NOTICE OF INTENTION TO DRILL
(see rules on reverse side)

Starting Date .................... 4 ....... 22 .... 86 .......

OPERATOR: License # ........... 7076
Name .... BLACK DIAMOND OIL, INC
Address .... 1105 E 30th
City/State/Zip .... HAYS, KS 67601
Contact Person .... KENNETH VEIGHE
Phone ........... 913-625-5891

CONTRACTOR: License # ........... 9087
Name .... R & C DRILLING CO., INC
City/State/Zip .... P.O. Box 296, HAYS, KS 67601

Well Drilled For:

Oil ........... SWD
Gas ........... Inj
OWWO ........... Expl

Well Class: Type Equipment:

Infield .... X Mud Rotary
Pool Ext. .... X Air Rotary
Wildcat .... Wildcat

API Number 15— 163-22,881-0000

NE, NE, SW Sec. 25 Twp. 7 S, Rg. 18 X East

2310

Ft. from South Line of Section

2970

Ft. from East Line of Section

(Note: Locate well on Section Plat on reverse side)

Nearest lease or unit boundary line .... 330 feet
County .... Rooks
Lease Name .... Hazen
Well # .... 1

Ground surface elevation .... 1760 feet MSL
Domestic well within 330 feet: yes X no
Municipal well within one mile: yes X no
Surface pipe by Alternate: 2

Depth to bottom of fresh water .... 100

Depth to bottom of usable water .... 750

Surface pipe planned to be set .... 1200 80 ft conductor
Projected Total Depth .... 3300 feet
Formation .... Arbuckle

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

Date .... 4/22/86 Signature of Operator or Agent

For KCC Use:

Conductor Pipe Required .... 80 feet; Minimum Surface Pipe Required

Projected Total Depth .... 3300 feet per Alt. 1 2

This Authorization Expires .... 10/18/86 Approved By 4/22/86
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 filing Intent, prepare a proposed plugging plan in case well is D & A, then obtain approval of plan when calling district office prior to setting surface pipe.

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