

For KCC Use: 10-6-08  
 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: October 6, 2008  
 month day year

Spot Description: 37.286197 -95.871539  
 (AAA) 624 663 SW - SW Sec. 3 Twp. 32 S. R. 14  E  W  
 feet from  N /  S Line of Section  
 feet from  E /  W Line of Section

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: 913-748-3980

Is SECTION:  Regular  Irregular?

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

CONTRACTOR: License# 33606  
 Name: Thornton Air

County: Montgomery  
 Lease Name: Simmons Trust Well #: 13-3

Field Name: Cherokee Basin Coal  
 Is this a Prorated / Spaced Field?  Yes  No

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

Target Formation(s): Cherokee Coals

Nearest Lease or unit boundary line (in footage): 591'  
 Ground Surface Elevation: 875 feet MSL

Water well within one-quarter mile:  Yes  No  
 Public water supply well within one mile:  Yes  No

If OWWO: old well information as follows:

Depth to bottom of fresh water: 150'  
 Depth to bottom of usable water: 225' 175'

Surface Pipe by Alternate:  I  II

Length of Surface Pipe Planned to be set: 20'  
 Length of Conductor Pipe (if any): None

Operator: \_\_\_\_\_  
 Well Name: \_\_\_\_\_  
 Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Projected Total Depth: 1500'  
 Formation at Total Depth: Mississippian

Directional, Deviated or Horizontal wellbore?  Yes  No

Water Source for Drilling Operations:  Well  Farm Pond  Other: \_\_\_\_\_  
 DWR Permit #: \_\_\_\_\_

If Yes, true vertical depth: \_\_\_\_\_

Bottom Hole Location: \_\_\_\_\_

KCC DKT #: \_\_\_\_\_

(Note: Apply for Permit with DWR )

Will Cores be taken?  Yes  No  
 If Yes, proposed zone: \_\_\_\_\_

**AFFIDAVIT**

RECEIVED  
 KANSAS CORPORATION COMMISSION

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

SEP 30 2008

It is agreed that the following minimum requirements will be met:

CONSERVATION DIVISION  
 WICHITA, KS

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: September 29, 2008 Signature of Operator or Agent: \_\_\_\_\_ Title: Agent

**For KCC Use ONLY**  
 API # 15 - 125-31801-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 20 feet per ALT.  I  II  
 Approved by: [Signature] 10-1-08  
 This authorization expires: 10-1-09  
 (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: 12-28-2009  
 Signature of Operator or Agent: \_\_\_\_\_

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

JAN 04 2010

KCC WICHITA