

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM

AMENDED

WELL HISTORY - DESCRIPTION OF WELL & LEASE

CONFIDENTIAL

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. B. Natrass
Phone: (913) 748-3987
Contractor: Name: McPherson Drilling
License: 5675

Wellsite Geologist: _____
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. _____

4/4/2005	4/5/2005	6/27/2005
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 099-23702 0000
County: Labette
 NW SW Sec. 2 Twp. 31 S. R. 17 East West
2460 feet from (S) N (circle one) Line of Section
400 feet from E (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Wilson Well #: 12-2
Field Name: Coffeyville-Cherryvale

Producing Formation: Cherokee Coals
Elevation: Ground: 890 Kelly Bushing: _____
Total Depth: 1058 Plug Back Total Depth: 1044
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 1055
feet depth to Surface w/ 120 sx cmt.

Drilling Fluid Management Plan ALT II W/M
(Data must be collected from the Reserve Pit) 8-2-07
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.: _____

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KANSAS CORPORATION COMMISSION
OCT 14 2005
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: 10/13/05
Subscribed and sworn to before me this _____ day of _____
19 _____
Notary Public: _____
Date Commission Expires: _____

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

KCC
 AUG 0 1 2005
CONFIDENTIAL KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
 WELL HISTORY - DESCRIPTION OF WELL & LEASE

Form ACO-1
 September 1999
 Form Must Be Typed

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: Victor H. Dyal
 Phone: (913) 748-3987
 Contractor: Name: McPherson Drilling
 License: 5675
 Wellsite Geologist: _____
 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. _____
 4/4/2005 4/5/2005
 Spud Date or Date Reached TD Completion Date or
 Recompletion Date Recompletion Date

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 AUG 0 2 2005
 CONSERVATION DIVISION
 WICHITA, KS

API No. 15 - 099-23702-00-00
 County: Labette
 ___ NW SW Sec. 2 Twp. 31 S. R. 17 East West
2460 feet from S N (circle one) Line of Section
400 feet from E W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Wilson Well #: 12-2
 Field Name: Coffeyville-Cherryvale
 Producing Formation: Cherokee Coals
 Elevation: Ground: 890 Kelly Bushing: _____
 Total Depth: 1058 Plug Back Total Depth: 1044
 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 1055
 feet depth to Surface w/ 120 sx cmt.

Drilling Fluid Management Plan
 (Data must be collected from the Reserve Pit) *ACT II WITHIN 8-2-07*
 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: August 1, 2005
 Subscribed and sworn to before me this 1st day of August,
2005
 Notary Public: Margaret Allen
 Date Commission 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

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

CONFIDENTIAL

Side Two

KCC
AUG 01 2005

ORIGINAL

Operator Name: Layne Energy Operating, LLC Lease Name: Wilson Well #: 12-2
Sec. 2 Twp. 31 S. R. 17 ✓ East West County: Labette

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 (Attach Additional Sheets)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum Name Top Datum Pawnee Lime 427 463 Excello Shale 560 330 V Shale 618 272 Mineral Coal 664 226 Mississippian 960 -70
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 (Submit Copy)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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	8	Type 1 Cement
Casing	6 3/4"	4.5"	10.5	1055	Thick Set	120	

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
		RECEIVED KANSAS CORPORATION COMMISSION AUG 02 2005 CONSERVATION DIVISION WICHITA, KS	

TUBING RECORD		Size	Set At	Packer At	Liner Run	Yes	No
Date of First, Resumed Production, SWD or Enhr.		Producing Method					
SI- Waiting for Completion		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, Sumit ACO-18.) Other (Specify) _____

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GEOLOGIC REPORT

ORIGINAL

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AUG 02 2005

CONSERVATION DIVISION
WICHITA, KS

LAYNE ENERGY
Wilson 12-2
NW ¼, SW ¼, 2,456' FSL, 457' FWL
Section 2-T31S-R17E
LABETTE COUNTY, KANSAS

KCC
AUG 01 2005

CONFIDENTIAL

Drilled: April 4-5, 2005
Logged: April 6, 2005
A.P.I.# 15-099-23702
Ground Elevation: 890'
Depth Driller: 1,058'
Depth Logger: 1,058'
Surface Casing: 8 5/8" @ 20'
Production Casing: 4 1/2" @ 1,055'
Cemented Job: Bluestar
Open Hole Logs: Compensated density neutron log, dual induction sfl/gr log

FORMATIONTOPS (in feet below ground surface)

Kansas City Group	Surface (Dennis Limestone)
Lenapah Lime	195
Altamont Lime	288
Weiser Sand	322
Pawnee Lime.....	427
Anna Shale	448
First Oswego Lime.....	504
Little Osage Shale	538
Excello Shale	560
Mulky Coal	563
Iron Post Coal	595
"V" Shale	618
Croweburg Coal	620
Mineral Coal	664
Tebo Coal.....	731
Weir Pitt Coal	783
AW Coal	889
BW Coal.....	896
Riverton Coal	952
Mississippian.....	960

CONSOLIDATED OIL WELL SERVICES,
 211 W. 14TH STREET, CHANUTE, KS 66720
 620-431-9210 OR 800-467-8676

KCC

AUG 01 2005

TIC # NUMBER 3582

LOCATION EUREKA

FOREMAN Kevin McCoy

CONFIDENTIAL

TREATMENT REPORT & FIELD TICKET
CEMENT

ORIGINAL

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY																
4-6-05	4798	WILSON # 12-2				LB																
CUSTOMER <u>Layne Energy</u>			<table border="1"> <thead> <tr> <th>TRUCK #</th> <th>DRIVER</th> <th>TRUCK #</th> <th>DRIVER</th> </tr> </thead> <tbody> <tr> <td>445</td> <td>TROY</td> <td></td> <td></td> </tr> <tr> <td>440</td> <td>JUSTIN</td> <td></td> <td></td> </tr> <tr> <td>436</td> <td>LARRY</td> <td></td> <td></td> </tr> </tbody> </table>				TRUCK #	DRIVER	TRUCK #	DRIVER	445	TROY			440	JUSTIN			436	LARRY		
TRUCK #	DRIVER	TRUCK #					DRIVER															
445	TROY																					
440	JUSTIN																					
436	LARRY																					
MAILING ADDRESS <u>P.O. Box 160</u>																						
CITY <u>Sycamore</u>																						
STATE <u>KS</u>		ZIP CODE																				

JOB TYPE Longstring HOLE SIZE 6 3/4 HOLE DEPTH 1058' CASING SIZE & WEIGHT 4 1/2 10.5# New
 CASING DEPTH 1055' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.2# SLURRY VOL 37 BBL WATER gal/sk 8.0 CEMENT LEFT in CASING 11'
 DISPLACEMENT 16.75 BBL DISPLACEMENT PSI 600 MIX PSI 1300 Bump Plug RATE _____

REMARKS: Safety Meeting: Rig up to 4 1/2 Casing. Break Circulation w/ 40 BBL Fresh water. Pump 10 BBL Metasilicate Pre Flush. Pump 9 BBL Dry water. Mixed 120 sks Thick Set Cement w/ 10# Kol-Seal P₂/sk @ 13.2# P₂/gal, Yield 1.75. Wash out Pump & Lines. Shut down. Release Plug. Displace w/ 16.7 BBL Fresh water. Final Pumping Pressure 600 PSI. Bump Plug to 1200 PSI. wait 2 minutes. Release Pressure. Float Held. Good Cement Returns to Surface = 7 BBL Slurry. Job Complete. Rig down.

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AUG 02 2005

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES	CONSERVATION DIVISION VARIABLES	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE		750.00	750.00
5406	25	MILEAGE		2.45	61.25
1126A	120 SKS	Thick Set Cement		12.70	1524.00
1110A	24 SKS	Kol-Seal 10# P ₂ /sk		16.55	397.20
1111A	50 #	Metasilicate Pre Flush		1.50 #	75.00
5407A	6.6 Tons	25 miles		.90	148.50
5502C	4 Hrs	80 BBL VAC TRUCK		80.00	320.00
1123	3000 GALS	City water		12.10 P ₂ /1000	36.30
5605A	4 Hrs	Welder		70.00	280.00
4311	1	weld on 4 1/2 Collar		47.00	47.00
4464	1	4 1/2 Top Rubber Plug		37.00	37.00
				Sub total	3676.25
		THANK YOU	6.55%	SALES TAX	138.63
				ESTIMATED TOTAL	3814.88

AUTHORIZATION [Signature] TITLE 196453 DATE _____

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AUG 01 2005

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ORIGINAL

MORNING COMPLETION REPORT

Report Called in by: JOHN ED

Report taken by:

KRD

LEASE NAME & #		AFES#	DATE	DAYS	CIBP	PBTD	
WILSON 12-2			4/4/2005	1	DEPTH	TYPE FLUID	
PRESENT OPERATION:		DRILLING				WT	VIS
DEEPEST CASING OD SHOE DEPTH	LINERS OD TOP & SHOE DEPTH		REPAIR DOWN TIME HRS		CONTRACTOR		
					RIG NO	Mike	
			TEST PERFS		SQUEEZED OR PLUG BACK PERFS		
PACKER OR ANCHOR	FISHING TOOLS	OD	ID	TO	TO		
				TO	TO		
				TO	TO		
				TO	TO		
HRS	BRIEF DESCRIPTION OF OPERATION						
	MIRU MCPHERSON DRILLING, DRILLED 11" MOLE, 20' DEEP, RIM W/ 1 JT 8 5/8" SURFACE CASING.						
	MIXED 6 SXS TYPE 1 CEMENT, DUMPED ON THE BACKSIDE, SDFN.						

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 AUG 02 2005
 CONSERVATION DIVISION
 WICHITA, KS

DAILY COST ANALYSIS

RIG	_____
SUPERVISION	200
RENTALS	_____
SERVICES	1000
MISC	2480

DETAILS OF RENTALS, SERVICES, & MISC

MC DRILLING @ 6.50/ft	
MC (CEMENT)	80
DIRTWORKS (LOC, RD, PIT)	1000
SURFACE CASING	400
LAND/ LEGAL	2000

DAILY TOTALS 3680 PREVIOUS TCTD TCTD 3680