KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form CDP-5
August 2004
Form must be Typed

# EXPLORATION & PRODUCTION WASTE TRANSFER

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): 15-135-25169 0000
Lease Name: Sekavec-Stieben
Well Number: 1

Source of Waste:
- [ ] Dike
- [ ] Emergency Pit
- [ ] Settling Pit
- [ ] Workover Pit
- [x] Drilling Pit
- [ ] Burn Pit
- [ ] Haul-off Pit
- [ ] Steel Pit
- [ ] Spill / Escape

Source Location (QQQQ): SW - SE - SW - SE
Sec. 2 Twp. 18S R. 22 [ ] East [x] West
101 Feet from [ ] North / [x] South Line of Section
1736 Feet from [x] East / [ ] West Line of Section
Ness County

Type of waste to be disposed: [x] Fluid [ ] Soil [ ] Mud / Cuttings [ ] Other:

Amount of waste: 4 No. of loads 320 Barrels ____ Tons ____ YDS

Destination of waste: [ ] Reserve Pit [x] Disposal Well [ ] Lease Road [ ] Dike / Berm [ ] Other:

If waste is transferred to another reserve pit, is the lease active? [ ] Yes [x] No

Location of waste disposal:
Date of Waste Transfer: 10/8/10
Operator Name: Robert F. Hembree
License No.: 8247
Lease Name: Parker #5 SWD
Sec. 25 Twp. 18S R. 24 [ ] East [x] West
Docket No.: D-30,634
County: Ness

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KCC WICHITA

The undersigned herby 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
Agent Signature

Subscribed and sworn to before me on this 13th day of October, 2010.

Carla R. Penwell
Notary Public Carla R. Penwell

NOTARY PUBLIC - State of Kansas
CARLA R. PENWELL
My Appt. Expires October 6, 2013

My Commission Expires: 10-6-13

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