

CONFIDENTIAL KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
 WELL HISTORY - DESCRIPTION OF WELL & LEASE

Form ACO-1
 September 1999
 Form Must Be Typed

ORIGINAL

Operator: License # 33365
 Name: Layne Energy Operating, LLC
 Address: 1900 Shawnee Mission Parkway
 City/State/Zip: Mission Woods, KS 66205
 Purchaser: _____
 Operator Contact Person: Vic Dyal
 Phone: (913) 748-3987
 Contractor: Name: McPherson Drilling
 License: 5675
 Wellsite Geologist: _____
 Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SLOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)
 If Workover/Re-entry: Old Well Info as follows:
 Operator: _____
 Well Name: _____
 Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to Enhr./SWD
 Plug Back _____ Plug Back Total Depth _____
 Commingled _____ Docket No. _____
 Dual Completion _____ Docket No. _____
 Other (SWD or Enhr.?) _____ Docket No. _____
 June 28, 2004 June 29, 2004 7-1-04
 Spud Date or Date Reached TD Completion Date or
 Recompletion Date Recompletion Date

API No. 15 - 125-30579 - 00-00
 County: Montgomery
 SW SE NE Sec. 26 Twp. 31 S. R. 16 East West
2310 feet from S / (N) (circle one) Line of Section
900 feet from (E) / W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) (NE) SE NW SW
 Lease Name: Mangan Well #: 8-26
 Field Name: Coffeyville-Cherryvale
 Producing Formation: Cherokee Coals
 Elevation: Ground: 838 Kelly Bushing: _____
 Total Depth: 1174 Plug Back Total Depth: 1164
 Amount of Surface Pipe Set and Cemented at 40 Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set _____ Feet
 If Alternate II completion, cement circulated from 1172
 feet depth to Surface w/ 130 sx cmt.
ALT II WITH 11-14-06

Drilling Fluid Management Plan
 (Data must be collected from the Reserve Pit)
 Chloride content N/A ppm Fluid volume _____ bbls
 Dewatering method used N/A - Air Drilled
 Location of fluid disposal if hauled offsite: _____
 Operator Name: _____
 Lease Name: _____ License No.: _____
 Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
 County: _____ Docket No.: _____

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INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 100 S. Myrtle - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: [Signature]
 Title: Agent Date: Oct 25, 2004
 Subscribed and sworn to before me this 25th day of October,
 2004.

Notary Public: [Signature]
 Date Commission Expires: 10/14/2008

MARGARET ALLEN
 Notary Public - State of Kansas
 My Appt. Expires 10/14/08

KCC Office Use ONLY
 Letter of Confidentiality Attached
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution



Operator Name: Layne Energy Operating, LLC. Lease Name: Mangan Well #: 8-26
 Sec. 26 Twp. 31 S. R. 16 East West County: Montgomery

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <i>(Attach Additional Sheets)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Name	Top Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Pawnee Lime	521 GL 317
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	676 GL 162
List All E. Logs Run:		V Shale	729 GL 109
Compensated Density Neutron		Mineral Coal	769 GL 69
Dual Induction		Mississippian	1074 GL -236

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CONFIDENTIAL CEMENT RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacs Used	Type and Percent Additives
Surface	11	8.65	24	40	Class A	4	Type 1 cement
Casing	6.75	4.5	10.5	1172	Thick Set	130	

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record <i>(Amount and Kind of Material Used)</i>	Depth
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TUBING RECORD		Size	Set At	Packer At	Liner Run
					<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. SI - Waiting on completion			Producing Method		
			<input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)		
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity

Disposition of Gas METHOD OF COMPLETION Production Interval

Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled
(If vented, Submit ACO-18.) Other (Specify) _____

MORNING COMPLETION REPORT

Report Called in by: : JOHN ED

Report taken by:

Melissa T.

LEASE NAME & #	AFE#	DATE	DAYS	CIBP DEPTH TYPE	PBTD TYPE FLUID
MANGAN 8-26		6/28/04	1		
PRESENT OPERATION:					WT
DRILL OUT FROM UNDER SURFACE					VIS
DEEPEST CASING OD SHOE DEPTH	LINERS OD TOP & SHOE DEPTH	REPAIR DOWN TIME HRS		CONTRACTOR RIG NO	
		TEST PERFS		SQUEEZED OR PLUG BACK PERFS	
PACKER OR ANCHOR	FISHING TOOLS OD ID	TO		TO	
		TO		TO	
		TO		TO	
		TO		TO	
HRS	BRIEF DESCRIPTION OF OPERATION				
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	MIRU MCPHERSON DRILLING, DRILLED 11" HOLE, 40' DEEP, RIH W/ 2 JT 8 5/8" SURFACE CASING,				
	MIXED 4 SXS TYPE 1 CEMENT, DUMPED DN THE BACKSIDE, SDFN.				
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DAILY COST ANALYSIS

RIG	_____
SUPERVISION	200
RENTALS	_____
SERVICES	400
MISC	2280

DETAILS OF RENTALS, SERVICES, & MISC

MCPHERSON DRILLING @ 6.50/R	
MOKAT (CEMENT)	80
DIRTWORKS (LOC.RD, PIT)	400
SURFACE CASING	200
LAND/ LEGAL	2000

DAILY TOTALS 2880 PREVIOUS TCTD TCTD 2880

CONSOLIDATED OIL WELL SERVICES

PO Box 103
Eureka, Kansas 67045

Cementing Ticket and Invoice Number **N- 5654**

Date	Customer Order No.	Sect.	Twp.	Range	Truck Called Out	On Location	Job Began	Job Completed
7-1-04	4758							
Owner	Contractor				Charge To		State	
LACOF Energy	GUS JONES				LACOF Energy		KS	
Mailing Address	City				County		State	
I.O. Box 110	SUGARCREAK				MONTGOMERY		KS	
Well No. & Form	Place	Casing	(New) Size	Weight	Size of Hole Amt. and Kind of Cement	Cement in casing	Request Necessity	feet
MAGAN 8-26		10 5/8"	4 1/2"	10.5			E	
Depth of Well	Depth of Job	Drillpipe	Tubing		Cable	Truck No.		
1175'	1172'							
Kind of Job	Remarks							
Laying casing	Safety shooting rig up to 4 1/2 casing wash							

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Price Reference No. _____
 Price of Job 710.00
 Second Stage _____
 Mileage 20 \$8.75
 Other Charges _____
 Total Charges 718.75

Remarks
 Down 5' to 1172' found 40 psi water, mix 1 SK
 Metasilicate w/ 5 psi water found 10 psi water
 Mix 100 SKs Thicket cement w/ 10" Kilsal
 Price shot down wash on pump + hand
 release 100 SKs Thicket w/ 18 1/2 psi water found
 found PSI was 400 # Pump blow to 900 # check
 float found 10" ID. 600 cement return to surface
 close down IN AT 2 PSI w/ available full
 Note mix cement at 12.4 # 7-1-04
 Job complete 7:00 pm

Cementer Russell McCoy
 Helper Rick El Jim District Eureka
 The above job was done under supervision of the owner, operator, or his agent whose signature appears below.

KCC
OCT 25 2004
CONFIDENTIAL Agent of contractor or operator

Sales Ticket for Materials Only

Quantity Sacks	BRAND AND TYPE	PRICE	TOTAL
130	SKs Thicket cement 112L A	11.85	1540.50
26	SKs Kilsal 10" 1110 A	15.75	409.50
50	15's Metasilicate 1111 A	1.40	70.00
4	40 80 BHI VAC TRUCK RECEIVED	75.00	312.00
3000	5 Gallon City water KANSAS CORPORATION COMMISSION	11.50	34.50
4	40 water CONSERVATION DIVISION WICHITA, KS	10.50	280.00
1	4 1/2 TWP 4404	35.00	35.00
4	4 1/2 X 6 3/4 Central 4129	26.00	104.00
	Handling & Dumping		151.94
	Mileage 20	RS	3705.89
	Sub Total		
	Discount		
	Sales Tax		116.26
	Total		3822.45

Delivered by Truck No. 440
 Delivered from Eureka
 Signature of operator [Signature]

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