NOTICE OF INTENTION TO DRILL

State of Kansas
(see rules on reverse side)

CARD MUST BE TYPED

Starting Date: 11 10 85

month day year

OPERATOR: License # 7076

Name Black Diamond Oil, Inc.

Address 1105 E. 30th A., Suite A

City/State/Zip Hays, Ks. 67601

Contact Person Kenneth Vehige

Phone 913.625-5891

CONTRACTOR: License # 9087

Name R. & C. Drilling Co., Inc.

City/State P.O. Box 296

Well Drilled For: X Oil X Infield

Well Class: X Mud Rotary

Type Equipment: X Gas X Inj

□ Pool Ext. □ Air Rotary

□ OWWO □ Expl □ Wildcat □ Cable

If OWWO: old well info as follows:

Operator

Well Name

Comp Date Old Total Depth

Projected Total Depth 3500 feet

Projected Formation at TD Arbuckle

Expected Producing Formations Arbuckle

API Number 163-22 804 11-6-85

Corrective Intent

□ East

(SE SE) Sec. 29. Twp. 6. S, Rge. 20. □ West

Note: Locate well on Section Plat on reverse side

Ft North from Southeast Corner of Section

Ft West from Southeast Corner of Section

Nearest lease or unit boundary line 330 feet.

County Rooks

Lease Name Benoit Well# 2

Domestic well within 330 feet: □ yes □ no

Municipal well within one mile: □ yes □ no

Depth to Bottom of fresh water 100 feet

Lowest usable water formation Dakota

Depth to Bottom of usable water 1125 feet

Surface pipe by Alternate: 1 □ 2 X

Surface pipe to be set 200 feet

Conductor pipe if any required n/a feet

Ground surface elevation feet MSL

This Authorization Expires 5-1-86

Approved By 10-31-85

I certify that we will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to K.C.C. specifications.

Date 11-04-85

Signature of Operator or Agent Kenneth Vehige

Title Pres.

Form C-1 4/84
Must be filed with the K.C.C. five (5) days prior to commencing well
This card void if drilling not started within six (6) months of date received by K.C.C.

Important procedures to follow:

1. Notify District office before setting surface casing.
2. Set surface casing by circulating cement to the top.
3. File completion forms ACO-1 with K.C.C. within 90 days of well completion, following instructions on ACO-1, side 1, and including copies of wireline logs.
4. Notify District office 48 hours prior to old well workover or re-entry.
5. Prior to plugging, prepare a plugging plan, then obtain agreement from the appropriate district office for an approved plugging plan.
6. Submit plugging report (CP-4) to K.C.C. after plugging is completed.
7. Obtain an approved injection docket number before disposing of salt water.
8. Notify K.C.C. within 10 days when injection commences or terminates.
9. If an alternate 2 completion, cement in the production pipe from below any usable water to surface within 120 days of spud date.

State Corporation Commission of Kansas
Conservation Division
200 Colorado Derby Building
Wichita, Kansas 67202
(316) 263-3238