

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

CONFIDENTIAL

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. 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 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. _____

5/9/2005 5/10/2005 X 7/15/2005
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-30735 0000
County: Montgomery
_____ NW SW NW Sec. 32 Twp. 31 S. R. 16 East West
1700 feet from S 1 (circle one) Line of Section
330 feet from E 1 (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Lochmiller Well #: 5-32
Field Name: Jefferson-Sycamore
Producing Formation: Cherokee Coals
Elevation: Ground: 775 Kelly Bushing: _____
Total Depth: 1178 Plug Back Total Depth: 1166
Amount of Surface Pipe Set and Cemented at 27 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1174
feet depth to Surface w/ 130 sx cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit) ALT II WITH
4-23-07
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. _____ West
County: _____ Docket No.: _____

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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: M B Natrass
Title: Agent Date: 10/13/05
Subscribed and sworn to before me this 13th day of October, 2005
Notary Public: [Signature]
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

ORIGINAL

Operator Name: Layne Energy Operating, LLC Lease Name: Lochmiller Well #: 5-32
Sec. 32 Twp. 31 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 (Attach Additional Sheets)
Samples Sent to Geological Survey
Cores Taken
Electric Log Run (Submit Copy)
List All E. Logs Run:
Compensated Density Neutron
Dual Induction
KCC
AUG 31 2005

Table with columns: Log, Formation (Top), Depth and Datum, Sample Name, Top, Datum. Rows include Pawnee Lime, Excello Shale, V Shale, Mineral Coal, and Mississippian.

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CASING RECORD Table with columns: 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.

ADDITIONAL CEMENTING / SQUEEZE RECORD Table with columns: Purpose, Depth Top Bottom, Type of Cement, #Sacks Used, Type and Percent Additives.

PERFORATION RECORD - Bridge Plugs Set/Type and Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used) Depth.

TUBING RECORD Table with columns: Size, Set At, Packer At, Liner Run, Date of First, Resumed Production, SWD or Enhr., Producing Method, Estimated Production Per 24 Hours, Oil Bbls., Gas Mcf, Water Bbls., Gas-Oil Ratio, Gravity.

Disposition of Gas, METHOD OF COMPLETION, Production Interval. Includes checkboxes for Vented, Sold, Used on Lease, Open Hole, Perf., Dually Comp., Commingled, and Other (Specify).

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GEOLOGIC REPORT

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CONSERVATION DIVISION
WICHITA, KS

LAYNE ENERGY
Lochmiller 5-32
SW ¼ , NW ¼, 1,700' FNL, 330' FWL
Section 32-T31S-R16E
MONTGOMERY COUNTY, KANSAS

Drilled: May 9-10, 2005
Logged: May 11, 2005
A.P.I.# 15-125-30735
Ground Elevation: 775'
Depth Driller: 1,178'
Depth Logger: 1,179'
Surface Casing: 8 5/8" @ 27'
Production Casing: 4 1/2" @ 1,174'
Cemented Job: Consolidated
Open Hole Logs: Compensated density neutron log, dual induction sfl/gr log

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

Quaternary Alluvium	Surface
Lenapah Lime	331
Altamont Lime.....	372
Pawnee Lime	528
Anna Shale	548
First Oswego Lime.....	617
Little Osage Shale.....	655
Excello Shale.....	681
Mulky Coal.....	685
Iron Post Coal.....	708
"V" Shale.....	732
Croweburg Coal.....	734
Mineral Coal.....	771
Weir Pitt Coal.....	854
Bluejacket Coal.....	880
Riverton Coal.....	1,058
Mississippian	1,084

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Lockmill 5-32		
	Sec. 32 Twp. 31S Rng. 16E, Montgomery County		
API:	15-125-30735		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
4	1058-1060, 873.5-876, 853.5-857	Riverton, Sycamore Shale, Weir - 1,750gal 15% HCL + 3875 bbls water + 4,400# 20/40 Sand	853.5-1060
4	771-772.5, 732.5-734.5, 707.5-709, 681-686.5, 654.5-657	Mineral, Croweberg, Ironpost, Mulkey, Summit - 1,890gal 15% HCL + 452 bbls water + 5,600# 20/40 Sand	654.5-772.5

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WELL COMPLETION FORM **CONFIDENTIAL**

WELL HISTORY - DESCRIPTION OF WELL & LEASE
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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. 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 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. _____
 5/9/2005 5/10/2005
 Spud Date or Date Reached TD Completion Date or
 Recompletion Date Recompletion Date

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WICHITA, KS

API No. 15 - 125-30735 - 00 - 00
 County: Montgomery
 NW SW NW Sec. 32 Twp. 31 S. R. 16 East West
1700 feet from S / **(N)** (circle one) Line of Section
330 feet from E / **(W)** (circle one) Line of Section
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 (circle one) NE SE NW SW
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 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set _____ Feet
 If Alternate II completion, cement circulated from 1174
 feet depth to Surface w/ 130 sx cmt.

Drilling Fluid Management Plan
 (Data must be collected from the Reserve Pit) *ALT JFWH 623-07*
 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
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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: 8/31/05
 Subscribed and sworn to before me this 31st day of August
2005
 Notary Public: M. 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 10/14/2008

CONFIDENTIAL

Side Two

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AUG 31 2005

ORIGINAL

Operator Name: Layne Energy Operating, LLC Lease Name: Lochmiller
Sec. 32 Twp. 31 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 (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 528 247 Excello Shale 681 94 V Shale 732 43 Mineral Coal 771 4 Mississippian 1084 -309
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)	✓ 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"	23	27'	Class A	40	Type 1 Cement
Casing	6 3/4"	4.5"	10.5	1174	Thick Set	130	

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
___ Perforate				
___ Protect Casing				
___ Plug Back TD				
___ 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

TUBING RECORD		Size	Set At	Packer At	Liner Run	Yes	No
Date of First, Resumed Production, SWD or Enhr. SI- Waiting for 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 Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled _____
(If vented, Sumit ACO-18.) Other (Specify) _____

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MORNING COMPLETION REPORT

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Report Called in by: JES

Report taken by: KRD

LEASE NAME & #	AFE#	DATE	DAYS	CIBP DEPTH TYPE	PBTD TYPE FLUID
LOCHMILLER 6-32		6/09/05	1		
PRESENT OPERATION:					WT
DRILL OUT FROM UNDER SURFACE					VIS
DEEPEST CASING OD SHOE DEPTH	LINERS OD TOP & SHOE DEPTH	REPAIR DOWN TIME HRS		CONTRACTOR MC RIG NO MIKE H.	
	6 5/8" 24# J-65 — Set 27	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" HOLE, 27' DEEP. DRILLED INTO RIVER ROCK, FOUND LIMESTONE @ 27'.				
	RIH W/ 2 JTS 8 5/8 SURFACE CASING				
	MIRU CONSOLIDATED, PUMP 5 BBL WATER AHEAD, MIX 40 SKS REGULAR CMT W/ 3% Calcium Chloride @ 15#				
	PER GAL, 1 BBL FRESH WATER, SHUT DOWN, SI CASING, RD.				
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DAILY COST ANALYSIS

RIG	_____
SUPERVISION	175
RENTALS	_____
SERVICES	2285
MISC	2400

DETAILS OF RENTALS, SERVICES, & MISC

MCPHERSON DRILLING @ 6.50/m	
MC (CEMENT)	
DIRTWORKS (LOC, RD, PIT)	1000
SURFACE CASING	400
LAND/ LEGAL	2000
CONSOLIDATED	1285

DAILY TOTALS 4860 PREVIOUS TCTD TCTD 4860

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

KCC
 AUG 31 2005

TICKET NUMBER 3903
 LOCATION Field
 FOREMAN Brad Butler

CONFIDENTIAL
 TREATMENT REPORT & FIELD TICKET
 CEMENT

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DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
5-11-05	4758	Loch Miller 5-32				Montgomery
CUSTOMER Layne Energy			Gus Jones			
MAILING ADDRESS P.O. Box 160			TRUCK # DRIVER TRUCK # DRIVER			
CITY Sycamore			446 Scott			
STATE Ks.			440 Colin			
ZIP CODE			436 Jason			
			452 T63 Jim			

JOB TYPE Logging HOLE SIZE 6 3/4" HOLE DEPTH 1178' CASING SIZE & WEIGHT 4 1/2" - 10.5
 CASING DEPTH 1174' DRILL PIPE _____ TUBING PBTD 1166' OTHER _____
 SLURRY WEIGHT 13.2 lb. SLURRY VOL 41 Bbl. WATER gal/sk 8.0 CEMENT LEFT in CASING 8'
 DISPLACEMENT 18 1/2 Bbls DISPLACEMENT PSI 950 MIX PSI 1300 Loaded Plug RATE 4BPM - 2BPM

REMARKS: Safety Meeting: Rig up to 4 1/2" casing. Break circulation with 50 Bbls water.
 Pumped 10 Bbl. Pre-flush followed with 8 Bbl. Dye water. Mixed 130 sks. Thick set cement
 with 10" P/SK of KOL-SEAL at 13.2 lb. P/GAL. shut down - washout dump lines - Release Plug
 Displace Plug with 18 1/2 Bbls. water. Final pumping at 950 PSI. Bumped Plug to 1300 PSI.
 Wait 2 minutes - Release Pressure - Float Did Not Hold - Pressure Plug Back up to 1000 PSI
 Close casing in w/ 1000 PSI. Good cement returns to surface with 8 Bbl. slurry.
 Job complete - Tear down

Thank you

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	765.00	765.00
5406	0	MILEAGE Truck in location	2.50	N/C
1126 A	130 SKS.	Thick set cement	13.00	1690.00
1110 A	26 SKS.	KOL-SEAL 10" P/SK	16.90	439.40
1111 A	50 lbs.	Metasilicate - Pre-flush	1.55 lb.	77.50
5407 A	7.15 Ton	25 miles - Bulk Truck	.92	164.45
5502 C	4 His.	80 Bbl. VAC Truck	82.00	328.00
5501 C	4 His.	Transport	88.00	352.00
1123	6000 GAL.	City water	12.25	73.50
5605 A	4 His.	Welder	75.00	300.00
4311	1	4 1/2" Weld on Collar	48.00	48.00
4404	1	4 1/2" Top Rubber Plug	38.00	38.00
			3.3%	SALES TAX
				ESTIMATED TOTAL

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AUTHORIZATION _____ TITLE 197282 DATE 4400.95