NOTICE OF INTENTION TO DRILL

Expected Spud Date: 09/14/88

OPERATOR: License # 707.6
Name: BLACK DIAMOND OIL, INC.
Address: 1105 E. 30TH, STE. 4
City/State/Zip: HAYS, 67601
Contact Person: KENNETH VEHIGE
Phone: (913) 625-5891

CONTRACTOR: License # 8241
Name: EMPHASIS OIL OPERATIONS
City/State: RUSSELL, KS

Well Drilled For:
- Oil
- Storage
- Infield
- Mud Rotary
- Gas
- Inj
- Pool Ext.
- Air Rotary
- OWWO
- Expl
- Wildcat
- Cable

Well Class: XX
Type Equipment: XX

API Number: 065-22,488-00-00

Location:
- Sec. 2
- Twp. 7
- Rg. 21
- N2 NE SW
- 2310 Ft. from South Line of Section
- 3300 Ft. from East Line of Section
(Note: Locate well on Section Plat on reverse side)

Nearest lease or unit boundary line: 330 feet

County: GRAHAM

Lease Name: PRUITT
Well #: 1

Ground surface elevation: 2230 feet MSL

Domestic well within 330 feet: yes
Municipal well within one mile: no

Depth to bottom of fresh water: 150 feet
Depth to bottom of usable water: 125

Surface pipe by Alternate: XX
Surface pipe planned to be set: 200 feet

Conductor pipe required: XX

Projected Total Depth: 3750 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: 09/09/88
Signature of Operator or Agent: [Signature]
Title: [Title]

For KCC Use:
Conductor Pipe Required: 200 feet per Alt. [ ]

This Authorization Expires: 9-9-89

Effective Date: 9-14-88

Approved By: [Signature] 9-9-88
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 120 days of well spud date, 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 67202-1212
(316) 263-3238