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 April 5, 2007 | Spot Visco NE OF OR OR OF THE | ast |
| month day year | | Vest |
| OPERATOR: License# 33365 | feet from N / VS Line of Section | 1 |
| Name- Layne Energy Operating, LLC | reet from VE / W Line of Section | ı |
| Address: 1900 Shawnee Mission Parkway | Is SECTIONRegularIrregular? | |
| City/State/Zip: Mission Woods, KS 66205 | (Note: Locate well on the Section Plat on reverse side) | |
| Contact Person: M. B. Nattrass | County: Wilson | |
| Phone: 913-748-3960 | Lease Name: JD Friess Well #: 9-29 | |
| CONTRACTOR: License# 33606 | Field Name: Jefferson-Sycamore | |
| Name: Thornton Air | Is this a Prorated / Spaced Field? Target Formation(s): Cherokee Coals | No |
| Well Drilled For: Well Class: Type Equipment: | Nearest Lease or unit boundary: 771 | |
| Oil / Enh Rec / Infield Mud Rotary | Ground Surface Elevation: 976 feet t | MSL |
| ✓ Gas Storage Pool Ext. ✓ Air Rotary | Water well within one-quarter mile: | No / |
| OWWO Disposal Wildcat Cable | | No |
| Seismic;# of Holes Other | Depth to bottom of fresh water: 150 | |
| Other | Depth to bottom of usable water: | |
| | Surface Pipe by Alternate: | |
| If OWWO: old well information as follows: | Length of Surface Pipe Planned to be set: 20' | |
| Operator: | Length of Conductor Pipe required: None Projected Total Depth: 1200 Feet | |
| Well Name: | Formation at Total Depth: Mississippian | |
| Original Completion Date:Original Total Depth: | Water Source for Drilling Operations: | |
| Directional, Deviated or Horizontal wellbore? | Well Farm Pond Other X | |
| If Yes, true vertical depth: | DWR Permit #: | |
| Bottom Hole Location: | (Note: Apply for Permit with DWR | |
| KCC DKT #: | Will Cores be taken? Yes ✓ | No |
| | If Yes proposed zone: | • |
| AFFIR | MANAS CODOMA | / <u>ED</u> |
| AFFIC | PAVII | IN COMMISSION |
| The undersigned hereby affirms that the drilling, completion and eventual plus It is agreed that the following minimum requirements will be met: | gging of this well will comply with K.S.A. 55 et. seq. APR = 2 | 2007 |
| Notify the appropriate district office <i>prior</i> to spudding of well; | | |
| 2. A copy of the approved notice of intent to drill shall be posted on each | drilling rig; CONSERVATION C | VIVISION |
| 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 | S |
| 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 dis | | g; |
| The appropriate district office will be notified before well is either pluggeIf an ALTERNATE II COMPLETION, production pipe shall be cemented | | |
| · · · · · · · · · · · · · · · · · · · | 133,891-C, which applies to the KCC District 3 area, alternate II cemen | ting |
| 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 g | лу knowledge and belief. | |
| M | half and | |
| Date: March 29, 2007 Signature of Operator or Agent: | Title: Agent | |
| | Remember to: | |
| For KCC Use ONLY | - File Drill Pit Application (form CDP-1) with Intent to Drill; | 1 |
| API # 15 - 205-27/49-0000 | - File Completion Form ACO-1 within 120 days of spud date; | Q. |
| Conductor pipe required feet | - File acreage attribution plat according to field proration orders; | 9 |
| 20 | 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. | |
| Approved by Par 1 10-2-07 | - If this permit has expired (See: authorized expiration date) please | 5 |
| | check the box below and return to the address below. | 8 |
| (This authorization void if drilling not started within 6 months of approval date.) | Well Not Drilled - Permit Expired | |
| Spud date: Agent: | Signature of Operator or Agent: | |
| | Date: | 72 |

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. 15-205-27149-0000 | Location of Well: County: Wilson |
|--|---|
| Operator: Layne Energy Operating, LLC | 2282 feet from N / S Line of Section |
| Lease: JD Friess | feet from E / W Line of Section |
| Well Number: 9-29 | Sec. 29 Twp. 30 S. R. 17 ✓ East Wes |
| Field: Jefferson-Sycamore | |
| Number of Acres attributable to well: QTR / QTR / QTR of acreage: N2 - NE - SE | 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.)

| | | RECEIVED KANSAS CORPORATION COMMISSION APR - 2 2007 CONSERVATION |
|--|-------|---|
| | | CONSERVATION DIVISION WICHITA, KS |
| | 7711 | 1980 |
| | 3282' | 3390' |

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.
- 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).



CORNERSTONE REGIONAL SURVEYING, LLC

1921 North Penn Ave. Independence, KS 67301 Telephone: 620-331-6767 Fax: 620-331-6776

OK

WELL LOCATION REPORT

Including Latitude & Longitude

| LEASE NAME: | | JD Friess 9-29 | |
|-------------------|---------------------|----------------------------|---------------|
| COUNTY: | | Wilson | |
| OPERATOR: | | Layne Energy | |
| LOCATION: | 2282' FSL | , 771' FEL, Sec. 29, Twp 3 | 30S, Rge. 17E |
| LATITUDE: | NA NE SE | N 37° 24' 17.89" | 37.404969 |
| LONGITUDE: | | W 95° 33' 53.12" | -95.564756 |
| GROUND ELEVATION: | | 976 feet | CV |
| SCALE: | | 1" = 2000' | C010145 |
| DATE: | | March 29, 2007 | |
| SURVEYED BY: | | Keith Matlock | |
| DRAWN BY: | L | Gary Walker | |
| AUTHORIZED BY: | | Kimberlee Dixon | |
| DIRECTIONS | See reverse for dir | ections from 200 Rd. and | Wichita Rd. |
| | | | |
| | | | |
| | | | <u> </u> |

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RECEIVED KANSAS CORPORATION COMMISSION

APR - 2 2007

CONSERVATION DIVISION WICHITA, KS

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

| Operator Name: Layne Energy O | perating, LLC | | License Number: 33365 | |
|---|--------------------------------|--|--|----------------|
| Operator Address: 1900 Shawne | e Mission F | Parkway, | Mission Woods, KS 66205 | |
| Contact Person: M. B. Nattrass | | Phone Number: (913) 748 - 3987 | | |
| Lease Name & Well No.: JD Friess 9-29 | | Pit Location (QQQQ): | 7 | |
| Type of Pit: | Pit is: | | <u>N2 NE SE</u> | |
| Emergency Pit Burn Pit | ✓ Proposed Existing | | Sec. 29 Twp. 30 R. 17 | |
| Settling Pit | If Existing, date constructed: | | 2282 Feet from North / 📝 South Line of Section | n |
| Workover Pit Haul-Off Pit | Pit capacity: | | 771 Feet from 🗸 East / 🗌 West Line of Section | n |
| (If WP Supply API No. or Year Drilled) | · · | (bbls) | Wilson | , |
| Is the pit located in a Sensitive Ground Water | Area? ✓ Yes ∡ | No. | Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) | |
| Is the bottom below ground level? Yes No | Artificial Liner? ☐ Yes ✓ N | No | How is the pit lined if a plastic liner is not used? Self-Sealing | _ |
| Pit dimensions (all but working pits):3 | O' Length (fe | et) 20' | Width (feet) N/A: Steel Pits | |
| Depth fr | om ground level to de | epest point: 3' | (feet) | _ |
| If the pit is lined give a brief description of the material, thickness and installation procedure | I | Describe proce liner integrity, in | edures for periodic maintenance and determining RECEIVE and determining and determinin | D OMMISSION |
| | | | CONSERVATION DO | |
| Distance to nearest water well within one-mile | of pit | • | CONSERVATION DIVI WICHITA, KS west fresh waterfeet. | |
| Distance to nearest water well within one-mile | · | Source of infor | CONSERVATION DIVI WICHITA, KS west fresh waterfeet. | |
| | · | Source of infor | CONSERVATION DIVI WICHITA, KS west fresh waterfeet. mation: | |
| none feet Depth of water well | feet | Source of informeasu Drilling, Worke | CONSERVATION DIVI WICHITA, KS west fresh waterfeet. mation: redwell ownerelectric logKDWR | |
| none feet Depth of water well Emergency, Settling and Burn Pits ONLY: | feet | Source of informal measurements Drilling, Worker Type of material Number of wor | CONSERVATION DIVINGUICHITA, KS west fresh waterfeet. mation: redwell owner electric logKDWR over and Haul-Off Pits ONLY: al utilized in drilling/workover: Fresh Water Mud king pits to be utilized: Two | |
| none feet Depth of water well Emergency, Settling and Burn Pits ONLY: Producing Formation: | feet | Drilling, Worke Type of material Number of wor Abandonment | CONSERVATION DIVINGUICHITA, KS west fresh waterfeet. mation: redwell owner electric logKDWR over and Haul-Off Pits ONLY: all utilized in drilling/workover: Fresh Water Mud | |
| none feet Depth of water well Emergency, Settling and Burn Pits ONLY: Producing Formation: Number of producing wells on lease: | feet | Drilling, Work Type of materia Number of wor Abandonment and restore | CONSERVATION DIVINGUICHITA, KS west fresh waterfeet. mation: redwell owner electric logKDWR over and Haul-Off Pits ONLY: al utilized in drilling/workover: Fresh Water Mud king pits to be utilized: Two | |
| none feet Depth of water well | feet fluids to | Drilling, Work Type of materia Number of wor Abandonment and restore Drill pits must b | CONSERVATION DIVINUICHITA, KS west fresh waterfeet. mation: redwell owner electric logKDWR over and Haul-Off Pits ONLY: all utilized in drilling/workover: Fresh Water Mud king pits to be utilized: Two procedure: Let evaporate until dry, then backfill be closed within 365 days of spud date. | |
| none feet Depth of water well | feet fluids to | Source of informal measurements Drilling, Worker Type of material Number of work Abandonment and restore Drill pits must be correct to the best | CONSERVATION DIVINUICHITA, KS west fresh waterfeet. mation: redwell owner electric logKDWR over and Haul-Off Pits ONLY: all utilized in drilling/workover: Fresh Water Mud king pits to be utilized: Two procedure: Let evaporate until dry, then backfill be closed within 365 days of spud date. | |
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