

**ORIGINAL**

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form ACO-1  
September 1999  
Form Must Be Typed

**CONFIDENTIAL**

**WELL COMPLETION FORM**  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 33365  
 Name: Layne Energy Operating, LLC **KCC**  
 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 **RECEIVED**  
 License: 5831 **KANSAS CORPORATION COMMISSION**  
 Wellsite Geologist: Rolland Yoakum **MAY 21 2004**  
 Designate Type of Completion: **CONSERVATION DIVISION**  
 New Well  Re-Entry  Workover **WICHITA, KS**  
 Oil  SWD  SLOW  Temp. Abd.  
 Gas  ENHR  SIGW  
 Dry  Other (Core, WSW, Expi., 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. \_\_\_\_\_  
 4/9/04 4/12/04 4/13/04 Wait On Completion  
 Spud Date or Date Reached TD Completion Date or  
 Recompletion Date Recompletion Date

API No. 15 - 125-30489  
 County: Montgomery  
 AP - C - SE - SW Sec. 5 Twp. 31 S. R. 17  East  West  
655 feet from S / N (circle one) Line of Section  
2009 feet from E / W (circle one) Line of Section  
 Footages Calculated from Nearest Outside Section Corner:  
 (circle one) NE SE NW SW  
 Lease Name: Graham Well #: 14-5  
 Field Name: Coffeyville - Cherryvale  
 Producing Formation: Cherokee Coals  
 Elevation: Ground: 940 Kelly Bushing: 940  
 Total Depth: 814 Plug Back Total Depth: 807  
 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 811'  
 feet depth to Surface w/ 95 sx crnt.

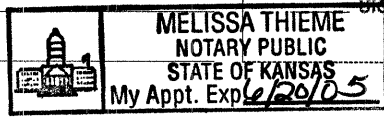
**Drilling Fluid Management Plan** *ALT II OUTLINE 2-27-04*  
 (Data must be collected from the Reserve Pit)  
 Chloride content n/a ppm Fluid volume \_\_\_\_\_ bbls  
 Dewatering method used n/a air drilled  
 Location of fluid disposal if hauled offsite: \_\_\_\_\_  
 Operator Name: \_\_\_\_\_  
 Lease 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] **ms**  
 Title: Agent Date: 5/18/04  
 Subscribed and sworn to before me this 18 day of May  
 20 04  
 Notary Public: Melissa Thieme  
 Date Commission Expires: 6/20/05

**KCC Office Use ONLY**  
 Letter of Confidentiality Attached  
 If Denied. Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 Distribution



✓

CONFIDENTIAL Side Two

ORIGINAL

Operator Name: Layne Energy Operating, LLC Lease Name: Graham Well #: 14-5  
Sec. 5 Twp. 31 S. R. 17  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:

Log Formation (Top), Depth and Datum  Sample  
Name Top Datum  
Pawnee Lime 570 GL 370  
Excello Shale 697 GL 243  
Mulky Coal 703 GL 237

Compensated Density Neutron  
Dual Induction

KCC

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	23	20	Class A	8	Type 1 Cement
Casing	6 3/4"	4.5	10.5	811'	Thickset Cement	95	

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 (Amount and Kind of Material Used)	Depth
	<b>RECEIVED</b> <b>KANSAS CORPORATION COMMISSION</b> <b>MAY 21 2004</b> <b>CONSERVATION DIVISION</b> <b>WICHITA, KS</b>		

TUBING RECORD		Size	Set At	Packer At	Liner Run	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Date of First, Resumerd Production, SWD or Enhr. <b>Shut-In: Waiting On Completion</b>		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  Ventd  Sold  Used on Lease *(If vented, Submit ACO-18.)* METHOD OF COMPLETION  Open Hole  Perf.  Dually Comp.  Commingled  Other (Specify) \_\_\_\_\_ Production Interval \_\_\_\_\_



# M.O.K.A.T. DRILLING RIG #2

P.O. BOX 590  
CANEY, KS 67333

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

"For All Your Drilling Needs"  
Specializing In Coal Gas

# Invoice

DATE	INVOICE NO.
4/19/2004	266

15125304890000

## ORIGINAL

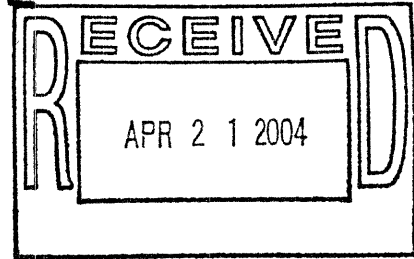
BILL TO
LAYNE ENERGY P.O. BOX 160 SYCAMORE, KS 67363

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KANSAS CORPORATION COMMISSION

MAY 21 2004

CONSERVATION DIVISION  
WICHITA, KS



WELL NO.	LEASE
14-5	GRAHAM

DESCRIPTION	QTY	RATE	AMOUNT
814' DRILLED AT \$6.50 PER FT.	814	6.50	5,291.00
4 SACKS OF CEMENT.	4	10.00	40.00

<b>ORIGINAL PAYMENT APPROVAL</b>	
DISC AMT: _____	DUE _____
1099 -- Y or N	CKD BY DATE
PRICE/QTY CHK'D	
EXTENS CHECKED	
APPRV'D FOR PYMT	<i>6/24/04</i>
<i>C01015400100 - Total 340</i>	<i>5291.00</i>
<i>C01015400100 - Total 330</i>	<i>40.00</i>
	<i>5331.00</i>
<b>DATA ENTRY USE ONLY</b>	
VENDOR # <i>19817619</i>	
SALES TAX CHGD	Y or N <input checked="" type="checkbox"/>
VOUCHER # _____	
ENTERED BY: _____	

Thank you for your business.

### Total

\$5,331.00

**BLUE STAR  
ACID SERVICE, INC.**

**ORIGINAL**

PO Box 103  
Eureka, Kansas 67045

Cementing Ticket  
and Invoice Number

**Nº 5433**

Date <b>4-13-04</b>	Customer Order No.	Sect	Twp.	Range	Truck Called Out	On Location <b>11:00am</b>	Job Began <b>11:30am</b>	Job Completed <b>12:00pm</b>
Owner <b>Layne Energy</b>		Contractor <b>Bus Jones</b>			Charge To <b>Layne Energy</b>			
Mailing Address <b>PO. Box 160</b>		City <b>Sycamore</b>			State <b>Ks. 67363</b>			
Well No & Form <b>GRAHAM 14-5</b>		Place <b>Montgomery</b>			County <b>Kansas</b>			
Depth of Well <b>814'</b>	Depth of Job <b>811'</b>	Casing (New) Size <b>4 1/2"</b>	Weight <b>10.5</b>	Size of Hole Amt. and Kind of Cement <b>95 SKS</b>	Cement Left in casing by	Request (Necessity) <b>4</b> feet		
Kind of Job <b>Longstring &gt; PBTD 807'</b>					Drillpipe	Rotary	Truck No. <b>#25</b>	

Price Reference No.
Price of Job <b>665.00</b>
Second Stage
Mileage <b>n/c Truck Infield</b>
Other Charges
Total Charges <b>665.00</b>

Remarks: **Safety Meeting: Rig up to 4 1/2" casing, break circulation Mixed 50 lbs. S-25 Preflush, followed with 10 Bbl. water spacer, Mixed 95 SKS Thick Set cement w/ 10# P/SK of KOL-SEAL at 135 1/2 P/KH. Shut down - washout pump lines - Release Plug Displace Plug with 12 3/4 Bbls water. Final pumping at 500 PSI - Bumped Plug to 1000 PSI check float - float held - close casing in O.P.S.I. Good cement returns to surface with 9 Bbls. slurry**

Cementer **Brad Buttr** Job complete - Tear down  
 Helper **Rick - Jason - Alan** District **Eureka** State **Kansas**  
 The above job was done under supervision of the owner, operator, or his agent whose signature appears below.  
**"Thank you"** **1512530 4890000**  
**JC Jungler** Agent of contractor or operator

Sales Ticket for Materials Only

Quantity Sacks	BRAND AND TYPE	RECEIVED	PRICE	TOTAL
95	SKS Thick Set cement	KANSAS CORP CONSERVATION	10.75	1021.25
950	lbs. KOL-SEAL 10# P/SK	MAY 21 2004	.30	285.00
50	lbs. Metasilicate S-25 Preflush	CONSERVATION DIVISION WICHITA, KS	1.00	50.00
3	Hrs. 80 Bbl. VAC Truck		65.00	195.00
1	load of City water		20.00	20.00
3	Hrs. Welding Truck	CONFIDENTIAL	45.00	135.00
1	4 1/2" Top Rubber Plug		35.00	35.00
		95 SKS Handling & Dumping	.50	47.50
		5.3 Ton Mileage 60	.80	254.40
		Sub Total		2708.15
	Delivered by Truck No. #16	Discount		
	Delivered from Eureka	Sales Tax	5.3%	143.53
	Signature of operator Brad Buttr	Total		2851.68

ORIGINAL

# GEOLOGIC REPORT

LAYNE ENERGY  
Graham 14-5  
SE ¼, SW ¼, 655' FSL, 2,009' FWL  
Section 5-T31S-R17E  
MONTGOMERY COUNTY, KANSAS  
15125 30489000

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KCC

512 277

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Drilled: April 9-12, 2004  
Logged: April 13, 2004  
A.P.I.# 15-125-30489  
Ground Elevation: 940'  
Depth Driller: 814'  
Depth Logger: 813'  
Surface Casing: 8 5/8" @ 20'  
Production Casing: 4 1/2" @ 811'  
Cemented Job: Blue Star  
Open Hole Logs: Compensated density neutron log, dual induction sfl/gr log

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WICHITA, KS

<b>FORMATION.....</b>	<b>TOPS (in feet below ground surface)</b>
Kansas City Group.....	Surface (Cottage Grove Sandstone)
Lenapah Lime.....	387
Altamont Lime .....	429
Weiser Sand.....	496
Pawnee Lime .....	570
Anna Shale .....	591
First Oswego Lime .....	640
Little Osage Shale.....	677
Excello Shale.....	697
Mulky Coal.....	703