

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

CONFIDENTIAL

Operator: License # 33365
Name: Layne Energy Operating, LLC
Address: 1900 Shawnee Mission Parkway
City/State/Zip: Mission Woods, KS 66205
Purchaser: _____ **KCC**
Operator Contact Person: Victor H. Dyal
Phone: (913) 748-3987 **DEC 30 2004**
Contractor: Name: McPherson **CONFIDENTIAL**
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. _____

9/2/2004 9/8/2004
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-30613-00-00
County: Montgomery
SW NE Sec. 22 Twp. 31 S. R. 16 East West
1980 feet from S / **(N)** (circle one) Line of Section
1980 feet from **(E)** W (circle one) Line of Section

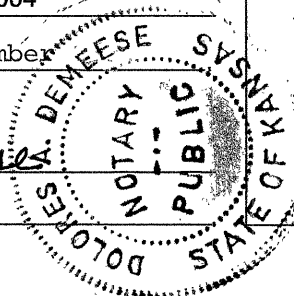
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Smith Well #: 7-22
Field Name: Coffeyville-Cherryvale
Producing Formation: Cherokee Coals
Elevation: Ground: 913 Kelly Bushing: _____
Total Depth: 1264 Plug Back Total Depth: 1245
Amount of Surface Pipe Set and Cemented at 20 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1253
feet depth to Surface w/ 135 sx cmt.
ALT II WITHIN 11-30-06

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 **RECEIVED**
Location of fluid disposal if hauled offsite: _____ **JAN 03 2005**
Operator Name: _____
Lease Name: _____ License No. WICHITA, KS
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Docket No.: _____

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - 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: *Victor H. Dyal*
Title: Agent Date: 12/30/2004
Subscribed and sworn to before me this 30th day of December
20 04
Notary Public: *Dolores A. DeMeese*
Date Commission Expires: July 31, 2007



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: Smith Well #: 7-22
 Sec. 22 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 Yes No
 (Attach Additional Sheets)

Samples Sent to Geological Survey Yes No

Cores Taken Yes No

Electric Log Run Yes No
 (Submit Copy)

List All E. Logs Run:

Compensated Density Neutron
 Dual Induction

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Log Formation (Top), Depth and Datum Sample

Name Top Datum

Pawnee Lime	606 GL	307
Excello Shale	757 GL	156
V Shale	810 GL	103
Mineral Coal	850 GL	63
Mississippian	1171 GL	-258

CASING 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	20	Class A	8	Type 1 cement
Casing	6 3/4	4.5	10.5	1253	Thick Set	135	

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
___ Perforate				
___ Protect Casing				
___ Plug Back TD				
___ Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
		RECEIVED KANSAS CORPORATION COMMISSION JAN 03 2005 CONSERVATION DIVISION WICHITA, KS	

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.	Producing Method							
SI - Waiting on completion	<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) _____

CONSOLIDATED OIL WELL SERVICES, INC.
 211 W. 14TH STREET, CHANUTE, KS 66720
 620-431-9210 OR 800-467-8676

TICKET NUMBER 2138
 LOCATION Eureka
 FOREMAN R. Scott McCoy


TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY																
9-9-04	4758	Smith 7 22				Montgomery																
CUSTOMER LAWRENCE ENERGY SERVICES			<table border="1"> <tr> <th>TRUCK #</th> <th>DRIVER</th> <th>TRUCK #</th> <th>DRIVER</th> </tr> <tr> <td>446</td> <td>Rick</td> <td colspan="2">RECEIVED</td> </tr> <tr> <td>441</td> <td>Justin</td> <td colspan="2">KANSAS CORPORATION COMMISSION</td> </tr> <tr> <td>434</td> <td>Jim</td> <td colspan="2">JAN 03 2005</td> </tr> </table>				TRUCK #	DRIVER	TRUCK #	DRIVER	446	Rick	RECEIVED		441	Justin	KANSAS CORPORATION COMMISSION		434	Jim	JAN 03 2005	
TRUCK #	DRIVER	TRUCK #					DRIVER															
446	Rick	RECEIVED																				
441	Justin	KANSAS CORPORATION COMMISSION																				
434	Jim	JAN 03 2005																				
MAILING ADDRESS P.O. Box 16																						
CITY SYCAMORE	STATE MO	ZIP CODE																				
DEC 30 2004 CONFIDENTIAL																						

JOB TYPE Investigative HOLE SIZE 6 7/8 HOLE DEPTH 1224 CASING SIZE & WEIGHT WICHITA KS
 CASING DEPTH 1223 DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.4 SLURRY VOL 40 bbl WATER gal/sk 78 CEMENT LEFT in CASING 8'
 DISPLACEMENT 20 PSI DISPLACEMENT PSI _____ MIX PSI 200 # RATE _____

REMARKS: Safety meeting, Rig up 4 1/2 casing with down 6' to 1223
 Wash w/ 60 Bbl water to clean hole. Rig cement head. Mix 1 sk thickset
 Metasilicate w/ 10 bbl water Follow w/ 12 Bbl dye water. Mix 1.25 sks
 Thickset cement w/ 10" Kelsoal Per/sk shot down, wash up, returne plug
 Displace w/ 20 Bbl water Final lifting post w/ 70" Bump Plug to 1100"
 Check FLAT FLAT Wells. Good cement Returns To Surface (5 Bbl Slurry)
 Job Complete Test Down. Plug back ~~to~~ Depth 1245'
 Note - Mix cement w/ city water by Rick's Tank Truck Ser.
 THANK YOU

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	710.00	710.00
5406	25	MILEAGE	2.35	58.75
1126 A	135 SKS	THICKSET CEMENT	11.85	1579.75
1110 A	27 SKS	Kelsoal 10" Per/sk	15.75	425.25
1111 A	50 lbs	Metasilicate for Flush	1.40	70.00
3602 A	4 hr	Wellbore	70.00	280.00
	1 collar	WELD COLLAR	50.00	50.00
5502 C	3 hr	80 Bbl GAC Truck	78.00	234.00
4404	1	4 1/2 Ton Kelsoal Plug	35.00	35.00
5407 A	7.4 Tons	20 Miles Bulk Truck	18.50	137.00
		Sub TOTAL		3620.00
		SALES TAX		112.89
		ESTIMATED TOTAL		3732.89

AUTHORIZATION  TITLE _____ DATE 9-9-04

RECEIVED
KANSAS CORPORATION COMMISSION

JAN 03 2005

CONSERVATION DIVISION
WICHITA, KS

GEOLOGIC REPORT

LAYNE ENERGY

Smith 7-22

SW ¼ , NE ¼, 1,980' FNL, 1,980' FEL

Section 22-T31S-R16E

MONTGOMERY COUNTY, KANSAS

Drilled: September 2-8, 2004

Logged: September 9, 2004

A.P.I.# 15-125-30613

Ground Elevation: 913'

Depth Driller: 1,264'

Depth Logger: 1,226'

Surface Casing: 8 5/8" @ 32'

Production Casing: 4 1/2" @ 1,253'

Cemented Job: Consolidated

Open Hole Logs: Compensated density neutron log, dual induction sfl/gr log

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FORMATION..... TOPS (in feet below ground surface)

Kansas City Group..... Surface (Cottage Grove Sandstone)

Lenapah Lime417

Altamont Lime.....459

Weiser Sand.....508

Pawnee Lime606

Anna Shale.....632

First Oswego Lime694

Little Osage Shale.....732

Excello Shale757

Mulky Coal.....761

Iron Post Coal.....786

"V" Shale.....810

Croweburg Coal.....811

Mineral Coal.....850

Weir Pitt Coal.....929

AW Coal.....1,091

Riverton Coal.....1,145

Mississippian1,171