

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

Form CDP-4
April 2004
Form must be Typed

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): 15-065-23328 0000	Lease Name & Well No.: Storz #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 SE SE Sec. 34 Twp. 6S R. 24 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1010 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1090 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Graham County

Date of closure: June 26, 2008

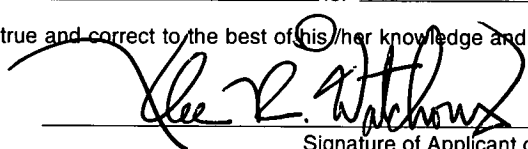
Was an artificial liner used? Yes No

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.

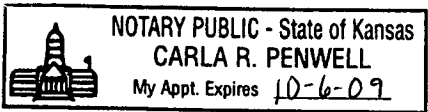
RECEIVED
KANSAS CORPORATION COMMISSION
JUL 31 2008
CONSERVATION DIVISION
WICHITA, KS

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.

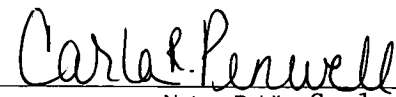


Signature of Applicant or Agent

Subscribed and sworn to me on this 30th day of July, 2008



NOTARY PUBLIC - State of Kansas
CARLA R. PENWELL
My Appt. Expires 10-6-09



Notary Public Carla R. Penwell

My Commission Expires: July 30, 2008