

ORIGINAL

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

RECEIVED  
KANSAS CORPORATION COMMISSION  
AUG 14 2006  
Form ACO-1  
September 1999  
Form Must Be Typed

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE  
CONSERVATION DIVISION  
WICHITA, KS

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: Thornton Air Rotary  
License: 33606

KCC

AUG 11 2006

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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. \_\_\_\_\_

4/14/2006      4/20/2006      6/1/2006  
Spud Date or      Date Reached TD      Completion Date or  
Recompletion Date                Recompletion Date

API No. 15 - 125-31026-0000  
County: Montgomery  
W/2 NW NE NW Sec. 2 Twp. 31 S. R. 16  East  West  
377 feet from S /  (circle one) Line of Section  
1635 feet from E /  (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE NW SW  
Lease Name: Mick Well #: 3-2  
Field Name: Neodesha

Producing Formation: Cherokee Coals  
Elevation: Ground: 853 Kelly Bushing: \_\_\_\_\_  
Total Depth: 1100 Plug Back Total Depth: 1090  
Amount of Surface Pipe Set and Cemented at 21 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from 1090  
feet depth to Surface w/ 115 sx cmt.

Drilling Fluid Management Plan Att II NH 8-29-08  
(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.: \_\_\_\_\_

**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: 8/11/06  
Subscribed and sworn to before me this 11 day of August  
2006  
Notary Public: Brooke C. Maxfield  
Date Commission Expires: 12/28/09

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

NOTARY PUBLIC -- State Of Kansas  
BROOKE C. MAXFIELD  
My Appt. Exp. 12/28/09

Operator Name: Layne Energy Operating, LLC Lease Name: Mick Well #: 3-2  
 Sec. 2 Twp. 31 S. R. 16  East  West County: Montgomery

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**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<br><i>(Attach Additional Sheets)</i><br><br>Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><br>Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><br>Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br><i>(Submit Copy)</i><br><br>List All E. Logs Run:<br><br>Compensated Density Neutron<br>Dual Induction | <input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample<br><br><table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Pawnee Lime</td> <td>521 GL</td> <td>332</td> </tr> <tr> <td>Excello Shale</td> <td>652 GL</td> <td>201</td> </tr> <tr> <td>V Shale</td> <td>705 GL</td> <td>148</td> </tr> <tr> <td>Mineral Coal</td> <td>748 GL</td> <td>105</td> </tr> <tr> <td>Mississippian</td> <td>1055 GL</td> <td>-202</td> </tr> </table> | Name  | Top | Datum | Pawnee Lime | 521 GL | 332 | Excello Shale | 652 GL | 201 | V Shale | 705 GL | 148 | Mineral Coal | 748 GL | 105 | Mississippian | 1055 GL | -202 |
| Name  | Top   | Datum |     |       |             |        |     |               |        |     |         |        |     |              |        |     |               |         |      |
| Pawnee Lime   | 521 GL  | 332   |     |       |             |        |     |               |        |     |         |        |     |              |        |     |               |         |      |
| Excello Shale   | 652 GL  | 201   |     |       |             |        |     |               |        |     |         |        |     |              |        |     |               |         |      |
| V Shale   | 705 GL  | 148   |     |       |             |        |     |               |        |     |         |        |     |              |        |     |               |         |      |
| Mineral Coal  | 748 GL  | 105   |     |       |             |        |     |               |        |     |         |        |     |              |        |     |               |         |      |
| Mississippian   | 1055 GL   | -202  |     |       |             |        |     |               |        |     |         |        |     |              |        |     |               |         |      |

| 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                | 21'           | Class A        | 4           | Type 1 cement              |
| Casing  | 6.75              | 4.5                       | 10.5              | 1090'         | Thick Set      | 115         |                            |
|   |                   |                           |                   |               |                |             |                            |

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

| Shots Per Foot | PERFORATION RECORD - Bridge Plugs Set/Type<br>Specify Footage of Each Interval Perforated | Acid, Fracture, Shot, Cement Squeeze Record<br><i>(Amount and Kind of Material Used)</i>         |
|----------------|---|--|
|                | See Attached  | RECEIVED<br>KANSAS CORPORATION COMMISSION<br>AUG 14 2006<br>CONSERVATION DIVISION<br>WICHITA, KS |
|                |   |  |
|                |   |  |

|  |                    |  |                       |   |
|--|--------------------|--|-----------------------|---|
| TUBING RECORD  | Size <u>2 3/8"</u> | Set At <u>868'</u>   | Packer At             | Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Date of First, Resumerd Production, SWD or Enhr.<br><u>6/20/2006</u> |                    | 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. <u>0</u> | Gas Mcf <u>3</u>   | Water Bbls. <u>71</u> | Gas-Oil Ratio <u> </u> Gravity <u> </u>                                       |

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

METHOD OF COMPLETION  Open Hole  Perf.  Dually Comp.  Commingled  

Other (Specify)

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**Operator Name:** Layne Energy Operating, LLC.  
**Lease Name:** Mick 3-2  
Sec. 2 Twp. 31S Rng. 16E, Montgomery County  
**API:** 15-125-31026

| <b>Shots per Foot</b> | <b>Perforation Record</b>         | <b>Acid, Fracture, Shot, Cement Squeeze Record</b>                               | <b>Depth</b> |
|-----------------------|-----------------------------------|--|--------------|
| 4                     | 821.5-822.5, 747.5-749, 706-709   | Tebo, Mineral, Croweburg-4100# 20/40 sand, 550 gal<br>15% HCl acid, 386 bbls wtr | 706-822.5    |
| 4                     | 684-686.5, 652-658.5, 631.5-637.5 | Bevier, Mulky, Summit-7100# 20/40 sand, 1500 gal<br>15% HCl acid, 564 bbls wtr   | 631.5-686.5  |

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**WICHITA, KS**

**GEOLOGIC REPORT**

LAYNE ENERGY  
Mick 3-2  
NE NW, 377 FNL, 1635 FWL  
Section 2-T31S-R16E  
Montgomery County, KS

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Spud Date: 4/14/2006  
Drilling Completed: 4/20/2006  
Logged: 4/20/2006  
A.P.I. #: 1512531026  
Ground Elevation: 853'  
Depth Driller: 1100'  
Depth Logger: 1105'  
Surface Casing: 8.625 inches at 21'  
Production Casing: 4.5 inches at 1090.6'  
Cemented Job: Consolidated  
Open Hole Logs: Dual Induction SFL/GR, High Resolution  
Compensated Density/Neutron

**Formation**

Kansas City Group  
Pawnee Limestone  
Excello Shale  
"V" Shale  
Mineral Coal  
Mississippian

**Tops (in feet below ground level)**

Surface (Chanute Shale)  
521  
652  
705  
748  
1,055

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CONSOLIDATED OIL WELL SERVICES, INC.  
P.O. BOX 884, CHANUTE, KS 66720  
620-431-9210 OR 800-467-8676

TICKET NUMBER 09815  
LOCATION EUREKA  
FOREMAN Kevin McCoy

TREATMENT REPORT & FIELD TICKET  
CEMENT

| DATE                                   | CUSTOMER #         | WELL NAME & NUMBER | SECTION               | TOWNSHIP       | RANGE   | COUNTY |
|--|--------------------|--------------------|-----------------------|----------------|---------|--------|
| 4-21-06                                | 4758               | MICK 3-2           |                       |                |         | MG     |
| CUSTOMER<br><u>Layne Energy</u>        |                    |                    | Gus<br>James<br>Rig 2 |                |         |        |
| MAILING ADDRESS<br><u>P.O. Box 160</u> |                    |                    |                       |                |         |        |
| CITY<br><u>Sycamore</u>                | STATE<br><u>Ks</u> | ZIP CODE           | TRUCK #               | DRIVER         | TRUCK # | DRIVER |
|  |                    |                    | <u>445</u>            | <u>Rick L.</u> |         |        |
|  |                    |                    | <u>479</u>            | <u>CALIN</u>   |         |        |

JOB TYPE Longstring HOLE SIZE 6 3/4 HOLE DEPTH 1100' CASING SIZE & WEIGHT 4 1/2 10.5\* NBW  
CASING DEPTH 1090' DRILL PIPE \_\_\_\_\_ TUBING \_\_\_\_\_ OTHER \_\_\_\_\_  
SLURRY WEIGHT 13.2\* SLURRY VOL 36 BBL WATER gal/sk 8.0 CEMENT LEFT in CASING 0'  
DISPLACEMENT 17.3 BBL DISPLACEMENT PSI 500  PSI 1000 Bump Plug RATE \_\_\_\_\_

REMARKS: Safety Meeting: Rig up to 4 1/2 casing. Break Circulation w/ 25 BBL fresh water. Pump 4xrs Gel Flush, 5 BBL water spacer, 10 BBL Metasilicate Pre Flush, 10 BBL Dye water, mixed 115 sks Thick Set Cement w/ 10\* Kol-Seal per/sk @ 13.2\* per/gal, yield 1.75. wash out Pump & Lines. Shut down. Release Plug. Displace w/ 17.3 BBL fresh water. FINAL Pumping Pressure 500 psi. Bump Plug to 1000 psi. wait 2 minutes. Release Pressure. Float Held. Good Cement Returns to Surface = 7 BBL Slurry. Job Complete. Rig down.

| ACCOUNT CODE   | QUANTITY or UNITS | DESCRIPTION of SERVICES or PRODUCT | UNIT PRICE      | TOTAL        |
|--|-------------------|------------------------------------|-----------------|--------------|
| 5401   | 1                 | PUMP CHARGE                        | 800.00          | 800.00       |
| 5406   | <del>2</del>      | MILEAGE 2 <sup>nd</sup> well of 2  | <del>0</del>    | <del>0</del> |
| 1126 A   | 115 sks           | Thick Set Cement                   | 14.65           | 1684.75      |
| 1110 A   | 1150 *            | Kol-Seal 10* per/sk                | .36 *           | 414.00       |
| 1118 A   | 200 *             | Gel Flush                          | .14 *           | 28.00        |
| 1111 A   | 50 *              | Metasilicate Pre Flush             | 1.65 *          | 82.50        |
| 5407 A   | 6.32 TONS         | 40 miles Bulk Truck                | 1.05            | 265.44       |
| 4404   | 1                 | 4 1/2 Top Rubber Plug              | 40.00           | 40.00        |
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|  |                   | Sub Total                          |                 | 3314.69      |
|  |                   | Thank you 5.3%                     | SALES TAX       | 119.20       |
|  |                   |                                    | ESTIMATED TOTAL | 3433.89      |

AUTHORIZATION Called By John Ed TITLE \_\_\_\_\_ DATE \_\_\_\_\_

204846