

For KCC Use: 11.12.05  
Effective Date: 3  
District # 3  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**NOTICE OF INTENT TO DRILL**

Form C-1  
December 2002  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date November 9, 2005  
month day year

Spot Ap 20' S 9 20' E 0 P  
SE C SE - NW Sec. 27 Twp. 30 S. R. 16  East  West  
2000 feet from  N /  S Line of Section  
2000 feet from  E /  W Line of Section  
Is SECTION  Regular  Irregular?

OPERATOR: License# 33365  
Name: Layne Energy Operating, LLC  
Address: 1900 Shawnee Mission Parkway  
City/State/Zip: Mission Woods, KS 66205  
Contact Person: M. B. Nattrass  
Phone: 913-748-3987

RECEIVED  
KANSAS CORPORATION COMMISSION  
DEC 28 2005

(Note: Locate well on the Section Plat on reverse side)  
County: Wilson  
Lease Name: Katzer B&B Well #: 6-27  
Field Name: Neodesha

CONTRACTOR: License# 33606  
Name: Thorton Air

CONSERVATION DIVISION  
WICHITA, KS

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

Is this a Prorated / Spaced Field?  Yes  No  
Target Formation(s): Cherokee Coals  
Nearest Lease or unit boundary: 585'  
Ground Surface Elevation: 805' 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: 150  
Depth to bottom of usable water: 200  
Surface Pipe by Alternate:  1  2  
Length of Surface Pipe Planned to be set: 20'  
Length of Conductor Pipe required: None  
Projected Total Depth: 1200 Feet  
Formation at Total Depth: Mississippian  
Water Source for Drilling Operations:  
 Well  Farm Pond Other  X  
DWR Permit #: \_\_\_\_\_

If OWWO: old well information as follows:  
Operator: \_\_\_\_\_  
Well Name: \_\_\_\_\_  
Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Directional, Deviated or Horizontal wellbore?  Yes  No  
If Yes, true vertical depth: \_\_\_\_\_  
Bottom Hole Location: \_\_\_\_\_  
KCC DKT #: NOV 07 2005

CONSERVATION DIVISION  
WICHITA, KS  
**AFFIDAVIT**

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 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. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **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: November 4, 2005 Signature of Operator or Agent: MR Nattrass Title: Agent

For KCC Use ONLY  
API # 15 - 205-26223-00-00  
Conductor pipe required NONE feet  
Minimum surface pipe required 20 feet per Alt.   
Approved by: RJP 11-7-05  
This authorization expires: 5-7-06  
(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.
- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well Not Drilled - Permit Expired  
Signature of Operator or Agent: MR Nattrass  
Date: 12/27/05

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

27 30 16E

# Layne Energy, Inc.

1900 Shawnee Mission Parkway, Mission Woods, Kansas 66205 Phone: (913) 748-3987 Fax: (913) 748-3970

VIA OVERNIGHT MAIL

December 27, 2005

RECEIVED  
KANSAS CORPORATION COMMISSION  
DEC 28 2005  
CONSERVATION DIVISION  
WICHITA, KS

Kansas Corporation Commission  
Oil & Gas Conservation Division  
130 S. Market, Room 2078  
Wichita, KS 67202

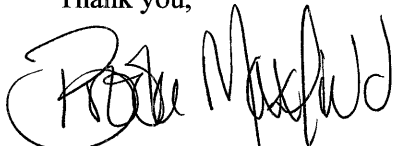
ATTN: Bob Petersen

Re: Well Not Drilled

Dear Mr. Petersen:

Please find the enclosed C-1 form for Katzer B&B 6-27. Layne Energy will not drill the well at this time. If you have any questions regarding the enclosed form, please contact me at 913-748-3987.

Thank you,



Brooke Maxfield  
Agent

Enclosures

Cc: Well File  
Field

