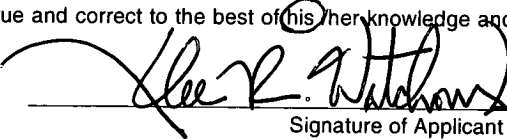

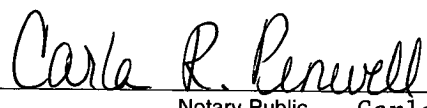


KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**CLOSURE OF SURFACE PIT**

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>15-135-24903 0000</b>		Lease Name & Well No.: <b>Dixon Trust #1</b>
<b>Type of Pit:</b>  <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		<b>Pit Location (QQQQ):</b>  <b>NW - NW - SE - NE</b> Sec. <b>20</b> Twp. <b>17S</b> R. <b>25</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>1600</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <b>1060</b> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <b>Ness</b> County
Date of closure: <u>July 26, 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? <b>Native muds and clays.</b>		
Abandonment procedure of pit: <b>Backfilled and releveled location.</b>		
<b>RECEIVED SEP 03 2010 KCC WICHITA</b>		
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 <b>Carla R. Penwell</b>	
My Commission Expires: <u>October 6, 2013</u>		