

For KCC Use:

Effective Date: 11-22-08

District # 3

SGA? Yes No

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

October 2007

Form must be Typed

Form must be Signed

All blanks must be Filled

Expected Spud Date: November 10, 2008
month day year

OPERATOR: License# 33365

Name: Layne Energy Operating, LLC

Address 1: 1900 Shawnee Mission Parkway

Address 2:

City: Mission Woods State: KS Zip: 66205 + 2001

Contact Person: Timothy H. Wright

Phone: 913-748-3960

CONTRACTOR: License# 33606

Name: Thornton Air

Well Drilled For: Well Class: Type Equipment:

- | | | | |
|---|-----------------------------------|---|--|
| <input type="checkbox"/> Oil | <input type="checkbox"/> Enh Rec | <input type="checkbox"/> Infield | <input type="checkbox"/> Mud Rotary |
| <input checked="" type="checkbox"/> Gas | <input type="checkbox"/> Storage | <input checked="" type="checkbox"/> Pool Ext. | <input checked="" type="checkbox"/> Air Rotary |
| <input type="checkbox"/> Seismic ; _____ # of Holes | <input type="checkbox"/> Disposal | <input type="checkbox"/> Wildcat | <input type="checkbox"/> Cable |
| <input type="checkbox"/> Other: _____ | <input type="checkbox"/> 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 #: _____

Spot Description: 37.224886 -95.962269

NW - NW Sec. 35 Twp. 32 S. R. 13 E W

606 feet from N / S Line of Section

623 feet from E / W Line of Section

Is SECTION: Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Montgomery

Lease Name: Rohleder Well #: 4-35

Field Name: Cherokee Basin Coal

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Cherokee Coals

Nearest Lease or unit boundary line (in footage): 606'

Ground Surface Elevation: 907 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: 175'

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 20'

Length of Conductor Pipe (if any): None

Projected Total Depth: 1650'

Formation at Total Depth: Mississippian

Water Source for Drilling Operations:

Well Farm Pond Other:

DWR Permit #: _____

(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone: _____

AFFIDAVIT

RECEIVED

KANSAS CORPORATION COMMISSION

RECEIVED

KANSAS CORPORATION COMMISSION

NOV 07 2008

NOV 04 2008

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with R.S.A. 50 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 of all casing and 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 correct to the best of my knowledge and belief.

Date: November 3, 2008 Signature of Operator or Agent: _____ Title: Project Engineer

For KCC Use ONLY

API # 15 - 125-31831-0000

Conductor pipe required None feet

Minimum surface pipe required 20 feet per ALT. I II

Approved by: [Signature]

This authorization expires: 11-17-09

(This authorization void if drilling not started within 12 months of approval 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 (within 60 days);
- 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 Date: _____

Signature of Operator or Agent: _____

35
32
13
 E
 W

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 - 125-31831-0000
Operator: Layne Energy Operating, LLC
Lease: Rohleder
Well Number: 4-35
Field: Cherokee Basin Coal

Location of Well: County: Montgomery
606 feet from N / S Line of Section
623 feet from E / W Line of Section
Sec. 35 Twp. 32 S. R. 13 E W

Number of Acres attributable to well:
QTR/QTR/QTR/QTR of acreage: - NW - NW

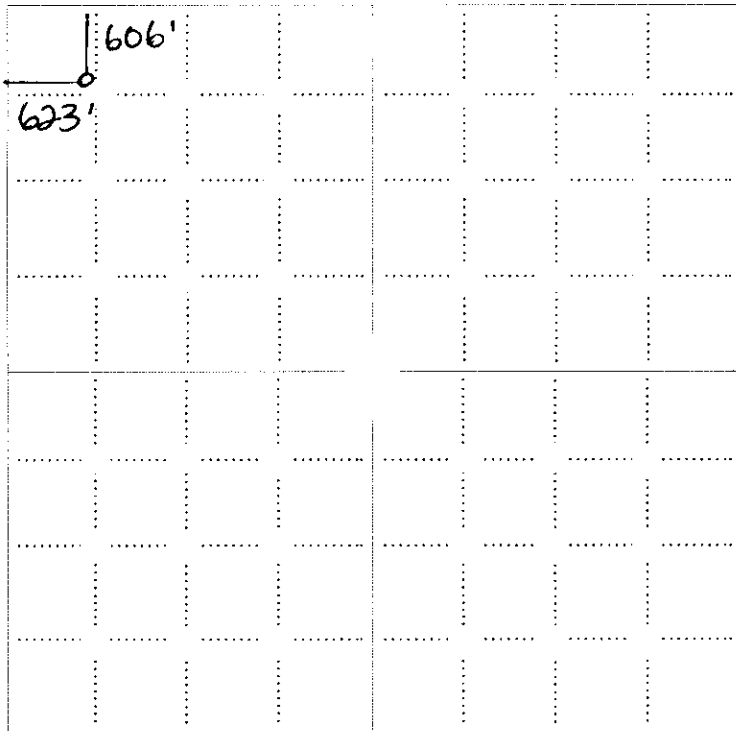
Is Section: Regular or Irregular

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.)



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

RECEIVED KANSAS CORPORATION COMMISSION

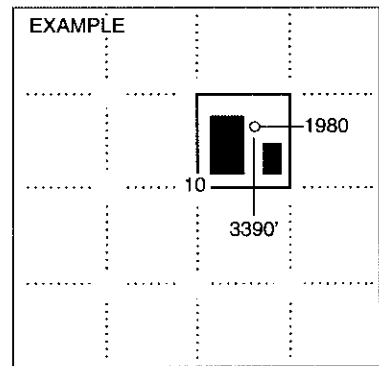
NOV 07 2008

CONSERVATION DIVISION WICHITA, KS

RECEIVED KANSAS CORPORATION COMMISSION

NOV 04 2008

CONSERVATION DIVISION WICHITA, KS



SEWARD CO.

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).
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).

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
April 2004
Form must be Typed

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.: Rohleder 4-35		Pit Location (QQQQ): NW NW
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. 35 Twp. 32 R. 13 <input checked="" type="checkbox"/> East <input type="checkbox"/> West 606 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 623 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Montgomery County		
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" 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? made of clay
Pit dimensions (all but working pits): 30 Length (feet) 20 Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: 3 (feet) <input type="checkbox"/> No Pit		
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.
		RECEIVED KANSAS CORPORATION COMMISSION NOV 07 2008 CONSERVATION DIVISION WICHITA, KS
Distance to nearest water well within one-mile of pit 606 feet Depth of water well 80 feet	Depth to shallowest fresh water 35 feet. WICHITA, KS	Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KDWR
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? <input type="checkbox"/> Yes <input type="checkbox"/> No	Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: fresh water mud Number of working pits to be utilized: 2 Abandonment procedure: Let evaporate until dry, then backfill and restore 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.		RECEIVED KANSAS CORPORATION COMMISSION NOV 04 2008 CONSERVATION DIVISION WICHITA, KS
November 3, 2008 Date		Signature of Applicant or Agent
KCC OFFICE USE ONLY		
Date Received: 11/7/08 Permit Number: _____	Permit Date: 11/7/08 Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>

15-125-31831-0000

15-125-31831-0000

Layne Energy Inc.

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

October 31, 2008

Gilbert & Patricia Rohleder
6231 South Knoxville
Tulsa, OK 74136

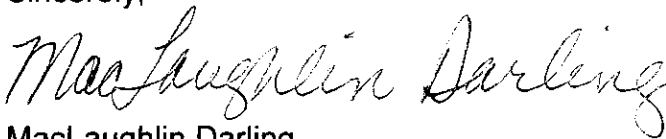
RE: Drilling Intent Application

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 606' from the domestic water well located in Section 35, Township 32 South, Range 13 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,



MacLaughlin Darling
Engineering Technician
Layne Energy, Inc.

cc: KCC
Well File

RECEIVED
KANSAS CORPORATION COMMISSION

NOV 07 2008

CONSERVATION DIVISION
WICHITA, KS

RECEIVED
KANSAS CORPORATION COMMISSION

NOV 04 2008

CONSERVATION DIVISION
WICHITA, KS



15-125-31831-0000

Layne Energy, Inc.

1900 Shawnee Mission Parkway, Mission Woods, Kansas 66205 Phone: (913) 748-3987 Fax: (913) 748-3970

VIA OVERNIGHT MAIL

November 3, 2008

Mr. Steve Bond
Kansas Corporation Commission
Oil & Gas Conservation Division
130 S. Market, Room 2078
Wichita, KS 67202

Re: Notice of Intent to Drill
Rohleder 4-35

Dear Mr. Bond:

Please find the enclosed Intent to Drill form for your approval. Landowners, Gilbert & Patricia Rohleder were notified in compliance with Order #133,891-C of the Kansas Corporation Commission's Rules and Regulations that Layne Energy has submitted an Intent to Drill approximately 606' from the domestic water well located in 35-32S-13E. See enclosed copy of said letter.

If you have any questions regarding the enclosed form, please contact me at 913-748-3960.

Sincerely,

MacLaughlin Darling

MacLaughlin Darling
Engineering Technician

Enclosures

cc: Well File

RECEIVED
KANSAS CORPORATION COMMISSION

NOV 07 2008

CONSERVATION DIVISION
WICHITA, KS

RECEIVED
KANSAS CORPORATION COMMISSION

NOV 04 2008

CONSERVATION DIVISION
WICHITA, KS

