

MAR 23 2006

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

CONSERVATION DIVISION
WICHITA, KS

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
Purchaser: _____
Operator Contact Person: M. B. Natrass
Phone: (913) 748-3987
Contractor: Name: MOKAT Drilling
License: 5831

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>11/28/2005</u>	<u>11/30/2005</u>	<u>1/9/2006</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-30900 0000
County: Montgomery
C SW NE Sec. 10 Twp. 31 S. R. 14 East West
2000 feet from S / N (circle one) Line of Section
2000 feet from E W (circle one) Line of Section

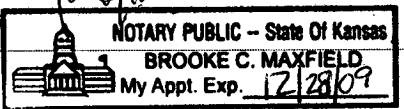
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Ratzlaff Well #: 7-10
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 900' Kelly Bushing: _____
Total Depth: 1488' Plug Back Total Depth: 1478'
Amount of Surface Pipe 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 1488'
feet depth to Surface w/ 150 sx cmt.

Drilling Fluid Management Plan AH. II SB
(Data must be collected from the Reserve Pit) 5-5-08
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: MB Natrass
Title: Agent Date: 3/22/06
Subscribed and sworn to before me this 22 day of March
Brooke C. Maxfield
Notary Public: _____
Date Commission Expires: 12/28/09



KCC Office Use ONLY
 Letter of Confidentiality Attached
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
CONFIDENTIAL
MAR 22 2006
KCC

Operator Name: Layne Energy Operating, LLC Lease Name: Ratzlaff Well #: 7-10
 Sec. 10 Twp. 31 S. R. 14 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 <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	898 GL	2
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	1025 GL	-125
List All E. Logs Run:		V Shale	1091 GL	-191
Compensated Density Neutron		Mineral Coal	1133 GL	-233
Dual Induction		Mississippian	1389 GL	-489

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	# Sacs Used	Type and Percent Additives
Surface	11	8.65	24	20'	Class A	4	Type 1 cement
Casing	6.75	4.5	10.5	1485'	Thick Set	150	

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		
		RECEIVED KANSAS CORPORATION COMMISSION	
		MAR 23 2006	
		CONSERVATION DIVISION WICHITA, KS	

TUBING RECORD	Size	Set At	Packer At	Liner Run
	2 3/8"	1384'		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Date of First, Resumerd Production, SWD or Enhr.	Producing Method
2/3/2006	<input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other <i>(Explain)</i>

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	0	2	83		

Disposition of Gas	METHOD OF COMPLETION	Production Interval
<input type="checkbox"/> Vented <input checked="" type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	<input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input checked="" type="checkbox"/> Commingled <input type="checkbox"/> Other <i>(Specify)</i>	

CONFIDENTIAL
MAR 22 2006
KCC

CONFIDENTIAL

MAR 22 2006

KCC

RECEIVED
KANSAS CORPORATION COMMISSION

MAR 23 2006

CONSERVATION DIVISION
WICHITA, KS

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Ratzlaff 7-10		
	Sec. 10 Twp. 31S Rng. 14E, Montgomery County		
API:	15-125-30900		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
4	1339.8-1341.8, 1237.5-1239, 1207.5-1209.5	Rowe, Bluejacket, Weir - 4700# 20/40 sand, 1500 gal 15% HCl acid, 439 bbls wtr	1207.5-1341.8
4	1133-1135, 1090.5-1094.5, 1072-1076	Mineral, Croweberg, Bevier - 3800# 20/40 sand, 1500 gal 15% HCl acid, 357 bbls wtr	1072-1135

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

MAR 23 2006

TICKET NUMBER 07942
LOCATION Eureka
FOREMAN Troy Strickler

CONSERVATION DIVISION
TREATMENT REPORT & FIELD TICKET
CEMENT

CONFIDENTIAL

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
2-1-05	4758	Ratcliff 7-10			MAR 22 2006	MG
CUSTOMER		Gus Jones Rig 2		TRUCK #	DRIVER	TRUCK #
Layne Energy				463	Alan	
BILLING ADDRESS				442	Rick P.	
P.O. Box 160						
CITY	STATE	ZIP CODE				
Sycamore	Ks					

WELL TYPE Longstring HOLE SIZE 6 3/4 HOLE DEPTH 1488' CASING SIZE & WEIGHT 4 1/2" 10.5"
 Casing Depth 1485' DRILL PIPE _____ TUBING _____ OTHER PSTD 1478'
 MUD WEIGHT 13.2 SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT in CASING 7'
 PLACEMENT 23.5 Bbl DISPLACEMENT PSI 800 ~~PSI~~ 1300 Bump Plug RATE _____

REMARKS: Safety Meeting: Rig up to 4 1/2" casing. Break Circulation w/ 25 Bbl Fresh Water. Pump 4sk Gel, 1sk Metasilicate, 13 Bbl Dye Water. Mixed 50sk ThickSet Cement w/ 10" Kol-Seal @ 13.2 ppg. Wash out Pump & nes. Shut down. Release Plug. Displaced w/ 23.5 Bbl. Final Pump Pressure 100 PSI. Bump Plug to 1300 PSI. Wait 2mins. Released Pressure. Float Held. Mud Cement Returns to Surface = 6 Bbl Slurry.
Job Complete Rig down.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
401	1	PUMP CHARGE	800.00	800.00
406	40	MILEAGE	3.15	126.00
126A	150sk	ThickSet Cement	13.65	2047.50
110A	30sk	Kol-Seal 10" ppg	17.75	532.50
118A	4sk	Gel-Flush	7.00	28.00
111A	1sk 50"	Metasilicate	1.65	82.50
407A	8.25 Tons	Ton-Mileage - Bulk Truck	1.05	346.50
404	1	4 1/2" Top Rubber Plug	40.00	40.00
2605A	4hrs.	Welder	78.00	312.00
1311	1	Weld on Collar	50.00	50.00
Thank You!			Sub Total	4365.00
			5.3% SALES TAX	147.36
			ESTIMATED TOTAL	4512.36

AUTHORIZATION Called by John Ed TITLE _____ DATE _____

GEOLOGIC REPORT

LAYNE ENERGY
Ratzlaff 7-10
SW NE, 2000 FNL, 2000 FEL
Section 10-T31S-R14E
Montgomery County, KS

RECEIVED
KANSAS CORPORATION COMMISSION
MAR 23 2006
CONSERVATION DIVISION
WICHITA, KS

Spud Date: 11/28/2005
Drilling Completed: 11/30/2005
Logged: 11/30/2005
A.P.I. #: 15-125-30900
Ground Elevation: 900'
Depth Driller: 1488'
Depth Logger: 1488'
Surface Casing: 8.625 inches at 20'
Production Casing: 4.5 inches at 1488'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, High Resolution
Compensated Density/Neutron

CONFIDENTIAL
MAR 22 2006
KCC

Formation

Tops (in feet below ground level)

Lansing Group	Surface (South Bend Limestone Member)
Pawnee Limestone	898
Excello Shale	1,025
"V" Shale	1,091
Mineral Coal	1,133
Mississippian	1,389