

FOR KCC USE:

FORM C-1 7/91

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

EFFECTIVE DATE: 7-13-97

State of Kansas

DISTRICT # 1

NOTICE OF INTENTION TO DRILL

SGA? Yes No

Must be approved by the K.C.C. five (5) days prior to commencing well.

Spot APPROX.

Expected Spud Date 7 10 1997
month day year

SE-NW- SW- NE/4 Sec .35. Twp .32. S, Rg 10. East West

OPERATOR: License # 6006
Name: Molz Oil Company
Address: 19159 SW Clairmont (was Rt1, Box 54)
City/State/Zip: Kiowa, Ks. 67070-8801
Contact Person: Jim Molz
Phone: (316) 296-4558

3570' feet from South North line of Section
2180' feet from East West line of Section

IS SECTION REGULAR IRREGULAR?

CONTRACTOR: License #: 5929
Name: Duke Drilling Company

(NOTE: Locate well on the Section Plat on Reverse Side)

County: BARBER

Lease Name: Lawrence Well #: 1

Field Name: Ext. Little Sandy Creek

Is this a Prorated/Spaced Field? yes no

Target Formation(s): Miss. Viola, Arbuckle

Nearest lease or unit boundary: 390' to N lease line

Ground Surface Elevation: 1409' 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: 180'

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 300'

Length of Conductor pipe required: none

Projected Total Depth: 4975'

Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:

well farm pond other

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

If OWWO: old well information as follows:
Operator:
Well Name:
Comp. Date: Old Total Depth

Directional, Deviated or Horizontal wellbore? yes no
If yes, true vertical depth:
Bottom Hole Location:

Will Cores Be Taken?: yes no
If yes, proposed zone:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, 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. 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: July 1, 1997 Signature of Operator or Agent: [Signature] Title: Geologist

FOR KCC USE:
 API # 15- 007-22540 0000
 Conductor pipe required NONE feet
 Minimum surface pipe required 200' feet per Alt.
 Approved by: JK 7-8-97
 This authorization expires: 1-8-97
 (This authorization void if drilling not started within 6 months of effective date.)
 Spud date: _____ Agent: _____

RECEIVED
 KANSAS CORPORATION COMMISSION
 JUL 02 1997
 CONSERVATION DIVISION
 WICHITA, KS

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.

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

35
27
1021

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 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- _____
 OPERATOR MOLZ OIL COMPANY
 LEASE Lawrence
 WELL NUMBER 1
 FIELD Little Sandy Creek

LOCATION OF WELL: COUNTY Barber
3570 feet from south/~~north~~ line of section
2180 feet from east/~~west~~ line of section
 SECTION 35 TWP 32 S RG 10 W

NUMBER OF ACRES ATTRIBUTABLE TO WELL 80
 QTR/QTR/QTR OF ACREAGE S/2 - NE/4

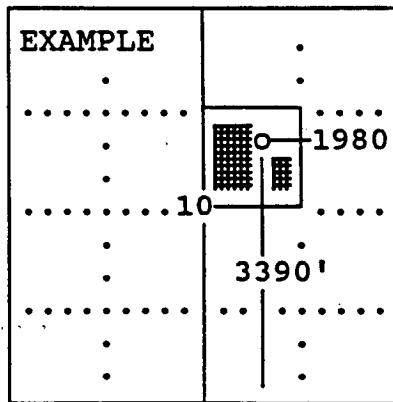
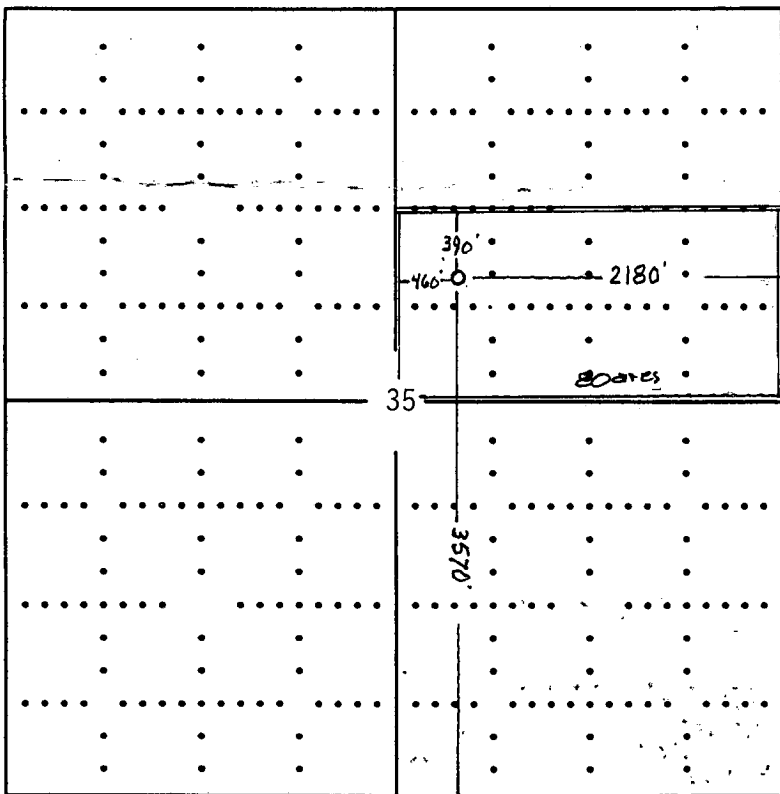
IS SECTION X REGULAR or _____ IRREGULAR
IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.

Section corner used: _____ NE _____ NW X 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.)



SEWARD CO.

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; and
- 3) the distance to the nearest lease or unit boundary line. -390' from N. Line of lease