

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

ORIGINAL

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: _____
License: 5675
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. _____

<u>8/19/2005</u>	<u>8/22/2005</u>	<u>9/1/2005</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-30829-00-00
County: Montgomery
SE NE NW SE Sec. 34 Twp. 31 S. R. 16 East West
2044 feet from N (circle one) Line of Section
1487 feet from W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Eastep Well #: 10-34
Field Name: Jefferson-Sycamore
Producing Formation: Cherokee Coals
Elevation: Ground: 905' Kelly Bushing: _____
Total Depth: 1287' Plug Back Total Depth: 1270'
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 1281
feet depth to Surface w/ 145 sx cmt.

Drilling Fluid Management Plan A4 II N# 6-18-08
(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. DEC 05 2005
Quarter _____ Sec. _____ Twp. _____ S. R. East West
County: _____ Docket No.: WICHITA, KS

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

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: December 2, 2005
Subscribed and sworn to before me this 2nd day of December,
20 05.
Notary Public: MA
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

MARGARET ALLEN
Notary Public - State of Kansas
My Appt. Expires 10/14/2008

CONFIDENTIAL

Side Two

ORIGINAL

Operator Name: Layne Energy Operating, LLC Lease Name: Eastep Well #: 10-34
Sec. 34 Twp. 31 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
[X] Log Formation (Top), Depth and Datum [] Sample
Name Top Datum
Pawnee Lime 610 GL 295
Excello Shale 760 GL 145
V Shale 812 GL 93
Mineral Coal 856 GL 49
Mississippian 1190 GL -285

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, # Sacjs 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
RECEIVED
KANSAS CORPORATION COMMISSION
DEC 05 2005
CONSERVATION DIVISION
WICHITA, KS

TUBING RECORD
Size Set At Packer At Liner Run [] Yes [X] No
2 3/8" 1190'

Date of First, Resumerd Production, SWD or Enhr. 10/25/2005
Producing Method [] Flowing [X] Pumping [] Gas Lift [] Other (Explain)

Estimated Production Per 24 Hours
Oil Bbls. 0 Gas Mcf 0 Water Bbls. 75 Gas-Oil Ratio Gravity

Disposition of Gas METHOD OF COMPLETION Production Interval
[] Vented [X] Sold [] Used on Lease [] Open Hole [X] Perf. [] Dually Comp. [X] Commingled
[] Other (Specify)

CONFIDENTIAL

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Eastep 10-34		
	Sec. 34 Twp. 31S Rng. 16E, Montgomery County		
API:	15-125-30829		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
4	1163-1166, 1106-1107.5, 989-990.5, 856-857	Riverton, Rowe, Bluejacket, Mineral - 5,000# 20/40 sand, 1,500 gal 15% HCl acid, 480 bbls wtr	856-1166
4	813-815.5, 789-790.5, 760-765.5, 734.5-738.5	Croweberg, Ironpost, Mulkey, Summit - 6,500# 20/40 sand, 2,400 gal 15% HCl acid, 556 bbls wtr	734.5-815.5

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

GEOLOGIC REPORT

RECEIVED
KANSAS CORPORATION COMMISSION
DEC 05 2005

CONFIDENTIAL

LAYNE ENERGY
Eastep 10-34
NW ¼, SE ¼, 2,044' FSL, 1,487' FEL
Section 34-T31S-R16E
MONTGOMERY COUNTY, KANSAS

CONSERVATION DIVISION
WICHITA, KS

Drilled: August 19-22, 2005
Logged: August 23, 2005
A.P.I.# 15-125-30829
Ground Elevation: 905'
Depth Driller: 1,287'
Depth Logger: 1,288'
Surface Casing: 8 5/8" @ 20'
Production Casing: 4 1/2" @ 1,287'
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 (Cottage Grove Sandstone)
Lenapah Lime	410
Altamont Lime.....	453
Weiser Sand	504
Pawnee Lime	610
Anna Shale.....	635
First Oswego Lime	698
Little Osage Shale.....	735
Excello Shale	760
Mulky Coal	765
Iron Post Coal	789
"V" Shale	812
Croweburg Coal.....	815
Mineral Coal	856
Bluejacket Coal.....	989
AW Coal	1,106
Riverton Coal.....	1,163
Mississippian	1,190

CONFIDENTIAL

RECEIVED
KANSAS CORPORATION COMMISSION

DEC 05 2005

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

CONSERVATION DIVISION TICKET NUMBER 5233
WICHITA, KS LOCATION Europe
FOREMAN Troy Strickler

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
8-23-05	4758	Estep 10-34				MG
CUSTOMER			TRUCK # DRIVER TRUCK # DRIVER			
Layne Energy			463 Alan			
MAILING ADDRESS			440 Calin			
P.O. Box 160						
CITY		STATE	ZIP CODE			
Sycamore		Ks				

JOB TYPE Logstring HOLE SIZE 6 3/4 HOLE DEPTH 1287' CASING SIZE & WEIGHT 4.5" 125"
 CASING DEPTH 1287' DRILL PIPE _____ TUBING _____ OTHER PSTD 1270'
 SLURRY WEIGHT 13.2" SLURRY VOL 46.8bl WATER gal/sk 8" CEMENT LEFT in CASING 11'
 DISPLACEMENT 20.2 Bl DISPLACEMENT PSI 600 PSI Bump Plug 1100 PSI RATE

REMARKS: Safety Meeting: Rig up to 4 1/2" casing. Break circulation w/ 30 RBH Fresh
Water. Pump 10RBH Gel - Flush. 10RBH spacer, 10RBH Metasilicate Flush, 10bl
Dye water. Mixed 145 sks Thickset Cement w/ 10" Kal-Seal @ 13.2" P/Sk.
Wash out Pump and lines. Shut down. Release Plug. Displace w/ 20.2 RBH
Water. Final Pump Pressure 600 PSI. Bump Plug to 1100 PSI. Wait 2 min
Release Pressure. Float held. Good Cement Returns to surface = 8 RBH
Slurry to Pit. Job Complete. Rig down.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	765.00	765.00
5406	25	MILEAGE	2.50	62.50
1126 A	145 sks	Thickset Cement	13.00	1885.00
1110 A	29 sks	Kal-Seal 10" P/Sk	16.90	490.10
1111 A	50 "	Metasilicate - Pre flush	1.55	77.50
1118 A	4 sks	Gel - Flush	6.63	26.52
5407 A	7.97 Tons	25 miles Top Mileage Bulk Truck	.92	183.31
5605 A	4 hr	Welder	75.00	300.00
4404	1	4 1/2" Top Rubber Plug	38.00	38.00

CONFIDENTIAL

MORNING COMPLETION REPORT

Report Called in by: JES

Report taken by: KRD

LEASE NAME & #	APE#	DATE	DAYS	CIBP	PBD
<u>Eastep #10-34</u>		<u>8/22/2005</u>	<u>1</u>	DEPTH	TYPE FLUID
				TYPE	WT
PRESENT OPERATION: <u>DRILL OUT FROM UNDER SURFACE</u>					
DEEPEST CASING	LINERS OD TOP & SHOE DEPTH	REPAIR DOWN TIME HRS	CONTRACTOR	MOKAT	
OD SHOE DEPTH	<u>8 5/8" 24# J-55 -- Set 20'</u>	TEST PERFS	RIG NO	<u>BILLY</u>	
PACKER OR ANCHOR	FISHING TOOLS OD ID	TO	SQUEEZED OR PLUG BACK PERFS		
		TO	TO		
		TO	TO		
		TO	TO		
		TO	TO		
HRB	BRIEF DESCRIPTION OF OPERATION				
	<u>MIRU MOKAT DRILLING, DRILLED 11" HOLE, 20' DEEP, RIH W/ 1 JT 8 5/8" SURFACE CASING,</u>				
	<u>MIXED 4 SXS TYPE 1 CEMENT, DUMPED DN THE BACKSIDE. SOFN.</u>				

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

DAILY COST ANALYSIS

RIG	
SUPERVISION	200
RENTALS	
SERVICES	400
MISC	2280
DAILY TOTALS	<u>2880</u>

DETAILS OF RENTALS, SERVICES, & MISC	
MOKAT DRILLING @ 6.50/ft	
MOKAT (CEMENT)	80
DIRTWORKS (LOC, RD, PIT)	400
SURFACE CASING	200
LAND/ LEGAL	2000

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