



1025616

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: _____

Lease: _____

Well Number: _____

Field: _____

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - _____ - _____ - _____

Location of Well: County: _____

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Sec. _____ Twp. _____ S. R. _____ E W

Is Section: Regular or Irregular

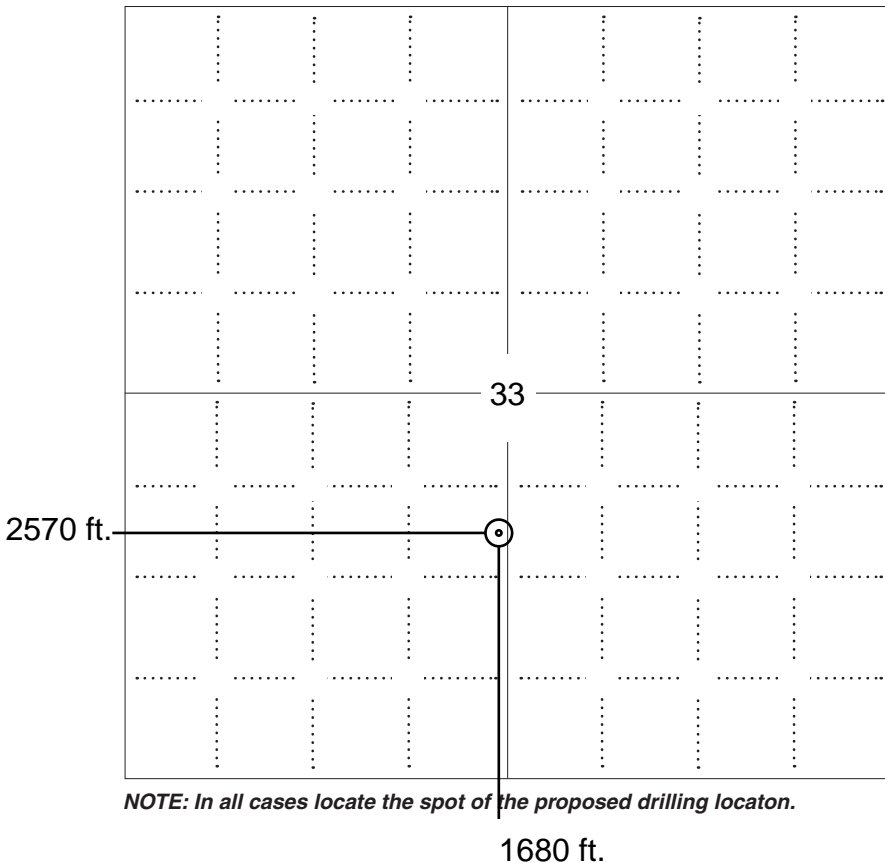
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

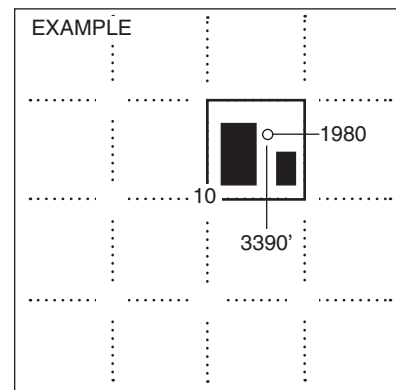
PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

(Show footage to the nearest lease or unit boundary line.)



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



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 south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
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).



KANSAS CORPORATION COMMISSION 1025616
OIL & GAS CONSERVATION DIVISION

Form CDP-1
April 2004
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: _____		License Number: _____	
Operator Address: _____			
Contact Person: _____		Phone Number: _____	
Lease Name & Well No.: _____		Pit Location (QQQQ): _____-_____-_____-_____	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	
How is the pit lined if a plastic liner is not used?		_____	
Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) _____ N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) _____ No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit _____ feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: _____ measured _____ well owner _____ electric log _____ KDWR	
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ _____ Drill pits must be closed within 365 days of spud date.	
Submitted Electronically			

KCC OFFICE USE ONLY		Steel Pit	RFAC	RFAS
Date Received: _____	Permit Number: _____	Permit Date: _____	Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No	

DECLARATION OF UNITIZATION

THIS DECLARATION OF UNITIZATION is made this 5th day of January, 2009, by Black Diamond Oil, Inc., hereinafter called Lessee, WITNESSETH:

WHEREAS, the parties hereto desire the Oil and Gas Leases shown on Exhibit A, attached hereto and incorporated herein by reference, be consolidated and unitized into one operating unit according to, and in compliance with, the Rules and Regulations of the Kansas Corporation Commission.

AND WHEREAS, the Lessors of the **JME Farm Leases** covering SE $\frac{1}{4}$ Sec. 33-6-20 and the Lessors of the **Vehige Leases** covering SW $\frac{1}{4}$ Sec. 33-6-20 have previously authorized Lessee to pool and unitize said lease so that each Lessor would receive pro rata division of all royalties from the sale of oil or gas or either of them produced from the Unitized Area in the proportion that each Lessor's mineral interest bears to the total minerals within the Unitized Area as set forth in Exhibit A.

NOW, THEREFORE, in consideration of these premises and of the mutual benefits hereinafter contained, Lessee does hereby pool and unitize the oil and gas leases set forth in Exhibit A in accordance with the following terms and conditions:

1. By virtue of the power and authority granted by each landowner/lessor to the Lessee, Lessee declares for all purposes that the oil and gas leases set forth in Exhibit A are pooled and unitized forming the Unitized Area described therein. The Unitized Area shall be developed and operated as one leased tract regardless of how the same or the minerals thereunder may be divided in ownership, just as though such Unitized Area had originally been covered by a single oil and gas lease. The oil, gas or either of them in, under or produced from said Unitized Area is pooled and unitized and shall be treated as an entirety and the royalties thereon shall be paid ratably to the owners of each particular tract in such Unitized Area in accordance with Exhibit A and as their interest in each such particular tract may appear and according to the applicable royalty provisions and other terms of the oil and gas lease covering that particular tract.

2. Exhibit A sets forth and establishes the total acreage owned by each Lessor. Royalty, overriding royalty, and working interest payments will be based upon the decimal interest in production from said Unitized Area as is also shown thereon and on the Division Order when issued.

3. Any oil or gas well producing in commercial quantities under the terms of this agreement, or the oil and gas leases subject to this agreement, shall be deemed to be drilled under the terms of and located on the lands covered by each of said oil and gas lease and operations for the drilling, reworking of or production of all oil or gas from any such well or wells shall operate to keep in force the entire oil and gas leasehold estate

under each of said leases, just as though such well or wells were located on particular land covered by each particular lease. The drilling of or production from any well capable of producing oil or gas in commercial quantities upon the Unitized Area shall constitute full and complete development of each of the oil and gas leases hereby unitized.

4. This declaration and the oil and gas leasehold rights of Lessee under all leases covering the tracts of land within the Unitized Area shall be and remain in full force and effect so long as oil or gas or either of them can be produced in commercial quantities from any well in said Unitized Area and shall not be effected by the expiration of the primary term of any of said leases.

5. This declaration and all of the terms and conditions hereof shall be considered as covenants running with the land and shall likewise extend to and be binding upon the heirs, successors, and assigns of all parties hereto.

IN WITNESS WHEREOF, the Lessee has executed this Declaration of Unitization as of the date first above written.

BLACK DIAMOND OIL, INC.


Kenneth Vehige, President

ACKNOWLEDGMENT FOR CORPORATION

STATE OF KANSAS)
) **ss:**
COUNTY OF ROOKS)

The foregoing instrument was acknowledged before me this 5th day of January, 2009, by Kenneth Vehige, President of Black Diamond Oil, Inc., a Kansas corporation, on behalf of the corporation.

My commission expires: 8-29-2010

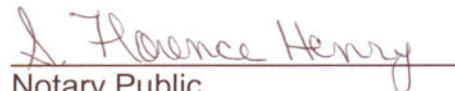

Notary Public



EXHIBIT A

UNIT AREA

THE WEST HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER (W $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$) and THE EAST HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER (E $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$) OF SECTION 33, TOWNSHIP 6 SOUTH, RANGE 20 WEST OF THE SIXTH P.M., Rooks County, Kansas.

OIL AND GAS LEASES POOLED AND UNITIZED

1. JME Farms Leases:

a. Oil and Gas Lease dated April 5, 2007, recorded in Book 370, pages 176, from JME Farms, a Kansas Partnership, by JoAnn Berens, partner, Lessor, to and in favor of Black Diamond Oil, Inc., Lessee, and covering:

THE SOUTHEAST QUARTER (SE $\frac{1}{4}$) OF SECTION 33, TOWNSHIP 6 SOUTH, RANGE 20 WEST OF THE SIXTH P.M., Rooks County, Kansas.

b. Oil and Gas Lease dated April 5, 2007, recorded in Book 370, pages 177, from JME Farms, a Kansas Partnership, by Erv Hertel, partner, Lessor, to and in favor of Black Diamond Oil, Inc., Lessee, and covering:

THE SOUTHEAST QUARTER (SE $\frac{1}{4}$) OF SECTION 33, TOWNSHIP 6 SOUTH, RANGE 20 WEST OF THE SIXTH P.M., Rooks County, Kansas.

c. Oil and Gas Lease dated April 5, 2007, recorded in Book 370, pages 178, from JME Farms, a Kansas Partnership, by Mary Miller, partner, Lessor, to and in favor of Black Diamond Oil, Inc., Lessee, and covering:

THE SOUTHEAST QUARTER (SE $\frac{1}{4}$) OF SECTION 33, TOWNSHIP 6 SOUTH, RANGE 20 WEST OF THE SIXTH P.M., Rooks County, Kansas.

2. Vehige Leases:

a. Oil and Gas Lease dated October 1, 2008, recorded in Book 391, page 63, from Kenneth Vehige and Dena Vehige, his wife, Lessors, to and in favor of Black Diamond Oil, Inc., Lessee and covering:

**THE SOUTHWEST QUARTER (SW¹/₄) OF SECTION 33, TOWNSHIP 6 SOUTH,
RANGE 20 WEST OF THE SIXTH P.M., Rooks County, Kansas.**

b. Oil and Gas Lease dated December 12, 2008, recorded in Book 393, page 280, from Agnes G. Vehige as Trustee of the Agnes G. Vehige Revocable Trust dated August 14, 2008, Lessor, to and in favor of Black Diamond Oil, Inc., Lessee and covering:

**THE SOUTHWEST QUARTER (SW¹/₄) OF SECTION 33, TOWNSHIP 6 SOUTH,
RANGE 20 WEST OF THE SIXTH P.M., Rooks County, Kansas.**

TRACT PARTICIPATION

Each of the above tracts will participate equally (50/50) in the production of oil, gas and other minerals from the Unit Area.

ROYALTY PARTICIPATION

JME Farms	.062500 Royalty
Agnes Vehige Revocable Trust dated August 14, 2008	.031250 Royalty
Kenneth Vehige	.031250 Royalty