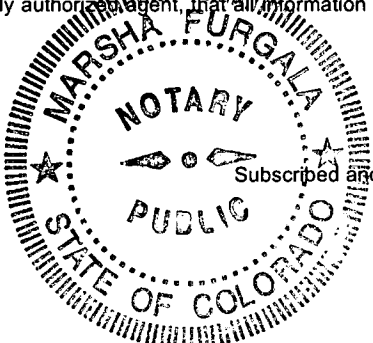


KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
CLOSURE OF SURFACE PIT

Form CDP-4
April 2004
Form must be Typed

Operator Name: <u>CHACO ENERGY COMPANY</u>	License Number: <u>31217</u>
Operator Address: <u>P.O. Box 1587, DENVER, CO 80201</u>	
Contact Person: <u>KURT NELSON</u>	Phone Number: <u>(303) 744-2036</u>
Permit Number (API No. if applicable): <u>055-21926-0000</u>	Lease Name & Well No.: <u>ESTES #1</u>
Type of Pit: ☐ Emergency Pit ☐ Burn Pit ☐ Settling Pit ☒ Drilling Pit ☐ Workover Pit ☐ Haul-Off Pit	Pit Location (QQQQ): <u>SW</u> <u>NW</u> <u>NW</u> Sec. <u>29</u> Twp. <u>22S</u> R. <u>30</u> ☐ East ☒ West <u>740</u> Feet from ☒ North / ☐ South Line of Section <u>330</u> Feet from ☐ East / ☒ West Line of Section Finney County
Date of closure: <u>2-25-08</u>	
Was an artificial liner used? ☐ Yes ☒ No	
If no, how were the sides and bottom sealed to prevent downward migration of the pit contents? Through formation of gel filter cake from conventional gel/chemical mud.	
Abandonment procedure of pit: Evaporated fluids over extended time period, then backfilled and returned to original grade.	
The undersigned hereby certifies that he / she is <u>PRESIDENT</u> for <u>CHACO ENERGY COMPANY</u> a duly authorized agent, that all information shown hereon is true and correct to the best of his /her knowledge and belief.	
	<u>[Signature]</u> Signature of Applicant or Agent
	Subscribed and sworn to me on this <u>4</u> day of <u>March</u> <u>2008</u>
	<u>[Signature]</u> Notary Public
My Commission Expires: <u>11-15-2011</u>	

RECEIVED
KANSAS CORPORATION COMMISSION

MAR 07 2008

CONSERVATION DIVISION
WICHITA, KS