

FOR ALL USES
EFFECTIVE DATE: 9-11-96
DISTRICT # 4
SEAT... Yes X No

15-199-20241-0000

FORM C-1 7/91
FORM MUST BE TYPED
FORM MUST BE SIGNED
ALL BLANKS MUST BE FILLED

State of Kansas
NOTICE OF INTENTION TO DRILL

Must be approved by the K.C.C. five (5) days prior to commencing well
Spot Appx 150' N & 130' W

Expected Spud Date .. Sept. 1, 1996 of C W/2.- SW.- NW. Sec 32 Twp 15S Rg 41W ~~XXXXXX~~
month day year

OPERATOR: License # 05152
Name: Lee Banks, d/b/a Banks Oil Co.
Address: 200 W. Douglas, Suite 550
City/State/Zip: Wichita, Kansas 67202
Contact Person: Lee Banks
Phone: 316-267-0783

1830 feet from South / North line of Section
200 feet from East / West line of Section
IS SECTION X REGULAR IRREGULAR
(NOTE: Locate well on the Section Plat on Reverse Side)

CONTRACTOR: License #: 30606
Name: MURFIN DRILL

County: Wallace
Lease Name: Kuder Well #: 3-32
Field Name:
Is this a Prorated/Spaced Field? ... yes X no
Target Formation(s): MORROW
Nearest lease or unit boundary: 200'
Ground Surface Elevation: 3788 feet MSL
Water well within one-quarter mile: X yes no
Public water supply well within one mile: yes X no
Depth to bottom of fresh water: 280
Depth to bottom of usable water: 1750
Surface Pipe by Alternate: 1 X 2
Length of Surface Pipe Planned to be set: 330
Length of Conductor pipe required: 0
Projected Total Depth: 5225'
Formation at Total Depth: Mississippi
Water Source for Drilling Operations:
... well X farm pond other

Well Drilled For:	Well Class:	Type Equipment:
X... Oil	... Enh Rec	... Infield X. Mud Rotary
... Gas	... Storage	... Pool Ext. ... Air Rotary
... OWD	... Disposal	X. Wildcat ... Cable
... Seismic; ... # of Holes	... Other	
... Other		

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

Directional, Deviated or Horizontal wellbore? ... yes X 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: 8/8/96 Signature of Operator or Agent: [Signature] Title: owner

AUG 09 1996
08-09-96
RECEIVED
KANSAS CORPORATION COMMISSION

FOR KCC USE:
API # 15- 199-202410000
Conductor pipe required NONE feet
Minimum surface pipe required 330 feet per Alt. X(2)
Approved by: JK 9-6-96

This authorization expires: 3-6-97
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: Agent:

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: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.

32
15
413

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- 05152
 OPERATOR Lee Banks d/b/a Banks Oil Co.
 LEASE Kuder
 WELL NUMBER 3-32
 FIELD _____

LOCATION OF WELL: COUNTY Wallace
1830 feet from ~~SOUTH~~/north line of section
200 feet from ~~EAST~~/west line of section
 SECTION 32 TWP 15S RG 41W

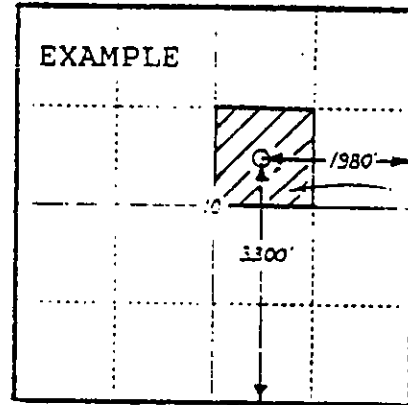
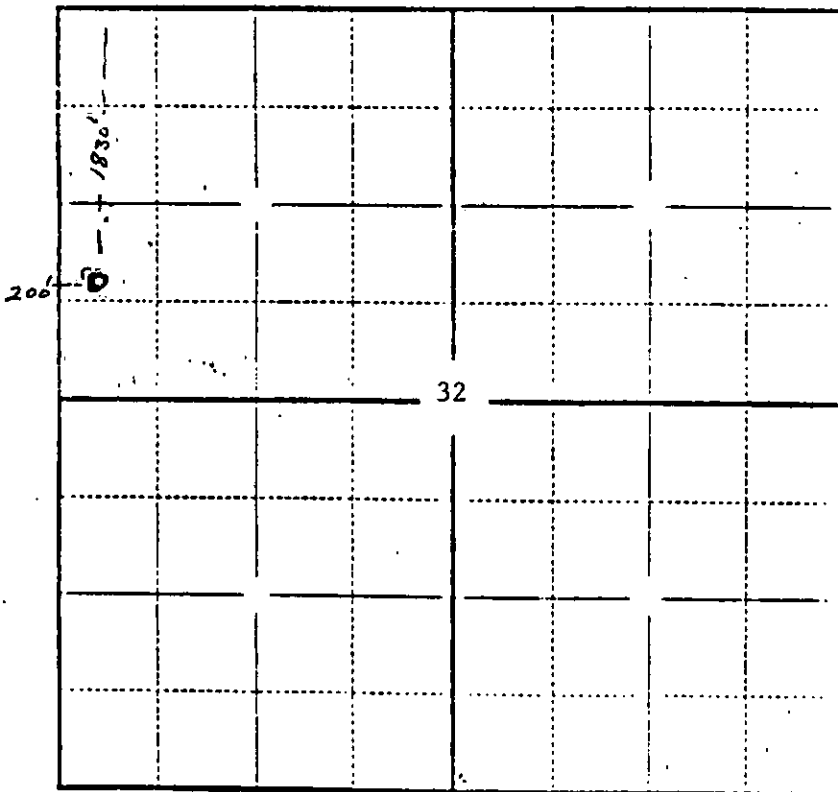
NUMBER OF ACRES ATTRIBUTABLE TO WELL 40
 QTR/QTR/QTR OF ACREAGE _____ - SW _____ - NW _____

IS SECTION X REGULAR or _____ IRREGULAR
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.)



40
ACRES

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 lines; and
- 3) the distance to the nearest lease or unit boundary line.