

CONFIDENTIAL ORIGINAL

RECEIVED KANSAS CORPORATION COMMISSION

4/20/08

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

JAN 10 2007

Form ACO-1 September 1999

WELL COMPLETION FORM WELL HISTORY - DESCRIPTION OF WELL & LEASE

CONSERVATION DIVISION WICHITA, KS

Form Must Be Typed AMENDED

Operator: License # 33365 Name: Layne Energy Operating, LLC Address: 1900 Shawnee Mission Pkwy City/State/Zip: Mission Woods, KS 66205 Purchaser: APR 20 2007 Operator Contact Person: M. B. Natrass Phone: (913) 748-3987 Contractor: Name: Thornton Air Rotary License: 33606

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Wellsite Geologist: Designate Type of Completion: [X] New Well [ ] Re-Entry [ ] Workover [ ] Oil [ ] SWD [ ] SLOW [ ] Temp. Abd. [X] 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.

12/27/2005 12/28/2005 9/25/2006 12/30/05 Spud Date or Recompletion Date Date Reached TD Completion Date or Recompletion Date

API No. 15 - 205-26262 - 00-00 County: Wilson NE SW NE NW Sec. 19 Twp. 30 S. R. 16 [X] East [ ] West 882 feet from S / (N) (circle one) Line of Section 1800 feet from E / (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner: (circle one) NE SE NW SW Lease Name: Bailey B&B Well #: 3-19 Field Name: Neodesha Producing Formation: Cherokee Coals Elevation: Ground: 799' Kelly Bushing: Total Depth: 962' Plug Back Total Depth: 886' Amount of Surface Pipe Set and Cemented at 21.5' Feet Multiple Stage Cementing Collar Used? [ ] Yes [X] No If yes, show depth set Feet If Alternate II completion, cement circulated from 896' feet depth to Surface w/ 105 sx cmt.

Drilling Fluid Management Plan Alt 2 NH 6-20 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: 1/19/07 Subscribed and sworn to before me this 9 day of January 20 07 Notary Public: Brooke C. Maxfield Date Commission Expires: 12/28/09

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

KCC Office Use ONLY [X] Letter of Confidentiality Attached If Denied, Yes [ ] Date: [ ] Wireline Log Received [ ] Geologist Report Received [ ] UIC Distribution

Operator Name: Layne Energy Operating, LLC Lease Name: Bailey B&B Well #: 3-19  
 Sec. 19 Twp. 30 S. R. 16  East  West County: Wilson **CONFIDENTIAL**

**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	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  <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>576 GL</td> <td>223</td> </tr> <tr> <td>Excello Shale</td> <td>685 GL</td> <td>114</td> </tr> <tr> <td>V Shale</td> <td>752 GL</td> <td>47</td> </tr> <tr> <td>Mineral Coal</td> <td>790 GL</td> <td>9</td> </tr> </table>	Name	Top	Datum	Pawnee Lime	576 GL	223	Excello Shale	685 GL	114	V Shale	752 GL	47	Mineral Coal	790 GL	9
Name	Top	Datum														
Pawnee Lime	576 GL	223														
Excello Shale	685 GL	114														
V Shale	752 GL	47														
Mineral Coal	790 GL	9														

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	896'	Thick Set	105	

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	<b>RECEIVED</b> <b>KANSAS CORPORATION COMMISSION</b> <b>JAN 10 2007</b> <b>CONSERVATION DIVISION</b> <b>WICHITA, KS</b>	

TUBING RECORD	Size <u>2 3/8"</u>	Set At <u>857'</u>	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. <u>11/10/2006</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>33</u>	Water Bbls. <u>104</u>	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: Bailey B&B 3-19  
Sec. 19 Twp. 30S Rng. 16E, Wilson County  
API: 15-205-26262

Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
4	752.5-755, 732.5-734	Croweburg, Bevier - 7000# 20/40 sand, 422 bbls wtr, 650 gal 15% HCl acid	732.5-755
4	685-690.5, 670-675, 570.5-571.5	Mulky, Summit, Mulberry - 1170# 20/40 sand, 645 bbls wtr, 1200 gal 15% HCl wtr	570.5-690.5

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*Layne Energy, Inc.*

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

January 9, 2007

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KANSAS CORPORATION COMMISSION

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CONSERVATION DIVISION  
WICHITA, KS

KCC

APR 20 2007

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

Re: Well Completion Forms

To Whom It May Concern:

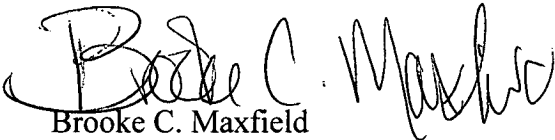
I have enclosed the amended ACO-1 forms and associated data for the following well:

API # 15-205-26262  
Bailey B&B 3-19

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 C. Maxfield

Enclosures

Cc Well File  
Field Office

