

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
EXPLORATION & PRODUCTION WASTE TRANSFER**

Form CDP-5
August 2004
Form must be Typed

51

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): 15-025-21417-0000		Lease Name: Stephens
Source of Waste: <input type="checkbox"/> Dike <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Workover Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Haul-off Pit <input type="checkbox"/> Steel Pit <input type="checkbox"/> Spill / Escape		Well Number: 1 Source Location (QQQQ): SW - NW - SW - Sec. 2 Twp. 32S R. 21 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1600 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 470 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Clark County

Type of waste to be disposed: Fluid Soil Mud / Cuttings Other: _____

Amount of waste: 2 No. of loads 200 Barrels _____ Tons _____ YDS

Destination of waste: Reserve Pit Disposal Well Lease Road Dike / Berm Other: _____

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

Location of waste disposal:	Date of Waste Transfer: <u> 7/24/07 </u>
Operator Name: <u> Nard II, Inc. </u>	License No.: <u> 1752 </u>
Lease Name: <u> German #2 </u>	Sec. <u> 28 </u> Twp. <u> 29S </u> R. <u> 22 </u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West
Docket No.: <u> 021021 </u>	County: <u> Harper, Oklahoma </u>

**RECEIVED
KANSAS CORPORATION COMMISSION

AUG 14 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
Agent Signature

Subscribed and sworn to before me on this 13th day of August 2007

NOTARY PUBLIC - State of Kansas
 CARLA R. PENWELL
 My Appt. Expires 10-6-09

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

My Commission Expires: October 6, 2009