

ORIGINAL

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

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DEC 29 2004

Operator: License # 33365
Name: Layne Energy Operating, LLC
Address: 1900 Shawnee Mission Parkway
City/State/Zip: Mission Woods, KS 66205
Purchaser:
Operator Contact Person: Brent Natrass
Phone: (913) 748-3987
Contractor: Name: McPherson
License: 5675
Wellsite Geologist:
Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW 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.
8/31/2004 9/1/2004
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

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API No. 15 - 125-30614-00-00
County: Montgomery
SW_NW - Sec. 22 Twp. 31 S. R. 16 East West
1980 feet from S / (N) (circle one) Line of Section
660 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 #: 5-22
Field Name: Coffeyville-Cherryvale
Producing Formation: Cherokee Coals
Elevation: Ground: 883 Kelly Bushing:
Total Depth: 1226 Plug Back Total Depth: 1214
Amount of Surface Pipe Set and Cemented at 32 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set Feet
If Alternate II completion, cement circulated from 1222
feet depth to Surface w/ 135 sx cmt.
ALT II WITH #222-4-26-06
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.:

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: MB Natrass
Title: Agent Date: 12/29/04
Subscribed and sworn to before me this 29th day of December
20 04
Notary Public: May Allen
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: Smith Well #: 5-22
 Sec. 22 Twp. 31 S. R. 16 East West County: Montgomery **DEC 29 2004**

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	577 GL 306
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	724 GL 159
List All E. Logs Run:		V Shale	776 GL 107
Compensated Density Neutron		Mineral Coal	816 GL 67
Dual Induction		Mississippian	1135 GL -252

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	1222	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 <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 <i>(Explain)</i>			
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity	

Disposition of Gas	METHOD OF COMPLETION	Production Interval
<input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	<input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other <i>(Specify)</i>	_____

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MORNING COMPLETION REPORT

Report Called In by: John Ed

Report taken by: krd

LEASE NAME & #	AFE#	DATE	DAYS	CIBP DEPTH	PBTB
Smith #5-22		8/31/2004	1	TYPE	TYPE FLUID
PRESENT OPERATION:					WT
Drill out from under surface					VIS
DEEPEST CASING	LINERS OD TOP & SHOE DEPTH	REPAIR DOWN TIME HRS	CONTRACTOR McPherson		
OD SHOE DEPTH	6 5/8" 24# J-55 — 3ct 32'	TEST PERFS	RIG NO Mac		
PACKER OR ANCHOR	FISHING TOOLS OD ID	TO	SQUEEZED OR PLUG BACK PERFS		
		TO	TO		
		TO	TO		
		TO	TO		
		TO	TO		
HRS	BRIEF DESCRIPTION OF OPERATION				
	Miru McPherson Drilling Rig, Drilled 11" Hole 32', Rih w/ 1jt 8 5/8" casing, mixed 8 axs type I cement,				
	set surface, swi, edfn wait on cement.				

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DAILY COST ANALYSIS

RIG	_____
SUPERVISION	200
RENTALS	_____
SERVICES	400
MISC	2280
DAILY TOTALS	2880

DETAILS OF RENTALS, SERVICES, & MISC	
MCPHERSON DRILLING @ 6.50/rf	
MCPHERSON (CEMENT)	80
DIRTWORKS (LOC, RD, PIT)	400
SURFACE CASING	200
LAND/ LEGAL	2000

PREVIOUS TCTD _____ TCTD 2880

CONSOLIDATED OIL WELL SERVICES INC.

211 W. 14TH STREET, CHANUTE, KS 66720

620-431-9210 OR 800-467-8676

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TICKET NUMBER 2126

LOCATION Foreka

FOREMAN Russell McLoey

TREATMENT REPORT & FIELD TICKET
WICHITA, KS
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
9-3-04	4758	Smith 5-22				Montgomery
CUSTOMER			TRUCK #			
Layne Energy			DRIVER			
MAILING ADDRESS			TRUCK #			
P.O. Box 110			DRIVER			
CITY			DATE			
Sycamore			DEC 20 2004			
STATE			CONFIDENTIAL			
KS						
ZIP CODE						

JOB TYPE <u>hangar</u>	HOLE SIZE <u>6 3/4"</u>	HOLE DEPTH <u>1226</u>	CASING SIZE & WEIGHT <u>4 1/2</u>
CASING DEPTH <u>1222</u>	DRILL PIPE	TUBING	OTHER
SLURRY WEIGHT <u>13.4 #</u>	SLURRY VOL	WATER gal/sk <u>7.8</u>	CEMENT LEFT in CASING <u>8'</u>
DISPLACEMENT <u>17.7</u>	DISPLACEMENT PSI <u>400 #</u>	MIX PSI <u>200 #</u>	RATE <u>3 BPM</u>

REMARKS: Safety meeting. Rig up to 4 1/2" casing wash down 5' to 1222
 wash clean w/ 80 Bbl water. Rig cement head. mix 1 sk's Preflush
 Follow w/ 12 Bbl DYE water, mix 135 sk's Thickset w/ 10" Kulsal
 At 13.4 # per gallon shot down, release plug, displace w/ 17.7 Bbl water
 Pump plug to 900' > Final 1.77 gal PSI was 400 # Check float that holds.
 (Good cement return to surface 4 Bbl slurry). Job complete tear down.
 Note. Mix cement w/ city water by Rick's Truck Truck Service

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	2.25	58.75
1126 A	135 sk's	135 sk's Thickset cement	11.85	1579.75
1110 A	27 sk's	Kulsal 10" P/SK	15.75	425.25
1111 A	30 lbs	Metacilite (Pre Flush)	1.40 lb	70.00
5605 A	4 hrs	Welding	70.00	280.00
	2 collars	(weld on)	50.00	100.00
4404	1	1 4 1/2" Top Rubber Plug	35.00	35.00
5407 A	7.4 Tons	25 miles Quik Truck	.85	157.25
SUB TOTAL				3436.00
SALES TAX				118.19
ESTIMATED TOTAL				3554.19

AUTHORIZATION called by Terry TITLE 192603 DATE 9-3-04

GEOLOGIC REPORT

LAYNE ENERGY

Smith 5-22

SW ¼ , NW ¼, 1,980' FNL, 660' FWL

Section 22-T31S-R16E

MONTGOMERY COUNTY, KANSAS

Drilled: August 31 – September 1, 2004

Logged: September 2, 2004

A.P.I.# 15-125-30614

Ground Elevation: 883'

Depth Driller: 1,226'

Depth Logger: 1,226'

Surface Casing: 8 5/8" @ 32'

Production Casing: 4 1/2" @ 1,222'

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 Lime387

Altamont Lime.....429

Weiser Sand.....470

Pawnee Lime577

Anna Shale.....601

First Oswego Lime664

Little Osage Shale.....700

Excello Shale724

Mulky Coal730

Iron Post Coal753

"V" Shale.....776

Croweburg Coal.....778

Mineral Coal816

Scammon Coal.....849

Tebo Coal879

Weir Pitt Coal897

Weir Pitt B Coal900

Bartlesville Sand.....970

AW Coal1,056

Riverton Coal.....1,106

Mississippian1,135

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