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

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

Date: August 2, 2005

Spotted: SW

330 feet S.R. 14 SE 1/4

City/State/Zip: Marion, KS 66750

Address: 1900 Southeast Mission Parkway

OPERATOR: Licensed:
Name: Laune Energy Operating, LLC
Contact Person: Rolland Yostum
Phone: 913-788-3387

CONSTRUCTION DIVISION:
WPD No. 6E

Well Ordered For: 134906

Well Class: 

Type: 

Owner: 

Operator: 

Well Name: 

Original Completion Date: 

Original Total Depth: 

Directional, Deviated or Horizontal well? Yes / No

If Yes, true vertical depth:

Butter Hole Location:

KCC #:

If-CANV: old well information as follows:

Operator:

Well Name: 

Original Completion Date: 

Original Total Depth: 

Directional, Deviated or Horizontal well? Yes / No

If Yes, true vertical depth:

Date: July 29, 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.

1. Notified 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 rigging fig;
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 25 feet into the stratum formation;
4. If the well is dry hole, an agreement between the operator and the district office shall be mutually entered into regarding the placement of a necessary temporary plug;
5. The appropriate district office will be notiﬁed before well is either plugged or production casing is cemented in;
6. If an ALTERNATIVE II COMPLETION, production pipe shall be cemented from below any visible 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 29, 2005

Signature of Operator or Agent:

Title: Agent

Remember to:
- File Oil & Gas Application (form COP-1) 10 days prior to drilling;
- File Completion Form ACC-3.1 within 120 days of spud date;
- File acreage distribution plate accordance to field production order;
- Notify appropriate district of well 48 hours prior to workover or re-entry;
- Submit plugging report (CP-1) after plugging is completed;
- (optional) written approval before disposing or injecting salt water.
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW
Plan of acreage attributable to a well is 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.

AP No.: 15
Operator: Laeine Energy Operating, LLC
Lease: Dulce
Well Number: 1-3-34
Field: Cherokee Basin Coal Area

Number of Acreage attributable to well: __________
QTR / QTR / QTR of acreage: __________ SW, SW

Location of Well: County: Montgomery
Spot from N (line and/or line of Section 330)
West from E (line and/or line of Section Sec. 34 Twp. 31 S R 14)
In Section: ___ Regular or ___ Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner visit: ___ NE ___ NW ___ SE ___ SW

PLAT
(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show location to the nearest field 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 field 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: (CL-7 for oil wells; CG-8 for gas wells.)