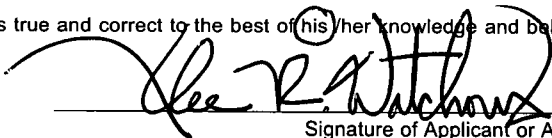
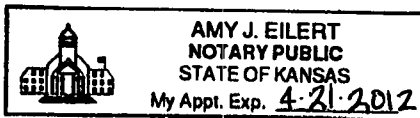
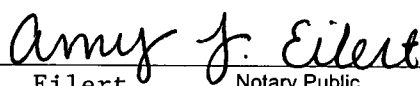


**KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
CLOSURE OF SURFACE PIT**

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>15-063-21679-0000</b>	Lease Name & Well No.: <b>Fossett #1</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>E/2</b> - <b>SW</b> - <b>NW</b> - _____ Sec. <b>17</b> Twp. <b>13</b> R. <b>26</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>1840</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <b>930</b> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section _____ Gove _____ County
Date of closure: <u>July 26, 2008</u>	
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? <b>Native muds and clays.</b>	
Abandonment procedure of pit: <b>Backfilled and releveled location.</b>	
RECEIVED KANSAS CORPORATION COMMISSION  <b>AUG 18 2008</b>  CONSERVATION DIVISION WICHITA, KS	
The undersigned hereby certifies that <u>he</u> she is <u>President</u> for <u>Palomino Petroleum, Inc.</u> (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 <u>15th</u> day of <u>August</u> , 2008	
	 _____ Amy J. Eilert      Notary Public
My Commission Expires: <u>April 21, 2012</u>	