For KCC Use:	7-242011
Effective Date: _	2 10011
District #	<u></u>
SGA? Yes	s ∑No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 March 2010 Form must be Typed Form must be Signed All blanks must be Filled

NOTICE OF INTENT TO DRILL

		-		
Expected Spud Date:	July 23, 2011	y year	Spot Description:	BOOGNAM (Albanostica Books), 1981 to 10.5 Statement 1 con the best termination (Books 1 cent of 1 cents).
	<i></i>	y y c ai	SE Sec. 18 Twp. 26	_S. R. <u>_19</u> X E
OPERATOR: License#	33769 🗸		(Q/Q/Q/Q) 334 feet from	N / X S Line of Section
	esearch and Development C	Corp	651 feet from	E / W Line of Section
Address 1: 316 West 14th	n St.		Is SECTION: Regular Irregular?	
Address 2: PO Box 537			- (Note: Locate well on the Section Plat or	raverno cidal
City: Chanute	State: KS Z	<u> 2îp: 66720 +</u>	County: Allen	reverse side/
Contact Person: Jerry L. I	Phillips		Lease Name: Bruenger	Well #: 3
Phone: 620-431-4111			Field Name: Humboldt-Chanute	VICH P
CONTRACTOR: Licensel	24936 32079	!	ls this a Prorated / Spaced Field?	Yes No
Name: Lais Drilling Le	is, JOhn E,		- Target Formation(s): Cattleman/Bartlesville	
	•		Nearest Lease or unit boundary line (in footage): 160	feet *
Well Drilled For:	Well Class:	Type Equipment:	Ground Surface Elevation: est. 1000	feet MSL
⊠Oi LEnh	Rec Infield	Mud Rotary		
Gas Stora	· •	Air Rotary	Water welt within one-quarter mile:	
Disp	osal XAfideat	Cable	Public water supply well within one mile:	∐Yes ∑No
—	of Holes Other		Depth to bottom of fresh water: 50 Depth to bottom of usable water: 186 / 00	
Other:				
THE COMMON AND WAS	Il information as follows:		Surface Pipe by Alternate:	/
			Length of Surface Pipe Planned to be set: 20 feet	
Operator:			Length of Conductor Pipe (if any):	
Well Name:			Projected Total Depth: 850 feet	
Original Completion D	Date: Origin	al Total Depth:	Formation at Total Depth: Cattleman/Bartlesville	
Dissetional Deviated of H	lacizantal unithara?	∏Yes⊠No	Water Source for Drilling Operations:	
Directional, Deviated or He			Well Earm Pond Other:	
tf Yes, true vertical depth:.				
Rottom Hole Location:			DWR Permit #:	- 671
			(Note: Apply for Permit with DWI	
			(Note: Apply for Permit with DWI Will Cores be taken?	₹ ∑) ☐Yes ∑ No
			(Note: Apply for Permit with DWI Will Cores be taken? If Yes, proposed zone:	
			(Note: Apply for Permit with DWI Will Cores be taken?	
KCC DKT#:		, Al	(Note: Apply for Permit with DWI Will Cores be taken? If Yes, proposed zone:	
KCC DKT#: The undersigned hereby It is agreed that the follo	y affirms that the drilling, wing minimum requirem	Al completion and eventual pents will be met:	(Note: Apply for Permit with DWI Will Cores be taken? If Yes, proposed zone:	
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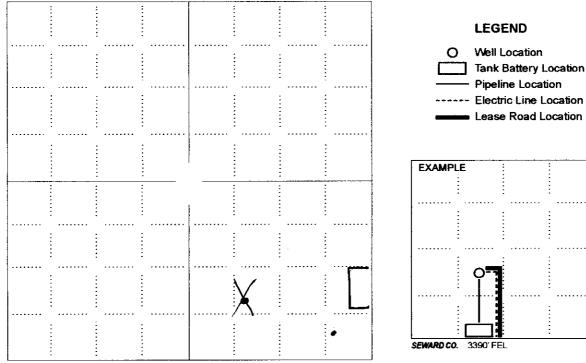
JUL 1 8 2011

For KCC Use ONLY
API # 15 - 00 1-30231-00-00

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: Black Diamond Research and Development Corp	Location of	Well: County: A	llen
Lease: Bruenger	334	-	feet from N / X S Line of Section
Well Number: 3	651		feet from E / W Line of Section
Field: Humboldt-Chanute	Sec. 18	Twp. <u>26</u>	S. R. 19 X E W
Number of Acres attributable to well: QTR/QTR/QTR/QTR of acreage: SE SE SE	ls Section:	Regular o	r Irregular
NW SE	If Section i Section cor		ete well from nearest corner boundary. NE NW SE SW
	PLAT		
Show location of the well. Show footage to the near lease roads, tank batteries, pipelines and electrical lines, as You may attach		nsas Surface Ov	
	<u> </u>		
	:	1	





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).
- 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.

RECEIVED

JUL 1 8 2011

KCC WICHITA

1980' FSL

15-001-30231-0000 KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form KSONA-1 July 2010 Form Must Be Typed Form must be Signed All blanks must be Filled

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.

OPERATOR: License # 33769	Well Location:		
OPERATOR: License # 33/69 Name: Black Diamond Research and Development Corp Address 1: 316 West 14th St.	SE SE Sec. 18 Twp. 26 S. R. 19 X Eas West		
Address 1: 316 West 14th St.	County: Allen		
Address 2: PO Box 537	County: Allen Lease Name: Bruenger Well #: 3		
City: Chanute State: KS Zip: 66720 +	If filing a Form T-1 for multiple wells on a lease, enter the legal description of		
Contact Person: Jerry L. Phillips	the lease below: —		
Phone: (620) 431-4111 Fax: (620) 431-4999			
Address 1: PO Box 537 City: Chanute State: KS Zip: 66720 + Contact Person: Jerry L. Phillips Phone: (620) 431-4111 Fax: (620) 431-4999 Email Address: jerrylphillips212@sbcglobal.net			
Surface Owner Information:			
Name: Lyle Bruenger	When filing a Form T-1 involving multiple surface owners, attach an additional		
Name: Lyle Bruenger Address 1: 415 S Highland	 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 		
Address 2:	county, and in the real estate property tax records of the county treasurer.		
0			
If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathe KCC with a plat showing the predicted locations of lease roads,	nthodic Protection Borehole Intent), you must supply the surface owners and tank batteries, pipelines, and electrical lines. The locations shown on the plat		
If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathe KCC with a plat showing the predicted locations of lease roads, are preliminary non-binding estimates. The locations may be entered	nthodic Protection Borehole Intent), you must supply the surface owners and		
If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathe KCC with a plat showing the predicted locations of lease roads, are preliminary non-binding estimates. The locations may be entered Select one of the following: I certify that, pursuant to the Kansas Surface Owner Notice owner(s) of the land upon which the subject well is or will lead to the subject well in the subject well is or will lead to the subject well in the subject	ethodic Protection Borehole Intent), you must supply the surface owners and tank batteries, pipelines, and electrical lines. The locations shown on the plated on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. The Act (House Bill 2032), I have provided the following to the surface plate located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form rm being filed is a Form C-1 or Form CB-1, the plat(s) required by this		
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ZUZ

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

JUL 1 8 2011 KCC WICHITA

RECEIVED

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Black Diamond Research and Development Corp		License Number: 33769		
Operator Address: 316 West 14th St. PO E			Box 537 Chanute KS 66720	
Contact Person: Jerry L. Phillips			Phone Number: 620-431-4111	
Lease Name & Well No.: Bruenger 3		Pit Location (QQQQ):		
Type of Pit:	Pit is:		_ SE SWSESE	
Emergency Pit Burn Pit	X Proposed Existing		Sec. 18 Twp. 26 R. 19 X East West	
Settling Pit Workover Pit Haul-Off Pit	If Existing, date constructed:		Feet from North / X South Line of Section	
☐ Workover Pit ☐ Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:		651 Feet from X East / West Line of Section	
		(bbis)	AllenCounty	
Is the pit located in a Sensitive Ground Water A	√vea? Yes 🔀	No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)	
is the bottom below ground level?	Artificial Liner?		How is the pit lined if a plastic liner is not used?	
X Yes No	Yes X N	20		
Pit dimensions (all but working pits):	Length (let	et)	Width (feet) N/A: Steel Pits 6 No Pit	
If the pit is lined give a brief description of the I	om ground level to dee iner	<u>, .</u>	edures for periodic maintenance and determining	
· · · · · · · · · · · · · · · · · · ·			ncluding any special monitoring.	
Distance to nearest water well within one-mile of pit: Depth to sha		Depth to shallo	owest fresh water feet.	
		Source of infor		
N A feet Depth of water well feet		measured		
Emergency, Settling and Burn Pits ONLY:		-	over and Haul-Off Pits ONLY: Mud rig al utilized in drilling/workover:	
Producing Formation: Number of producing wells on lease:			rking pits to be utilized:	
· -		Abandonment	procedure: Pump out and fill in	
Does the slope from the tank battery allow all spilled fluids to				
flow into the pit? Yes No Drill p		Drill pits must t	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.				
July 17, 2011				
Date	N	// W/	ghature of Applicant or Agent	
KCC OFFICE LISE ONLY				
KCC OFFICE USE OF			Liner Steel Pit RFAC RFAS	
Date Received: 7 - 18 - 11 Permit Num	ber:	Perm	iit Date: フー/ タール Lease Inspection: 又 Yes 🔎 No	

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JUL 1 8 2011

KCC WICHITA

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/

Sam Brownback, Governor

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

July 18, 2011

Black Diamond Research and Development Corp. 316 West 14th St. PO Box 537 Chanute, KS 66720

RE: Drilling Pit Application

Bruenger Lease Well No. 3 SE4 Sec. 18-26S-19E Allen County, Kansas

Dear Sir or Madam:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, 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 immediately 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 (620) 432-2300 when the fluids have been removed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

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 undersigned at the above address.

Sincerely,

Kathy Haynes

Kalty Hein

Environmental Protection and Remediation Department

cc: File