



1081106

For KCC Use ONLY

API # 15 - _____

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

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

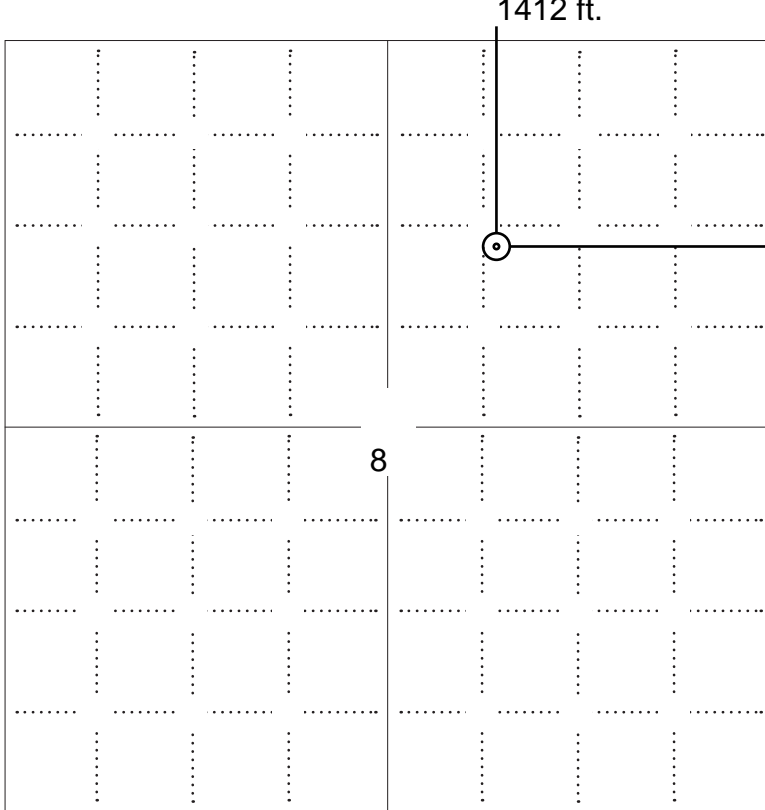
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).

You may attach a separate plat if desired.



LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location



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).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.



KANSAS CORPORATION COMMISSION 1081106
OIL & GAS CONSERVATION DIVISION

Form CDP-1
May 2010
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) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) <input type="checkbox"/> 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: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> 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.	
<p>Submitted Electronically</p>			

KCC OFFICE USE ONLY

Liner Steel Pit RFAC RFAS

Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: Yes No



CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License # _____
Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Contact Person: _____
Phone: (_____) _____ Fax: (_____) _____
Email Address: _____

Well Location: _____
____ - ____ - ____ - ____ Sec. ____ Twp. ____ S. R. ____ East West
County: _____
Lease Name: _____ Well #: _____

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____

When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I Submitted Electronically

AMENDMENT TO OIL AND GAS LEASES

WHEREAS, ROBERT L. KUHN, K 5 OIL, LLC, a limited liability company, MARCELENE R. PROFFITT and RACE E. PROFFITT, CO-TRUSTEES OF THE MARCELENE R. PROFFITT TRUST DATED June 8, 1993 (restated 1997) and DIAMOND ENERGY, INC., a Kansas corporation, are owners of mineral interests in the following described property:

Northeast Quarter (NE/4) of Section Eight (8), Township Twenty (20) South, Range Nine (9) West, Rice County, Kansas; and,

WHEREAS, the above described property is subject to the following oil and gas leases:

Lease A:

Oil and gas lease dated March 30, 1929, from Ralph P. Proffitt and Bess J. Proffitt, his wife, lessors, to The Independent Oil & Gas Company, lessee, recorded May 21, 1929, in Book 19 of Miscellaneous Records, page 440, in the office of the Register of Deeds of Rice County, Kansas, insofar as said lease covers the South Half of the Southwest Quarter of the Northeast Quarter (S/2 SW/4 NE/4) and the South Half of the North Half of the Southwest Quarter of the Northeast Quarter (S/2 N/2 SW/4 NE/4) of Section Eight (8), Township Twenty (20) South, Range Nine (9) West, Rice County, Kansas, containing 30 acres, more or less

Lease B:

Oil and gas lease dated March 3, 1978, from Bess J. Proffitt, a widow; Richard L. Proffitt and Marcelene Proffitt, his wife, lessors, to Pioneer Operations Co., Inc., lessee, recorded March 14, 1978, in Book 83, page 9, in the office of the Register of Deeds of Rice County, Kansas, insofar as said lease covers the East Half of the Northeast Quarter (E/2 NE/4), the Northwest Quarter of the Northeast Quarter (NW/4 NE/4) and the North Half of the North Half of the Southwest Quarter of the Northeast Quarter (N/2 N/2 SW/4 NE/4) of Section Eight (8), Township Twenty (20) South, Range Nine (9) West, Rice County, Kansas, containing 130 acres, more or less

WHEREAS, the above named parties wish to amend certain terms and conditions of the oil and gas leases described above and the parties wish to put the terms of the amendments in writing.

NOW, THEREFORE, in exchange for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The said parties hereby amend the terms and conditions of the oil and gas leases described above in the following respects:

The oil and gas leases described above as Leases A and B should be modified and additional paragraphs should be added to the terms of the leases as follows:

"Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units of 10 acres each in the event of an oil well. The unit shall be square in size with the well being located in the center of the unit. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved."

"However, the foregoing, notwithstanding, in the event a portion or portions of the leased premises is pooled with other land so as to form a pooled unit or units, operations on such unit or units will not maintain this lease in force as to the land not included in such unit or units. This lease may be maintained in force as to any land covered hereby and included in such unit or units in any manner provided for herein. Upon the occurrence of any partial termination of this lease, Lessee shall have and expressly reserves, an easement, on, over, through and under all released tracts as shall be reasonably necessary for rights of ingress and egress, to and from the unit or units and Lessee shall not be required to relocate any pipelines or equipment used in connection with production of oil or gas from the leased premises."

2. Except as modified hereinabove, the original terms of the oil and gas leases described hereinabove shall remain in full force and effect.

3. This Amendment may be signed in counterpart with the same effect as if all of the parties to this Amendment signed the same document.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.

Robert L. Kuhn
Robert L. Kuhn

K 5 OIL, LLC

By Curtis W. Kuhn
Member Curtis W. Kuhn

Marcelene R. Proffitt, Co-Trustee of the
Marcelene R. Proffitt Trust dated June 8,
1993 (restated 1997)

Race E. Proffitt, Co-Trustee of the Marcelene
R. Proffitt Trust dated June 8, 1993 (restated
1997)

DIAMOND ENERGY, INC.
By Debbie S. Schmitt
Debbie S. Schmitt, President

STATE OF SOUTH DAKOTA, COUNTY OF Dewey ss:

The forgoing instrument was acknowledged before me this 24 day of May, 2012, by Robert L. Kuhn.

My appointment expires: 3-22-15

Carmen Schmitt
Notary Public



STATE OF KANSAS, COUNTY OF BARTON, ss:

The forgoing instrument was acknowledged before me this 23 day of May, 2012, by Curtis W. Kuhn, Member of K 5 Oil, LLC.

My appointment expires: 3-22-2015

Carmen Schmitt
Notary Public



STATE OF KANSAS, COUNTY OF RENO, ss:

The forgoing instrument was acknowledged before me this _____ day of May, 2012, by Marcelene R. Proffitt, Co-Trustee of the Marcelene R. Proffitt Trust dated June 8, 1993 (restated 1997).

My appointment expires:

Notary Public

For KCC Use ONLY

API # 15 - _____

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

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

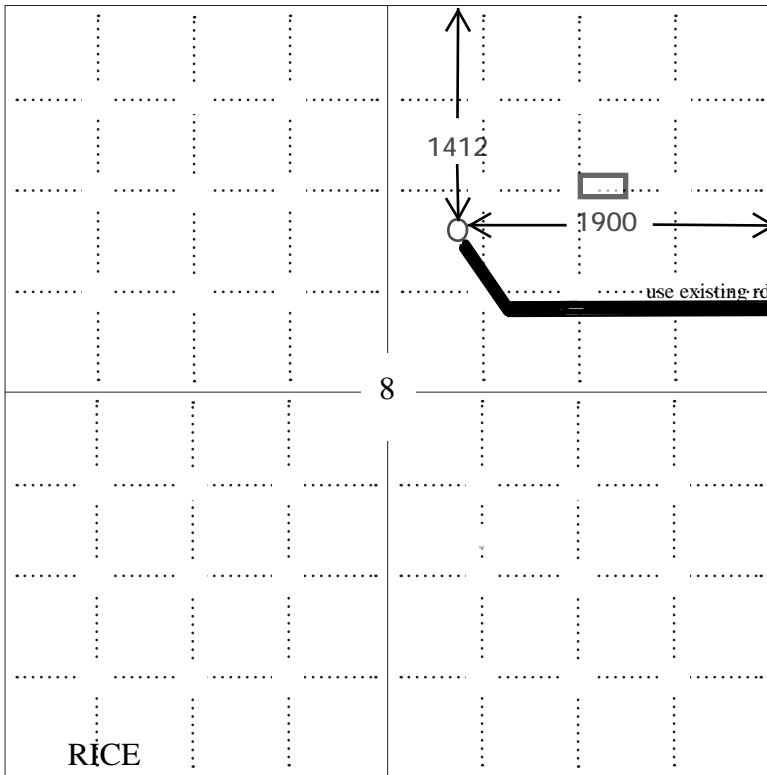
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Section corner used: NE NW SE SW

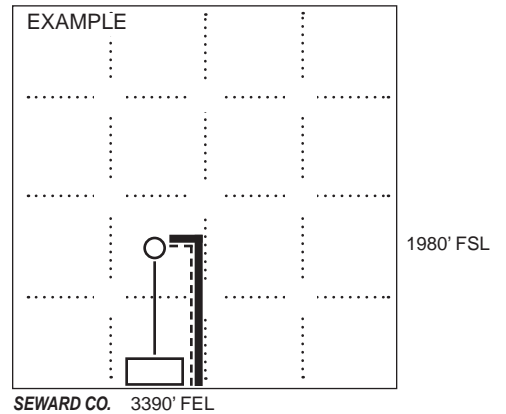
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- Tank Battery Location
- Pipeline Location
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5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

Conservation Division
Finney State Office Building
130 S. Market, Rm. 2078
Wichita, KS 67202-3802



Phone: 316-337-6200
Fax: 316-337-6211
<http://kcc.ks.gov/>

Mark Sievers, Chairman
Ward Loyd, Commissioner
Thomas E. Wright, Commissioner

Sam Brownback, Governor

May 31, 2012

Robin L. Austin
Rama Operating Co., Inc.
101 S MAIN ST
STAFFORD, KS 67578-1429

Re: Drilling Pit Application
API 15-159-22665-00-00
Proffitt 6-8
NE/4 Sec.08-20S-09W
Rice County, Kansas

Dear Robin L. Austin:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as practical after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (316) 630-4000 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through KOLAR within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the District Office at (316) 630-4000.