

Kathleen Sebelius, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

October 24, 2008

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

RE: LEASE: THYLAND 1

LEGAL: 1400'FSL-2510'FEL 05-08S-20W

COUNTY: ROOKS

API NO: 15163236470000

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 Thyland 1 well.

The original 365 days for closure expired October 11, 2008. This extension will expire February 11, 2009. 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 21, 2008

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

Dear Ms. Rains:

This letter is in response to the pit closure due on the Thyland #1 API number 15163236470000. We are requesting an extension on this closure due to the wet weather and there is still fresh water in the pit.

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.

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CONSERVATION DIVISION WICHITA, KS