KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

May 3, 2005

Expected Spud Date: May 3, 2005

OPERATOR: Licenses 33365
Lynne Energy Operating, LLC
Address: 1900 Shawnee Mission Parkway
City/State/Zip: Mission, Kansas 66202
Contact Person: M. Brent Narratt
Phone: 913-748-3967

CONTRACTOR: License # 5675
Name: McPherson
Type: Mud Rotary
Well Drilled For: Oil
Well Name:

If OWNED: add all 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 #:

KCC - Conservation Division

[Signature]

Datum: April 28, 2005

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 uncompleted 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 is commenced;
6. If an "ALTERRATE II COMPLETION", production pipe shall be cemented from below any usable water in a 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.

Signature of Operator or Agent:

For KCC Use ONLY

API # 15 - 125 - 3074300000

Conductor pipe required: None
Minimum surface pipe required: 5,000 feet

Approved API: 75243105

This authorization expires: 10-24-05

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wintuba, Kansas 67282

Signature of Operator or Agent:

[Signature]

Date: April 28, 2005

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wintuba, Kansas 67282
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.

APR No. 15
Operator: Layne Energy Operating, LLC
Lease: Midway
Well number: 1-28
Field: Jefferson-Sycamore
Number of acres attributable to well: [Value]
QTR / QTR / QTR of acreage: NE - SW

Location of Well: County: Montgomery
1641
1602
Line of Section
Sec. 28
Line 315

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 shares 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 sector with 8 surrounding sections, 4 sectors, 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. (CO-7 for oil wells, CO-8 for gas wells).