NOTICE OF INTENT TO DRILL

June 06, 2005

OPERATOR: Licensed: 33060
Name: Layne Energy Operating, LLC
Address: 1900 Shawnee Mission Parkway, Kansas City, KS 66205
Contact: Victor H Dual
Phone: 913-748-3987

CONTRACTOR: Licensed: 5875
Name: McPherson

Well Drilled For: Oil
Wall Class: Mud Rotary
Type: Air Rotary
Seismic: # of Holes
Dwelling: #
Other:

If Dwelling: old well information as follows:

Well Name:
Original Completion Date: Original Total Depth:
Directional, Deviated or Horizontal wellbore?
Yes No
If Yes, Your vertical depth:
Bottom Hole Location:
KCC DKT #:

Received:

June 02, 2005

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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

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.

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 and abandonment 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: June 1, 2005

Signature of Operator or Agent: [Signature]
Title: [Title]

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
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: Muller
WellNumber: 1-16
Field: Coffeyville-Cherryvale

Location of Well: County: Montgomery
649
1152

feet from S (circle one) Line of Section
feet from W (circle one) Line of Section
Sec: 16

335

3, 5, 7, 9, 11

NE

NE

West

Is Section: 0 Regular or 0 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 disputed plot by identifying section, 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. (CG-7 for oil wells; CG-8 for gas wells.)