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)*: 15-135-24986 6000	Lease Name & Well No.: Kober "JT" #1

Type of Pit:

- [ ] Emergency Pit
- [ ] Burn Pit
- [ ] Settling Pit
- [x] Drilling Pit
- [ ] Workover Pit
- [ ] Haul-Off Pit

Pit Location (QQQQ): NW - SE - SW - NW

Sec. 20 Twp. 17S R. 25 [ ] East [x] West

2030 Feet from [x] North / [ ] South Line of Section

740 Feet from [ ] East / [x] West Line of Section

Ness County

Date of closure: May 12, 2010

Was an artificial liner used? [ ] Yes [x] 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
MAY 14 2010
KCC WICHITA

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.

Klee R. Watchous
Signature of Applicant or Agent

Subscribed and sworn to me on this 13th day of May, 2010

NOTARY PUBLIC - State of Kansas
CARLA R. PENWELL
My Appt. Expires 10-6-13

Carla R. Penwell
Notary Public Carla R. Penwell

My Commission Expires: October 6, 2013

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202