

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

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 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>12/19/2005</u>	<u>12/20/2005</u>	<u>1/24/2006</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-30909-00-00
County: Montgomery
E/2 SE NE Sec. 27 Twp. 31 S. R. 16 East West
1890 feet from S / (circle one) Line of Section
367 feet from (circle one) W Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: King Well #: 8-27
Field Name: Neodesha

Producing Formation: Cherokee Coals
Elevation: Ground: 808' Kelly Bushing: _____
Total Depth: 1134' Plug Back Total Depth: 1123'
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 1130'
feet depth to Surface w/ 130 sx cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit) AIH/MH 6-5-08
Chloride content N/A ppm Fluid volume _____ bbls
Dewatering method used N/A - Air Drilled
Location of fluid disposal if hauled offsite: **RECEIVED**
KANSAS CORPORATION COMMISSION
Operator Name: _____ **APR 17 2006**
Lease Name: _____ License No.: _____
Quarter _____ Sec. _____ Twp. _____ S. R. **CONSERVATION DIVISION**
WICHITA, KS
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: 4/14/06
Subscribed and sworn to before me this 14th day of April,
2006.
Notary Public: Robert C. Maxwell

KCC Office Use ONLY
 Letter of Confidentiality Attached
If Denied, Yes Date: _____ **KCC**
 Wireline Log Received **APR 17 '06**
 Geologist Report Received
 UIC Distribution
CONFIDENTIAL

APR 17 2006

Operator Name: Layne Energy Operating, LLC Lease Name: King CONFIDENTIAL Well #: 8-27

Sec. 27 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 (Attach Additional Sheets)

Samples Sent to Geological Survey [] Yes [X] No

Cores Taken [] Yes [X] No

Electric Log Run [X] Yes [] No (Submit Copy)

List All E. Logs Run:

Compensated Density Neutron Dual Induction

[X] Log Formation (Top), Depth and Datum [] Sample

Table with 3 columns: Name, Top, Datum. Rows include Pawnee Lime (493 GL, 315), Excello Shale (645 GL, 163), V Shale (696 GL, 112), Mineral Coal (740 GL, 68), Mississippian (1040 GL, -232).

CASING RECORD [X] New [] Used

Report all strings set-conductor, surface, intermediate, production, etc.

Table with 8 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. Rows for Surface and Casing.

ADDITIONAL CEMENTING / SQUEEZE RECORD

Table with 5 columns: Purpose, Depth Top Bottom, Type of Cement, #Sacks Used, Type and Percent Additives. Includes checkboxes for Perforate, Protect Casing, Plug Back TD, Plug Off Zone.

Table with 3 columns: 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. Includes 'See Attached' and a 'RECEIVED' stamp from the Kansas Corporation Commission dated APR 17 2006.

TUBING RECORD table with columns: Size (2 3/8"), Set At (1022'), Packer At, Liner Run [] Yes [X] No.

Table with Date of First, Resumerd Production, SWD or Enhr. (3/3/2006) and Producing Method [] Flowing [X] Pumping [] Gas Lift [] Other (Explain).

Table with Estimated Production Per 24 Hours: Oil Bbls. (0), Gas Mcf (3), Water Bbls. (62), Gas-Oil Ratio, Gravity.

Disposition of Gas [] Vented [X] Sold [] Used on Lease (If vented, Submit ACO-1B.) METHOD OF COMPLETION [] Open Hole [X] Perf. [] Dually Comp. [X] Commingled [] Other (Specify) Production Interval

KCC

APR 17 2006

Operator Name:	Layne Energy Operating, LLC.	CONFIDENTIAL	
Lease Name:	King 8-27		
	Sec. 27 Twp. 31S Rng. 16E, Montgomery County		
API:	15-125-30909		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
4	971.5-973, 854.5-856, 754-755, 739.5-740.5	Rowe, Weir, Scammon A, Mineral-4825# 20/40 sand, 1600 gal 15% HCl, 444 bbls wtr	739.5-973
4	697.5-700, 674-676, 644.5-651.5, 620.5-623.5	Croweberg, Ironpost, Mulky, Summit-6700# 20/40 sand, 2400 gal 15% HCl, 545 bbls wtr	620.5-700

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KANSAS CORPORATION COMMISSION
APR 17 2006
CONSERVATION DIVISION
WICHITA, KS

CONSOLIDATED OIL WELL SERVICES,
P.O. BOX 984, CHANUTE, KS 66720
620-431-9210 OR 800-467-8676

KCC

APR 17 2006

TICKET NUMBER 08007
LOCATION Eureka
FOREMAN Tony Stricker

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
12 21 05	1459	King 8-27				MG
CUSTOMER Layne Energy			Gus Jones R37			
MAILING ADDRESS PO Box 160			TRUCK #	DRIVER	TRUCK #	DRIVER
CITY Sycamore			4163	Alan		
STATE KS	ZIP CODE		441	Calin		
			434	Jim		

JOB TYPE Logging HOLE SIZE 6 3/4 HOLE DEPTH 1134' CASING SIZE & WEIGHT 4 1/2" 10.5"
CASING DEPTH 1130' DRILL PIPE _____ TUBING _____ OTHER _____
SLURRY WEIGHT 13.2 SLURRY VOL 40.5 Bbl WATER gal/sk 3" CEMENT LEFT in CASING 0'
DISPLACEMENT 13 Bbl DISPLACEMENT PSI 500 MIX PSI 1000 Bump Plug RATE _____

REMARKS: Safety Meeting. Rig up to 4 1/2" casing. Break circulation w/ 20 Bbl Fresh water Pump. 10 Bbl Gel Flush. 1sk Metasilicate Pre-Flush. 30 Bbl Dye Water. Mixed 130 sks Thick Set Cement w/ 10" Kol-Seal 1 1/2" sk @ 132" PWS. Wash out Pump + lines. Shut Down. Released Plug. Displaced w/ 13 Bbl Fresh Water. Final Pump Pressure 500 PSI. Pump Plug to 1000 PSI. Wait 2 mins Released Pressure. Float Held. Good Cement to Surface = 7 Bbl Slurry to Pit.

Job Complete.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	800.00	800.00
5406	0 in arm	MILEAGE	3.15	0
1126A	130 sks	Thick Set Cement	13.65	1774.50
1110A	26 sks	Kol-Seal 10" PWS	17.75	461.50
1118A	4 sks	Gel-Flush	7.00	28.00
1111A	50"	Metasilicate Pre-Flush	1.65	82.50
5407A	7.15 tons	Ton-Mileage Bulk Truck 40m lbs	1.05	300.30
5502C	4 hrs	80 Bbl Vac Truck	90.00	360.00
1123	3000 gal	City Water	12.80	3840
5605A	4 hrs	Welder	78.00	312.00
44104	1	4 1/2 Top Rubber Plug	40.00	40.00
			Sub Total	4197.20
		Thank You!	SALES TAX	128.52
		301635	ESTIMATED TOTAL	4325.72

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KANSAS CORPORATION COMMISSION
APR 17 2006
CONSOLIDATION DIVISION
WICHITA, KS

AUTHORIZATION Called by John Ed. TITLE _____ DATE _____

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APR 17 2006

CONFIDENTIAL

GEOLOGIC REPORT

LAYNE ENERGY

King 8-27

SE 1/4, NE 1/4, 1,890' FNL, 367' FEL

Section 27-T31S-R16E

MONTGOMERY COUNTY, KANSAS

RECEIVED
KANSAS CORPORATION COMMISSION

APR 17 2006

CONSERVATION DIVISION
WICHITA, KS

Drilled: December 19-20, 2005

Logged: December 21, 2005

A.P.I.# 15-125-30909

Ground Elevation: 808'

Depth Driller: 1,136'

Depth Logger: 1,135'

Surface Casing: 8 5/8" @ 40'

Production Casing: 4 1/2" @ 1,128.9'

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 Lime 303

Altamont Lime 344

Weiser Sand 394

Pawnee Lime 493

Anna Shale 518

First Oswego Lime 583

Little Osage Shale 621

Excello Shale 645

Mulky Coal 650

Iron Post Coal 674

"V" Shale 696

Croweburg Coal 699

Mineral Coal 740

Scammon Coal 754

Tebo Coal 803

Weir Pitt Coal 855

AW Coal 972

Riverton Coal 1,024

Mississippian 1,040