NOTICE OF INTENT TO DRILL

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

Spot: Ap 150's 05

C . NE . NW Sec. 27 Twp. 31 S . R . 16

810 feet from A / (circle one) Line of Section
1800 feet from B / (circle one) Line of Section

Is SECTION Regular / Irregular?

\( \checkmark \) Regular

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

County: Montgomery

Lease Name: Word

Well #: 3-27

Field Name: Jefferson-Sycamore

Is this a Prorated / Spaced Field?

\( \checkmark \) Yes

Target Formation(s): Cherokee Coals

Nearest Lease or unit boundary: 810'

Ground Surface Elevation: 815 feet MSL

Water well within one-quarter mile: Yes

Public water supply well within one mile: Yes

Depth to bottom of fresh water: 150'

Depth to bottom of usable water: 200'

Surface Pipe by Alternate: 1 X 2

Length of Surface Pipe Planned to be set: 20'

Length of Conductor Pipe required: 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?

\( \checkmark \) Yes

If Yes, proposed zone:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, 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. 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 my knowledge and belief.

Date: 11/5/04

Signature of Operator or Agent:

Title: Agent

RECEIVED

KANSAS CORPORATION COMMISSION

NOV 2 2 2004

CONSERVATION DIVISION

WICHITA KS

ACKNOWLEDGED

KANSAS CORPORATION COMMISSION

For KCC Use ONLY

API # 15 - 155 - 30668-00-00

Conductor pipe required: NONE feet

Minimum surface pipe required: 20 feet per Alt. - D

Approved by: 02/11/2004 5:22:05

This authorization expires: (This authorization void if drilling not started within 6 months of effective date.)

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 -
Operator: Layne Energy Operating, LLC
Lease: Worl
Well Number: 3-27
Field: Jefferson-Sycamore

Location of Well:
County: Montgomery
810 feet from S (circle one) Line of Section
1800 feet from E (circle one) Line of Section
Sec 27 Twp 31 S. R 16
☑ East ☐ West

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 location.

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).