

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

KCC

JUN 21 2006

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. _____

3/2/2006 3/8/2006 3/27/2006
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 125-30959 - 00-00
County: Montgomery

SW Sec. 14 Twp. 31 S. R. 14 East West
660 feet from (S) N (circle one) Line of Section
660 feet from E / (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Chism Well #: 13-14

Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals

Elevation: Ground: 894 Kelly Bushing: _____
Total Depth: 1523 Plug Back Total Depth: 1519.2

Amount of Surface Pipe Set and Cemented at 21.5 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1519
feet depth to Surface w/ 155 sx cmt.

Drilling Fluid Management Plan Air II NH 77-08
(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: 6/21/06

Subscribed and sworn to before me this 21 day of June

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: Chism

Well #: 13-14

Sec. 14 Twp. 31 S. R. 14 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 Yes No
(Attach Additional Sheets)

Samples Sent to Geological Survey Yes No

Cores Taken Yes No

Electric Log Run Yes No
(Submit Copy)

List All E. Logs Run:

Compensated Density Neutron
Dual Induction

<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Name	Top	Datum
Pawnee Lime	907 GL	-13
Excello Shale	1042 GL	-148
V Shale	1099 GL	-205
Mineral Coal	1144 GL	-250
Mississippian	1409 GL	-515

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	21.5'	Class A	4	Type 1 cement
Casing	6.75	4.5	10.5	1519'	Thick Set	155	

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
	See Attached		
		RECEIVED KANSAS CORPORATION COMMISSION JUN 22 2006 CONSERVATION DIVISION WICHITA, KS	
TUBING RECORD	Size	Set At	Packer At
	2 3/8"	1384'	
			Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.	Producing Method		
4/17/2006	<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.
	0	71	80
			Gas-Oil Ratio
			Gravity

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) _____

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CONSERVATION DIVISION
WICHITA, KS

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Chism 13-14		
	Sec. 31 Twp. 31S Rng. 15E, Montgomery County		
API:	15-125-30959		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
4	1351.5-1353.5, 1272.5-1273.5, 1143.5-1145.5	Rowe, Drywood, Mineral-3,900# 20/40 sand, 1,000 gal 15% HCl acid, 351 bbls wtr	1143.5-1353.5
4	1099-1103', 1080.5-1082', 1040.5-1046.5', 1022.5-1026.5'	Croweberg, Ironpost, Mulky, Summit-6,500# 20/40 sand, 2,700 gal 15% HCl acid, 562 bbls wtr	1022.5-1103
4	903.5-904.5', 719.5-721', 684-689.5'	Thayer, Dawson Coal, Hushpuckney Shale-5300# 20/40 sand, 1670 gal 15% HCl acid, 460 bbls wtr	684-904.5

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WICHITA, KS

GEOLOGIC REPORT

LAYNE ENERGY

Chism 13-14

SW SW, 660 FSL, 660 FWL

Section 14-T31S-R14E

Montgomery County, KS

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Spud Date:	3/6/06
Drilling Completed:	3/8/06
Logged:	3/8/06
A.P.I. #:	15-125-30959
Ground Elevation:	894'
Depth Driller:	1523'
Depth Logger:	1521'
Surface Casing:	8.625 inches at 21'
Production Casing:	4.5 inches at 1519.2'
Cemented Job:	Consolidated
Open Hole Logs:	Dual Induction SFL/GR, High Resolution Compensated Density/Neutron

Formation

Lansing Group
Pawnee Limestone
Excello Shale
"V" Shale
Mineral Coal
Mississippian

Tops (in feet below ground level)

Surface (Stoner Limestone Member)
907
1,042
1,099
1,144
1,409

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CONSERVATION DIVISION
WICHITA, KS

MORNING COMPLETION REPORT
 Report called in by: JOHN ED Report taken by: KRD

LEASE NAME & #		AFE#	DATE	DAYS	CIBP	PBD
CHISM 13-14		G01013400100	3/2/2006	1	DEPTH	TYPE FLUID
PRESENT OPERATION:					TYPE	WT
DRILL OUT FROM UNDER SURFACE						VIS
DEEPEST CASING OD SHOE DEPTH	LINERS OD TOP & SHOE DEPTH		REPAIR DOWN TIME HRS		CONTRACTOR	
					RIG NO	
				TEST PERFS		
PACKER OR ANCHOR	FISHING TOOLS	OD	ID	SQUEEZED OR PLUG BACK PERFS		
				TO		
				TO		
				TO		
				TO		
				TO		
HRS	BRIEF DESCRIPTION OF OPERATION					
	MIRU MCPHERSON, DRILLED 11" HOLE, 21.5' DEEP, RIH W/ 1 JT 8 5/8" SURFACE CASING,					
	MIXED 4 SKS TYPE 1 CEMENT, DUMPED DOWN THE BACKSIDE. SDFN					
DAILY COST ANALYSIS						

DETAILS OF RENTALS, SERVICES, & MISC

RIG	_____
SUPERVISION	_____ 200
RENTALS	_____
SERVICES	_____ 400
MISC	_____ 2280

DRILLING @ 6.50/ft	
(CEMENT)	80
DIRTWORKS (LOC,RD, PIT)	400
SURFACE CASING	200
LAND/ LEGAL	2000

DAILY TOTALS 2880 **PREVIOUS TCTD** _____ **TCTD** 2880

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

JUN 2 2 2006

TICKET NUMBER 08435
LOCATION EUREKA
FOREMAN KEVIN McCay

CONSERVATION DIVISION
WICHITA, KS
TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
3-9-06	4758	Chism 13-14				MG
CUSTOMER Layne Energy			Gus Jones Rig 2			
MAILING ADDRESS P.O. Box 160			TRUCK #	DRIVER	TRUCK #	DRIVER
CITY Symonae			445	Rick L.		
STATE KS	ZIP CODE		441	Calvin		
			452/763	Jim		

JOB TYPE Longstem HOLE SIZE 6 3/4 HOLE DEPTH 1524 CASING SIZE & WEIGHT 4 1/2 10.5# non
 CASING DEPTH 1519 DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.2# SLURRY VOL 48 bbl WATER gal/sk 8.0 CEMENT LEFT in CASING 0'
 DISPLACEMENT 24.0 bbl DISPLACEMENT PSI 700 MAX PSI 1200 Bump Plug RATE _____

REMARKS: Safety meeting: Rig up to 4 1/2 casing. Break Circulation w/ 3x bbl fresh water. Pump 4 sks Gel Flush, 5 bbl water spacer, 10 bbl Metasilicate Pre Flush 16 bbl Dye water. Mixed 155 sks Thickset cement w/ 10# Kol-seal pr/sk @ 13.2# per/gal, yield 1.25. Wash out pump + lines. Shut down. Release plug. Displace w/ 24.0 bbl Fresh water. Final pumping pressure 700 psi. Bump plug to 1200 PSI, wait 2 minutes. Release pressure float held. Good cement return to surface = 9 bbl Slurry. Job Complete. Rig down.

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ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	800.00	800.00
5406	40	MILEAGE	3.15	126.00
1126 A	155 SKS	Thick SET Cement	13.65	2115.25
1110 A	31 SKS	Kol-seal 10# pr/sk	17.75	550.25
1118A	4 SKS	Gel flush	7.00	28.00
1111A	50#	METASILICATE PRE FLUSH	1.65#	82.50
5407A	8.52 Tons	40 MILES BULK TRUCK	1.05	357.84
5501C	4 HES	Water Transport	98.00	392.00
1123	5000 gals	CITY WATER	12.80	64.00
4404	1	4 1/2 Top Rubber Plug	40.00	40.00
			Subtotal	4556.34
Thank You			5.3%	SALES TAX
				ESTIMATED TO TOTAL
				4708.99

203646

Layne Energy, Inc.

1900 Shawnee Mission Parkway, Mission Woods, Kansas 66205 Phone: (913) 748-3987 Fax: (913) 748-3970

June 21, 2006

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CONSERVATION DIVISION
WICHITA, KS

Kansas Corporation Commission
Oil & Gas Conservation Division
130 S. Market, Room 2078
Wichita, KS 67202

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Re: Well Completion Forms

To Whom It May Concern:

I have enclosed the amended ACO-1 forms and associated data for the following wells:

API # 15-125-30959
Chism 13-14

We respectfully request that all information submitted be kept confidential and per provision E-4 of K.A. R. 82-3-107, we request that the term of the confidentiality be extended by one year.

If you need additional information or have any questions or comments, please contact me at (913) 748-3987.

Best regards,



Brooke Maxfield
Agent

Enclosures

Cc Well File
Field Office

