

For KCC Use:  
 Effective Date: 8-19-06  
 District # 3  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION

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

NOTICE OF INTENT TO DRILL

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

Expected Spud Date August 18, 2006  
 month day year

Spot SE NE NW Sec. 33 Twp. 32 S. R. 16  East  West  
687 feet from  N /  S Line of Section  
2377 feet from  E /  W Line of Section  
 Is SECTION  Regular  Irregular?

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

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 AUG 14 2006

CONTRACTOR: License# 33606 ✓  
 Name: Thorton Air CONSERVATION DIVISION  
 WICHITA, KS

(Note: Locate well on the Section Plat on reverse side)  
 County: Montgomery  
 Lease Name: Jabben Well #: 3-33  
 Field Name: Brewster  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Cherokee Coals ✓  
 Nearest Lease or unit boundary: 479 ✓  
 Ground Surface Elevation: 782 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 #: \_\_\_\_\_

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 \_\_\_\_\_

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 #: \_\_\_\_\_

Well Survey Attached

(Note: Apply for Permit with DWR )  
 Will Cores be taken?  Yes  No  
 If Yes, proposed zone: \_\_\_\_\_

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: 8/11/06 Signature of Operator or Agent: M B Natrass Title: Agent

For KCC Use ONLY  
 API # 15 - 125-31199-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 20 feet per Alt. **X2**  
 Approved by: PL 8-14-06  
 This authorization expires: 2-14-07  
 (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: \_\_\_\_\_  
 Date: \_\_\_\_\_

33  
 32  
 10E

AUG 14 2006

**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

*Plat of acreage attributable to a well in a prorated or spaced field*

CONSERVATION DIVISION  
WICHITA, KS

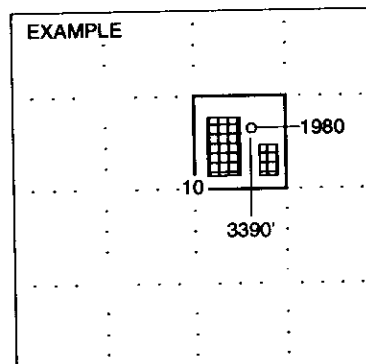
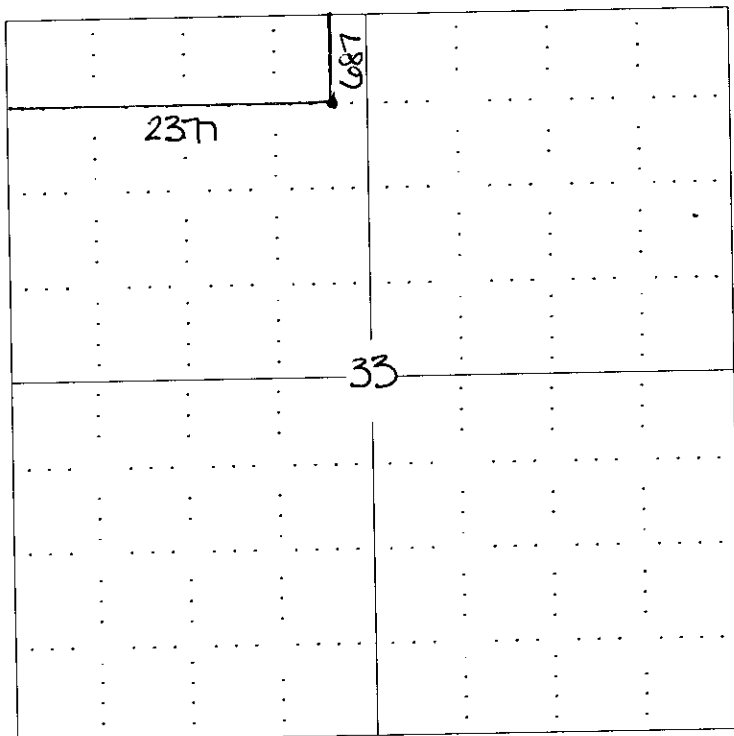
*If the intended well is in a prorated or spaced field, please fully complete this side of the form.* If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. 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 - 125-31199-0000  
 Operator: Layne Energy Operating, LLC  
 Lease: Jabben  
 Well Number: 3-33  
 Field: Brewster  
 Number of Acres attributable to well: \_\_\_\_\_  
 QTR / QTR / QTR of acreage: \_\_\_\_\_ - NE - NW

Location of Well: County: Montgomery  
687 feet from  N /  S Line of Section  
2377 feet from  E /  W Line of Section  
 Sec. 33 Twp. 32 S. R. 16  East  West  
 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 and shade attributable acreage for prorated or spaced wells.)  
 (Show footage to the nearest lease or unit boundary line.)*



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

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

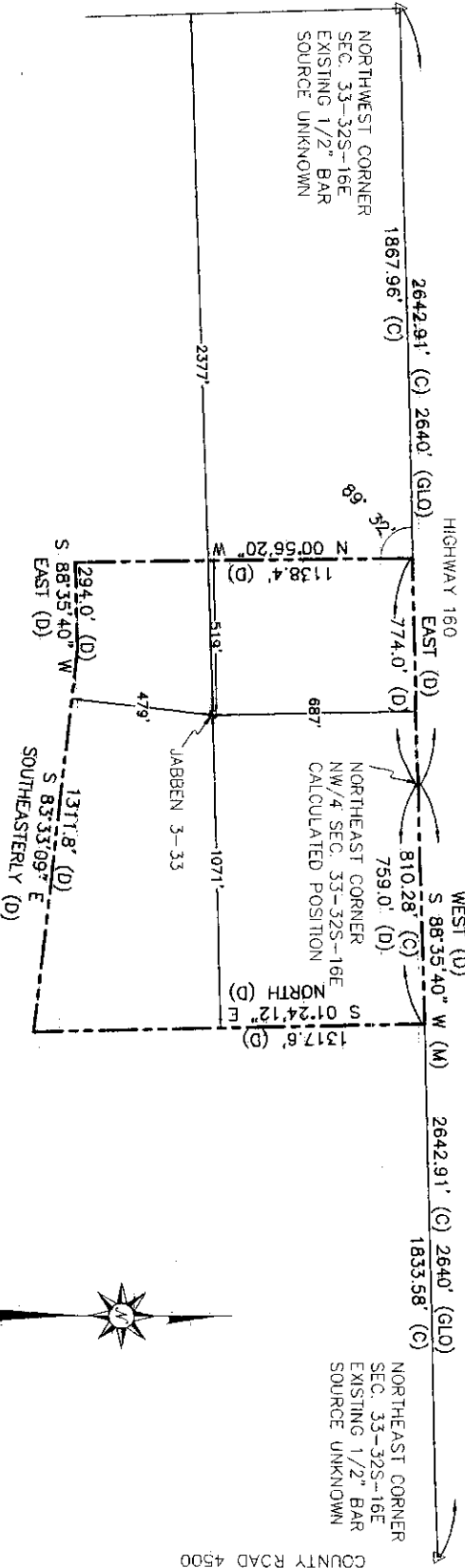
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
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).

# GAS WELL SURVEY

## of JABBEN 3-33

### in Section 33, Township 32 South, Range 16 East Montgomery County, Kansas for Layne Energy

15-25-31199-0000



COUNTY ROAD 4500

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AUG 14 2006  
CONSERVATION DIVISION  
WICHITA, KS

**SURVEYOR'S NOTES**

1. The bearings shown hereon are based upon the Kansas South Zone State Plane Coordinate System.
2. This survey does not reflect any easements, rights-of-way, or other instruments of record which may encumber this property.
3. Underground or above ground utilities nor improvements were located or shown on this survey.

**SURVEYOR'S CERTIFICATION:**

I, R. Gary Walker, a duly licensed Land Surveyor in the State of Kansas, do hereby certify that this plot of survey was prepared from the notes of an actual field survey done by me or under my direct supervision and that the information shown hereon is true and correct to the best of my knowledge and belief.

R. Gary Walker, L.S. No. 1096  
6-8-06



**LEGEND**

- Boundary Line
- Existing Survey Monument
- (C) Calculated Dimension
- (M) Measured Dimension
- (D) Deeded Dimension
- (GLO) Government Survey Dimension

**LEGAL DESCRIPTION provided by the client**

Montgomery County, Kansas  
Township 32 South, Range 16 East  
Section 33: Beginning at the NE corner of the NW/4 of said Section 33; thence West 774.0 feet; thence deflecting to the left on an angle of 89°32'South, 1138.4 feet; thence East 294.0 feet; thence Southeasterly 1311.8 feet to a point 1317.5 feet South of the North line of said Section; thence North 1317.6 feet; thence West 759.0 feet to the point of beginning.  
Containing 40 acres, more or less.

<b>CORNERSTONE REGIONAL SURVEYING, L.L.C.</b>	
1821 North Penn Independence, Kansas 67301 Ph: 620-331-6767	
DRAWN BY: RGW	DATE: June 8, 2006
CHECKED BY: WAB	DRAWING NO. 030101BK_B
JOB NO. 1-030101BK	SHEET 1 OF 1

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

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KANSAS CORPORATION COMMISSION

AUG 14 2006

Form CDP-1  
April 2004  
Form must be Typed

APPLICATION FOR SURFACE PIT CONSERVATION DIVISION  
WICHITA, KS

Submit in Duplicate

Operator Name: <b>Layne Energy Operating, LLC</b>		License Number: <b>33365</b>
Operator Address: <b>1900 Shawnee Mission Parkway, Mission Woods, KS 66205</b>		
Contact Person: <b>M. B. Natrass</b>		Phone Number: ( <b>913</b> ) <b>748 - 3987</b>
Lease Name & Well No.: <b>Jabben 3-33</b>		Pit Location (QQQQ): <b>NE - SE - NE - NW</b> ✓
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	Sec. <b>33</b> Twp. <b>32</b> R. <b>16</b> <input checked="" type="checkbox"/> East <input type="checkbox"/> West <b>687</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <b>2377</b> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <b>Montgomery</b> County
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No ✓		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? <b>Self-sealing pit</b>
Pit dimensions (all but working pits): <b>30'</b> Length (feet) <b>20'</b> Width (feet)    _____ N/A: Steel Pits Depth from ground level to deepest point: <b>3'</b> (feet)		
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 <b>1583</b> feet    Depth of water well <b>40</b> feet <b>2189</b> feet <b>80</b> feet	Depth to shallowest fresh water <b>16</b> feet. <b>KGS</b> Source of information: _____ _____ measured    _____ well owner    _____ electric log    _____ KDWR	
<b>Emergency, Settling and Burn Pits ONLY:</b> 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	<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <b>Fresh Water Mud</b> Number of working pits to be utilized: <b>Two</b> Abandonment procedure: <b>Let Evaporate until dry and then backfill restore.</b> Drill pits must be closed within 365 days of spud date.	
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.		
<b>8/11/06</b> Date		<b>MB Natrass</b> Signature of Applicant or Agent

15-125-31199-0002

KCC OFFICE USE ONLY			
Date Received: <b>8/14/06</b>	Permit Number: _____	Permit Date: <b>8/14/06</b>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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

*Handwritten mark*