

**ORIGINAL**

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**WELL COMPLETION FORM**  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

**CONFIDENTIAL**

Form ACO-1  
September 1999  
Form Must Be Typed

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>12/2/2005</u>	<u>12/6/2005</u>	<u>1/20/2006</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

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**APR 03 2006**

**CONSERVATION DIVISION**  
WICHITA, KS

API No. 15 - 125-30904-00-00  
 County: Montgomery  
 NW - SE - SE - Sec. 3 Twp. 31 S. R. 17  East  West  
999 feet from  N (circle one) Line of Section  
998 feet from  W (circle one) Line of Section  
 Footages Calculated from Nearest Outside Section Corner:  
 (circle one) NE SE NW SW  
 Lease Name: Tincknell Well #: 16-3  
 Field Name: Coffeyville-Cherryvale  
 Producing Formation: Cherokee Coals  
 Elevation: Ground: 877' Kelly Bushing: \_\_\_\_\_  
 Total Depth: 1084' Plug Back Total Depth: 1081'  
 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 1081'  
 feet depth to Surface w/ 110 \_\_\_\_\_ sx cmt.  
AH/NH 6-4-08

**Drilling Fluid Management Plan**  
 (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: MR Natrass  
 Title: Agent Date: 3/31/06  
 Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_,  
 20\_\_\_\_\_.  
 Notary Public: \_\_\_\_\_  
 Date Commission Expires: \_\_\_\_\_

**KCC Office Use ONLY**  
 Letter of Confidentiality Attached  
 If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received **CONFIDENTIAL**  
 UIC Distribution  
March 31 2006

**KCC**

Operator Name: Layne Energy Operating, LLC Lease Name: Tincknell Well #: 16-3  
 Sec. 3 Twp. 31 S. R. 17  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	432 GL 445
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	566 GL 311
List All E. Logs Run:		V Shale	625 GL 252
Compensated Density Neutron		Mineral Coal	728 GL 149
Dual Induction		Mississippian	967 GL -90

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	20'	Class A	4	Type 1 cement
Casing	6.75	4.5	10.5	1081'	Thick Set	110	

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				

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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>
	See Attached	

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TUBING RECORD		Size	Set At	Packer At	Liner Run	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
		2 3/8"	925'			
Date of First, Resumerd Production, SWD or Enhrr.			Producing Method			
2/24/2006			<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	
	0	71	27			

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 (Specify) _____	<b>CONFIDENTIAL</b> <b>MAR 31 2006</b>

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**MAR 31 2006**

<b>Operator Name:</b>	Layne Energy Operating, LLC.		
<b>Lease Name:</b>	Tincknell 16-3		
	Sec. 3 Twp. 31S Rng. 17E, Montgomery County	<b>KCC</b>	
<b>API:</b>	15-125-30904		
<b>Shots per Foot</b>	<b>Perforation Record</b>	<b>Acid, Fracture, Shot, Cement Squeeze Record</b>	<b>Depth</b>
4	904-906, 897-899, 791-793, 727-729, 655.5-667	Rowe, Bluejacket, Weir, Mineral - 6250# 20/40 sand, 2500 gal 15% HCl, 580 bbls wtr	655.5-906
4	626-628, 600-602, 556.5-571.5, 543.5-546.5	Croweberg, Ironpost, Mulky, Summit - 6247# 20/40 sand, 2500 gal 15% HCl, 580 bbls wtr	543.5-628

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**WICHITA, KS**

APR 03 2006

MORNING COMPLETION REPORT

Report Called in by: : JOHN ED

Report taken by: KR D

CONSERVATION DIVISION  
WICHITA, KS

LEASE NAME & #	AFE#	DATE	DAYS	CIBP	PBTD
TINCKNELL 16-3		12/2/2005	1	DEPTH	TYPE FLUID
PRESENT OPERATION:				TYPE	WT
DRILL OUT FROM UNDER SURFACE				VIS	
DEEPEST CASING OD SHOE DEPTH	LINERS OD TOP & SHOE DEPTH	REPAIR DOWN TIME HRS		CONTRACTOR	
		TEST PERFS		RIG NO	
PACKER OR ANCHOR	FISHING TOOLS	OD	ID	SQUEEZED OR PLUG BACK PERFS	
				TO	TO
				TO	TO
				TO	TO
				TO	TO
HRS	BRIEF DESCRIPTION OF OPERATION				
	MIRU MCPHERSON, DRILLED 11" HOLE, 20' DEEP, RIH W/ 1 JT 8 5/8" SURFACE CASING,				
	MIXED 4 SXS TYPE 1 CEMENT, DUMPED DN THE BACKSIDE, SDFN.				

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DAILY COST ANALYSIS

RIG	
SUPERVISION	200
RENTALS	
SERVICES	400
MISC	2280

DETAILS OF RENTALS, SERVICES, & MISC

MCPHERSON DRILLING @ 6.50/ft	
MCPHERSON (CEMENT)	80
DIRTWORKS (LOC,RD, PIT)	400
SURFACE CASING	200
LAND/ LEGAL	2000

DAILY TOTALS      2880      PREVIOUS TCTD      TCTD      2880

07988

APR 03 2006

TICKET NUMBER

LOCATION EUREKA

FOREMAN KEVIN MCCOY

UNCONSOLIDATED OIL WELL SERVICES, INC.  
P.O. BOX 884, CHANUTE, KS 66720  
20-431-9210 OR 800-467-8676

CONSERVATION DIVISION  
WICHITA, KS

**TREATMENT REPORT & FIELD TICKET  
CEMENT**

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY	
2-7-05	4758	TINKNELL 16-3				MG	
CUSTOMER <u>Layne Energy</u>		Gus Jones Rig 2		TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS <u>P.O. Box 160</u>				445	Rick L.		
CITY <u>Sycamore</u>				441	Justin		
STATE <u>Ks</u>				434	Jim		
ZIP CODE							

JOB TYPE <u>Longstring</u>	HOLE SIZE <u>6 3/4</u>	HOLE DEPTH <u>1084'</u>	CASING SIZE & WEIGHT <u>4 1/2 CASING 10.5"</u>
CASING DEPTH <u>1081'</u>	DRILL PIPE	TUBING	OTHER
CURRY WEIGHT <u>13.2 #</u>	SLURRY VOL <u>34 BBL</u>	WATER gal/sk <u>8.0</u>	CEMENT LEFT in CASING <u>0'</u>
DISPLACEMENT <u>17.2 BBL</u>	DISPLACEMENT PSI <u>500</u>	PSI <u>1000 Bump Plug</u>	RATE

REMARKS: Safety Meeting: Rig up to 4 1/2 casing. BREAK CIRCULATION w/ 25 BBL fresh water. Pump 4 sks Gel Flush, 5 BBL water spacer, 10 BBL Metasilicate Pre Flush, 8 BBL Dye water. Mixed 110 sks Thick Set Cement w/ 10" Kol-Seal per/sk @ 13.2 # per/gal, yield 1.75. Wash out Pump & Lines. Shut down. Release Plug. Displace w/ 17.2 BBL fresh water. Final Pumping Pressure 500 psi. Bump Plug to 1000 psi. wait 2 minutes. Release Pressure. Float Held. Good Cement Returns to Surface = 9 BBL Slurry. Job Complete. Rig down.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	800.00	800.00
5406	40	MILEAGE	3.15	126.00
		MAR 31 2006		
1126 A	110 SKS	Thick Set Cement	13.65	1501.50
1110 A	22 SKS	KOL-SEAL 10" Per/sk	17.75	390.50
1118 A	4 SKS	Gel Flush	7.00	28.00
1111 A	50 #	Metasilicate Pre Flush	1.65 #	82.50
5407 A	6.05 TONS	40 miles BULK TRUCK	1.05	254.10
5502 C	4 HRS	80 BBL VAC TRUCK	90.00	360.00
1123	3000 gals	City water (1650 gals from Thayer Lake)	12.80 <sup>Per 1000</sup>	38.40
4404	1	4 1/2 Top Rubber Plug	40.00	40.00
4311	1	4 1/2 weld on Collar	50.00	50.00
5605 A	4 HRS	welder	78.00	312.00
			Sub TOTAL	3983.00
		Thank you	SALES TAX 5.3%	112.94
		201423	ESTIMATED TOTAL	4095.94

AUTHORIZATION Called By John Ed

TITLE

DATE

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**MAR 31 2006**

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# GEOLOGIC REPORT

LAYNE ENERGY

Tincknell 16-3

SE¼, SE ¼, 999' FSL, 998' FEL

Section 3-T31S-R17E

MONTGOMERY COUNTY, KANSAS

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CONSERVATION DIVISION  
WICHITA, KS

Drilled: December 2-6, 2005

Logged: December 6, 2005

A.P.I.# 15-125-30904

Ground Elevation: 877'

Depth Driller: 1,084'

Depth Logger: 1,083'

Surface Casing: 8 5/8" @ 20'

Production Casing: 4 1/2" @ 1,084'

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)**

Kansas City Group.....	Surface (Dennis Limestone)
Lenapah Lime .....	230
Altamont Lime.....	280
Pawnee Lime .....	432
Anna Shale.....	455
First Oswego Lime .....	509
Little Osage Shale.....	544
Excello Shale .....	566
Mulky Coal.....	570
Iron Post Coal .....	600
"V" Shale .....	625
Croweburg Coal.....	627
Mineral Coal .....	728
Bluejacket Coal.....	791
AW Coal .....	897
BW Coal .....	904
Riverton Coal.....	959
Mississippian .....	967