

SEP 07 2004

WELL COMPLETION FORM

CONSERVATION DIVISION WICHITA, KS
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: Jeff Mohajir
Phone: (913) 748-3987
Contractor: Name: McPherson Drilling
License: 5675

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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. _____

<u>5/21/2004</u>	<u>5/25/2004</u>	<u>7/15/2004</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-30535 - 0000
County: Montgomery
SW - SW - Sec. 36 Twp. 31 S. R. 14 East West
668 feet from (S) / N (circle one) Line of Section
635 feet from E / (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE SE NW SW

Lease Name: Faler Well #: 13-36

Field Name: Cherokee Basin Coal Gas Area

Producing Formation: Cherokee Coals

Elevation: Ground: 933 Kelly Bushing: _____

Total Depth: 1540 Plug Back Total Depth: 1530

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 1537

feet depth to Surface w/ 195 sx cmt.

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.: _____

*ACT WITHIN
4-24-07*

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: David B Jensen

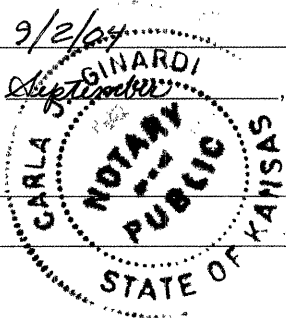
Title: Agent Date: 9/2/04

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

2004

Notary Public: Carla J. Minardi

Date Commission Expires: 5-21-2005



KCC Office Use ONLY

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

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Operator Name: Layne Energy Operating, LLC. Lease Name: Faler Well # 13-36
 Sec. 36 Twp. 31 S. R. 14 East West County: Montgomery **CONFIDENTIAL**

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	922 GL 11
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	1074 GL -141
List All E. Logs Run:		V Shale	1124 GL -191
Compensated Density Neutron		AW Coal	1388 GL -455
Dual Induction		Mississippian	1445 GL -512

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	7 7/8	5.5	15.5	1537	Thick Set	195	

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose: <input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives

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WICHITA, KS

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>	
		Amount and Kind of Material Used	Depth
4	1430-32, 1388-90	Riverton, Rowe: 700G 15% HCL Acid, 470bbls 1% KCL Water, 3623# 20/40 Sand, Balls	1388-1432
4	1249-52, 1184-85, 1170-71.5	Weir, Scammon A, Mineral: 1110G 15% HCL Acid, 570 bbls 1% KCL Water, 3624# 20/40 Sand, Balls	1170-1252
4	1124-26, 1100.5-02, 1074-79.5, 1049.5-52.5	Croweburg, Bevier, Mulky, Summit: 1725G 15% HCL Acid, 680 bbls 1% KCL Water, 5837# 20/40 Sand, Balls	1049.5-1126

TUBING RECORD		Size <u>2 7/8</u>	Set At <u>1382</u>	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. August 11, 2004		Producing Method <input type="checkbox"/> Flowing <input checked="" 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
		4	250		

Disposition of Gas Vented Sold Used on Lease *(If vented, Submit ACO-18.)*

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

Production Interval _____

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WICHITA, KS

GEOLOGIC REPORT

LAYNE ENERGY

Faler 13-36

SW ¼ , SW ¼, 668' FSL, 635' FWL

Section 36-T31S-R14E

MONTGOMERY COUNTY, KANSAS

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Drilled: May 21-25, 2004

Logged: May 25, 2004

A.P.I.# 15-125-30535

Ground Elevation: 933'

Depth Driller: 1,540'

Depth Logger: 1,535'

Surface Casing: 8 5/8" @ 20'

Production Casing: 4 1/2" @ 1,537'

Cemented Job: Blue Star

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

FORMATION	TOPS (in feet below ground surface)
Lansing Group.....	Surface (South Bend Limestone Member)
Lenapah Lime.....	735
Altamont Lime.....	800
Pawnee Lime.....	922
Anna Shale.....	947
Peru Sandstone.....	970
First Oswego Lime.....	1,018
Little Osage Shale.....	1,050
Excello Shale.....	1,074
Mulky Coal.....	1,079
Iron Post Coal.....	1,101
"V" Shale.....	1,124
Croweburg Coal.....	1,126
Mineral Coal.....	1,170
Scammon Coal.....	1,184
Weir Pitt Coal.....	1,250
AW Coal.....	1,388
Riverton Coal.....	1,432
Mississippian.....	1,445

SEP 2 2006

Layne Energy Operating, L.L.C.

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

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SEP 07 2004

September 2, 2004

CONSERVATION DIVISION
WICHITA, KS

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

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ATTN: Ms. Sharon Ahtone

Re: Faler 13-36

Dear Ms. Ahtone:


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

API #: 15-125-30535
Faler 13-36

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

SEP 07 2004

CONSOLIDATED OIL WELL SERVICES, INC.
211 West 14th, P.O. Box 884
Chanute, Kansas 66720

CONSERVATION DIVISION
WCH/TK/MBG Ticket
and Invoice Number

No 5504

Date 5-26-04	Customer Order No. 4758	Sec. 36	Twp. 31s	Range 14E	Truck Called Out KCC	On Location	Job Began	Job Completed
Owner Layne Energy	Contractor Gus Jones		Charge To Layne Energy		SEP 07 2004			
Mailing Address PO Box 160	City Sycamore	State Ks		CONFIDENTIAL				
Well No. & Form Falter 13-36	Depth of Well 1530	Depth of Job 1537	(New) Size 5 1/2"	Weight 135	Size of Hole Amt. and Kind of Cement 195 sks	Cement Left in casing by	Request Necessity 7 feet	
Kind of Job LongString	Drillpipe 1530		Tubing		Drillpipe (Rotary)	Cable	Truck No. #446	

5401

Price Reference No. _____

Price of Job
675.00 =

Second Stage _____

Mileage
n/c Truck To/From

Other Charges _____

Total Charges
675.00

Remarks: Safety Meeting: Rig up to 5 1/2" casing, break circulation, wash casing down to 1537' (30' fill) Pumped 140 Bbls water to clean hole. Rig up cement head, Pumped 5 Bbl Metasilicate followed with 20 Bbls Dye water. Mixed 195 sks Thick Set cement w/ KOL-SEAL 10" P/SK @ 13' lbs. P/GAL. Shutdown/washout pump lines. Release Plug - Displace Plug with 36 1/2 Bbls water. Final pumping @ 900 PSI - Bumped Plug to 1500 PSI. wait 2 min - Release Pressure Float Hold close casing in 0 PSI. Good cement returns to surface with 12 Bbl slurry.

Cementer Brad Buttr
Helper Alan - Troy - Jim District Eureka State Kansas
The above job was done under supervision of the owner, operator, or his agent whose signature appears below.

* J.C. Smith Agent of contractor or operator

"Thank You"

Sales Ticket for Materials Only

Quantity Sacks	BRAND AND TYPE	PRICE	TOTAL
195 sks	Thick Set cement	#1126 A 11.30	2203.50
39 sks	KOL-SEAL 10" P/SK	#1110 A 15.00	585.00
50 lbs	Metasilicate Proflush	#1111 A 1.35/lb	67.50
2 Hls	80 Bbl VAC Truck	#5502 C 75.00	150.00
4 Hls	80 Bbl VAC Truck	#5502 C 75.00	300.00
3000 GAL	City water	#1123 11.25 P/GAL	33.75
3000 GAL	Fresh water	n/c	n/c
4 Hls	Welder	#5605 A 65.00	260.00
1	5 1/2 Weld on Collar	#4312 50.00	50.00
1	5 1/2 Top Rubber Plug	#4406 40.00	40.00
Plugs	Handling & Dumping		
	#5407A 10.72 Ea	Mileage 25 .80	214.40
	Sub Total		4579.15
	Delivered by Truck No. 439	Discount	
	Delivered from Eureka	Sales Tax	157.93
	Signature of operator Brad Buttr	Total	4737.08

190492

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MORNING COMPLETION REPORT

Report Called in by: : Terry Wolfer

Report taken by:

Melissa T.

CONSERVATION DIVISION

LEASE NAME & #		AFE#	DATE	DAYS	CIBP	PBTD	
Faler 13-36			5/21/04	1	DEPTH	WICHITA, KS	
PRESENT OPERATION:		DRILL OUT FROM UNDER SURFACE				TYPE FLUID	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			
HRS	BRIEF DESCRIPTION OF OPERATION						
	<i>McPherson</i>						
	MIRU MOKAT DRILLING, DRILLED 11" HOLE, 20' DEEP. RIM W/ 1 JT & 5/8" SURFACE CASING,						
	MIXED 4 SXS TYPE 1 CEMENT, DUMPED DN THE BACKSIDE, SDFN.						
	KCC						
	SEP 07 2004						
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DAILY COST ANALYSIS

RIG	_____
SUPERVISION	_____ 200
RENTALS	_____
SERVICES	_____ 400
MISC	_____ 2280

DETAILS OF RENTALS, SERVICES, & MISC

MOKAT DRILLING @ 8.50/R	
MOKAT (CEMENT)	80
DIRTWORKS (LOC, RD, PIT)	400
SURFACE CASING	200
LAND/ LEGAL	2000

DAILY TOTALS 2880 PREVIOUS TCTD 0 TCTD 2880