NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

For KCC Use Only
API # 15 - 025-20346-00-01
Conductor pipe required: NONE feet
Minimum surface pipe required: 622 feet per Acre
Approved by: JDP 12-11-03
This authorization expires: 6-11-04
(The authorization void if not drilling within 6 months of effective date.)
Spud date: Agent: 12-16-03

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

OPERATOR: License#: 33060
Name: Diversified Operating Corporation
Address: 15000 West 6th Ave. Suite 102
City/State/Zip: Golden, CO 80401
Contact Person: Cathy Cammon
Phone: 303-384-9611

CONTRACTOR: License#: 5822
Name: Val Energy Inc

Well Drilled For: Oil
Well Class: Enth Rec
Type Equipment: Mud Rotary

If OWWO: old well information as follows:
Operator: Imperial Oil Comany
Well Name: 1-15 Berryman
Original Completion Date: 3/80
Original Total Depth: 6384

Directional, Deviated or Horizontal wellbore? No
If Yes, true vertical depth:

Bottom Hole Location:

KCC DKT #:

Spud:

Dec 9 2003

month day year

Sec 15

S. R. 21

Twp. 31S

W Line of Section

E

N

East

West

560' feet from

2310' feet from

Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse aide)

County:

Lease Name:

Berryman

Well #: 15-2-2

Field Name:

Is this a Prorated / Spaced Field? No

Target Formation(s): Viola

Nearest Lease or unit boundary: 2310'
Ground Surface Elevation: 2196 feet MSL

Water well within one-quarter mile: No

Public water supply well within one mile: No

Depth to bottom of fresh water:

Depth to bottom of usable water:

Surface Pipe by Alternate: 1

Length of Surface Pipe Planned to be set: 522, already set and cemented

Length of Conductor Pipe required: None

Projected Total Depth: 6550'
Formation at Total Depth: Arbuckle
Water Source for Drilling Operations:

Will Cores be taken?

If Yes, proposed zone:

( NOTE: Apply for Permit with DWR )

Remember to:
- File Drill Pit Application (form CDP-1) with intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.
- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.
- Well Not Drilled - Permit Expired

Signature of Operator or Agent:

Date:

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 -
Operator: Diversified Operating Corporation
Lease: Berryman
Well Number: 15-2-2
Field:

Number of Acres attributable to well: 40
QTR / QTR / QTR of acreage: NW - NE

Location of Well: County: Clark

660' feet from N / 2310' feet from E / W Line of Section
Sec. 15 Twp. 31S S. R. 21 East West

Is Section: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE SE

NOTE: In all cases locate the spot of the proposed drilling location.

In plotting the proposed location of the well, you must show:

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).