NOTICE OF INTENT TO DRILL

Must be approved by KCC 90 days prior to commencing well

<table>
<thead>
<tr>
<th>Expected Spud Date</th>
<th>Month</th>
<th>Day</th>
<th>Year</th>
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<tr>
<td>August 15, 2005</td>
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**OPERATOR**
- Name: LANE Energy Operating, LLC
- Address: 9500 Shoshone Mission Parkway
- City/State/Zip: Mission, KS 67205
- Contact Person: M. Brent Nattress
- Phone: 913-748-3887

**CONTRACTOR**
- Name: Thornton Air

**WICHITA, KS**

**Site Address:**
- Oil: NW
- Gas: NE
- Water Class: Field Ext.
- Mud Rotary: Wildcat
- Air Rotary: Cable

**KANSAS CORPORATION COMMISSION**

**RECEIVED**
- AUG 11 2005
- License No.: 23610
- Conservation Division

**WICHITA, KS**

**Well Information:**
- Well Name: Thornton Air
- Original Completion Date: Original Total Depth: Yes
- Directional Deviated or Horizontal wellbore: Yes
- Bottom Hole Location: KCC DKT:

**Drilling Activity:**
- API #: 125-30829-0000
- Conductor pipe required: None
- Minimum surface pipe required: 20 feet
- Approved Spud Date: 2005-11-09
- Spud date: Agent

**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 material 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 shall be reached and plugging 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 2 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.

Date: August 10, 2005
Signature of Operator or Agent: M. Nattress
Title: Agent

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: Eastep
Well number: 10-34
Field: Jefferson - Sycamore
Number of Acres attributable to well: QTR / QTR / QTR of acreage: ___________ NW ___________ SE

Location of Well: County: Montgomery
                   Sec: 34 Twp: 31S R: _______ S. R. _______  East or West
                   feet from _______ Line of Section 1487
                   feet from _______ Line of Section 1487
                   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: (CD-7 for oil wells; CG-8 for gas wells).