



Mark Parkinson, Governor  
Thomas E. Wright, Chairman  
Michael C. Moffet, Commissioner  
Joseph F. Harkins, Commissioner

October 9, 2009

MELISSA WINDHOLZ  
BLACK DIAMOND OIL INC  
P O BOX 641  
HAYS KS 67601

RE: LEASE: STATES 1  
LEGAL: 1630'FSL-2180'FEL 30-06S-20W  
COUNTY: ROOKS  
API NO: 15163237450000

Dear Ms. Windholz:

This letter is to inform you that you have been granted an extension of time in which to close the drilling pits associated with the drilling of the States 1 well.

The original 365 days for closure expired August 6, 2009. This extension will expire April 7, 2010. We urge you to make every effort to close these pits within this time frame. In the event there is water standing in these pits, please dewater and dispose of fluids in an authorized disposal facility to expedite closure. Extension of this time frame automatically extends the time period for filing the Closure of Surface Pit form.

*Failure to close the pit or request an additional extension prior to the expiration date may result in a fine in accordance with K.A.R. 82-3-602(a). An additional extension will only be granted for good cause and after K.C.C. field staff has made an inspection of the site. Should field staff discover that said pit has been closed before the date of extension request, an administrative penalty may be assessed to you through K.C.C. invoice.*

If you have any questions in this regard, please do not hesitate to contact Jonelle Rains at (316) 337-6226.

Very sincerely yours,

Doug Louis  
Director

cc: Jonelle Rains  
District # 4



# BLACK DIAMOND OIL, INC

PO Box 641  
Hays, KS 67601  
(785) 625-5891

October 5, 2009

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KCC WICHITA

Kansas Corporation Commission  
Conservation Division  
130 S. Market, Room 2078  
Wichita, KS 67202-3802  
ATTN: Sammy Flaharty

This letter is in response to the pit closure due on the States, API number 15163237450000. We are requesting an extension on this closure due to fresh water still being in the pits.

Please contact us with the length of the extension. If there are any questions, please call our office.

Sincerely,

Melissa Windholz  
Black Diamond Oil, Inc.