

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
CLOSURE OF SURFACE PIT

Form CDP-4  
April 2004  
Form must be Typed

Operator Name: <b>Palomino Petroleum, Inc.</b>	License Number: <b>30742</b>
Operator Address: <b>4924 SE 84th St., Newton, Kansas 67114-8827</b>	
Contact Person: <b>Klee R. Watchous</b>	Phone Number: ( <b>316</b> ) <b>799 - 1000</b>
Permit Number (API No. if applicable): <b>15-135-24636-0000</b>	Lease Name & Well No.: <b>Ryan "E" #3</b>
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): <b>S/2 N/2 NE</b> Sec. <b>16</b> Twp. <b>17S</b> R. <b>25</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>1040</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <b>1160</b> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <b>Ness</b> County

Date of closure: April 23, 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:

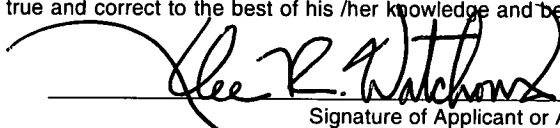
Backfilled and releveled location.

RECEIVED  
KANSAS CORPORATION COMMISSION

MAY 13 2008

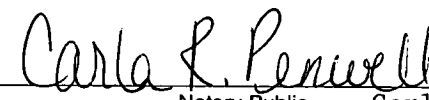
CONSERVATION DIVISION  
WICHITA, KS

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