

For KCC Use: 9-27-06  
 Effective Date: 9-27-06  
 District # 3  
 SGA?  Yes  No

**KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION  
 NOTICE OF INTENT TO DRILL**

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

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

**CORRECTED**

Expected Spud Date September 27, 2006  
 month day year \*\*\*

Spot NENWSWSE Sec. 19 Twp. 16 S. R. 22  East  West  
1255 feet from  N /  S Line of Section  
2080 feet from  E /  W Line of Section  
 Is SECTION Regular  Irregular?

OPERATOR: License# 5876 \*\*\*  
 Name: Diamond B Miami Flood, LTD  
 Address: 34475 W. 263rd Street  
 City/State/Zip: Peola, KS 66871  
 Contact Person: Jim Forley  
 Phone: (913) 294-3841 (786) 883-2400

(Note: Locate well on the Section Plat on reverse side)  
 County: Miami  
 Lease Name: Tarr-1 Well #: D-3  
 Field Name: Peola-Rantoul

CONTRACTOR: License# 32078 ✓  
 Name: John E. Leis

Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Squirrel  
 Nearest Lease or unit boundary: 1255 ✓

<b>Well Drilled For:</b>	<b>Well Class:</b>	<b>Type Equipment:</b>
<input checked="" type="checkbox"/> Oil <input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield <input type="checkbox"/> Pool Ext.	<input checked="" type="checkbox"/> Mud Rotary <input type="checkbox"/> Air Rotary
<input type="checkbox"/> Gas <input type="checkbox"/> Storage	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> OAWD <input type="checkbox"/> Disposal	<input type="checkbox"/> Other	
<input type="checkbox"/> Seismic; # of Holes		
<input type="checkbox"/> Other		

Ground Surface Elevation: 865 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: 200 ✓

If OWWO: old well information as follows:  
 Operator: \_\_\_\_\_  
 Well Name: \_\_\_\_\_  
 Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Surface Pipe by Alternate:  1  2 ✓  
 Length of Surface Pipe Planned to be set: 20' ✓  
 Length of Conductor Pipe required: none  
 Projected Total Depth: 700' ✓  
 Formation at Total Depth: Squirrel ✓

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

Water Source for Drilling Operations:  
 Well  Farm Pond Other \_\_\_\_\_  
 DWR Permit #: \_\_\_\_\_  
 (Note: Apply for Permit with DWR  )  
 Will Cores be taken?  Yes  No  
 If Yes, proposed zone: \_\_\_\_\_

WAS: NWNESEW 1255 FSL, 2080 FWL  
 IS: NENWSWSE 1255 FSL, 2080 FSL

**AFFIDAVIT**

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-6-808.  
 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 casing 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: September 22, 2006 Signature of Operator or Agent: Donna Tranda Title: Agent

For KCC Use ONLY  
 API # 15 - 121-28297-00-00  
 Conductor pipe required: None feet  
 Minimum surface pipe required: 20 feet per AII. X(2)  
 Approved by: WJHM 9-22-06 / WJHM 11-22-06  
 This authorization expires: 3-22-07  
 (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 pronation 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**  
 KANSAS CORPORATION COMMISSION  
 SEP 22 2006

CONSERVATION DIVISION  
 WICHITA, KS

**RECEIVED**  
 NOV 22 2006

**KCC WICHITA**

19  
 10  
 22E

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

Form CDP-1  
April 2004  
Form must be Typed

CORRECTED  
~~Submit in Duplicate~~

Operator Name: <b>Diamond B Miami Flood, LTD</b>		License Number: <b>5876</b>
Operator Address: <b>34475 W. 263rd Street, Paola, KS 66071</b>		
Contact Person: <b>Jim Ferley</b>		Phone Number: ( <b>913</b> ) <b>294 - 3841</b>
Lease Name & Well No.: <b>Tarr-1 #D-3</b>		Pit Location (QQQQ): <b>NE - NW - SW - SE</b>
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input 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: <b>80</b> (bbbls)	Sec. <b>19</b> Twp. <b>16</b> R. <b>22</b> <input checked="" type="checkbox"/> East <input type="checkbox"/> West <b>1255</b> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <b>2080</b> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <b>Miami</b> 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? <b>native clay</b>
Pit dimensions (all but working pits): <b>15</b> Length (feet) <b>15</b> Width (feet)    _____ N/A: Steel Pits Depth from ground level to deepest point: <b>4</b> (feet)		
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 <b>3237</b> feet    Depth of water well <b>12</b> feet		Depth to shallowest fresh water <b>4 SL</b> feet. Source of information: <b>KH LGS</b> _____ 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: <b>drilling mud</b> Number of working pits to be utilized: <b>2</b> Abandonment procedure: <b>air dry and backfill</b> 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.		
<b>September 22, 2006</b> Date	<i>Donna Manda</i> Signature of Applicant or Agent	<b>RECEIVED</b> KANSAS CORPORATION COMMISSION <b>SEP 22 2006</b> CONSERVATION DIVISION WICHITA, KS
<b>KCC OFFICE USE ONLY</b>		
Date Received: <b>9/22/06</b>	Permit Number: _____	Permit Date: <b>9/22/06</b> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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

RECEIVED  
NOV 22 2006  
KCC WICHITA

15121-2897-00-00