

CONFIDENTIAL

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

ORIGINAL

Operator: License # 33365
Name: Layne Energy Operating, LLC
Address: 1900 Shawnee Mission Parkway
City/State/Zip: Mission Woods, KS 66205

KCC

JAN 16 2006

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Purchaser: _____
Operator Contact Person: M. B. Natrass

Phone: (913) 748-3987

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Contractor: Name: MOKAT Drilling

KANSAS CORPORATION COMMISSION

License: 5831

JAN 18 2006

Wellsite Geologist: _____

Designate Type of Completion:

CONSERVATION DIVISION
WICHITA, KS

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. _____

9/27/2005 9/28/2005
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-30852-00-00

County: Montgomery

N/2 - SW - NW - Sec. 33 Twp. 33 S. R. 16 East West

1600 feet from S / (circle one) Line of Section

750 feet from E / (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE SE NW SW

Lease Name: Stair Well #: 5-33

Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals

Elevation: Ground: 815 Kelly Bushing: _____

Total Depth: 1247 Plug Back Total Depth: 1230

Amount of Surface Pipe Set and Cemented at 42' Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set _____ Feet

If Alternate II completion, cement circulated from 1237

feet depth to Surface w/ 130 sx cmt.

Drilling Fluid Management Plan Act II w/ Hm
(Data must be collected from the Reserve Pit) 1-16-08

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: MRB Natrass

Title: Agent Date: 1/16/06

Subscribed and sworn to before me this 16 day of January

20 06

Notary Public: Brooke C. Maxfield

Date Commission Expires: 12/28/09

KCC Office Use ONLY

YES 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

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CONSERVATION DIVISION
WICHITA, KS

GEOLOGIC REPORT

LAYNE ENERGY

Stair 5-33

SW¹/₄, NW ¹/₄, 1,600' FNL, 750' FWL

Section 33-T33S-R16E

MONTGOMERY COUNTY, KANSAS

Drilled: September 27-28, 2005

Logged: September 29, 2005

A.P.I.# 15-125-30852

Ground Elevation: 815'

Depth Driller: 1,247'

Depth Logger: 1,242'

Surface Casing: 8 ⁵/₈" @ 42'

Production Casing: 4 ¹/₂" @ 1,237'

Cemented Job: Consolidated

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

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

Kansas City Group.....Surface (Nellie Bly Formation)

Lenapah Lime313

Altamont Lime.....368

Pawnee Lime522

Anna Shale.....547

Peru Sandstone.....570

First Oswego Lime633

Little Osage Shale.....669

Excello Shale701

Iron Post Coal728

Bevier Coal740

"V" Shale.....754

Croweburg Coal.....756

Mineral Coal804

Weir Pitt Coal883

Bluejacket Coal.....944

AW Coal1,077

BW Coal1,089

Riverton Coal.....1,135

Mississippian1,159

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Side Two

ORIGINAL

Operator Name: Layne Energy Operating, LLC Lease Name: Stair Well #: 5-33
Sec. 33 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 (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
Log Formation (Top), Depth and Datum
Sample
Name Top Datum
Pawnee Lime 522 GL 293
Excello Shale 701 GL 114
V Shale 754 GL 61
Mineral Coal 804 GL 11
Mississippian 1159 GL -344

CASING RECORD
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
SI-Waiting on Completion
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TUBING RECORD
Size Set At Packer At Liner Run
Yes No

Date of First, Resumerd Production, SWD or Enhr.
Producing Method
SI - Waiting on 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 (If vented, Submit ACO-18.)
Open Hole Perf. Dually Comp. Commingled
Other (Specify)

INSOLIDATED OIL WELL SERVICES, INC.
 P.O. BOX 884, CHANUTE, KS 66720
 1-431-9210 OR 800-467-8676

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TICKET NUMBER 07643
 LOCATION Eureka
 FOREMAN Brad Butler

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
2-27-05	4158	Stair 5-33				Montgomery
CUSTOMER Layne Energy			Gus Jones			
BILLING ADDRESS P.O. Box 160						
STATE Ks.		ZIP CODE				
Sycamore						

TRUCK #	DRIVER	TRUCK #	DRIVER
446	Scott		
442	Larry		
436	Jason		

TYPE Long Term HOLE SIZE 6 7/8" HOLE DEPTH 1242' CASING SIZE & WEIGHT 4 1/2" - 10.5 lb.
 Casing Depth 1237' DRILL PIPE PBTD 1230' OTHER _____
 MURRY WEIGHT 13.2 SLURRY VOL 41 Bbl. WATER gal/sk 8.0 CEMENT LEFT in CASING 7'
 PLACEMENT 19 1/2 Bbls DISPLACEMENT PSI 600 ~~1000~~ Loaded Plug RATE 4 BPM - 2 BPM
 MARKS Safety Meeting - Rig up to 4 1/2" casing, Break circulation with 25 Bbls water
mixed 10 Bbl Gel Flush, 20 Bbl water spacer, 10 Bbl Metasilicate, 10 Bbl Dye water,
Mixed 130 SKs Thick Set cement w/ 10" P-Steel KDI-SEAL at 13-2 1/2 P-4 1/2 in.
Shut down - washout pump & lines - Release Plug - Displace Plug with 19 1/2 Bbls water
Final pumping at 600 PSI - Bumped Plug to 1000 PSI - wait 2 minutes - Release Pressure
Float Held - close casing in with OAST
Good cement returns to surface with 9 Bbls slurry
Job complete - Teardown

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 JAN 18 2006

"Thank you"

CONSERVATION DIVISION
 WICHITA, KS

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	765.00	765.00
5406	25	MILEAGE	3.00	75.00
126A	130 SKS	Thick Set cement	13.00	1690.00
110A	26 SKS	KDI-SEAL 10" P-4 1/2	16.90	439.40
111A	50 lbs	Metasilicate - Preflush	1.55 lb.	77.50
118A	4 SKS	Gel Flush	6.63	26.52
307A	7.15 Ton	25 miles - Bulk Trucks	1.00	178.75
502C	4 Hrs	80 Bbl. VAC. Truck	87.00	348.00
5605A	4 Hrs	Welder	75.00	300.00
6311	1	4 1/2" Weldon Collar	48.00	48.00
1404	1	4 1/2" Top Rubber Plug	38.00	38.00
			5.3%	SALES TAX
				ESTIMATED TOTAL
				122.93
				4109.10

AUTHORIZATION Called by John Ed

Signature: Agar

TITLE

DATE