

ORIGINAL

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

Form ACO-1
September 1999
Form Must Be Typed

Operator: License # 33365
Name: Layne Energy Operating, LLC
Address: 1900 Shawnee Mission Parkway
City/State/Zip: Mission Woods, KS 66205
Purchaser: _____
Operator Contact Person: Jeff Mohajir
Phone: (913) 748-3987
Contractor: Name: MOKAT Drilling
License: 5831
Wellsite Geologist: _____

KCC

SEP 02 2004

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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. _____

5/10/2004 5/12/2004 5-12-04
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 125-30526 - 0000
County: Montgomery
NW NE Sec. 16 Twp. 32 S. R. 16 East West
359 feet from S / (circle one) Line of Section
1919 feet from (circle one) W Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Adams Well #: 2-16
Field Name: Brewster
Producing Formation: Cherokee Coals
Elevation: Ground: 809 Kelly Bushing: _____
Total Depth: 1202 Plug Back Total Depth: 1190
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 1199
feet depth to Surface w/ 130 sx cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit) ACT II WITH LI-24-D7
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.: _____

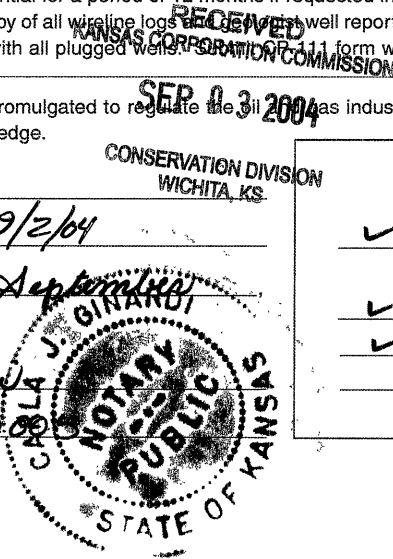
INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side 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 logs of 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: David B Jensen
Title: Agent Date: 9/2/04

Subscribed and sworn to before me this 2nd day of September
2004

Notary Public: Carla J. Minardi
Date Commission Expires: May 21, 2005



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: Adams Well #: 2-16
 Sec. 16 Twp. 32 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 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: Compensated Density Neutron Dual Induction	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td><input checked="" type="checkbox"/> Log</td> <td>Formation (Top), Depth and Datum</td> <td><input type="checkbox"/> Sample</td> </tr> <tr> <td>Name</td> <td>Top</td> <td>Datum</td> </tr> <tr> <td>Pawnee Lime</td> <td>546 GL</td> <td>263</td> </tr> <tr> <td>Excello Shale</td> <td>699 GL</td> <td>110</td> </tr> <tr> <td>V Shale</td> <td>749 GL</td> <td>60</td> </tr> <tr> <td>Mineral Coal</td> <td>791 GL</td> <td>18</td> </tr> <tr> <td>Mississippian</td> <td>1103 GL</td> <td>-294</td> </tr> </table>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample	Name	Top	Datum	Pawnee Lime	546 GL	263	Excello Shale	699 GL	110	V Shale	749 GL	60	Mineral Coal	791 GL	18	Mississippian	1103 GL	-294
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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	4	Type 1 cement
Casing	6.75	4.5	10.5	1199	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 (Amount and Kind of Material Used)	Depth
		KCC SEP 0 2 2004 RECEIVED KANSAS CORPORATION COMMISSION CONFIDENTIAL	

TUBING RECORD		Size	Set At	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 checked="" type="checkbox"/> Hydraulic Fracturing <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 Vented Sold Used on Lease *(If vented, Submit ACO-18.)*

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

Production Interval _____

Layne Energy Operating, L.L.C.

1900 Shawnee Mission Parkway • Mission Woods, Kansas 66205 • (913) 748-3987 • Fax: (913) 748-3950

September 2, 2004

Kansas Corporation Commission
Oil & Gas Conservation Division
130 S. Market, Room 2078
Wichita, KS 67202

KCC
SEP 02 2004

ATTN: Ms. Sharon Ahtone

CONFIDENTIAL

Re: Adams 2-16

Dear Ms. Ahtone:

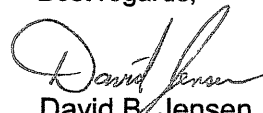
I have enclosed the ACO-1 form and associated data for the following well:

API #: 15-125-30526
Adams 2-16

We respectfully request that all information submitted be kept confidential and per provision E-4 of K.A. R. 82-3-107, we request that the term of the confidentiality be extended by one year.

If you need additional information or have any questions or comments, please contact me at (913) 748-3987.

Best regards,


David B. Jensen
Agent

Enclosure

Cc Field Office
Well File
Colt Energy

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CONSERVATION DIVISION
WICHITA, KS

GEOLOGIC REPORT

KCC

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LAYNE ENERGY

Adams 2-16

NW ¼, NE ¼, 359' FNL, 1,919' FEL

Section 16-T32S-R16E

MONTGOMERY COUNTY, KANSAS

Drilled: May 10-11, 2004

Logged: May 11, 2004

A.P.I.# 15-125-30526

Ground Elevation: 809'

Depth Driller: 1204'

Depth Logger: 1204'

Surface Casing: 8 5/8" @ 20'

Production Casing: 4 1/2" @ 1,199'

Cemented Job: Blue Star

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

FORMATION.....	TOPS (in feet below ground surface)
Kansas City Group.....	Surface (Nellie Bly Formation)
Lenapah Lime.....	342
Altamont Lime.....	387
Weiser Sand.....	445
Pawnee Lime.....	546
Anna Shale.....	557
Peru Sandstone.....	591
First Oswego Lime.....	635
Little Osage Shale.....	670
Excello Shale.....	699
Mulky Coal.....	705
Iron Post Coal.....	727
"V" Shale.....	749
Croweburg Coal.....	754
Fleming Coal.....	763
Mineral Coal.....	791
Tebo Coal.....	848
Weir Pitt Coal.....	867
AW Coal.....	1035
Riverton Coal.....	1089
Mississippian.....	1103

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CONSERVATION DIVISION
WICHITA, KS

MORNING COMPLETION REPORT

Report Called In by : JOHN ED

Report taken by: Melissa T.

LEASE NAME & #		AP#	DATE	DAYS	CIBP	PBTD
ADAMS 2-16			5/10/04	1	DEPTH	TYPE FLUID
PRESENT OPERATION:					TYPE	
DRILLING						WT
						VIS
DEEPEST CASING OD SHOE DEPTH	LINERS OD TOP & SHOE DEPTH	REPAIR DOWN TIME HRS		CONTRACTOR		
		TEST PERFS		RIG NO		
PACKER OR ANCHOR	FISHING TOOLS	OD	ID	SQUEEZED OR PLUG BACK PERFS		
				TO		
				TO		
				TO		
				TO		
HR\$	BRIEF DESCRIPTION OF OPERATION					
	MIRU MOKAT DRILLING, DRILLED 11" HOLE, 20' DEEP. RIH W/ 1 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

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

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SEP 03 2004
CONSERVATION DIVISION
WICHITA, KS

DAILY TOTALS 2880 PREVIOUS TCTD TCTD 2880

CONSOLIDATED OIL WELL SERVICES, INC.

PO Box 103
Eureka, Kansas 67045

Cementing Ticket
and Invoice Number

No. 5505

Date	Customer Order No.	Sect.	Twp.	Range	Truck Called Out	On Location	Job Began	Job Completed
5-12-04	4758	16	32S	16E				3:30 pm
Owner Layne Energy		Contractor Gus Jones			Charge To Layne Energy			
Mailing Address P.O. Box 160		City Sycamore			State KS			
Well No. & Form Adams 2-16		Place Montgomery			County KS			
Depth of Well 1302	Depth of Job 1199	Casing (New) Used	Size 4 1/2"	Weight 10.5 #	Size of Hole Amt. and Kind 130 SKS	Cement Left in casing by	Request Necessity 9' feet	
Kind of Job Longstring R.B.T.D. 1190'					Drillpipe	Rotary AIR Cable Truck No. 445		

Price Reference No.	5401
Price of Job	675.00
Second Stage	
Mileage	257 56.25
Other Charges	
Total Charges	731.25

Remarks: Safety Meeting: Rig up to 4 1/2 casing. Break circulation w/ fresh water. Pump 50 bbl fresh water. Pump 5 bbl Metasilicate Pre Flush. Pump 10 bbl Dye water. Mixed 130 SKS Thick Set Cement w/ 10" Kol-Seal per/sk @ 13.3 # per/gal. Wash out pump & lines. Shut down. Release plug. Displace w/ 19.0 bbl fresh water. Final Pumping Pressure 500 psi. Bump Plug to 1000 psi. Wait 2 minutes. Release Pressure. Float Held. Shut casing in @ 0 psi. Good Cement Returns to Surface = 9 bbl Slurry. Job Complete. Rig down

Cementor: Kevin McCoy
 Helper: Mike, Justin, Jason, 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
 SEP 02 2004
 Agent of contractor or operator

Sales Ticket for Materials Only

Quantity Sacks	BRAND AND TYPE	PRICE	TOTAL
130 SKS	Thick Set Cement	11.30	1469.00
26 SKS	Kol-Seal 10" per/sk	15.00	390.00
50 #	Metasilicate Pre Flush	1.35 #	67.50
3.5 Hrs	80 BBL VAC TRUCK 434	75.00	262.50
3.5 Hrs	80 BBL VAC TRUCK 436	75.00	262.50
1	4 1/2 Top Rubber Plug	35.00	35.00
Plugs	5407A 7.15 tons	.80	143.00
	Handling & Dumping		
	Mileage 25		
	Sub Total		3360.75
	Discount		
Delivered by Truck No. 439			
Delivered from EUREKA			
Signature of operator			
	Sales Tax		103.96
	Total		3464.71

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CONSERVATION DIVISION
WICHITA, KS

190252

75.00
56.25
69.00
90.00
67.50
62.50
62.50
35.00
43.00

PRICE

1%
rate of
over

NO