Top Packer Depth 4453 Drill Collars Run 240 Vis 4.5
 Bottom Packer Depth 4458 Wt. Pipe Run 0 WL 8.8
 Total Depth 4471 Chlorides 3100 ppm System LCM Trace
 Blow Description IFP- Strong, BOB in 4 min.
ISI- Dead
FFP- Good Blow, BOB in 8 min.
FSI- Dead

Rec	Feet of	%gas	%oil	%water	%mud
<u>2</u>	<u>Free Oil</u>				
<u>900</u>	<u>Salt Water</u>				

Rec Total 902 BHT 126' Gravity 38 API RW 592@ 48 °F Chlorides 14,300 ppm

(A) Initial Hydrostatic <u>2266</u>	<input checked="" type="checkbox"/> Test <u>1250</u>	T-On Location <u>20:42</u>
(B) First Initial Flow <u>97</u>	<input checked="" type="checkbox"/> Jars <u>250</u>	T-Started <u>20:55</u>
(C) First Final Flow <u>274</u>	<input checked="" type="checkbox"/> Safety Joint <u>75</u>	T-Open <u>22:58</u>
(D) Initial Shut-In <u>1061</u>	<input type="checkbox"/> Circ Sub	T-Pulled <u>24:58</u>
(E) Second Initial Flow <u>301</u>	<input type="checkbox"/> Hourly Standby	T-Out <u>3:48</u>
(F) Second Final Flow <u>409</u>	<input checked="" type="checkbox"/> Mileage <u>217</u>	Comments
(G) Final Shut-In <u>1006</u>	<input type="checkbox"/> Sampler	
(H) Final Hydrostatic <u>2258</u>	<input type="checkbox"/> Straddle	<input type="checkbox"/> Ruined Shale Packer
	<input type="checkbox"/> Shale Packer	<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 <u>1792</u>
Final Shut-In <u>30</u>	<input type="checkbox"/> Accessibility	MP/DST Disc't
	Sub Total <u>1792</u>	

Approved By _____

Our Representative Jason Mc Lamore

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