

FOR KCC USE:

FORM C-1 7/91

EFFECTIVE DATE: 8-14-97

State of Kansas

FORM MUST BE TYPED

DISTRICT # 1

NOTICE OF INTENTION TO DRILL

FORM MUST BE SIGNED

SGA? Yes No

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

ALL BLANKS MUST BE FILLED

Expected Spud Date August 13, 1997
month day year

Spot 30'W of C-E/2- NE... SW... Sec .35. Twp .32S. S, Rg .10W East West

OPERATOR: License # 6006
Name: MOLZ OIL COMPANY
Address: 19159 SW Clairmont
City/State/Zip: Kiowa, Kansas 67070-8801
Contact Person: Jim Molz
Phone: 316/296-4558

1980 feet from South WORK line of Section 2280 feet from West line of Section IS SECTION X REGULAR IRREGULAR

CONTRACTOR: License # 5929
Name: DUKE DRILLING CO., INC.

(NOTE: Locate well on the Section Plat on Reverse Side)
County: Barber
Lease Name: LAWRENCE Well #: 3
Field Name: Little Sandyn Creek
Is this a Prorated/Spaced Field? yes no
Target Formation(s): Viola, Simpson, Arbuckle
Nearest lease or unit boundary: 360'
Ground Surface Elevation: est. 1405' 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: X 1 2
Length of Surface Pipe ~~Required to be set:~~ 372'
Length of Conductor pipe required: N/A
Projected Total Depth: 5460'
Formation at Total Depth: Arbuckle
Water Source for Drilling Operations: well farm pond other

Well Drilled For: Well Class: Type Equipment:
 Oil ... Enh Rec Infield Mud Rotary
 Gas ... Storage ... Pool Ext. ... Air Rotary
 OAWO ... Disposal ... Wildcat ... Cable
... Seismic; ... # of Holes ... Other
If OAWO: old well information as follows:
Operator: GEORGE R. JONES
Well Name: LAWRENCE # 3
Comp. Date: 12-31-81 Old Total Depth 4470 FTD
Directional, Deviated or Horizontal wellbore? yes no
If yes, true vertical depth: _____
Bottom Hole Location: _____

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: 8/11/97 Signature of Operator or Agent: [Signature] Title: Agent

FOR KCC USE:
API # 15- 007-213270001
Conductor pipe required NONE feet
Minimum surface pipe required 372 feet per Alt. (1) X
Approved by: [Signature] 8-14-97
This authorization expires: 2-14-98
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

RECEIVED
KANSAS CORP COMM
1997 AUG 12 P 11:34
35
32
10W
08-12-97

REMEMBER TO:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACD-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.

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

PLAT OF ACREAGE ATTRIBUTABLE TO A WELL IN A PRORATED OR SPACED FIELD

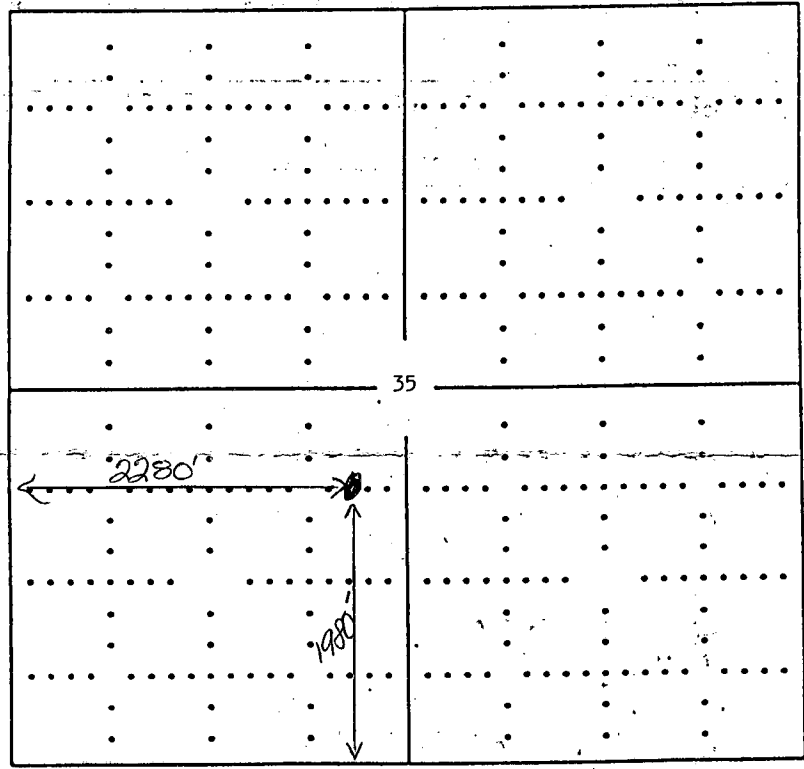
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 _____ LOCATION OF WELL: COUNTY _____
 LEASE _____ feet from south/north line of section
 WELL NUMBER _____ feet from east/west line of section
 FIELD _____ SECTION _____ TWP _____ RG _____

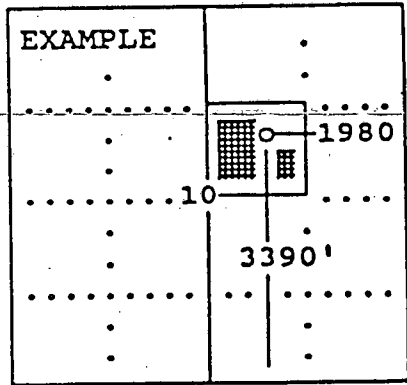
NUMBER OF ACRES ATTRIBUTABLE TO WELL _____ IS SECTION _____ REGULAR or _____ IRREGULAR
 OTR/OTR/OTR OF ACREAGE _____ IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST
 CORNER BOUNDARY.

Section corner used: _____ NE _____ NW _____ 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.)



BARBER COUNTY



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.