

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Operator: License # 33365
Name: Layne Energy Operating, LLC
Address: 1900 Shawnee Mission Parkway
City/State/Zip: Mission Woods, KS 66205
Purchaser: _____
Operator Contact Person: M. Brent Natrass
Phone: (913) 748-3987
Contractor: Name: McPherson Drilling
License: 5675
Wellsite Geologist: _____

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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. _____

<u>03/01/2005</u>	<u>03/03/2005</u>	<u>04/12/2005</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-30691-00-00
County: Montgomery
C SE SE Sec. 16 Twp. 32 S. R. 16 East West
330 feet from (S) N (circle one) Line of Section
330 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW

Lease Name: Linn Well #: 16-16

Field Name: Brewster
Producing Formation: Cherokee Coals

Elevation: Ground: 870 Kelly Bushing: _____
Total Depth: 1250 Plug Back Total Depth: 1244

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 1252
feet depth to Surface w/ 130 sx cmt.

Drilling Fluid Management Plan ACT II WITHIN 6-28-07
(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: RECEIVED KANSAS CORPORATION COMMISSION

Operator Name: _____ License No.: JUN 28 2005

Lease Name: _____ License No.: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____
County: _____ Docket No.: _____
CONSERVATION DIVISION WICHITA, KS

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: 6/27/05
Subscribed and sworn to before me this 27th day of June,
2005
Notary Public: Margaret Allen
Date Commission Expires: 10/14/2008

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

 **MARGARET ALLEN**
Notary Public - State of Kansas
My Appt. Expires _____

Operator Name: Layne Energy Operating, LLC Lease Name: Linn Well #: 16-16
 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 <i>(Attach Additional Sheets)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	✓ Log Formation (Top), Depth and Datum Sample Name Top Datum Pawnee Lime 574 276 Excello Shale 731.5 119 V Shale 782 68 Mineral Coal 817 33 Mississippian 1149 -299
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Cores Taken	Yes <input checked="" type="checkbox"/> No	
Electric Log Run <i>(Submit Copy)</i>	✓ Yes No	
List All E. Logs Run:		
Compensated Density Neutron Dual Induction		

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	# Sacks Used	Type and Percent Additives
Surface	11"	8.625	24	20	Class A	4	Type 1 Cement
Casing	6 3/4"	4.5"	10.5	1252	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				KCC JUN 2 2005 CONFIDENTIAL

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

TUBING RECORD		Size	Set At	Packer At	Liner Run	Yes	No
Date of First, Resumed Production, SWD or Enhr.		Producing Method					
SI- Waiting for Production		Flowing		Pumping		Gas Lift Other (Explain)	
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
(If vented, Submit ACO-18.) Other (Specify) _____

Geologic Report
Linn 16-16

Location	330' FSL, 330' FEL, Sec 16, T32S, R16E
Ground Elevation	850'
Intent API Number	15-125-30691
Drilling Start Date	3/1/2005
Drilling Completion Date	3/3/2005
Driller TD feet	1,265
E Log TD feet	1,268
Date logged	3/4/2005
Logs Run	Dual induction sfl/gr, compensated density neutron log

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Formation Name	Formation Top	Cumulative Formation Thickness			Lowest Density
		<2.5	<2.0	<1.75	
		bulk density			
Base of KC Group	324				
Lenapah Lime	371				
Altamont Lime	414				
Weiser Sand	479				
Mulberry Marker		--	0.0		
Pawnee Lime	574				
Anna Shale	601.4	1.8	--	--	2.19
Lexington Marker	605.4		0.0		2.08
Peru Sandstone					
First Oswego Lime	664.5				
Little Osage Shale	702.8	3.4	--	--	2.26
Summit Coal		--	0.0		
Excello Shale	731.5	2.7	--	--	2.00
Mulky Coal	734.2	--	0.6		1.78
<i>"Summit/Mulky" Thickness</i>		<i>6.7 feet</i>			
Squirrel Sand					
Iron Post Coal	755.4	--	1.2	0.7	1.40
Bevier Coal		--	0.0		
"V" Shale	781.7	1.4	--	--	2.00
Croweburg Coal	783.7	--	0.4		1.95
Fleming Coal		--	0.0		
Mineral Coal	816.8	--	1.3	0.8	1.44
Scammon Marker		--	0.0		
Skinner Sand					
Tebo Marker	870.6		0.0		2.21
Weir Pitt Coal		--	0.0		
Upper Bartlesville Sand	946.8				
Bluejacket Coal	963.5	--	1.1	0.5	1.60
Drywood Coal		--	0.0		
Rowe Coal		--	0.0		
Neutral Coal		--	0.0		
AW Coal	1,081.5	--	0.8	0.5	1.58
BW Marker		--	0.0		
Riverton Coal	1,136.6	--	2.6	1.8	1.60
Burgess Sand					
<i>True Net Cherokee Coal</i>		<i>8.0 feet</i>			--
<i>Net Cherokee Coal w/o Mulky</i>		<i>7.4 feet</i>			--
Mississippian	1,149.1				
Comments					

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JUN 28 2005
CONSERVATION DIVISION
MICHITA KS

MORNING COMPLETION REPORT

Report Called in by: John Ed

Report taken by:

KRD

LEASE NAME & #		AFE#	DATE	DAYS	CIBP	PBTB	
LINN 16-16		C01026100100	3/1/2005	1	DEPTH	TYPE FLUID	
PRESENT OPERATION:		DRILL OUT FROM UNDER SURFACE				WT	VIS
DEEPEST CASING OD SHOE DEPTH	LINERS OD TOP & SHOE DEPTH	REPAIR DOWN TIME HRS		CONTRACTOR MC			
	8 5/8" 24# J-55 -- Set 20'	TEST PERFS		RIG NO	Mike		
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, 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.						

DAILY COST ANALYSIS

RIG	_____
SUPERVISION	200
RENTALS	_____
SERVICES	400
MISC	2280

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

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DAILY TOTALS 2880 PREVIOUS TCTD TCTD 2880