

FOR KCC USE:

15-199-20235-0000

FORM C-1 7/91

FORM MUST BE TYPED

EFFECTIVE DATE: 2-17-96

State of Kansas

FORM MUST BE SIGNED

DISTRICT # 4

NOTICE OF INTENTION TO DRILL

ALL BLANKS MUST BE FILLED

SEAT Yes No

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

Spot 53' East of East

Expected Spud Date February 26, 1996 c-s/2 SW SW Sec 32 Twp 15 S Rg 41 X West

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

330 feet from South line of Section
713 feet from East line of Section
IS SECTION X REGULAR IRREGULAR?

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

County: Wallace

Lease Name: Kuder Well #: 2-32

Field Name:

Is this a Prorated/Spaced Field? yes X no

Target Formation(s): Morrow

Nearest lease or unit boundary: 330

Ground Surface Elevation: 3766.8 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: 1900 1750

Surface Pipe by Alternate: 1 X 2

Length of Surface Pipe Planned to be set: 330

Length of Conductor pipe required: 5225

Projected Total Depth:

Formation at Total Depth: Mississippi

Water Source for Drilling Operations:

well X farm pond other

DWR Permit #:

Will Cores Be Taken?: yes no

If yes, proposed zone:

Well Drilled For: Well Class: Type Equipment:

- X Oil Enh Rec Infield X Mud Rotary
Gas Storage Pool Ext Air Rotary
OWWD Disposal X Wildcat Cable
Seismic: # of Holes Other
Other

If OWWD: 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: 2-9-96 Signature of Operator or Agent: Title: owner

FOR KCC USE:
API # 15- 199-202350000
Conductor pipe required NONE feet
Minimum surface pipe required 330' feet per Alt. X (2)
Approved by: JK 2-12-96
This authorization expires: 8-12-96
(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.

RECEIVED
KANSAS CORPORATION COMMISSION

FEB 12 1996

CONSERVATION DIVISION

32
15
412

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 Lee Banks d/b/a Banks Oil Co.
LEASE Kuder
WELL NUMBER 2-32
FIELD Willard

LOCATION OF WELL: COUNTY Wallace
_____ feet from south/north line of section
_____ feet from east/west line of section
SECTION 32 TWP 15S RG 41W

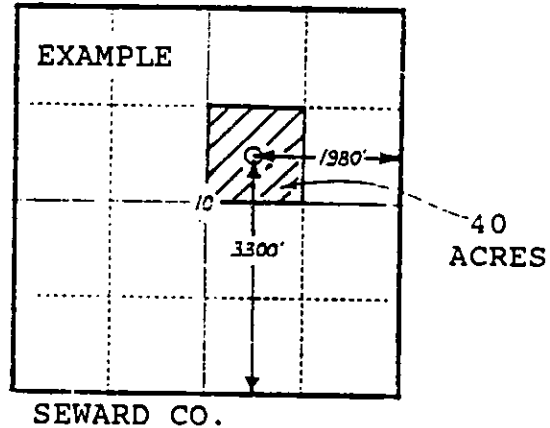
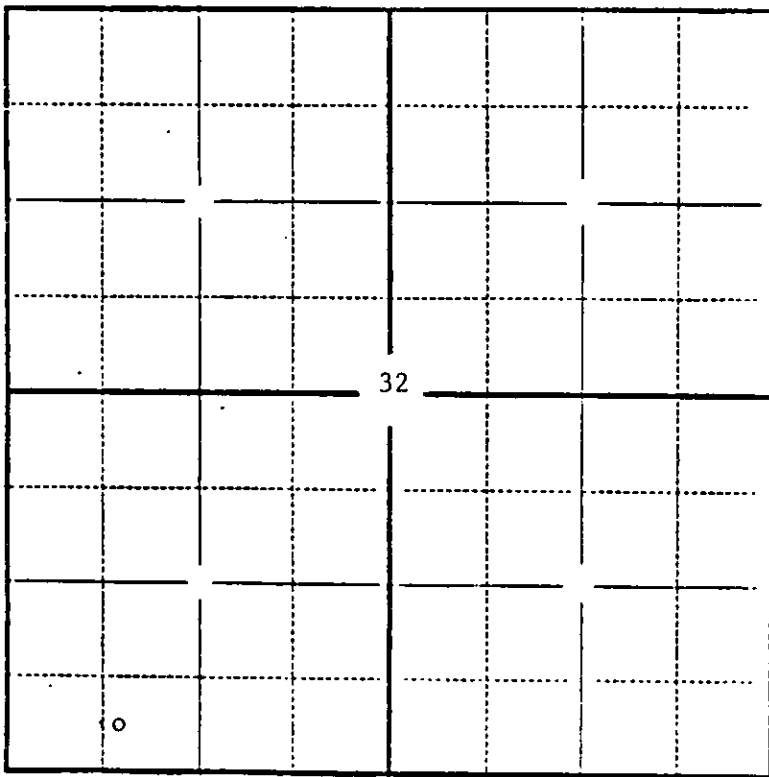
NUMBER OF ACRES ATTRIBUTABLE TO WELL 40
QTR/QTR/QTR OF ACREAGE _____ - SW - SW

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.)



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.