

owwo

For KCC Use: Effective Date: 10-21-06 District # 4 SGA? Yes No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 December 2002 Form must be Typed Form must be Signed All blanks must be Filled

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: October 20, 2006

OPERATOR: License# 7076 Name: Black Diamond Oil, Inc. Address: P.O. Box 641 City/State/Zip: Hays, KS 67601 Contact Person: Kenneth Vehje Phone: 785-625-5891

CONTRACTOR: License# 33772 Name: Gaschler Pulling Service, Inc.

Spot NE SE NW Sec. 36 Twp. 5 S. R. 21 1650 feet from N / S Line of Section 2310 feet from E / W Line of Section Is SECTION Regular Irregular?

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

County: Norton Lease Name: Wyrill Well #: 5 Field Name: Ray

Is this a Prorated / Spaced Field? Yes No Target Formation(s): Reagan Sand

Nearest Lease or unit boundary: 330' Ground Surface Elevation: 2198 feet MSL

Water well within one-quarter mile: Yes No Public water supply well within one mile: Yes No

Depth to bottom of fresh water: 100' Depth to bottom of usable water: 1000'

Surface Pipe by Alternate: 1 2 Length of Surface Pipe: 240' set

Length of Conductor Pipe required: None Projected Total Depth: 3630'

Formation at Total Depth: Reagan Sand Water Source for Drilling Operations: Well Farm Pond Other Lease Salt Water

DWR Permit #: (Note: Apply for Permit with DWR)

Will Cores be taken? Yes No If Yes, proposed zone:

Well Drilled For: Oil Gas OWO Seismic; # of Holes Other Well Class: Enh Rec Storage Disposal Other Well Class: Infield Pool Ext. Wildcat Other Type Equipment: Mud Rotary Air Rotary Cable

If OWWO: old well information as follows: Operator: OXY USA, Inc. Well Name: Kitzke #5 Original Completion Date: 4/12/57 Original Total Depth: 3630

Directional, Deviated or Horizontal wellbore? Yes No If Yes, true vertical depth: Bottom Hole Location: KCC DKT #:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq. It is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office prior to spudding of well; 2. A copy of the approved notice of intent to drill shall be posted on each drilling rig; 3. The minimum amount of surface pipe as specified below 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; 4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging; 5. The appropriate district office will be notified before well is either plugged or production casing is cemented in; 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. 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: 10/12/06 Signature of Operator or Agent: [Signature] Title: Pres.

For KCC Use ONLY API # 15 - 137-00237-00-01 Conductor pipe required: None feet Minimum surface pipe required: 240 feet per Alt. X(2) Approved by: [Signature] 10-16-06 This authorization expires: 4-16-07 (This authorization void if drilling not started within 6 months of approval date.) Spud date: Agent:

Remember to: - File Drill Pit Application (form CDP-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. - If this permit has expired (See: authorized expiration date) please check the box below and return to the address below. [] Well Not Drilled - Permit Expired Signature of Operator or Agent: Date:

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

RECEIVED

OCT 16 2006

KCC WICHITA

310 5 21W

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 - 137-00237-00-01
Operator: Black Diamond Oil, Inc.
Lease: Wyrill
Well Number: 5
Field: Ray
Number of Acres attributable to well: 10
QTR / QTR / QTR of acreage: NE - SE - NW

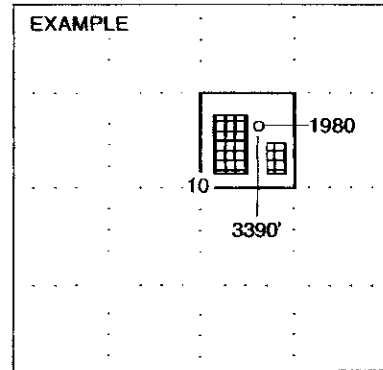
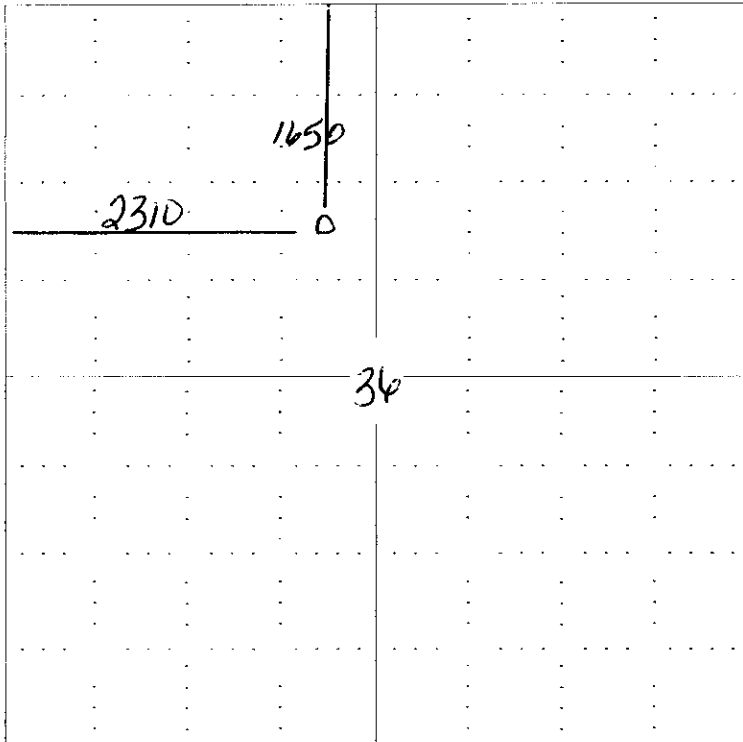
Location of Well: County: Norton
1650 feet from N / S Line of Section
2310 feet from E / W Line of Section
Sec. 36 Twp. 5 S. R. 21 East West

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:

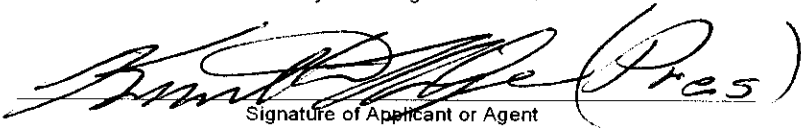
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).

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**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: BLACK DIAMOND OIL, INC.		License Number: 7076
Operator Address: P.O. BOX 641, HAYS, KS 67601		
Contact Person: KENNETH VEHIGE		Phone Number: (785) 625 - 5891
Lease Name & Well No.: Wyrill #5		Pit Location (QQQQ): C NE SE NW
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input checked="" type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 120 (bbls)	Sec. 36 Twp. 5 R. 21 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1650 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 2310 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section NORTON County
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input checked="" 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): 15 Length (feet) 10 Width (feet) N/A: Steel Pits Depth from ground level to deepest point: 5' (feet)		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. Plastic, 6mm, dig pit & install before filling with water		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. Guage fluid level twice a day
Distance to nearest water well within one-mile of pit 500 feet Depth of water well 183 feet		Depth to shallowest fresh water 133 feet. Source of information: KHKS 5 Public water supply _____ 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: Salt water Number of working pits to be utilized: One Abandonment procedure: Haul Fluids to Disposal Well _____ Drill pits must be closed within 365 days of spud date.
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.		
10/10/2006 Date	 Signature of Applicant or Agent	

15-137-00837-00-01

KCC OFFICE USE ONLY			
Date Received: 10/16/06	Permit Number: _____	Permit Date: 10/16/06	Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

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STATE OF KANSAS
 STATE CORPORATION COMMISSION
 200 Colorado Derby Building
 Wichita, Kansas 67202

WELL PLUGGING RECORD
 K.A.R.-82-3-117

15-137-00237-00-00

API NUMBER Completed in 4-12-57

LEASE NAME Kitzke

WELL NUMBER 5

3630 Ft. from S Section Line

2970 Ft. from E Section Line

SEC. 36 TWP. 5S RGE. 21 ~~XXX~~ (W)

COUNTY Norton

Date Well Completed 4-12-57

Plugging Commenced 4-3-85

Plugging Completed 4-3-85

TYPE OR PRINT
 NOTICE: Fill out completely
 and return to Cons. Div.
 office within 30 days.

LEASE OPERATOR Cities Service Oil and Gas Corporation

ADDRESS 3545 NW 58th Street, Oklahoma City, OK 73112

PHONE# (405) 949-4400 OPERATORS LICENSE NO. 5447

Character of Well oil

(Oil, Gas, D&A, SWD, Input, Water Supply Well)

Did you notify the KCC/KDHE Joint District Office prior to plugging this well? yes

Which KCC/KDHE Joint Office did you notify? District Office #6
 completed on

Is ACO-1 filed? 4-12-57 If not, is well log attached? yes
 OH

Producing Formation Reagan Depth to Top 3629' Bottom 3631' T.D. 3631'

Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS

CASING RECORD

Formation	Content	From	To	Size	Put in	Pulled out
Reagan	oil	3629	3631	8-5/8"	240'	0'
				5-1/2"	3629'	0'

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same and depth placed, from feet to feet each set.

4-3-85: Plugged 5-1/2" csg. as follows: Pumped down 5-1/2" w/20 sx gel, 3 sx hulls, 80 sx 50/50 Pozmix. Plugged 8-5/8" csg. pumped down annulus w/1 sx hull, 66 sx 50/50 pozmix. P & A completed. State Witness: Mr. Carl Goodrow

(if additional description is necessary, use BACK of this form.)

Name of Plugging Contractor Halliburton

Address 1100 E. 8th Street, Hays, Kansas 67601

STATE OF Oklahoma COUNTY OF Oklahoma, ss.

Del Oliver (Employee of Operator) or (Operator) of

above-described well, being first duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the log of the above-described well as filed that the same are true and correct, so help me God.

(Signature) Del Oliver

(Address) 3545 NW 58th Street
 Oklahoma City, OK 73112

SUBSCRIBED AND SWORN TO before me this 29th day of April, 19 85

My Commission Expires: 6-12-88
Joyce S. Porter
 Notary Public

RECEIVED
 STATE CORPORATION COMMISSION
 APR 30 1985
 04-30-1985
 CONSERVATION DIVISION
 Wichita, Kansas