

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

ORIGINAL

Operator: License # 33365
Name: Layne Energy Operating, LLC
Address: 1900 Shawnee Mission Parkway
City/State/Zip: Mission Woods, KS 66205

API No. 15 - 205-25915 - 00 - 00
County: Wilson
N/2_S/2_NE_SE Sec. 21 Twp. 30 S. R. 17 East West
1800 feet from N (circle one) Line of Section
660 feet from W (circle one) Line of Section

Operator Contact Person: Victor H. Dyal
Phone: (913) 748-3987

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

Contractor: Name: McPherson Drilling
License: 5675

MAR 16 2005

Lease Name: Badgley Well #: 9-21

Wellsite Geologist: _____

CONSERVATION DIVISION
WICHITA, KS

Field Name: Neodesha

Designate Type of Completion:

New Well Re-Entry Workover
 Oil SWD SLOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl. Core, etc.)

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Producing Formation: Cherokee Coals

Elevation: Ground: 982 Kelly Bushing: _____

Total Depth: 1222 Plug Back Total Depth: 1208

Amount of Surface Pipe Set and Cemented at 20 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set _____ Feet

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. _____

November 15, 2004 November 17, 2004

Spud Date or Date Reached TD Completion Date or Recompletion Date

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit) ALT II 6-6-07

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: Victor H. Dyal
Title: Agent Date: 3/14/2005

Subscribed and sworn to before me this _____ day of _____

20 _____
Notary Public: Margaret Allen

Date Commission Expires: _____

MARGARET ALLEN
Notary Public - State of Kansas
My Appt. Expires 10/14/2008

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

ORIGINAL

Operator Name: Layne Energy Operating, LLC. Lease Name: Badgley Well #: 9-21
Sec. 21 Twp. 30 S. R. 17 [X] East [] West County: Wilson

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
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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[X] Log Formation (Top), Depth and Datum [] Sample
Name Top Datum
Pawnee Lime 592 GL 390
Excello Shale 711 GL 271
V Shale 774 GL 209
Mineral Coal 809 GL 173
Mississippian 1124 GL -142

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, # Sacjs Used, Type and Percent Additives

ADDITIONAL CEMENTING / SQUEEZE RECORD
Purpose: [] Perforate [] Protect Casing [] Plug Back TD [] Plug Off Zone
Depth Top Bottom, Type of Cement, #Sacks Used
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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

TUBING RECORD Size Set At Packer At Liner Run [] Yes [X] No
Date of First, Resumerd Production, SWD or Enhr. SI - Waiting on completion
Producing Method [] 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
[] Other (Specify)

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ORIGINAL

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API# 15-265-25915-00-00
Report Called In by: John Ed

MORNING COMPLETION REPORT

Report taken by: KRD

MAR 16 2005

LEASE NAME & #		AFE#	DATE	DAYS	CIBP	IPBTD
BADGLEY 9-21			11/15/04	1	DEPTH	WICHITA DIVISION
PRESENT OPERATION:					TYPE	WICHITA KS
Drill out from under surface					WT	
					VIS	
DEEPEST CASING	LINERS OD TOP & SHOE DEPTH	REPAIR DOWN TIME HRS		CONTRACTOR	Mokat	
OD SHOE DEPTH	8 5/8" 24# J-55 -- Set 20'	TEST PERFS		RIG NO	1	
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 8 SXS TYPE 1 CEMENT, DUMPED ON THE BACKSIDE, SOFN.					

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DAILY COST ANALYSIS

RIG	_____
SUPERVISION	200
RENTALS	_____
SERVICES	400
MISC	2280

DETAILS OF RENTALS, SERVICES, & MISC	
MC DRILLING @ 6.50/ft	
MC (CEMENT)	80
DIRTWORKS (LOC, RD, PIT)	400
SURFACE CASING	200
LAND/ LEGAL	2000

DAILY TOTALS 2880 PREVIOUS TCTD TCTD 2880

CONSOLIDATED OIL WELL SERVICES
 211 W. 14TH STREET, CHANUTE, KS 66. 20
 620-431-9210 OR 800-467-8676

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MAR 16 2005

TICKET NUMBER 2329

LOCATION EUREKA

FOREMAN Kevin McCoy

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CONSERVATION DIVISION

TREATMENT REPORT & FIELD TICKET

ORIGINAL

API # 15-205-25915-00-00

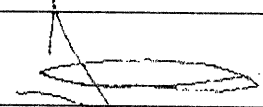
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
11-17-04	4758	Badgley # 9-26	16	305	17E	Wilson
CUSTOMER <u>Layne Energy</u>		KCC		Gus Jones		
MAILING ADDRESS <u>P.O. Box 160</u>		MAR 14 2005		TRUCK #		DRIVER
CITY <u>Sycamore</u>		STATE <u>KS</u>		445		Troy
				440		Justin
				437		Randy

JOB TYPE Longstring HOLE SIZE 6 3/4 HOLE DEPTH 1224' CASING SIZE & WEIGHT 4 1/2 10.5 #
 CASING DEPTH 1316' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.4 # SLURRY VOL 42 BBL WATER gal/sk 7.8 CEMENT LEFT in CASING 8'
 DISPLACEMENT 19.3 BBL DISPLACEMENT PSI 1900 MIX PSI 3100 Bump Plug RATE _____

REMARKS: Safety Meeting: Rig up to 4 1/2 casing. Break Circulation w/ 20 Bbl Fresh Water. Pump 10 Bbl Metasilicate Pre Flush. 11 Bbl Dy: water. Mixed 135 sks Thick Set Cement w/ 10 # Kol-Seal Per/sk is 13.4 # per/gal. Wash out Pump & Lines. Shut down. Release Plug. Displace w/ 19.3 BBL Fresh water. FINAL Pumping Pressure 1900 PSI. Bump Plug to 2100 PSI. Wait 2 minutes. Release Pressure. Float was trying to leak a little. Shut casing in. Good Cement Returns to Surface = 5 BBL Slurry. Job Complete. Rig down. (Cement yield 1.75)

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	710.00	710.00
5406	25	MILEAGE	2.35	58.75
1126 A	135 SKS	Thick Set Cement	11.85	1599.75
1110 A	27 SKS	KOL-SEAL 10 # Per/sk	15.75	425.25
1111 A	1 SK 50 #	Metasilicate Pre Flush	1.40 #	70.00
5407 A	7.42 TONS	25 miles	.85	157.67
4404	1	4 1/2 Top Rubber Plug	35.00	35.00
5502 C	1 HRS	80 BBL VAC TRUCK	78.00	234.00
1123	3360 gals	City water (Thayer Lake)	11.50 Per 1200	38.64
5605 A	4 Hrs	Welder	70.00	280.00
4311	1	Weld on Collar	45.00	45.00
		THANK YOU	Sub total	3654.06
		6.3%	SALES TAX	139.46
			ESTIMATED TOTAL	3793.52

AUTHORIZATION  TITLE 194162 DATE 3871.52

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ORIGINAL

GEOLOGIC REPORT

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LAYNE ENERGY

Badgley 9-21

NE ¼, SE ¼, 1,803' FSL, 669' FEL

Section 21-T30S-R17E

WILSON COUNTY, KANSAS

RECEIVED
KANSAS CORPORATION COMMISSION

MAR 16 2005

CONSERVATION DIVISION
WICHITA, KS

Drilled: November 16-17, 2004

Logged: November 17, 2004

A.P.I.# 15-205-25915-00-00

Ground Elevation: 982'

Depth Driller: 1,222'

Depth Logger: 1,224'

Surface Casing: 8 5/8" @ 20'

Production Casing: 4 1/2" @ 1,216'

Cemented Job: Consolidated

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

FORMATION.....TOPS (in feet below ground surface)

Kansas City Group.....Surface (Chanute Shale Formation)

Lenapah Lime.....409

Altamont Lime.....445

Weiser Sand.....518

Mulberry Coal.....590

Pawnee Lime.....592

Anna Shale.....617

First Oswego Lime.....661

Little Osage Shale.....693

Excello Shale.....712

Mulky Coal.....715

Iron Post Coal.....750

"V" Shale.....774

Croweburg Coal.....775

Mineral Coal.....809

Tebo Coal.....879

Bartlesville Sand.....914

AW Coal.....1,074

BW Coal.....1,082

Riverton Coal.....1,114

Mississippian.....1,124