



1054876

For KCC Use ONLY

API # 15 - _____

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: _____

Lease: _____

Well Number: _____

Field: _____

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - _____ - _____ - _____

Location of Well: County: _____

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Sec. _____ Twp. _____ S. R. _____ E W

Is Section: Regular or Irregular

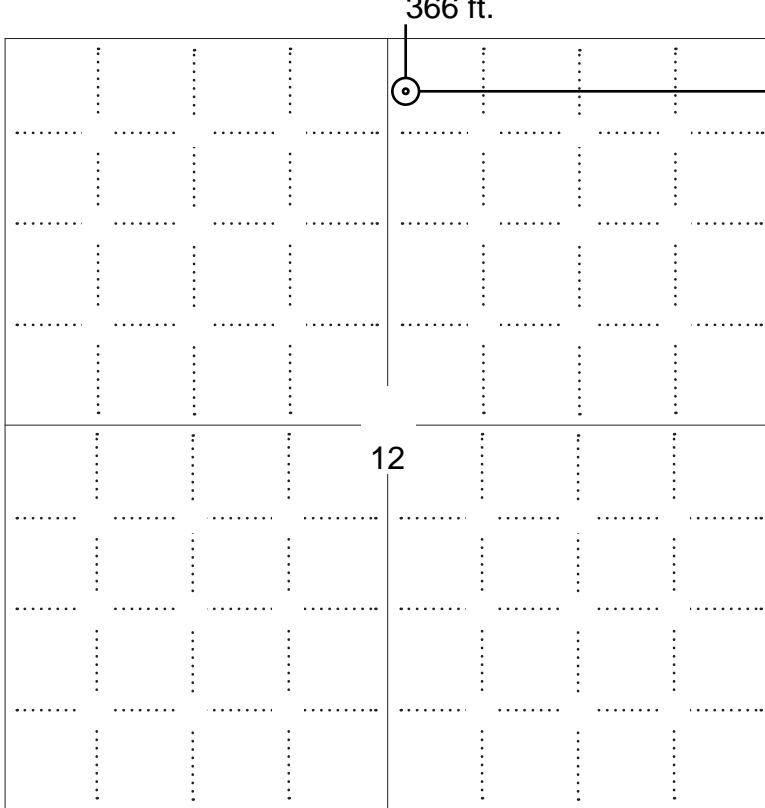
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).

You may attach a separate plat if desired.



LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- - - - Electric Line Location
- Lease Road Location



NOTE: In all cases locate the spot of the proposed drilling locaton.

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).
4. 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.



KANSAS CORPORATION COMMISSION 1054876
OIL & GAS CONSERVATION DIVISION

Form CDP-1
May 2010
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name:		License Number:	
Operator Address:			
Contact Person:		Phone Number:	
Lease Name & Well No.:		Pit Location (QQQQ): ____ - ____ - ____ - ____	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	
How is the pit lined if a plastic liner is not used?			
Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) <input type="checkbox"/> No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit: _____ feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ _____ Drill pits must be closed within 365 days of spud date.	
<p>Submitted Electronically</p>			

KCC OFFICE USE ONLY

Liner Steel Pit RFAC RFAS

Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: Yes No



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.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License # _____
Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Contact Person: _____
Phone: (_____) _____ Fax: (_____) _____
Email Address: _____

Well Location:
____ - ____ - ____ - ____ Sec. ____ Twp. ____ S. R. ____ East West
County: _____
Lease Name: _____ Well #: _____

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____

When filing a Form T-1 involving multiple surface owners, attach an additional 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 county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I Submitted Electronically

I

For KCC Use ONLY

API # 15 - _____

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: Layne Energy
 Lease: Westfall
 Well Number: 2E-12
 Field: _____

Location of Well: County: Montgomery
366' feet from N S Line of Section
2525' feet from E W Line of Section
 Sec. 12 Twp. 31 S. R. 13 E W

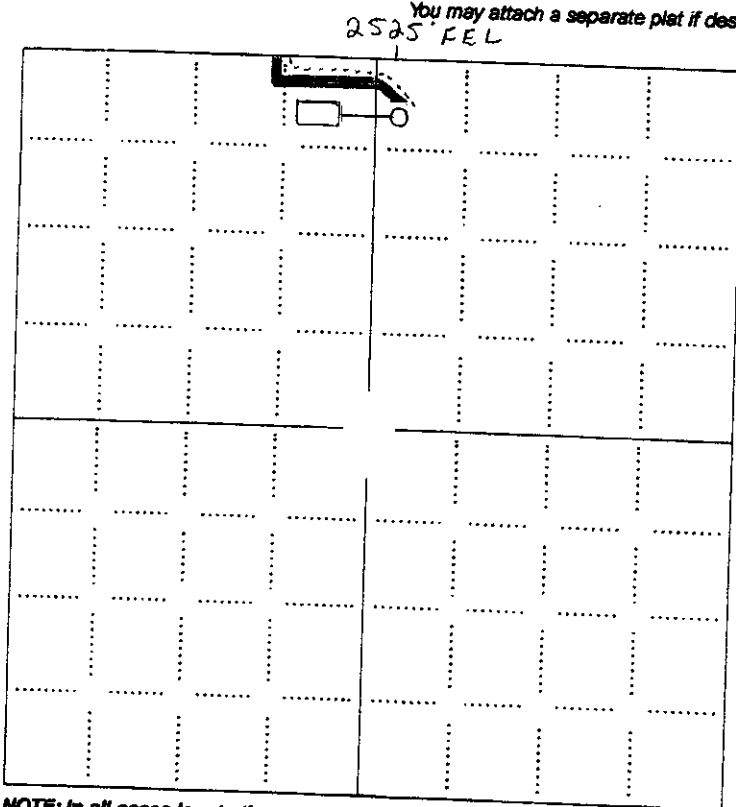
Number of Acres attributable to well: _____
 QTR/QTR/QTR/QTR of acreage: SW - NW - NW - NE

Is Section: Regular or Irregular

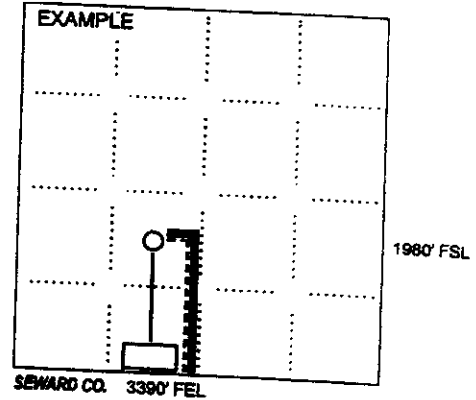
If Section is Irregular, locate well from nearest corner boundary.
 Section corner used: NE NW SE SW

PLAT

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).
 You may attach a separate plat if desired.



- LEGEND**
- Well Location
 - Tank Battery Location
 - Pipeline Location
 - Electric Line Location
 - Lease Road Location



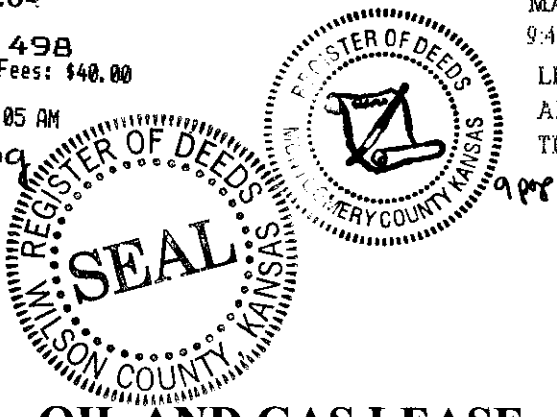
NOTE: In all cases locate the spot of the proposed drilling location.

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).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

STATE OF KANSAS MONTGOMERY COUNTY
FILE FOR RECORD
MARLYN CALHOUN, REGISTER OF DEEDS
9:45:36 AM, 4/17/2007 Receipt No.: 25053
LEASE \$6.00
ADDITIONAL PAGES \$16.00
TECHNOLOGY FUND \$18.00

Wilson County 1204
Register of Deeds
Book: 310 Page: 498
Receipt #: 11043 Total Fees: \$40.00
Pages Recorded: 9
Date Recorded: 5/30/2007 11:25:05 AM



Jereen A. Young
RWK

ORIGINAL COMPARED WITH RECORD

BOOK: 565 PAGE: 370

Producers 88-CBM-ROW
Rev. 2004-Kansas
PAID-UP

OIL AND GAS LEASE

THIS AGREEMENT made and entered into this the 16th day of January, 2007, by and between **Westfall Brothers, LLC**, whose address is 1429 Woodbury Drive, Liberty, MO 64068, hereinafter called Lessor (whether one or more) and **LAYNE ENERGY SYCAMORE, L.L.C.** whose address is 1900 Shawnee Mission Parkway, Mission Woods, Kansas 66205, hereinafter called Lessee:

WITNESSETH, Lessor, in consideration of ten and no/100 (\$10.00) dollars and other valuable considerations, cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements contained in this lease, including the royalty provisions herein provided, hereby grants, leases and lets exclusively unto Lessee the lands hereinafter described for the purpose of investigating, exploring, prospecting, drilling and operating for and producing and owning oil, gas of whatsoever nature and kind (including gas well gas, casinghead gas, methane and gas from coal seams, carbon dioxide, and other gas, whether of commercial value or not, hereinafter referred to as "gas"), together with all associated hydrocarbons produced in a liquid or gaseous form, and sulfur, all such substances are hereinafter referred to as the "leased substances", and for injecting waters and other fluids, gas, air and other gaseous substances into subsurface strata, together with the right to make surveys on said land, conduct geophysical operations, lay pipelines, establishing and utilizing facilities for surface or subsurface disposal of salt water or formation water, whether such water comes from lands covered hereby or from other lands operated in conjunction therewith, construction of roads and bridges, storing oil, building tanks, power stations, power lines, telephone lines, and other structures and facilities thereon to produce, save, take care of, treat, process, store, and transport said leased substances and products manufactured therefrom, the following described land, together with any reversionary rights and after-acquired interest, therein situated in the Counties of **Wilson and Montgomery, State of Kansas**, described as follows, to-wit:

- Township 30 ^{South} ~~North~~, Range 13 East
- Section 25: SW/4 SW/4 less the East 20 feet thereof;
- Section 26: SE/4;
- Section 35: E/2 and S/2 SW/4;
- Section 36: S/2 and W/2 NW/4 and SE/4 NW/4;
- Township 31 ^{South} ~~North~~, Range 14 East
- Section 6: SW/4;
- Section 7: N/2 NW/4;
- Township 31 ^{South} ~~North~~, Range 13 East
- Section 1: S/2 and NW/4;
- Section 2: E/2;
- Section 11: NE/4;
- Section 12: N/2 NE/4 and W/2 and SE/4.

This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by Lessor by limitation, prescription, possession, reversion or unrecorded instrument or (b) as to which Lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument requested by Lessee for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain **2,799.4** acres, whether actually containing more or less, and the above recital of acreage in any tract shall be deemed to be the true acreage thereof.

1. It is agreed that this lease shall remain in force for a primary term of **three (3) years** from this date and as long thereafter as leased substances are produced from the leased premises, or drilling operations are continued as hereinafter provided. If, at the expiration of the primary term of this lease, leased substances are not being produced on the leased premises, but Lessee is then engaged in drilling or reworking operations thereon, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises; and operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after discovery of leased substances on the leased premises, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences additional drilling or reworking operations within ninety (90) days from the date of cessation of production or from the date of completion of a dry hole. If leased substances shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as leased substances are produced from the leased premises, or drilling operations are continued as hereinabove provided. The term "operations" as used herein shall include, in addition to those matters provided for in connection with developing coalbed gas and without limitation of other matters that would reasonably be embraced by the term, any of the following: drilling, testing, completing, reworking, recompleting, deepening, plugging back, or repairing a well in search for or in an endeavor to obtain production of any leased substances, or producing any leased substances, whether or not in paying quantities. For the purpose of developing coalbed gas, the word "operations" shall mean, in addition to those matters covered elsewhere herein, (1) operations of said wells to remove water or other substances from the coalbed, or to dispose of such water or other substances, even though such

***Paul Oakleaf, Atty**
P.O. Box 1212
Independence, KS. 67301

operations do not result in the production of hydrocarbons in paying quantities, or (2) shutting-in or otherwise discontinuing production from said wells to allow for surface or underground mining affecting the drillsite or wellbore.

2. This is a PAID-UP LEASE. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term. Lessee may at any time and from time to time during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases; and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipeline to which Lessee may connect wells on said land, the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises.

2nd. To pay Lessor on gas produced from said land (1) when sold by Lessee, one-eighth (1/8th) of the net proceeds realized by Lessee at the well for such sale or (2) when used by Lessee in the manufacture of gasoline or other products, the market value, at the mouth of the well, of one-eighth (1/8th) of such gas; Lessor's interest, in either case, to bear one-eighth (1/8th) of all post-production costs, including, but not limited to, costs of compressing, dehydrating and otherwise treating such gas to render it marketable or usable and one-eighth (1/8th) of the cost of gathering and transporting such gas from the mouth of the well to the point of sale or use.

3rd. To pay Lessor one-eighth (1/8th) of the proceeds received from the sale of any substance covered by this lease, other than oil and gas and the products thereof, which Lessee may elect to produce, save, and market from the leased premises. Notwithstanding the foregoing provisions, Lessee shall have the right to use, free of cost, any leased substance produced, and any water, except water from Lessor's wells and ponds, from the leased premises for the Lessee's operations that benefit the leased premises.

4. If during or after the primary term one or more wells on the leased premises are capable of producing gas, but such well or wells are either shut-in or gas therefrom is not being sold or used, such well or wells shall nevertheless be deemed to be producing for purposes of maintaining this lease. If for a period of ninety (90) consecutive days such well or wells are shut-in or gas therefrom is not being sold or used, then Lessee shall pay or tender as royalty to the royalty owners One Dollar (\$1.00) per net mineral acre per year then retained hereunder, such payment or tender to be made on or before the anniversary date of the lease next ensuing after the expiration of ninety (90) days from the date such well is shut-in and thereafter on or before the anniversary date of this lease during the period such well is shut-in; provided, however, that if such well or wells are shut-in or gas therefrom is not being sold or used during the primary term of this lease, no shut-in royalty shall be payable during the primary term (this being a PAID-UP lease). If at the end of the primary term such well or wells are still shut-in or gas therefrom is still not being sold or used, the first shut-in royalty payment shall be due ninety (90) days after the expiration of the primary term; provided further that if this lease is otherwise being maintained by operations, or if gas is being sold or used from another well or wells on the leased premises, no shut-in royalty shall be due until the end of the ninety (90) day period next following cessation of such operations or production. Lessee's failure to properly pay shut-in royalty shall render Lessee liable for the amount due, but shall not operate to terminate this lease.

5. If said Lessor owns an interest in the leased premises less than the entire and undivided fee simple estate therein, then the rentals and royalties (including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee.

6. When requested by Lessor, Lessee shall bury Lessee's pipeline(s) below plow depth.

7. No well shall be drilled nearer than two hundred (200) feet to the house or barn now on said land without written consent of Lessor.

8. Lessee shall pay for damages caused by Lessee's operations to growing crops on said land.

9. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing.

10. The rights of the Lessor and Lessee hereunder may be assigned in whole or part as to any mineral or horizon and shall inure to the benefit of the parties hereto, their respective heirs, successors, devisees, assigns and successive assigns. No change in ownership of Lessor's interest (by assignment or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner.

11. Intentionally Removed

12. Lessor agrees that, should Lessee be prevented from complying with any expressed or implied covenant of this agreement (except payment of money to Lessor) by reason of scarcity of or inability to obtain or use labor, water, equipment or material (including drilling rig), strike or differences with workmen, failure of carriers to transport or furnish facilities for transportation, wars, fires, storms, storm warnings, floods, riots, epidemics, compliance with or obedience to any Federal or State law or any regulation, rule or order of any governmental authority having jurisdiction, including but not limited to inability (except through Lessee's lack of reasonable diligence) to obtain any license, permit, or other authorization that may be required to conduct operations on or in connection with the leased premises or lands pooled or unitized therewith, or any cause whatsoever (other than financial), beyond its control, whether similar or dissimilar from those enumerated, any such reason shall be deemed an "event of force majeure" and then, while Lessee is so prevented, its obligation to comply with such covenant shall be suspended and excused and the period for performance and the term of this lease shall be extended for an additional period equal to the duration of the event of the force majeure, and Lessee shall not be liable in damages for failure to comply therewith. Upon the occurrence and upon the termination of the event of the force majeure, Lessee shall promptly notify Lessor. Lessee shall use reasonable diligence to remedy the event of force majeure, but shall not be required against its better judgment to settle any labor dispute or contest the validity of any law or regulation of any action or inaction of civil or military authority.

13. Lessor hereby warrants and agrees to defend the title to the land herein described against the claims of all persons whomsoever, and agrees that the Lessee shall have the right at any time to redeem for Lessor, by payment, any mortgage, taxes or other liens on said land, in the event of default of payment by Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves, and their heirs, successors and assigns, hereby surrender and

release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may in any way affect the purposes for which this lease is made.

14. Should any one or more of the parties hereinabove named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor. The word "Lessor" as used in this lease, shall mean any one or more or all of the parties who execute this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

15. For the same consideration recited hereinabove, the Lessor hereby grants unto the Lessee, its successors and assigns, rights-of-way over, across and through the land hereinabove described for the purpose of installation, operation, maintenance, repair and replacement of one or more electric lines, and as well as one or more pipelines for the collection, gathering, and/or transmission of oil, gas, brines and other substances, together with rights-of-way for ingress and egress over and across said lands for the purpose of conducting oil and gas exploration, production, operation and product transmission activities upon said lands, or upon lands adjacent thereto or in the vicinity thereof. The rights-of-way hereby granted are severable from, and independent of, the oil and gas lease rights herein granted and such rights-of-way shall continue in existence so long as the same are utilized by the Lessee, its successors or assigns, even though the oil and gas lease rights may sooner terminate. The Lessee (or the then holder of the rights-of-way) shall pay for any damages to growing crops or to said lands caused by its utilization of the rights-of-way hereby granted.

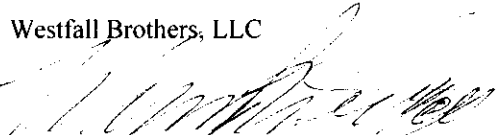
16. It is understood and agreed that in order to obtain maximum efficient recovery of coalbed gas, Lessee may treat and stimulate coal seams and adjacent strata in such manner as Lessee may determine in its sole discretion. Such treatment and stimulation may include, but is not limited to, hydraulic stimulation or the injection of gas, water, brine, or other fluids into the subsurface strata. Lessor hereby releases and holds Lessee harmless from any and all claims, actions, damages, liability, and expenses (including reasonable costs and attorney's fees) which may arise in connection with any damage or injury to any coal seam or adjacent strata as a result of such activities conducted under this lease.

17. In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both expressed and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all of its obligations hereunder. Should it be asserted in any notice given to the Lessee under the provisions of this paragraph that Lessee has failed to comply with any implied obligation or covenant hereof, this lease shall not be subject to cancellation for any such cause except after final judicial ascertainment that such failure exists and Lessee has then been afforded a reasonable time to prevent cancellation by complying with and discharging its obligations as to which Lessee has been judicially determined to be in fault. If this lease is cancelled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less than forty acres), such acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations. Lessee shall also have such easements on said land as are necessary to operations on the acreage so retained.

See Addendum attached hereto and made a part hereof.

IN WITNESS WHEREOF, this instrument is executed as of this 16th day of January, 2007.

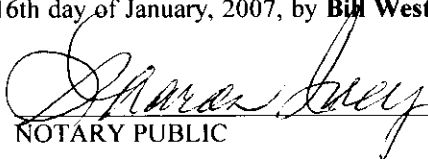
Westfall Brothers, LLC


Bill Westfall
Managing Member

STATE OF Missouri)
) ,SS
COUNTY OF CLAY)

This instrument was acknowledged before me, this 16th day of January, 2007, by **Bill Westfall**, Managing Member of Westfall Brothers, LLC.

My Commission Expires 3/28/07


NOTARY PUBLIC



SHARON IVEY
Clay County
My Commission Expires
March 28, 2007



Wilson County Register of Deeds
1363. Book: 342 Page: 620
Receipt #: 17843 Total Fees: \$12.00
Pages Recorded: 2
Date Recorded: 9/10/2010 10:13:25 AM

Jerem A. Young
Axxx

ORIGINAL COMPARED WITH RECORD

EXTENSION AGREEMENT

THIS AGREEMENT is made and entered into this 27 day of July, 2010, by and between Westfall Brothers, LLC, hereinafter referred to as Lessor, and Layne Energy Sycamore, LLC, hereinafter referred to as Lessee, but, however, shall be effective as of January 13, 2010.

WITNESSETH:

WHEREAS, Lessee is the owner and holder of an Oil & Gas Lease as granted by Lessor, which lease is dated January 16, 2007, and recorded in Book 565, Page 370, in the records of Montgomery County, Kansas, and at Book 310, Page 498, in the records of Wilson County, Kansas, and covering the following described land:

- Township 30 South, Range 13 East**
- Section 25: SW/4 SW/4 less the East 20 feet thereof;
- Section 26: SE/4;
- Section 35: E/2 and S/2 SW/4;
- Section 36: S/2 and W/2 NW/4 and SE/4 NW/4;
- Township 31 South, Range 14 East**
- Section 6: SW/4; ✓
- Section 7: N/2 NW/4; ✓
- Township 31 South, Range 13 East**
- Section 1: S/2 and NW/4; ✓
- Section 2: E/2; ✓
- Section 11: NE/4; ✓ ✓ ✓ ✓
- Section 12: N/2 NE/4 and W/2 and SE/4.

WHEREAS, it is the desire of the Lessor and Lessee to extend the Lessee's drilling commitment as found in paragraph 1 of the addendum to the above described oil and gas lease; and

NOW, THEREFORE, in consideration of \$10.00 and other good and valuable consideration Lessor and Lessee agree that Lessee's drilling commitment be and the same is hereby extended until January 13, 2013.

IN WITNESS WHEREOF, this Agreement is executed as of the date first above written, however, effective from and after January 13, 2010.

Layne Energy Sycamore, LLC

Westfall Brothers, LLC

By: Philip S. Winner
Philip S. Winner, President

By: William P. Westfall
Bill Westfall, Managing Member



STATE OF KANSAS MONTGOMERY COUNTY
FILED FOR RECORD
MARILYN CALHOUN, REGISTER OF DEEDS
9:14:16 AM 8/27/2010 Receipt No.: 42266
LEASE EXTENSION \$6.00
ADDITIONAL PAGES \$2.00
TECHNOLOGY FUND \$4.00

2 pgs

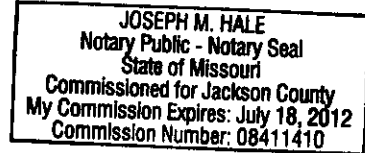
BOOK: 592 PAGE: 152

STATE OF MISSOURI)
) SS:
COUNTY OF CLAY)

This instrument was acknowledged before me, this 27 day of JULY, 2010,
by Bill Westfall, Managing Member of Westfall Brothers, LLC.

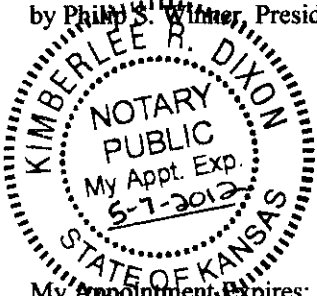
Joseph M. Hale
Notary Public

My Appointment Expires:
7/18/2012



STATE OF Kansas)
) SS:
COUNTY OF Montgomery)

This instrument was acknowledged before me, this 12th day of August, 2010,
by Philip S. Winner, President of Layne Energy Sycamore, LLC.



Kimberlee R Dixon
Notary Public

My Appointment Expires:
May 7, 2012

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/>

Thomas E. Wright, Chairman
Ward Loyd, Commissioner

Corporation Commission

Sam Brownback, Governor

April 28, 2011

Victor H. Dyal
Layne Energy Operating, LLC
1900 SHAWNEE MISSION PKWY
MISSION WOODS, KS 66205-2001

Re: Drilling Pit Application
API 15-125-32071-00-00
Westfall 2E-12
NE/4 Sec.12-31S-13E
Montgomery County, Kansas

Dear Victor H. Dyal:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, 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 as soon as practical 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 2008), Exploration and Production Waste Transfer, through KOLAR within 30 days of fluid removal.

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 District Office at (620) 432-2300.