KANSAS CORPORATION COMMISSION
Oil & Gas Conservation Division

NOTICE OF INTENT TO DRILL

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

Form must be Typed
All blanks must be Filled

Expected Start Date: August, 2009

OPERATOR: Lawrence Energy Operating, LLC
Address: 1600 Shawnee Mission Parkway, Mission Woods, KS 66205
Contact Person: Roland Yosukami
Phone: 913-748-3987

CONTRACTOR: Thomas Air

Well Drilled For: Oil Gas Storage Other
Well Class: Oil Gas Storage Other
Well Completion: Oil Gas Storage Other
Well Completion: Oil Gas Storage Other

Property: Oil Gas Storage Other

If OWNED: old well information as follows:
Operator: Lawrence Energy Operating, LLC
Well Name: Lawrence Energy Operating, LLC
Original Completion Date:
Original Depth:
Directional, Deviated or non-horizontal wellbore? No
If true vertical depth:
Bottom Hole Location:

KCC KG #: 566

ATTACHED HC LETTER

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 shall be completed prior to drilling.
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.

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

Date: July 28, 2005
Signature of Operator or Agent:

Mail to: KCC - Conservation Division, 130 S. Market - Room 207, 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 3/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - 125-30728-00-00
Operator: Layne Energy Operating LLC
Lease: Section
Well number: 16-1A SWD
Field: Cherokee Basin Coal area
Number of Acres attributable to well
GTR / QTR / QTR of acreage: NE SE SW

Location of Well: County
365' foot from N (circle one) Line of Section
442' foot from W (circle one) Line of Section
Sec.: 1 Twp.: 31S R: 14E
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 well.)
(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).
NOTICE TO OPERATORS FILING INTENT TO DRILL FOR DISPOSAL OR ENHANCED RECOVERY INJECTION WELLS, (CLASS II INJECTION WELL)

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved "Intent to Drill" does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in K.A.R. 83-3-400 et seq of our regulations. Associated regulations governing drilling, completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sandstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a "Design Approval" before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.