SGA? X 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

Expected Spud Date June 26, 2007	Spot ✓ East
month day year	NE SE Sec. 1 Twp. 33 S. R. 16 West
OPERATOR: License#_33365	725feet fromN / \script S Line of Section
Name: Layne Energy Operating, LLC	2198feet from E / W Line of Section
1900 Shawnee Mission Parkway	Is SECTIONRegularIrregular?
Address: Mission Woods, KS 66205	(Note: Locate well on the Section Plat on reverse side)
Contact Person: Victor H. Dyal	County: Montgomery
Phone: 913-748-3960	Lease Name: DeMott Farms Well #: 14-1
	Field Name: Cherokee Basin Coal
CONTRACTOR: License# 33606	Is this a Prorated / Spaced Field? Yes ✓ No
Name: Thornton Air	Target Formation(s): Cherokee Coals
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary: 595'
Oil Enh Rec / Infield Mud Rotary	Ground Surface Elevation: 788' feet MSL
✓ Gas Storage Pool Ext. ✓ Air Rotary	Water well within one-quarter mile:
OWWO Disposal Wildcat Cable	Public water supply well within one mile: Yes ✓ No
Seismic;# of Holes Other	Depth to bottom of fresh water: 150'
Other	Depth to bottom of usable water:
Other	Surface Pipe by Alternate: 1 2
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set: 20'
Operator:	Length of Conductor Pipe required: None
Well Name:	Projected Total Depth: 1200'
Original Completion Date:Original Total Depth:	Formation at Total Depth: Mississippian
Directional, Deviated or Horizontal wellbore? Yes ✓ No	Water Source for Drilling Operations:
	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:
AEE	RECEIVED
AFF	DAVIT
The undersigned hereby affirms that the drilling, completion and eventual pl	DAVIT KANSAS CORPORATION COMMISSION ugging of this well will comply with K.S.A. 55 et. seq.
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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.

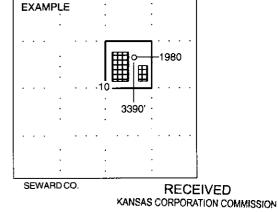
API No. 15 - 125-21395-0000	Location of Well: County: Montgomery
Operator: Layne Energy Operating, LLC	725feet from N / ✓ S Line of Section
Lease: DeMott Farms	2198 feet from E / 🗸 W Line of Section
Well Number: 14-1	Sec. 1 Twp. 33 S. R. 16 Vest
Field: Cherokee Basin Coal	<u>_</u>
Number of Acres attributable to well:	Is Section: Regular or Irregular
QTR / QTR / QTR of acreage:	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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NOTE: In all cases locate the spot of the proposed drilling locaton.

JUN 2 0 2007

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

- CONSERVATION DIVISION

 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 HITA KO

 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).

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 Operating, LLC			License Number: 33365			
Operator Address: 1900 Shawnee Mission Parkway, Mission Woods, KS 66205						
Contact Person: Victor H. Dyal			Phone Number: (913) 748 - 3960			
Lease Name & Well No.: DeMott Farms 14-1			Pit Location (QQQQ):			
Type of Pit:	Pit is:		รы <u>SESW</u>			
Emergency Pit Burn Pit	✓ Proposed Existing		Sec. 1 Twp. 33 R. 16			
Settling Pit	If Existing, date constructed:		725 Feet from North / 🗸 South Line of Section			
Workover Pit Haul-Off Pit	Pit capacity:		2198 Feet from East / 🗸 West Line of Section			
(If WP Supply API No. or Year Drilled)		(bbls)	Montgomery County			
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?	Artificial Liner?		How is the pit lined if a plastic liner is not used?			
✓ Yes No	☐ Yes ✓	No	Self-Sealing			
Pit dimensions (all but working pits):	0' Length (fe	eet)20'	Width (feet) N/A: Steel Pits			
Depth fr	om ground level to de	eepest point: 3'	(feet)			
If the pit is lined give a brief description of the	•	Describe proce	edures for periodic maintenance and determining			
material, thickness and installation procedure) .	liner integrity, ii	ncluding any special monitoring.			
			ķ			
Distance to nearest water well within one-mile of pit Depth		Depth to shallo	west fresh waterfeet.			
Source of		Source of infor				
leet Deptit of Water Well			suredwell owner electric logKDWR			
Emergency, Settling and Burn Pits ONLY:		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Fresh Water Mud				
Producing Formation:		1	king pits to be utilized: Two			
		Abandonment procedure: Let evaporate until dry, then backfill				
		and restore				
flow into the pit? Yes No		Drill pits must	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. KANSAS CORPORATION COMMISSION						
JUN 2 0 2007						
June 19, 2007 Anth Malue						
Date Signature of Applicant or Agent WICHITA KS						
KCC OFFICE USE ONLY						
Date Received: 420/07 Permit Number: Permit Date: 4/20/07 Lease Inspection: Yes 🗷 No						