

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

Form CDP-4  
April 2004  
Form must be Typed

|   |   |
|---|---|
| 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> 0000  | Phone Number: ( <b>316</b> ) <b>799 - 1000</b>  |
| Permit Number (API No. if applicable): <b>15-135-24920</b> 0000   | Lease Name & Well No.: <b>Ardith #1</b>   |
| Type of Pit:<br><input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit<br><input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit<br><input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit | Pit Location (QQQQ):<br><u>S/2</u> <u>N/2</u> <u>SW</u> <u>SE</u><br>Sec. <u>3</u> Twp. <u>17S</u> R. <u>26</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West<br><u>790</u> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section<br><u>1980</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section<br><u>Barton</u> <u>NESS</u> County |

Date of closure: April 22, 2011

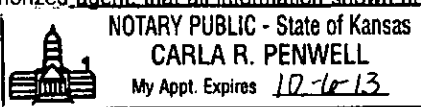
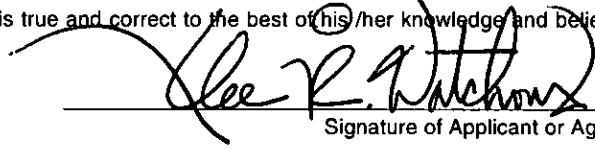

Was an artificial liner used?     Yes     No

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  
APR 27 2011  
KCC WICHITA**

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.

|  |  |
|--|--|
|   | <br>_____<br>Signature of Applicant or Agent |
| Subscribed and sworn to me on this <u>26th</u> day of <u>April</u> , <u>2011</u>   |  |
| <br>_____<br>Notary Public    Carla R. Penwell |  |
| My Commission Expires: <u>October 6, 2013</u>  |  |