# For KCC Use: /-1-08 Effective Date: /-1-08 District # 3

## KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

### NOTICE OF INTENT TO DRILL

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

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

December 21, 2007	<b>7</b> 5
Expected Spud Date December 21, 2007	Spot
	N2
OPERATOR: License# 33365	1236 feet from E / V W Line of Section
Name: Layne Energy Operating, LLC	Is SECTION Regular Irregular?
Address: 1900 Shawnee Mission Parkway	-
Address: 1995 Mission Woods, KS 66205  City/State/Zip: Mission Woods, KS 66205	(Note: Locate well on the Section Plat on reverse side)
Contact Person: Hmothy H. Wright	County: Montgomery  Lease Name: Journot Well #: 12-9
Phone: 913-748-3960	Field Name: Cherokee Basin Coal
CONTRACTOR: License# 33606	Is this a Prorated / Spaced Field? Yes ✓ No
Name: Thornton Air	Target Formation(s): Cherokee Coals
	Nearest Lease or unit boundary: 464'
Well Drilled For: Well Class: Type Equipment:	Ground Surface Elevation: 776' feet MSL
Oil Enh Rec 🗸 Infield 🔲 Mud Rotary	Water well within one-quarter mile:   ✓ Yes No
Gas Storage Pool Ext. Air Rotary	Public water supply well within one mile:
OWWO Disposal Wildcat Cable	Depth to bottom of fresh water: 150°
Seismic;# of Holes Other	Depth to bottom of usable water: 150'
Other	Surface Pipe by Alternate: 1 2
If OVERALD, and well information on follows:	Length of Surface Pipe Planned to be set: 20'
If OWWO: old well information as follows:	Length of Conductor Pipe required: None
Operator:	Projected Total Depth: 1200'
Well Name:Original Total Depth:	Formation at Total Depth: Mississippian
	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?
	If Yes, proposed zone:
	IDAVIT KANSAS CORPORATION COMMIS
The undersigned hereby affirms that the drilling, completion and eventual p	lugging of this well will comply with K.S.A. 55 et. seq.
It is agreed that the following minimum requirements will be met:	DEC 1 8 2007
<ol> <li>Notify the appropriate district office prior to spudding of well;</li> <li>A copy of the approved notice of intent to drill shall be posted on ea</li> </ol>	
3. The minimum amount of surface pipe as specified below <b>shall be set</b>	ch drilling rig;  CONSERVATION DIVISION  to by circulating cement to the top; in all cases surface pipe craft in the top.
through all unconsolidated materials plus a minimum of 20 feet into t	he underlying formation.
4. If the well is dry hole, an agreement between the operator and the c	fistrict office on plug length and placement is necessary prior to plugging;
5. The appropriate district office will be notified before well is either plug	gged or production casing is cemented in; led from below any usable water to surface within 120 days of spud date.
6. If an ALTERNATE II COMPLETION, production pipe snall be cement	#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	
λ O	
Date: December 14, 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;
116.11600-0000	- File Completion Form ACO-1 within 120 days of spud date;
	- File acreage attribution plat according to field proration orders;
Conductor pipe requiredfeet	<ul> <li>Notify appropriate district office 48 hours prior to workover or re-entry;</li> </ul>
Minimum surface pipe required 20 feet per Alt. (2)	- Submit plugging report (CP-4) after plugging is completed;
Approved by: [444 /2-27-07]	- Obtain written approval before disposing or injecting salt water.
/3 1 T C D	- If this permit has expired (See: authorized expiration date) please
This authorization expires:  (This authorization void if drilling not started within months of approval date.)	check the box below and return to the address below.
(This authorization your it driving not started within 7 months of approval date.)	
	Well Not Drilled - Permit Expired
Spud date:Agent:	Well Not Drilled • Permit Expired Signature of Operator or Agent:
Spud date: Agent:	

#### 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 - 31509-0000	Location of Well: County: Montgomery
Operator: Layne Energy Operating, LLC	2176 feet from N / S Line of Section
Lease: Journot	1236 feet from E / 📝 W Line of Section
Well Number: 12-9	Sec. 9 Twp. 32 S. R. 16 ✓ East West
Field: Cherokee Basin Coal	
Number of Acres attributable to well:	Is Section:  Regular or Irregular  If Section is Irregular, locate well from nearest corner boundary.  Section corner used:  NE NW SE SW

#### PI AT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

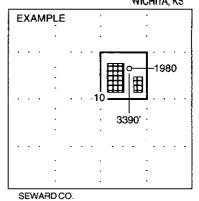
(Show footage to the nearest lease or unit boundary line.)

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1236'	·	<del></del>	
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	2176	 	
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DEC 18 2007

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:

- 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: (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

Workover Pit	Operator Name: Layne Energy Operating, LLC		License Number: 33365			
Phone Number: (913) 748 3960	Operator Address: 1900 Shawne	e Mission I	Parkway,	Mission Woods, KS 66205		
Type of Pit:    Emergency Pit   Burn Pit   Pit is:   Settling Pit   Duriting Pit   Pit is:   Workover Pit   Haul-Off Pit   Pit capacity:   Workover Pit   Haul-O						
Type of Pit:    Emergency Pit   Burn Pit   Pit is:   Proposed   Existing   Sect   9 Twp, 32 R, 16   Past   West   Settling Pit   Pit capacity:   Pit capacity:				Pit Location (QQQQ): NW		
Settling Pit				<u>sz N2 N2 SW</u>		
Setting Pit   Haul-Off Pit   Pit capacity:   Pit capacity:   Pit capacity:   Montgomery   Count   Line of Section   Supply API No. or Year Drilled)   Pit capacity:   Montgomery   Count   Choride concentration:   mg/l (For Emergency Pits and Settling Pits only)   Self-Sealing   Pit dimensions (all but working pits):   30'   Length (feet)   20'   Width (feet)   N/A: Steel Pits   Depth from ground level to deepest point: 3'   (feet)   (feet)   Montgomery   N/A: Steel Pits   N/A: Steel Pits   Depth from ground level to deepest point: 3'   (feet)   Montgomery   N/A: Steel Pits   Depth from ground level to deepest point: 3'   (feet)   N/A: Steel Pits   Depth from ground level to deepest point: 3'   (feet)   Depth from ground level to deepest point: 3'	Emergency Pit Burn Pit	✓ Proposed Existing		Sec. 9 Twp. 32 R. 16 V East West		
Pit capacity:	Settling Pit	If Existing, date o	onstructed:	2176 Feet from North / V South Line of Section		
Stance to nearest water well within one-mile of pit   Seet   Depth of water well   Seet   See	Workover Pit Haul-Off Pit	Pit capacity:		1236 Feet from East / ✓ West Line of Section		
Steel Pits and Settling Pits only	(If WP Supply API No. or Year Drilled)		(bbls)	<u>—</u>		
Is the bottom below ground level?  Yes No Self-Sealing  Pit dimensions (all but working pits):  Depth from ground level to deepest point: 3' (feet)  Depth from ground level to deepest point: 3' (feet)  Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.  Distance to nearest water well within one-mile of pit  Source of information:  Producing Formation:  Number of producing wells on lease:  Describe procedures fresh water  Depth to shallowest fresh water  Source of information:  measured well owner electric log KDWR  Drilling, Workover and Haul-Off Pits ONLY:  Type of material utilized in drilling/workover: Fresh Water Mud  Number of producing wells on lease:  Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No  I hereby certify that the above statements are true and correct to the best of my knowledge and belief. KANSAS CORPORATION COMMISSIN  DEC 1 8 2007	Is the pit located in a Sensitive Ground Water	Area? 🗸 Yes	] No	Chloride concentration:mg/l		
Pit dimensions (all but working pits):		1				
Pit dimensions (all but working pits): 30' Length (feet) 20' Width (feet) N/A: Steel Pits    Depth from ground level to deepest point: 3' (feet)			No			
Depth from ground level to deepest point: 3'						
Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.  Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.  Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.  Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.  Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.  Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.  Depth to shallowest fresh water	Pit dimensions (all but working pits):30¹ Length (feet) Width (feet) N/A: Steel Pits					
Distance to nearest water well within one-mile of pit  862	Depth fr	rom ground level to de	eepest point: 3'	(feet)		
Source of information:						
Emergency, Settling and Burn Pits ONLY:  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?  I hereby certify that the above statements are true and correct to the best of my knowledge and belief.  Drilling, Workover and Haul-Off Pits ONLY:  Type of material utilized in drilling/workover:  Fresh Water Mud  Number of working pits to be utilized:  Two  Abandonment procedure: Let evaporate until dry, then backfill  and restore  Drill pits must be closed within 365 days of spud date.  RECEIVED  I hereby certify that the above statements are true and correct to the best of my knowledge and belief. KANSAS CORPORATION COMMISSION.  DEC 18 2007						
Producing Formation:			uredwell owner electric log KDWR			
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?  Yes No  Number of working pits to be utilized:  Let evaporate until dry, then backfill  and restore  Drill pits must be closed within 365 days of spud date.  RECEIVED  I hereby certify that the above statements are true and correct to the best of my knowledge and belief.  KANSAS CORPORATION COMMISSION DEC 18 2007						
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DEC 1 8 2007	I hereby certify that the above statements are true and correct to the best of my knowledge and belief. KANSAS CORPORATION COMMISSION					
December 14, 2007  Date  Signature of Applicant or Agent  CONSERVATION DIVISION  NOCHITA KS	December 14, 2007			DEC 1 8 2007  CONSERVATION DIVISION		
KCC OFFICE USE ONLY						
Date Received: 12/18/07 Permit Number: Permit Date: 12/18/07 Lease Inspection: Yes Y No						

## Layne Energy Inc.

1900 Shawnee Mission Parkway, Mission Woods, Kansas 66205 PH: (913) 748-3987, FX: (913) 748-3950

December 17, 2007

Romig Family Revocable Trust 5032 County Road #4300 Independence, KS 67301

RE:

**Drilling Intent Application** 

Dear Landowner(s):

Enclosed is a copy of an application filed with the Kansas Corporation Commission for a gas well to be drilled by Layne Energy Operating, LLC. As per compliance with Order #133,891-C of the Kansas Corporation Commission's Rules and Regulations, you are being notified that the well will be located approximately 862' from the domestic water well located NW-NW-SW of Section 9, Township 32 South, Range 16 East.

No action is required on your part. If you have any questions or concerns, please feel free to contact me at the address above or the Kansas Corporation Commission at 316-337-6200.

Sincerely,

ughlin Darling MacLaughlin Darling Engineering Technician

Layne Energy, Inc.

CC:

KCC Field Office

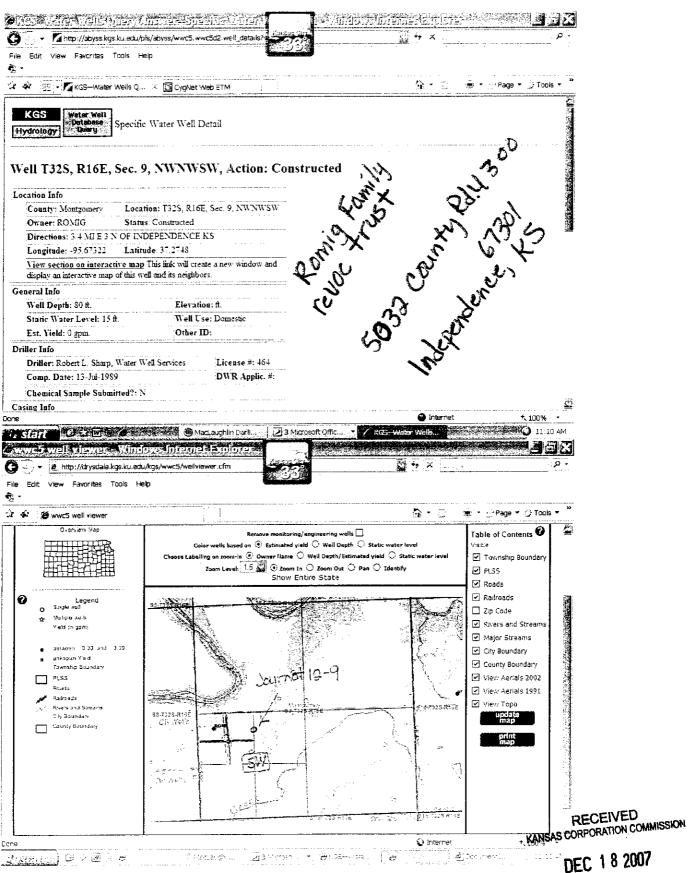
Well File

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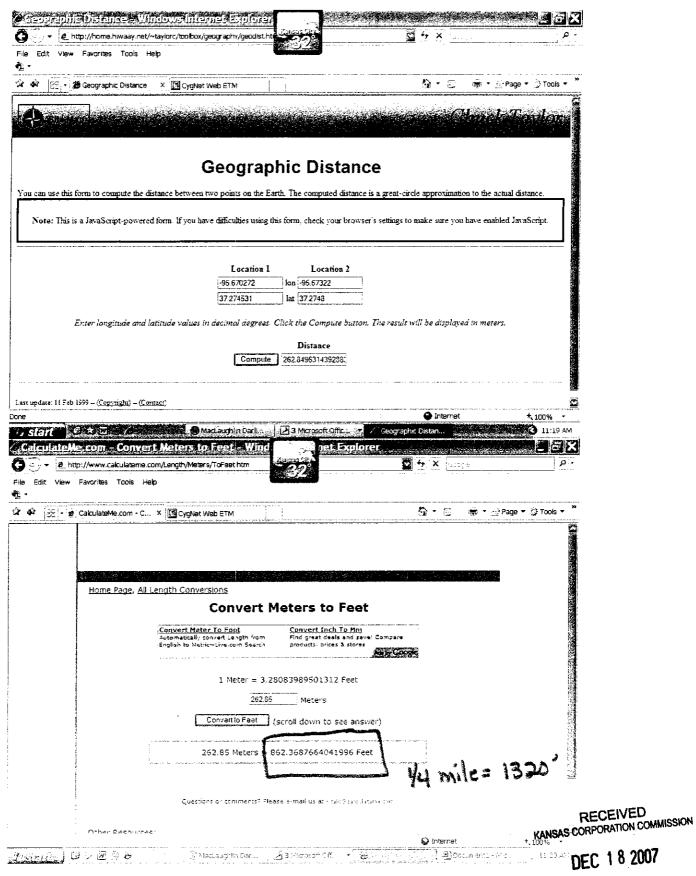
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15-125-31509-000



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