



CORPORATION COMMISSION

Mark Parkinson, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

**REQUEST FOR INFORMATION**

January 13, 2010

LAYNE ENERGY OPERATING, LLC -- KCC LICENSE # 33365  
1900 SHAWNEE MISSION PKWY  
MISSION WOODS, KS 66205-2001

RE: API Well No. 15-125-31818-00-00  
ARNOLD 13-9  
W2SWW, 9-34S-16E  
MONTGOMERY County, Kansas

Dear Operator:

According to KCC records, the Intent to Drill approved by the KCC Conservation Division on October 31, 2008, for the well listed above, has expired. The KCC has not received a spud call or an ACO-1 Completion Report on this well.

If drilling operations on the well never commenced, please check, sign and date below and return this letter to the KCC Wichita office in the enclosed return envelope.

X Well not drilled: Signature MacLaughlin Darling  
Date: 1-19-2010

If the well has been drilled, please submit the required ACO-1 Completion Report with all attachments for this well along with a copy of this letter to the KCC Wichita office.

**In either case please provide the requested information within 30 days from the date of this letter. Pursuant to K.A.R. 82-3-128, failure to respond to this letter with the requested information may result in assessment of a monetary penalty of \$100.00. Failure to file the ACO-1 form, if applicable, may result in assessment of a monetary penalty of \$500.00.**

We appreciate your cooperation in this matter. If you have any questions, please contact me at (316) 337-6200.

Very truly yours,

*Steve Bond*

Steve Bond  
Production Department Supervisor

RECEIVED  
KANSAS CORPORATION COMMISSION

JAN 20 2010

CONSERVATION DIVISION  
WICHITA, KS

For KCC Use: 11-5-08  
Effective Date: \_\_\_\_\_  
District # 3  
SGA?  Yes  No

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  
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:  Oil  Gas  Enh Rec  Storage  Disposal  Selsmic; # of Holes \_\_\_\_\_  Other: \_\_\_\_\_  
Well Class:  Infield  Pool Ext.  Wildcat  Other \_\_\_\_\_  
Type Equipment:  Mud Rotary  Air Rotary  Cable

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: 37.096431 -95.672956  
W2 SW SW Sec. 9 Twp. 34 S. R. 16  E  W  
(aaaa) 673 feet from  N /  S Line of Section  
430 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: Arnold Well #: 13-9  
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): 430'  
Ground Surface Elevation: 881 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' / 100'  
Depth to bottom of usable water: 150'  
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: 1200'  
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: \_\_\_\_\_

RECEIVED  
KANSAS CORPORATION COMMISSION

JAN 20 2010

CONSERVATION DIVISION  
WICHITA, KS

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 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; in all cases 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: October 29, 2008 Signature of Operator or Agent: \_\_\_\_\_ Title: Project Engineer

For KCC Use ONLY  
API # 15 - 125-31818-0000  
Conductor pipe required None feet  
Minimum surface pipe required 20 feet per ALT.  I  II  
Approved by: [Signature] 10-31-08  
This authorization expires: 10-31-09  
(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: 1-19-2010  
Signature of Operator or Agent: MacLaughlin Darling

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

OCT 30 2008

CONSERVATION DIVISION  
WICHITA, KS

9  
34  
16  
 E  
 W