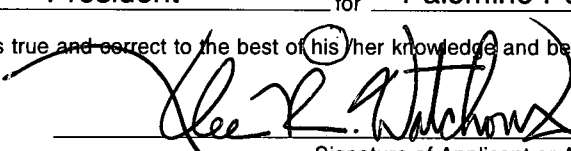

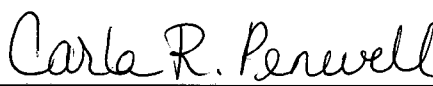


KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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): 15-135-24635-0000 | | Lease Name & Well No.: Davidson-Johnson #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): NW - NE - NW - Sec. 11 Twp. 17S R. 26 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 380 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 1560 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Ness County | |
| Date of closure: March 25, 2008 | | | |
| Was an artificial liner used? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 MAR 27 2008 CONSERVATION DIVISION WICHITA, KS | |
| The undersigned hereby certifies that <u>he</u> / 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. <div style="text-align: right;"> _____ Signature of Applicant or Agent</div> | | | |
| Subscribed and sworn to me on this 26th day of March , 2008 | | | |
| <div style="border: 1px solid black; padding: 5px;"> NOTARY PUBLIC - State of Kansas CARLA R. PENWELL My Appt. Expires 10-6-09</div> | | <div style="text-align: right;"> _____ Notary Public Carla R. Penwell</div> | |
| My Commission Expires: October 6, 2009 | | | |