


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): 15-135-25060 	Lease Name & Well No.: Reeves #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): <u> NW </u> <u> SE </u> <u> NE </u> <u> SE </u> Sec. <u> 20 </u> Twp. <u> 18S </u> R. <u> 26 </u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u> 1670 </u> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <u> 650 </u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <u> </u> <u> Ness </u> County

Date of closure: August 15, 2010

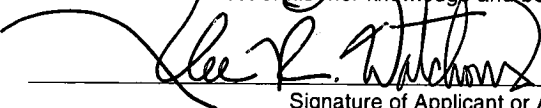
Was an artificial liner used? Yes No

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
SEP 03 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.




Signature of Applicant or Agent

Subscribed and sworn to me on this 2nd day of September , 2010



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



Notary Public **Carla R. Penwell**

My Commission Expires: October 6, 2013