KANSAS CORPORATION COMMISSION
NOTICE OF INTENT TO DRILL

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

Form 4-1

Operate: 33535
Name: Latepie Energy Operating, LLC
Address: 13600 Shawnee Mission Parkway
City/State/Zip: Shawnee, KS 66205
Contact Person: Rolland Yongum
Phone: 913-476-9873

RECEIVED

JUL 29 2005

KANSAS CORPORATION COMMISSION

County: Montgomery
Lease Name: Covert
Well #: 5-1
Field Name: Renear

Is this a Proposed / Spaced Field? Yes / No
Target Formulation #: Cherokee Series
Nearest Lease at Unit Boundary: 700
Ground Surface Elevation: 873
Water well within one-quarter mile: Yes / No
Pump well within one mile: Yes / No
Depth to bottom of usable water: 200'
Surface Pipe by Alternate: Y / N
Length of Conductor Pipe required: 15'
Protruded Total Depth: 1200 Feet
Formation at Total Depth: Moundspip
Water Source for Drilling Operations: Well

Yes / No

All blanks must be filled

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

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 jetting 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 on foil, an agreement between the operator and the district office shall be necessary prior to plugging;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented if;
6. In an alternate II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spud date.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

July 29, 2005

KCC Use Only

For KCC Use Only

APR 15 2005

Condutor pipe required: 125 feet
Minimum surface pipe required: 80 feet per kit
Approved: 5PB729.05

This authorization expires: 11-19-05

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

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IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW
Plot 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.

AFL No. 15
Operator: Layne Energy Operating, LLC
Lease: Cottrill
Well Number: 5-1
Field: Brewster

Number of Acre attributable to well: QTR / QTR / QTR of acreage: _______________ SW, NW

Location of Well: County: Montgomery
1800
700
Sec. 1, Twp. 32S, R. 16E

Is Section Regular or Irregular? Regular
If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE, NW, SE, SW

PLAT
(Show location of the well and acreage attributable acreage for prorated or spaced wells.)
(Show location to the nearest lease or unit boundary line.)

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 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 north, north and east, or 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 (CD-7 for oil wells; CD-8 for gas wells).