

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 33365
 Name: Layne Energy Operating, LLC
 Address: 1900 Shawnee Mission Parkway
 City/State/Zip: Mission Woods, KS 66205
 Purchaser: _____
 Operator Contact Person: Melissa Thieme
 Phone: (913) 748-3971
 Contractor: Name: Mokat Drilling
 License: 5831
 Wellsite Geologist: Rolland Yoakum
 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. _____

2/11/04 Spud Date or Recompletion Date	2/12/04 Date Reached TD	2/13/04 Wait On Completion Completion Date or Recompletion Date

API No. 15 - 125-30451 - 0000
 County: Montgomery
 S/2 NE NE SW Sec. 22 Twp. 32 S. R. 16 East West
2166 feet from (S) N (circle one) Line of Section
2297 feet from E (W) (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW (SW)
 Lease Name: Stover Well #: 11-22
 Field Name: Cherokee Basin Coal Gas Area
 Producing Formation: Cherokee Coals
 Elevation: Ground: 816 Kelly Bushing: 816
 Total Depth: 1174 Plug Back Total Depth: 1166'
 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 1172'
 feet depth to Surface w/ 130 sx crnt.

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.: _____

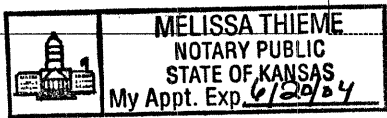
INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side 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: [Signature]
 Title: Agent Date: 5/18/04
 Subscribed and sworn to before me this 18th day of May
 20 04
 Notary Public: Melissa Thieme
 Date Commission Expires: 6/20/04

KCC Office Use ONLY

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



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Side Two

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Operator Name: Layne Energy Operating, LLC Lease Name: Stover Well #: 11-22
Sec. 22 Twp. 32 S. R. 16 [X] 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 [X] No [X] Log Formation (Top), Depth and Datum [] Sample
Samples Sent to Geological Survey [] Yes [X] No
Cores Taken [] Yes [X] No
Electric Log Run [X] Yes [] No
List All E. Logs Run: Compensated Density Neutron Dual Induction
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CASING RECORD [X] New [] Used
Report all strings set-conductor, surface, intermediate, production, etc.
Table with columns: 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

ADDITIONAL CEMENTING / SQUEEZE RECORD
Table with columns: Purpose, Depth Top Bottom, Type of Cement, #Sacks Used, Type and Percent Additives

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
4 1062-1066
RECEIVED KANSAS CORPORATION COMMISSION MAY 21 2004 CONSERVATION DIVISION WICHITA, KS

TUBING RECORD Size Set At Packer At Liner Run [] Yes [] No
Date of First, Resumerd Production, SWD or Enhr. Producing Method [] Flowing [] Pumping [] Gas Lift [] Other (Explain)
Shut-In: Waiting On Hookup
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
[] Other (Specify)

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GEOLOGIC REPORT

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LAYNE ENERGY
Stover 11-22 SWD
1/4NE, 1/4SW, 2,166' FSL, 2,297' FWL
Section 22-T32S-R16E
MONTGOMERY COUNTY, KANSAS

1512530 4510000

Drilled: February 11-12, 2004
Logged: February 13, 2004
A.P.I.# 15-125-30451
Ground Elevation: 816'
Depth Driller: 1,174'
Depth Logger: 1,170'
Surface Casing: 8 5/8" @ 20'
Cemented Job: Blue Star
Open Hole Logs: Compensated density neutron, dual induction sfl/gr log

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WICHITA, KS

FORMATION	TOPS (in feet below ground surface)
Kansas City Group	Surface (Nellie Bly Formation)
Lenapah Lime	306
Altamont Lime	348
Weiser Sand	410
Pawnee Lime	519
Anna Shale	530
Peru Sandstone	555
First Oswego Lime	596
Little Osage Shale	629
Excello Shale	657
Mulky Coal	662
Iron Post Coal	683
"V". Shale	706
Croweburg Coal	709
Fleming Coal	718
Mineral Coal	746
Weir Pitt Coal	824
Upper Bartlesville Sand	826
AW Coal	1006
Riverton Coal	1062
Mississippian	1074

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M.O.K.A.T. Drilling Inc.

P.O. BOX 590
Caney, KS 67333

Phone: (620)879-5377 Cell: (620)252-8338

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Invoice

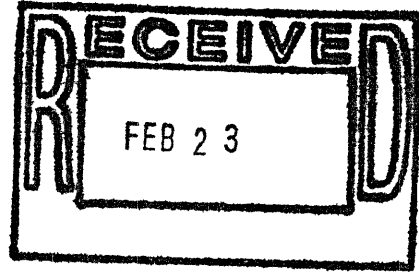
"For All Your Drilling Needs"
Specializing In Coal Gas

DATE	INVOICE NO.
2/20/2004	568

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FILE COPY

BILL TO
LAYNE ENERGY P.O. BOX 160 SYCAMORE, KS 67363



15125 304510000

WELL NO.	LEASE
STOVER	11-22

DESCRIPTION	QTY	RATE	AMOUNT
1174' DRILLED AT \$6.50 PER FT. - FOOTAGE	1,174	6.50	7,631.00
1 HR RIG TIME FOR GAS TESTS. - DAYWORK	1	250.00	250.00
8 SACKS OF CEMENT. - Cement + SERV.	8	10.00	80.00

ORIGINAL PAYMENT APPROVAL	
DISC AMT: _____	DUE _____
1099 - Y or N _____	CKD BY _____
DATE _____	
PRICE/QTY CHK'D _____	
EXTENS CHECKED _____	
APPR'D FOR PYMT _____	
C01020000100. 11661. 340 - \$ 7631.00 C01020000100. 11661. 350 - \$ 250.00 C01020000100. 11661. 330 - \$ 80.00 <hr/> 7961.00	
DATA ENTRY USE ONLY	
VENDOR # _____	
SALES TAX CHGD _____	Y or N <input checked="" type="checkbox"/>
VOUCHER # _____	
ENTERED BY: _____	

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WICHITA, KS

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THANK YOU FOR YOUR BUSINESS

Total \$7,961.00

15125304510000

**BLUE STAR
ACID SERVICE, INC.**

PO Box 103
Eureka, Kansas 67045

Cementing Ticket
and Invoice Number

Nº 5317

Date	Customer Order No.	Sec.	Twp.	Range	Truck Called Out	On Location	Job Began	Job Completed
2-13-04		22	325	16E		10:00 AM	11:00 AM	11:35 AM
Owner Layne Energy			Contractor Faith Well Service			Charge To Layne Energy		
Mailing Address P.O. Box 160			City Sycamore			State KS 67363		
Well No. & Form Staver 11-22		Place Montgomery		County KS		State		
Depth of Well 1174'	Depth of Job 1172'	Casing <input checked="" type="radio"/> New <input type="radio"/> Used	Size 4 1/2"	Weight 10.5#	Size of Hole Amt. and Kind of Cement 130 SKS	Cement Left in casing by	Request <input checked="" type="radio"/> Necessity <input type="radio"/> 6'	feet
Kind of Job Longstring P.B.T.D. 1166'					Drillpipe	<input checked="" type="radio"/> Rotary <input type="radio"/> Cable		
					Tubing	Truck No. #21		

Price Reference No.	#1
Price of Job	665.00
Second Stage	
Mileage	607 135.00
Other Charges	
Total Charges	800.00

Remarks: **Safety Meeting: Rig up to 4 1/2 casing. Pump 15 bbl fresh water, Pump 5 bbl CaCl2 water, 5 bbl water spacer, 5 bbl Metasilicate Pre Flush, 5 bbl water spacer. Mixed 130 SKS Thick Set Cement with 10# KOL-SEAL Per/SK @ 13.5# per/GAL. Wash out Pump & Lines. Shut down. Release Plug. Displace with 18.25 bbl fresh water. FINAL Pumping Pressure 700 PSI. Bump Plug to 1100 PSI, wait 3 minutes. Release Pressure Float Held. Shut in @ 0 PSI. Good Cement Returns to SURFACE = 5 bbl slurry. Job Complete. Rig down.**

Cemented by **Kevin McCoy**

Helper **Mike, Justin, Alan, Jim** District **EUREKA** State **KS**

The above job was done under supervision of the owner, operator, or his agent whose signature appears below.

THANK YOU

Harley Gilbert
Agent of contractor or operator

Sales Ticket for Materials Only

Quantity Sacks	BRAND AND TYPE	PRICE	TOTAL
130 SKS	Thick Set Cement	10.75	1397.50
1300 #	KOL-SEAL	.30	390.00
RECEIVED KANSAS CORPORATION COMMISSION MAY 21 2004			
50#	Metasilicate S-25 Pre Flush	1.00 *	50.00
100 #	CaCl2	.35	35.00
3hrs	80 bbl VAC TRUCK #24	65.00	195.00
3hrs	80 bbl VAC TRUCK #14	65.00	195.00
2	Loads City water	20.00	40.00
1	4 1/2 Top Rubber Plug	35.00	35.00
	130 SKS Handling & Dumping	.50	65.00
Plugs	7.15 TONS Mileage 60	.80	343.20
			3545.70
	Delivered by Truck No. #22		
	Delivered from EUREKA	Sales Tax 5.3%	187.92
	Signature of operator Kevin McCoy	Total	3733.62

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