

NOV 15 2004

Form ACO-1
September 1999
Form Must Be Typed

ORIGINAL
KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM

CONSERVATION DIVISION
WICHITA, KS

WELL HISTORY - DESCRIPTION OF WELL & LEASE

CONFIDENTIAL

Operator: License # 33365
Name: Layne Energy Operating, LLC
Address: 1900 Shawnee Mission Parkway
City/State/Zip: Mission Woods, KS 66205
Purchaser:
Operator Contact Person: Victor H. Dyal
Phone: (913) 748-3987
Contractor: Name: MOKAT Drilling
License: 5831

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.

July 16, 2004 July 19, 2004 August 30, 2004
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-30584 - 00 - 00
County: Montgomery
S/2 SW NE Sec. 31 Twp. 31 S. R. 15 East West
2305 feet from S / (N) (circle one) Line of Section
~~2040~~ 2070 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) (NE) SE NW SW
Lease Name: Couch Well #: 7-31

Field Name: Jefferson-Sycamore
Producing Formation: Cherokee Coals

Elevation: Ground: 804 Kelly Bushing:
Total Depth: 1346 Plug Back Total Depth: 1338

Amount of Surface Pipe Set and Cemented at 20 Feet
Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set Feet
If Alternate II completion, cement circulated from 1343
feet depth to Surface w/ 175 sx cmt.

Drilling Fluid Management Plan *Alt II KGR 2/22/08*
(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: *Victor H. Dyal*

Title: Agent Date: Nov 10, 04

Subscribed and sworn to before me this 10th day of November

20 04

Notary Public: *Margaret Allen*

Date Commission Expires:



KCC Office Use ONLY

- Letter of Confidentiality Attached
- If Denied, Yes Date: _____
- Wireline Log Received
- Geologist Report Received
- UIC Distribution

Side Two

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Operator Name: Layne Energy Operating, LLC. Lease Name: Couch CONSERVATION DIVISION Well #: 7-31
 Sec. 31 Twp. 31 S. R. 15 East West County: Montgomery
 WICHITA, KS

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 <i>(Attach Additional Sheets)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Name	Top Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Pawnee Lime	744 GL 60
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	896 GL -92
List All E. Logs Run:		V Shale	944 GL -140
Compensated Density Neutron		Mineral Coal	987 GL -183
Dual Induction		Mississippian	1250 GL -446

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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	# Saccs Used	Type and Percent Additives
Surface	11	8.65	24	20	Class A	4	Type 1 cement
Casing	7 7/8	5.5	15.5	1343	Thick Set	175	

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		

TUBING RECORD		Size	Set At	Packer At	Liner Run	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
		2 3/8	1231			
Date of First, Resumerd Production, SWD or Enhr.			Producing Method			
September 3, 2004			<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	
		3.7	25			

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) _____

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CONSERVATION DIVISION
WICHITA, KS

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Couch 7-31		
	Sec. 31 Twp. 31S Rng. 15E, Montgomery County		
API:	15-125-30584		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
4	1465.5-1467, 1426.5-1429	Riverton, Rowe: 700G 15% HCL Acid, 418bbls 1% KCL Water, 3150# 20/40 Sand, Balls	1426.5-1467
4	1298-1302, 1222-1223, 1210-1211.5, 1168.5-1170	Sycamore Shale, Scammon A, Tebo, Mineral, & Croweburg: 1200G 15% HCL Acid, 570 bbls 1% KCL Water, 4568# 20/40 Sand, Balls	1168.5-1302
4	1144-1146, 1118-1123, 1094-1097, 966-967	Bevier, Mulky, Summit, Mulberry: 1755G 15% HCL Acid, 646 bbls 1% KCL Water, 5671# 20/40 Sand, Balls	966-1146

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WICHITA, KS

GEOLOGIC REPORT

LAYNE ENERGY

Couch 7-31

SW ¼, NE ¼, 2,342' FNL, 2,121' FEL

Section 31-T31S-R15E

MONTGOMERY COUNTY, KANSAS

Drilled: July 16-19, 2004

Logged: July 20, 2004

A.P.I.# 15-125-30584

Ground Elevation: 804'

Depth Driller: 1,346'

Depth Logger: 1,350'

Surface Casing: 8 5/8" @ 20'

Production Casing: 5 1/2" @ 1,343'

Cemented Job: Consolidated

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

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

Lansing Group.....Surface (Vilas Shale)

Lenapah Lime.....555

Altamont Lime.....602

Weiser Sand.....656

Mulberry Coal.....740

Pawnee Lime.....744

Anna Shale.....767

Peru Sandstone.....789

First Oswego Lime.....835

Little Osage Shale.....870

Excello Shale.....896

Mulky Coal.....899

Iron Post Coal.....921

"V" Shale.....944

Croweburg Coal.....945

Mineral Coal.....987

Skinner Sand.....1,012

Tebo Coal.....1,036

Bluejacket Coal.....1,089

AW Coal.....1,196

Riverton Coal.....1,238

Mississippian.....1,250

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

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TIC T NUMBER 1392
LOCATION Eureka
FOREMAN Brad Butler

CONSERVATION DIVISION
WICHITA, KS

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
7-20-04	4758	Couch 7-31				Montgomery
CUSTOMER Layne Energy Mailing Address P.O. Box 160 City Sycamore			TRUCK # DRIVER TRUCK # DRIVER			
STATE KS			446 Rick			
ZIP CODE			440 Alan			
			436 Ed			

JOB TYPE Logging HOLE SIZE 7 7/8" HOLE DEPTH 1346' CASING SIZE & WEIGHT 5 1/2" 25.5 lb.
 CASING DEPTH 1343' DRILL PIPE PBTD 1338' OTHER _____
 SLURRY WEIGHT 132 SLURRY VOL 4 WATER gal/sk _____ CEMENT LEFT in CASING 5'
 DISPLACEMENT 31 3/4 Bbls DISPLACEMENT PSI 500 MIX PSI _____ RATE 3 BPM

REMARKS: Safety Meeting: Rig up in 5 1/2" casing, break circulation with fresh water, wash casing to bottom. Circulate hole clean. Pumped 5 Bbl. Metasilicate Preflush followed with 20 Bbls. Dry water Mixed 175 SKS Thick Set Cement w/ 10" P⁴/SK of KOL-SEAL at 13 1/2 lbs P⁴/GAL. Shut down washout pump + lines - Release Plug - Displace Plug with 31 3/4 Bbls water. Final pumping at 500 PSI - Pumped Plug to 1000 PSI - wait 2 min. Release Pressure - Float Held close casing in with 0 PSI - Good cement returns to surface w/ 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	710.00	710.00
	0	MILEAGE		N/C
1126 A	175 SKS	Thick Set Cement	11.85	2073.75
1110 A	35 SKS	KOL-SEAL 10" P ⁴ /SK	15.75	551.25
1111 A	50 lbs.	Metasilicate Preflush	1.40 lb.	70.00
5502 C	5 Hrs.	80 Bbl. VAC Truck	78.00	390.00
5605 A	4 Hr.	Welder	70.00	280.00
4312	1	5 1/2" Weld on Collar	50.00	50.00
4406	1	5 1/2" Top Rubber Plug	40.00	40.00
5407 A	9.63 Ton	25 miles	.85	204.64
SALES TAX				147.60
ESTIMATED TOTAL				4517.24

