

AMENDED

CONFIDENTIAL

Form ACO-1
September 1999
Form Must Be Typed

ORIGINAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

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: MOKAT Drilling
License: 5831
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. _____

23
6/22/2005 6/22/2005 8/23/2005
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-30785-00-00
County: Montgomery
W/2 W/2 NE NE Sec. 16 Twp. 33 S. R. 16 East West
649 feet from S / **(N)** (circle one) Line of Section
1152 feet from **(E)** W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Muller Well #: 1-16
Field Name: Coffeyville - Cherryvale

Producing Formation: Cherokee Coals
Elevation: Ground: 740' Kelly Bushing: _____
Total Depth: 1152' Plug Back Total Depth: 1139'
Amount of Surface Pipe Set and Cemented at 55' Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1150'
feet depth to Surface w/ 130 sx cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit) *ALT II WITHIN 2-14-07*
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 DEC 05 2005 CONSERVATION DIVISION WICHITA, KS**
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____
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: 12/2/05
Subscribed and sworn to before me this 2nd day of December
20 05
Notary Public: Mr. Al.
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

Operator Name: Layne Energy Operating, LLC Lease Name: Muller Well #: 1-16
 Sec. 16 Twp. 33 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 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: Compensated Density Neutron Dual Induction	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td><input checked="" type="checkbox"/> Log</td> <td>Formation (Top), Depth and Datum</td> <td><input type="checkbox"/> Sample</td> </tr> <tr> <td>Name</td> <td>Top</td> <td>Datum</td> </tr> <tr> <td>Pawnee Lime</td> <td>450 GL</td> <td>290</td> </tr> <tr> <td>Excello Shale</td> <td>619 GL</td> <td>1217'</td> </tr> <tr> <td>V Shale</td> <td>668 GL</td> <td>72</td> </tr> <tr> <td>Mineral Coal</td> <td>716 GL</td> <td>24</td> </tr> <tr> <td>Mississippian</td> <td>1053 GL</td> <td>-313</td> </tr> </table>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample	Name	Top	Datum	Pawnee Lime	450 GL	290	Excello Shale	619 GL	1217'	V Shale	668 GL	72	Mineral Coal	716 GL	24	Mississippian	1053 GL	-313
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Mississippian	1053 GL	-313																				

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	# Sacjs Used	Type and Percent Additives
Surface	11	8.65	24	55'	Class A	75	Type 1 cement
Casing	6.75	4.5	10.5	1150'	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				

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
	See Attached	RECEIVED KANSAS CORPORATION COMMISSION DEC 05 2005 CONSERVATION DIVISION WICHITA, KS	

TUBING RECORD	Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	2 3/8"	1060'		
Date of First, Resumerd Production, SWD or Enhr.		Producing Method		
11/23/2005		<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.	Gas Mcf	Water Bbls.	Gas-Oil Ratio Gravity
	0	18	35	

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

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled

Production Interval Other (Specify) _____

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Muller 1-16		
	Sec. 16 Twp. 33S Rng. 16E, Montgomery County		
API:	15-125-30785		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
4	1038-1040, 980-981, 817-819	Riverton, Rowe, Sycamore, Weir - 2,000gal 15% HCL + 452 bbls water + 4,00# 20/40 Sand	817-1040
4	715.5-716.5, 673.5-674.5, 645-646, 618.5-623.5, 588-593	Mineral, Crowberg, Ironpost, Mulkey, Summit - 2,800gal 15% HCL + 349bbls water + 3,500# 20/40 Sand	588-716.5

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KANSAS CORPORATION COMMISSION
DEC 05 2005

CONSERVATION DIVISION
WICHITA, KS

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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City/State/Zip: Mission Woods, KS 66205
Purchaser: _____
Operator Contact Person: M. B. Natrass
Phone: (913) 748-3987
Contractor: Name: MOKAT Drilling
License: 5831

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Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

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6/22/2005 6/23/2005 8/23/05
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-30785 - DD - DD
County: Montgomery
W/2 W/2 NE NE Sec. 16 Twp. 33 S. R. 16 East West
649 feet from S / (N) (circle one) Line of Section
1152 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
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If Alternate II completion, cement circulated from 1150'
feet depth to Surface w/ 130 sx cmt.

Drilling Fluid Management Plan
(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.: _____

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OCT 14 2005
CONSERVATION DIVISION
WICHITA, KS

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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: 10/13/05
Subscribed and sworn to before me this 13th day of October
20 05
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 _____

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Side Two

ORIGINAL

Operator Name: Layne Energy Operating, LLC Lease Name: Muller Well #: 1-16
Sec. 16 Twp. 33 S. R. 16 [X] 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 [] 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 450 GL 290
Excello Shale 619 GL 1217'
V Shale 668 GL 72
Mineral Coal 716 GL 24
Mississippian 1053 GL -313

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, # Sacs 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
Specify Footage of Each Interval Perforated
Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)
Depth
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TUBING RECORD
Size Set At Packer At Liner Run [] Yes [X] No
Date of First, Resumerd Production, SWD or Enhr. SI - Waiting on production
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
(If vented, Submit ACO-18.) [] Other (Specify)

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Muller 1-16		
	Sec. 16 Twp. 33S Rng. 16E, Montgomery County		
API:	15-125-30785		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
4	1038-1040, 980-981, 817-819	Riverton, Rowe, Sycamore, Weir - 2,000gal 15% HCL + 452 bbls water + 4,00# 20/40 Sand	817-1040
4	715.5-716.5, 673.5-674.5, 645-646, 618.5-623.5, 588-593	Mineral, Crowberg, Ironpost, Mulkey, Summit - 2,800gal 15% HCL + 349bbls water + 3,500# 20/40 Sand	588-716.5

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WICHITA, KS

GEOLOGIC REPORT

LAYNE ENERGY

Muller 1-16

NE ¼, NE ¼, 649' FNL, 1,152' FEL

Section 16-T33S-R16E

MONTGOMERY COUNTY, KANSAS

Drilled: June 22-23, 2005

Logged: June 24, 2005

A.P.I.# 15-125-30785

Ground Elevation: 740'

Depth Driller: 1,152'

Depth Logger: 1,152'

Surface Casing: 8 5/8" @ 55'

Production Casing: 4 1/2" @ 1,150'

Cemented Job: Consolidated

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

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WICHITA, KS

FORMATION TOPS (in feet below ground surface)

Quaternary Alluvium	Surface
Lenapah Lime	241
Altamont Lime	298
Weiser Sand	321
Pawnee Lime	450
Anna Shale	474
First Oswego Lime	550
Little Osage Shale	589
Excello Shale	619
Iron Post Coal	645
"V" Shale	668
Croweburg Coal	674
Mineral Coal	716
Weir Pitt Coal	803
AW Coal	980
Riverton Coal	1,038
Mississippian	1,053

MORNING COMPLETION REPORT

Report Called In by: JES

Report taken by:

KRD

LEASE NAME & #		AFE#	DATE	DAYS	CIBP	PBYD	
MULLER #1-16			6/22/2005	1	DEPTH	TYPE FLUID	
PRESENT OPERATION:		DRILL OUT FROM UNDER SURFACE				WT	
						VIS	
DEEPEST CASING	LINERS OD TOP & SHOE DEPTH	REPAIR DOWN TIME HRS			CONTRACTOR	MOKAT	
OD SHOE DEPTH	6 5/8" 24# J-55 - Set 20'	TEST PERFS			RIG NO	BILLY	
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 MOKAT DRILLING, DRILLED 11" HOLE, 55' DEEP, RIH W/ 3 JT 8 5/8" SURFACE CASING, PUMP 35 BBLs						
	FRESH WATER. MIXED 75 SXS TYPE 1 CEMENT W/3% CACLZ AND FLOCELE 1/2 #PER 3K @15# PER GAL.						
	LOST CIRCULATION WHILE MIXING CMNT MIXED W/6 BBLs WATER, MIXED ANOTHER 2 BBLs AND NEVER						
	REGAINED CIRC. SHUTDOWN. DISPLACE W/2-1/2 BBL WATER 65 SXS CEMENT, SHUT DOWN, CLOSE IN CASING						
	WAIT 15 MINUTES FLUID LEVEL DOWN APPROX. 7' BELOW SURFACE. MIX 10 SXS CEMENT AND FILL UP FROM TOP						
	SIDE. 75 SXS CEMENT TOTAL. JOB COMPLETE. RIG DOWN.						

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DAILY COST ANALYSIS

RIG	_____
SUPERVISION	200
RENTALS	_____
SERVICES	800
MISC	3982
DAILY TOTALS	4782

MOKAT DRILLING @ 6.50/ft	
MOKAT (CEMENT)	80
DIRTWORKS (LOC, RD, PIT)	600
SURFACE CASING	600
LAND/ LEGAL	2000
CONSOLIDATED	1902

DAILY TOTALS 4782 **PREVIOUS TCTD** _____ **TCTD** 4782

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

TICKET NUMBER 5463
 LOCATION Euoka
 FOREMAN Brad Butler

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
6-24-05	4758	Muller # 1-16				Montgomery
CUSTOMER <u>Layne Energy</u>			Gus Jones			
MAILING ADDRESS <u>P.O. Box 160</u>			TRUCK #	DRIVER	TRUCK #	DRIVER
CITY <u>Sycamore</u>			446	Scott		
STATE <u>Ks.</u>			442	Anthony		
ZIP CODE			436	Jason		

JOB TYPE <u>Logging</u>	HOLE SIZE <u>6 3/4"</u>	HOLE DEPTH <u>1152'</u>	CASING SIZE & WEIGHT <u>4 1/2" - 10.5 lb.</u>
CASING DEPTH <u>1150'</u>	DRILL PIPE	TUBING <u>PRTD 1139'</u>	OTHER
SLURRY WEIGHT <u>13.2</u>	SLURRY VOL <u>41 Bbl.</u>	WATER gal/sk <u>8.0</u>	CEMENT LEFT in CASING <u>11</u>
DISPLACEMENT <u>18 Bbls.</u>	DISPLACEMENT PSI <u>500</u>	MIX PSI <u>900 Loaded Plug</u>	RATE <u>4BPM - 2BPM</u>

REMARKS: Safety Meeting: Rig up to 4 1/2" casing, Break circulation with 30 Bbls water. Pumped 10 Bbl. of Metasilicate followed with 10 Bbl. water spacer. Mixed 130 sks Thick Set cement w/ 10" P 5/8" of KOI-SEAL or 13.2 lb P 1/2" shut down - wash out pump & lines - Release Plug. Displace Plug with 18 Bbls water. Final pumpage = 500 PSI - Pumped Plug to 900 PSI - wait 2 min. Release Pressure - Float Held - close casing in with 0 PSI.
Good cement returns to surface with 8 Bbl. slurry
Job complete - Teardown

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 Infield	2.50	N/C
1126 A	130 SKS.	Thick Set cement	13.00	1690.00
1110 A	26 SKS.	KOI-SEAL 10" P 5/8"	16.90	439.40
1111 A	50 lbs.	Metasilicate - Pre-flush	1.55 lb.	77.50
5407 A	7.15 Tons	25 miles - Bulk Truck	.92	164.45
5502 C	4 Hrs.	80 Bbl. VAC Truck	82.00	328.00
5605 A	4 Hrs.	Welder	75.00	300.00
4311	1	4 1/2" weldon collar	48.00	48.00
4404	1	4 1/2" Top Rubber Plug	38.00	38.00
				144.44
			5.3%	72.52
			SALES TAX	297.87
			ESTIMATED TOTAL	3994.79

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AUTHORIZATION Called by John Ed TITLE _____ DATE 3094.79