

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

Form CDP-4
April 2004
Form must be Typed

07

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): 15-135-24604-0000	Lease Name & Well No.: Harris-Higbee #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): E/2 E/2 NE Sec. 10 Twp. 16S R. 24 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1260 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 150 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Ness County

Date of closure: 8/10/07

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.

RECEIVED
KANSAS CORPORATION COMMISSION

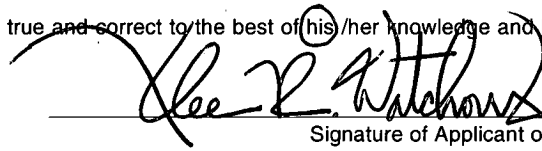
SEP 19 2007

CONSERVATION DIVISION
WICHITA, KS

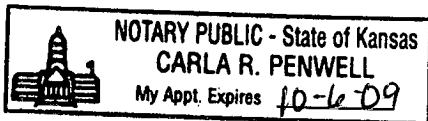
Abandonment procedure of pit:

Backfilled and releveled location.

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 18th day of September, 2007




Notary Public **Carla R. Penwell**

My Commission Expires: October 6, 2009