

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form CDP-4
April 2004
Form must be Typed

CLOSURE OF SURFACE PIT

Operator Name: Palomino Petroleum, Inc.	License Number: 30742
Operator Address: 4924 SE 84th St., Newton, Kansas 67114-8827	
Contact Person: Klee R. Watchous	Phone Number: (316) 799 - 1000
Permit Number (API No. if applicable): 15-135-24607-0000	Lease Name & Well No.: Vernon Flax #1
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit	Pit Location (QQQQ): NE . NE . NE . Sec. 36 Twp. 16S R. 25 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 330 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 430 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Ness County

Date of closure: April 3, 2008

Was an artificial liner used? Yes No

If no, how were the sides and bottom sealed to prevent downward migration of the pit contents?

Native muds and clays.

Abandonment procedure of pit:

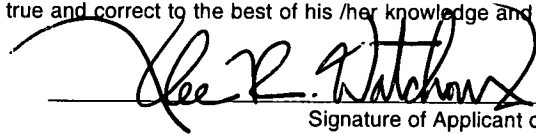
Backfilled and releveled location.

RECEIVED
KANSAS CORPORATION COMMISSION

MAY 13 2008

CONSERVATION DIVISION
WICHITA, KS

The undersigned hereby certifies that he / she is President for Palomino Petroleum, Inc. (Co.),
a duly authorized agent, that all information shown hereon is true and correct to the best of his /her knowledge and belief.


Signature of Applicant or Agent

Subscribed and sworn to me on this 9th day of May, 2008




Notary Public Carla R. Penwell

My Commission Expires: October 6, 2009