For KCC Use: Effective Date: 3-5-06 District # 3

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

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 CONTRACTOR: License# 33606 Name: Thornton Air Well Drilled For: Well Class: Type Equipment: Oil Enh Rec Infield Mud Rotary Water well within one-quarter mile: Yes Value for the Section Plat on reverse side (Prom Verse Section Plat on reverse side) County: Wilson Lease Name: Newby AX&P Well #: 15-29 Field Name: Neodesha Is this a Prorated / Spaced Field? Target Formation(s): Cherokee Coals Nearest Lease or unit boundary: 414' (1) Water well within one-quarter mile: Yes Value within one-quarter mile	Must be approved by KCC five	e (5) days prior to commencing well
DEPARTOR: Licentary 33356	Apecied Spud Date	
International Parkers Inte	month day year Ap. S	NE <u>SW SE Sec. 29 Twp. 30 S. R. 16</u> West
International Complete Perity Operations LLC	PERATOR: License# 33365	Total Iron Transcription
Section Section Regular Integular	ame. Layne Energy Operating, LLC	reet from VE / W Line of Section
Well Cross Security Well of North Section Plant on reverse askep	1900 Shawnee Mission Parkway	is SECTION Regular irregular?
County: Willsom Start Sta	ity/State/Zip: Mission Woods, KS 66205	(Note: Locate well on the Section Plat on reverse side)
Lease Name: Newdoy AX&P Well #: 15-29	ontact Person; M. B. Nattrass	County: Wilson
Section Contract Consect Squared Contract C	hone: 913-748-3987	Lease Name: Newby AX&P Well #: 15-29
Target Formation(s): Cherokee Coals Market Coal	33606 \	Field Name: Neodesha
Well Drilled For: Well Class: Type Equipment: Search Rec Infield Mud Rotary Pool Ext. Air Rotary Pool Ext. Air Rotary Pool Ext. Air Rotary Pool Ext. Air Rotary Wildcat Cable Dipht well without on or mean Vies	ONTRACTOR: License# 55000 V	
Ground Surface Elevation: 786	ame: TROTTOTI All	Target Formation(s): Cherokee Coals
Ground Surface Elevation: 788	Well Drilled For: Well Class: / Type Equipment:	Nearest Lease or unit boundary: 414' (1)
Gas Storage Pool Ext. Air Rotary Storage Pool Ext. Air Rotary Gable		
OWNO Disposal Wildcat Cable Other Disposal Wildcat Cable Depth to bottom of fresh water: 130 Depth to bottom of usable water 130 Depth to bottom of usable water 130 Depth to bottom of fresh water: 130 Depth to bottom of usable water 130 Depth to bottom of usable water 130 Depth to bottom of usable water: 130 Depth to bottom of usable water 130 Depth to b		,
Depth to bottom of trainer water: 200 Depth to bottom of usable usable: 200 Depth to bottom of usable water: 200 Depth to botto		
Other		
Surface Pipe by Alternate:		
Operator: Well Name: Original Completion Date: Original Total Depth:: Well Name: Original Completion Date: Original Total Depth:: Well Name: Original Completion Date: Orig		Surface Pipe by Alternate:
Well Name: Original Completion Date: Original Total Depth: Original Completion Date: Original Co	OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
Original Completion Date: Original Total Depth: Mississipplain Mississipplain Mater Source for Drilling Operations: Water Source for Drilling Operation Operation Operation Operation Operation Operat	Operator:	Length of Conductor Pipe required:
Water Source for Drilling Operations: well Farm Pond Chine Water Source for Drilling Operations: Water Source for Drilling Operations: Water Source for D		**************************************
Ves. true vertical depth: MANSAS CORPORATION COMMISSION	Original Completion Date:Original Total Depth:	Tomaton at role Dopin
Ves. true vertical depth::MNSAS CORPORATION COMMISSION DWR Permit #: (Note: Apply for Permit with DWR)	irectional. Deviated or Horizontal wells (CEIVED Yes ✓ No	
Will Cores be taken?	Ves. true vertical depth: KANSAS COPPOPATION CO.	
CONSERVATION DIVISION WIGHTA, 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. 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 pluggling. 5. The appropriate district office will be notified before well is either plugged or production casing is cemented in; 6. If an ALTERINATE 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 cemer 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. hereby certify that the statements made herein are true and to the best of my knowledge and belief. Por KCC Use ONLY APIN 15 - 205-2640/COC feet per Alt. X (2) Approved by: Druce feet feet feet provided the provided provided to the provided approval 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) 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 (Softom Hole Location:	_
CONSERVATION DINISION WICHTA, 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. 1 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 plugglin. 5. The appropriate district office will be notified before well is either plugged or production casing is cemented in; 6. If an ALTERINATE if ICOMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. 7. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cemer 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. 8. Per KCC Use ONLY API # 15 - 205-2040	FER 2 8 2006	
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For KCC Use ONLY API # 15 - 205-2640/0000 Conductor pipe required	 A copy of the approved notice of intent to drill shall be posted on ea The minimum amount of surface pipe as specified below shall be s through all unconsolidated materials plus a minimum of 20 feet into a If the well is dry hole, an agreement between the operator and the analysis of the spropriate district office will be notified before well is either pluar or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall hereby certify that the statements made herein are true and to the best of the spud date. 	the the circulating cement to the top; in all cases surface pipe shall be set the underlying formation. district office on plug length and placement is necessary prior to plugging ; agged or production casing is cemented in; anted from below any usable water to surface within 120 days of spud date. It is a surface within 120 days of spud date. It is a surface within 120 days of spud date. It is a plugged. In all cases, NOTIFY district office prior to any cementing. It is plugged and belief.
For KCC Use ONLY API # 15 - 205-2640/00 feet Conductor pipe required		Remember to:
API # 15 - 205-2640/co-co Conductor pipe required	For KCC Use ONLY	- File Drill Pit Application (form CDP-1) with Intent to Drill;
Conductor pipe required	API#15-205-2640/-00-00	1
Minimum surface pipe required	A Service Co.	- File acreage attribution plat according to field proration orders;
Approved by: Drw 2-28-06 This authorization expires: 8-28-06 (This authorization void if drilling not started within 6 months of approval date.) Spud date: Agent: Signature of Operator or Agent: Obtain written approval before disposing or injecting salt water. - 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:	2 /	
This authorization expires: 8-28-06 (This authorization void if drilling not started within 6 months of approval date.) Spud date: Agent: Signature of Operator or Agent: Signature of Operat		1
(This authorization void if drilling not started within 6 months of approval date.) Spud date:Agent:		1
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Spud date:Agent:Signature of Operator or Agent:	(This authorization void if drilling not started within 6 months of approval date.)	· _
	Soud date: Asset:	
540.	Opud dateAgent:	Due.
Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202	Hell to: VCC - Consequation Division 400	

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 and 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.

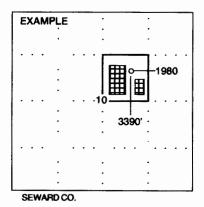
API No. 15	Location of Well: County: Wilson
Operator: Layne Energy Operating, LLC	704 feet from N / ✓ S Line of Section
Lease: Newby AX&P	1957 feet from 🗸 E / W Line of Section
Well Number: 15-29	Sec. 29 Twp. 30 S. R. 16 VEast West
Field: Neodesha	
Number of Acres attributable to well:	Is Section: ✓ Regular or Irregular
QTR / QTR / QTR of acreage: SW SE	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.)

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2	9
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	1957'
	<u>8</u>

RECEIVED
KANSAS CORPORATION COMMISSION
FEB 2 8 2006

CONSERVATION DIVISION WICHITA, KS



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

In plotting the proposed location of the well, you must show:

- 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.
- 3. The distance to the nearest lease or unit boundary line.
- 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).