Notice of Intention to Drill

State of Kansas

Notices of intention to drill must be approved by the K.C.C. five (5) days prior to commencing well

Expected Spud Date: 10 17 90

Month Day Year

Operator:
License #: 7076
Name: BLACK DIAMOND OIL, INC.
Address: 3004 BROADWAY AVE
City/State/Zip: HAYS, KS 67601
Contact Person: Kenneth Vehige
Phone: 913-625-5891

Contractor:
License #: 8241
Name: Emphasis Oil Operations

Well Drilled For:
Well Class: Type Equipment:
X Oil... Inj X- Infeld X- Mud Rotary
Gas... Storage... Pool Ext... Air Rotary
OMO... Disposal... Wildcat... Cable
Seismic;... # of Holes

If OMO: old well information as follows:
Operator:
Well Name:
Comp. Date: Old Total Depth

Directional, Deviated or Horizontal wellbore?... yes X... no
If yes, total depth location:

Affidavit

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

It is agreed that the following minimum requirements will be met:
1. The appropriate district office shall be notified before setting surface pipe;
2. The minimum amount of surface pipe as specified above shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation;
3. If the well is dry, a plugging proposal shall be submitted to the district office. An agreement between the operator and the district office on plug length and placement is necessary prior to rilling;
4. The appropriate district office will be notified before well is either pluggd or production casing is cemented in;
5. If an Alternate II completion, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. In all cases, notify district office prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 10-10-90 Signature of Operator or Agent: [Signature]

For KCC Use:

API: #15-

-163-23,132-06-00-00-00

Conductor pipe required 82 feet
Minimum surface pipe required 720 feet per Alt.
Approved by: [Signature] 10-10-90
Effective Date:

This authorization expires: 4-11-91

(5) This authorization void if drilling not started within 6 months of effective date.

Spud Date: 10-10-90

Remember to:
- File Drill Pit Application (Form DCP-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.

Mail to: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.
PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

State Corporation Commission, Conservation Division
200 Colorado Derby Bldg. Wichita, Kansas 67202

OPERATOR Black Diamond Oil, Inc.
LEASE KU
WELL NUMBER 3
FIELD Riffe ext

LOCATION OF WELL:
1650 feet north of SE corner
1650 feet west of SE corner
SE/4 Sec. 25 T 7 R 18 W
COUNTY Rooks
IS SECTION X REGULAR IRREGULAR?
IF IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.

NOTE: If plat depicted is insufficient for your circumstances, you may attach your own scaled or surveyed plat.

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, 4 sections, 16 sections, etc.;

2) the well's location relative to the location of other wells producing from the same common source of supply in adjoining drilling units, pursuant to K.A.R. 82-3-108, 82-3-207, 82-3-312, or special orders of the Commission;

3) the distance of the proposed drilling location from the section's east and south lines; and

4) the distance to the nearest lease or unit boundary line. 330'

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Signature of Operator or Agent
Date
Title
October 11, 1990

Kenneth Vehige
Black Diamond Oil, Inc.
3004 Broadway Avenue
Hays, Kansas 67601

RE: Wehrli #1
Sec. 19-07S-18W
Rooks County, Kansas

KU #3
Sec. 25-07S-18W
Rooks County, Kansas

Dear Mr. Vehige:

Please note that this intended well location is within a known shallow flow area of groundwater for elevations below 1880 feet G.L. Caution should be exercised during the drilling of the above-named wells due to problems with shallow reservoirs which may flow during surface drilling operations.

Respectfully submitted,

Michael R. Wilson
Research Analyst

cc: Dist. #4 - Don Butcher
Black Diamond Oil, Inc.
David Williams