

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

CONFIDENTIAL

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 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. _____
8/30/2005 8/31/2005 9/7/2005
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

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API No. 15 - 125-30816-DD-00
County: Montgomery
SW SW SW SW Sec. 34 Twp. 31 S. R. 14 East West
330 feet from (S) N (circle one) Line of Section
330 feet from E / (W) (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Schulz Well #: 13-34
Field Name: Cherokee Basin Coal
Producing Formation: Cherokee Coals
Elevation: Ground: 864' Kelly Bushing: _____
Total Depth: 1516' Plug Back Total Depth: 1502'
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 1513'
feet depth to Surface w/ 150 sx cmt.

Drilling Fluid Management Plan Alt II NH 6-16-08
(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: _____
Title: Agent Date: 12/22/2005
Subscribed and sworn to before me this 22nd day of December
20 05
Notary Public: _____
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 _____

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Side Two

ORIGINAL

Operator Name: Layne Energy Operating, LLC Lease Name: Schulz Well #: 13-34
Sec. 34 Twp. 31 S. R. 14 [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 [X] Log Formation (Top), Depth and Datum [] Sample
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
Name Top Datum
Pawnee Lime 904 GL -40
Excello Shale 1052 GL -188
V Shale 1102 GL -238
Mineral Coal 1148 GL -284
Mississippian 1411 GL -547

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
See Attached
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TUBING RECORD
Size Set At Packer At Liner Run [] Yes [X] No
Date of First, Resumerd Production, SWD or Enhr. 11/11/2005
Producing Method [] Flowing [X] Pumping [] Gas Lift [] Other (Explain)
Estimated Production Per 24 Hours Oil Bbls. 0 Gas Mcf 0 Water Bbls. 100 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)

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Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Schulz 13-34		
	Sec. 34 Twp. 31S Rng. 14E, Montgomery County		
API:	15-125-30816		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
4	1365-1367, 1212-1214.5, 1163-1164, 1147.5-1149	Rowe, Weir, Mineral, Fleming - 4200# 20/40 sand, 1300 gal 15% HCl acid, 445 bbls wtr	1147.5-1367
4	1103.5-1108, 1081.5-1083, 1052.5-1058, 1030-1033	Croweberg, Ironpost, Mulkey, Summit - 6300# 20/40 sand, 2500 gal 15% HCl acid, 644 bbls wtr	1030-1108

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MORNING COMPLETION REPORT

Report Called in by: : JES _____

Report taken by: KRD _____

LEASE NAME & #		AFE#	DATE	DAYS	CIBP	PBTD	
SHULTZ 13-34		G01023200100	8/30/2005	1	DEPTH	TYPE FLUID	
PRESENT OPERATION:		DRILL OUT FROM UNDER SURFACE				WT	VIS
DEEPEST CASING	LINERS OD TOP & SHOE DEPTH	REPAIR DOWN TIME HRS		CONTRACTOR MOKAT			
OD SHOE DEPTH	8 5/8" 24# J-55 --- Set 20'	TEST PERFS		RIG NO BILLY			
PACKER OR ANCHOR	FISHING TOOLS OD ID	TO		SQUEEZED OR PLUG BACK PERFS			
		TO		TO			
		TO		TO			
		TO		TO			
		TO		TO			
HRS	BRIEF DESCRIPTION OF OPERATION						
	MIRU MOKAT DRILLING, 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

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

DAILY TOTALS 2880 **PREVIOUS TCTD** 0 **TCTD** 2880

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

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TICKET NUMBER 5290
 LOCATION EUREKA
 FOREMAN KEVIN MCGOY

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
9-1-05	4758	Shultz 13-34				MG
CUSTOMER Layne Energy			Gus Jones			
MAILING ADDRESS P.O. Box 160			Rig 2			
CITY Sycamore		STATE KS	ZIP CODE			
JOB TYPE <u>Logging</u>		HOLE SIZE <u>6 3/4</u>	HOLE DEPTH <u>1516</u>	CASING SIZE & WEIGHT <u>4 1/2 10.5" New</u>		
CASINO DEPTH <u>1513</u>		DRILL PIPE	TUBING	OTHER <u>POTD 1502</u>		
SLURRY WEIGHT <u>13.2 *</u>		SLURRY VOL <u>47 Bbl</u>	WATER gal/sk <u>8.0</u>	CEMENT LEFT in CASING <u>11</u>		
DISPLACEMENT <u>23.9 Bbl</u>		DISPLACEMENT PSI <u>700</u>	PSI <u>1200 Bump Plug</u>	RATE		

REMARKS: Safety Meeting: Rig up to 4 1/2 casing. Break Circulation w/ 40 Bbl Fresh water. Pump 4 sks Gel Flush, 10 Bbl Metasilicate Pre Flush, 14 Bbl Dye water. Mixed 150 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/ 23.9 Bbl fresh water. Final Pumping Pressure 700 psi. Bump Plug to 1200 psi. Wait 2 minutes. Release Pressure. Float Hold. 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	765.00	765.00
5406	25	MILEAGE	2.50	62.50
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1126 A	150 SKS	Thick Set Cement	13.00	1950.00
1110 A	30 SKS	Kol-Seal 10" per/sk	16.90	507.00
1118 A	4 SKS	Gel Flush	6.63	26.52
1111 A	50 "	Metasilicate Pre Flush	1.55 *	77.50
5107 A	8.25 TONS	25 miles BULK TRUCK	.92	189.75
4404	1	4 1/2 Top Rubber Plug	38.00	38.00
5501 C	3 HRS	Water Transport	88.00	264.00
5502 C	3 HRS	80 Bbl VAC TRUCK	82.00	246.00
1123	5400 GALS	CITY WATER	12.20 per 1000	65.88
5605 A	4 HRS	Welder	75.00	300.00
4311	1	Warden Collar	48.00	48.00
			Sub Total	4540.15
			SALES TAX	143.78
			ESTIMATED	21107.00
Thank you			5.3%	

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GEOLOGIC REPORT

LAYNE ENERGY

Schulz 13-34

SW ¼, SW ¼, 330' FSL, 330' FWL

Section 34-T31S-R14E

MONTGOMERY COUNTY, KANSAS

Drilled: August 31, 2005

Logged: September 1, 2005

A.P.I.# 15-125-30816

Ground Elevation: 864'

Depth Driller: 1,516'

Depth Logger: 1,516'

Surface Casing: 8 5/8" @ 20'

Production Casing: 4 1/2" @ 1,513'

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 (Cherryvale Formation)
Lenapah Lime	714
Altamont Lime	764
Pawnee Lime	904
Anna Shale	928
First Oswego Lime	1,004
Little Osage Shale	1,030
Excello Shale	1,052
Mulky Coal	1,057
Iron Post Coal	1,082
"V" Shale	1,102
Croweburg Coal	1,105
Mineral Coal	1,148
Scammon Coal	1,163
Weir Pitt Coal	1,212
Bluejacket Coal	1,243
AW Coal	1,365
BW Coal	1,376
Riverton Coal	1,410
Mississippian	1,411