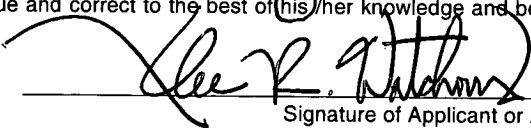

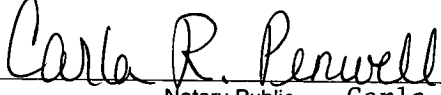


KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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): 15-135-25030 0000	Lease Name & Well No.: Delaney #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>E/2</u> <u>NW</u> <u>NW</u> <u>NE</u> Sec. <u>20</u> Twp. <u>17S</u> R. <u>23</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>330</u> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <u>2210</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <u>Ness</u> County
Date of closure: <u>July 1, 2010</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? 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 <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>2nd</u> day of <u>September</u> , 2010	
	 Notary Public <u>Carla R. Penwell</u>
My Commission Expires: <u>October 6, 2013</u>	