| For KCC Use: | 11-5-08 |
|-----------------|----------|
| Effective Date: | ,, o + o |
| District # | <u> </u> |
| SGA2 Vac | √INo. |

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 October 2007 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: November 5, 2008 | Spot Description: 37.335389 -95.631019 | |
|---|--|-------------------------------------|
| month day year | . SE NW Sec 23 Twp. 31 S. R. 16 | lw |
| 33365 | (a)a)a) 2,008 feet from X N / S Line of Sec | |
| OPERATOR: License# | 2,128 feet from E / W Line of Sec | |
| Address 1: 1900 Shawnee Mission Parkway | Is SECTION: Regular Inregular? | |
| Address 2: | (Note: Locate well on the Section Plat on reverse side) | |
| City: Mission Woods State: KS Zip: 66205 + 2001 | County: Montgornery | |
| Contact Person: Timothy H. Wright | Lease Name: Blankinship Well #: 6-23 | |
| Phone: 913-748-3960 | Field Name: Cherokee Basin Coal | |
| CONTRACTOR: License# 33606 | Is this a Prorated / Spaced Field? | Vo Vo |
| Name: Thornton Air | Target Formation(s): Cherokee Coals | |
| Well Drilled For: Well Class: Type Equipment: | Nearest Lease or unit boundary line (in footage): 512' | |
| | Ground Surface Elevation: 929 feet M | ISI |
| Oil Enh Rec Infield Mud Rotary Gas Storage Pool Ext. Air Rotary | Water well within one-quarter mile: | No |
| Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable | | No |
| Seismic ; # of Holes Other | Depth to bottom of fresh water: 156/100 | |
| 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 (if any): None | • |
| Well Name: | Projected Total Depth: | |
| Original Completion Date: Original Total Depth: | Formation at Total Depth: Mississippian | |
| · | Water Source for Drilling Operations: | |
| Directional, Deviated or Horizontal wellbore? | Well Farm Pond Other: | |
| If Yes, true vertical depth: | DWR Permit #: | |
| Bottom Hole Location: | (Note: Apply for Permit with DWR 1) | |
| KCC DKT #: | Will Cores be taken? | No |
| | | |
| | If Yes, proposed zone: | |
| | RECEIVE | |
| | RECEIVEI FIDAVIT KANSAS CORPORATION C | |
| The undersigned hereby affirms that the drilling, completion and eventual plus | RECEIVED FIDAVIT KANSAS CORPORATION C gging of this well will comply with K.S.A. 55 et. seq. | COMMISSION |
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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 - 125-31817-0000 | |
|---|--|
| Operator: Layne Energy Operating, LLC | Location of Well: County: Montgomery |
| Lease: Blankinship | 2,008 feet from N / S Line of Section |
| Well Number: 6-23 | 2,128 feet from E / X W Line of Section |
| Field: Cherokee Basin Coal | Sec. 23 Twp. 31 S. R. 16 🔀 E 🗌 W |
| Number of Acres attributable to well: QTR/QTR/QTR/QTR of acreage: SE _ NW | Is Section: Regular or Irregular |
| | If Section is irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW |

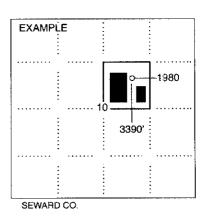
PLAT
(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)

| | | | 2008 | | |
|--|------|---|------|--------|------|
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RECEIVED KANSAS CORPORATION COMMISSION

OCT 3 0 2008

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 south / north and east / west outside section lines.
- 3. The distance to the nearest lease or unit boundary line (in footage).
- 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: Timothy H. Wright | | | Phone Number: 913-748-3960 | | | |
| Lease Name & Well No.: Blankinship 6-23 | | | Pit Location (QQQQ): | | | |
| Type of Pit: | Pit is: | | New SE SE NW | | | |
| Emergency Pit Burn Pit | Proposed Existing | | Sec. 23 Twp. 31 R. 16 East West | | | |
| Settling Pit Drilling Pit | If Existing, date constructed: | | 2,008 Feet from North / South Line of Section | | | |
| ── Workover Pit ☐ Haul-Off Pit | | | 2,128 Feet from East / West Line of Section | | | |
| (If WP Supply API No. or Year Drilled) | Pit capacity: | (bbls) | Montgomony | | | |
| Is the pit located in a Sensitive Ground Water | Area? Yes | ŽNo | Chloride concentration:mg/l | | | |
| is the presented in a serious create trace | | <u></u> | (For Emergency Pits and Settling Pits only) | | | |
| Is the bottom below ground level? Yes No | Artificial Liner? | Ńο | How is the pit lined if a plastic liner is not used? self-sealing NATIVE CLAY | | | |
| | | 20 | | | | |
| Fit difficults (all but working pits). | Length (le | eet) | Width (feet) N/A: Steel Pits No Pit | | | |
| | rom ground level to de | | (00) | | | |
| If the pit is lined give a brief description of the material, thickness and installation procedure | | ' | edures for periodic maintenance and determining ncluding any special monitoring. | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| Distance to nearest water well within one-mile of pit Depth to shallo Source of infor | | owest fresh waterfeet. | | | | |
| | | ured well owner electric log KDWR | | | | |
| · · · · · · · · · · · · · · · · · · · | | cover and Haul-Off Pits ONLY: | | | | |
| Producing Formation: Type of materia | | | rial utilized in drilling/workover: fresh water mud | | | |
| 1 ' ' | | orking pits to be utilized: 2 | | | | |
| Barrels of fluid produced daily: Abandonmen | | Abandonment | ndonment procedure: Let evaporate until dry, then backfill and restore | | | |
| Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Drill pits must | | t 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 COMMISSIO | | | | | | |
| October 29, 2008 OCT 3 0 2008 | | | | | | |
| Date Signature of Applicant or Agent CONSERVATION DIVISION | | | | | | |
| KCC OFFICE USE ONLY Steel Pit RFAC RFAS | | | | | | |
| Date Received: 10/3c/o8 Permit Number: Permit Date: 10/3c/o8 Lease Inspection: Yes 人No | | | | | | |