

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

Form CDP-4  
April 2004  
Form must be Typed

07

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>15-135-24670-0000</b>	Lease Name & Well No.: <b>Habiger-Keilman #7</b>
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): <b>E/2 SE NW</b> Sec. <b>21</b> Twp. <b>17S</b> R. <b>24</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>2075</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <b>2310</b> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <b>Ness</b> County

Date of closure: 10/27/07

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.**

Abandonment procedure of pit:

**Backfilled and releveled location.**

RECEIVED  
KANSAS CORPORATION COMMISSION

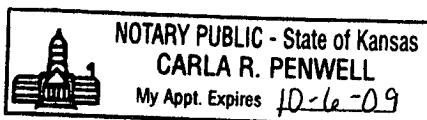
OCT 30 2007

CONSERVATION DIVISION  
WICHITA, KS

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.

*Klee R. Watchous*  
Signature of Applicant or Agent

Subscribed and sworn to me on this 29th day of October, 2007



*Carla R. Penwell*  
Notary Public Carla R. Penwell

My Commission Expires: October 6, 2009