KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Must be approved by KCC not 10 days prior to commencing well

Affidavit of Completion for Oil & Gas Well

For KCC Use Only

Date: April 10, 2005

Expected Spud Date: April 10, 2005

Spud Date:

OPERATOR: License No.: 33865
Name: Louny Energy Operating, LLC
Address: 1950 Southwest Mission Parkway
City/State/Zip: Mission Woods, KS 66205
Contact Person: Vic Dyak
Phone: 913-746-3867

CONTRACTOR: License No.: 5675
Name: McPherson

Part Drilled For:

Well Class: Type Equipment

Oil Gun Rcv

Mud rotary

Other

Gas Storage

Wildcat

OMNO

Cable

Drilling

# of Wells

6

If YES - old well information as follows:

Operator:

Well name:

Original Completion Date:

Original Total Depth:

Directional/Deviated or Horizontally drilled?

Yes

No

If YES - true vertical depth:

Bottom Hole Location:

KCC Dkt #:

4-11-05

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AFIDAVIT

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

1. Notifies 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 drilling cement to the top; in all cases surface pipe shall be left in the well for at least 20 feet through all uncompleted masts or plus a minimum of 20 feet into the underlying formation;

4. If the well is dry hole, a separation between the operator and the district office, and to prevent any impermeable formation shall be 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 20 feet below any usable water to surface within 120 days of spud date. In all cases, NDPT 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.

For KCC Use Only

APR 9-15, 2005

Cement pipe required: None

Minimum surface pipe required: 200 feet

Approved by: RSP 4-6-05

This affiliation expires: 10-6-05

Min to: KCC - Conservation Division, 130 S. Market - Room 2750, Wichita, Kansas 67202

Remember:

- File Drill P& Application form CPA-1 with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage notification as listed on field examination order;
- Notify appropriate district office 48 hours prior to well being dry hole;
- Submit drilling report (CP-4) after drilling is completed;
- Submit written report before disposing or invalidating salt water.
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 part 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.

Art No. 15
Operator: Layne Energy Operating, LLC
Lease: Smith
Well Number: 13-12
Field: Coffeyville-Cherokee

Number of Acres attributable to well: __________

QTR / QTR / CTM of acreage: NE SW

Location of Well: County: Labette
Line from Sec: 12 feet from 674
Sec from Line of Section 315 feet

If Section is __ 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 inch or quarter boundary line.)

RECEIVED

APR 9 2006

INFORMATION CENTER
ARCHITA K

EXAMPLE

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 number in which you are using the duplicate plat by identifying section lines, i.e., 1 section
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: (CO-7 for all wells; CO-8 for gas wells).