

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

Form CDP-5
August 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): 15-025-21417-0000	Lease Name: Stephens
Source of Waste: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Dike <input type="checkbox"/> Workover Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Burn Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Steel Pit <input type="checkbox"/> Haul-off Pit <input type="checkbox"/> <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: 6 No. of loads 600 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>7/18/07</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>


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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


Carla R. Penwell
 Notary Public Carla R. Penwell
 My Commission Expires: October 6, 2009