

MAY 04 2006

CONSERVATION DIVISION
WICHITA, KS

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

CONFIDENTIAL

Operator: License # 33698
Name: Colt Natural Gas, LLC
Address: 4350 Shawnee Mission Parkway
City/State/Zip: Fairway, KS 66205
Purchaser: _____
Operator Contact Person: M. B. Natrass
Phone: (913) 748-3987
Contractor: Name: MOKAT
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. _____

1/4/2006 1/14/2006 3/10/2006
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 205-26268-00-00
County: Wilson
E/2_SW_SE_ Sec. 7 Twp. 30 S. R. 16 East West
882 feet from N (circle one) Line of Section
1588 feet from W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Bailey Farm B&B Well #: 15-7
Field Name: Neodesha
Producing Formation: Cherokee Coals
Elevation: Ground: 807 Kelly Bushing: _____
Total Depth: 913' Plug Back Total Depth: 903'
Amount of Surface Pipe Set and Cemented at 43' Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 910'
feet depth to Surface w/ 100 sx cmt.

Drilling Fluid Management Plan Att II N/A 5-08
(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: MB Natrass
Title: Agent Date: 5/3/06
Subscribed and sworn to before me this 3rd day of May
20 06
Notary Public: Brooke C. Maxfield

NOTARY PUBLIC -- State Of Kansas
BROOKE C. MAXFIELD
My Appt. Exp. 12/28/09

KCC Office Use ONLY
 Letter of Confidentiality Attached
If Denied, Yes Date: MAY 03 2006
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
KCC
CONFIDENTIAL

Operator Name: Colt Natural Gas, LLC Lease Name: Bailey Farm B&B Well #: 15-7
 Sec. 7 Twp. 30 S. R. 16 East West County: Wilson

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 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: Compensated Density Neutron Dual Induction	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Pawnee Lime</td> <td>544 GL</td> <td>263</td> </tr> <tr> <td>Excello Shale</td> <td>667 GL</td> <td>140</td> </tr> <tr> <td>V Shale</td> <td>738 GL</td> <td>69</td> </tr> <tr> <td>Mineral Coal</td> <td>768 GL</td> <td>31</td> </tr> </table>	Name	Top	Datum	Pawnee Lime	544 GL	263	Excello Shale	667 GL	140	V Shale	738 GL	69	Mineral Coal	768 GL	31
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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	43'	Class A	12	Type 1 cement
Casing	6.75	4.5	10.5	910'	Thick Set	100	

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 (Amount and Kind of Material Used)	Depth
	See Attached		

TUBING RECORD	Size 2 3/8"	Set At 857'	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. SI - Waiting on pipeline		Producing Method <input type="checkbox"/> Flowing <input 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

Disposition of Gas	METHOD OF COMPLETION	Production Interval
<input type="checkbox"/> Vented <input 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) _____	_____

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Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Bailey Farm B&B 15-7		
	Sec. 7 Twp. 30S Rng. 16E, Wilson County		
API:	15-205-26268		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
4	891.5-893, 775.5-776.5, 738-741, 717.5-719, 667-682.5, 651-654	Bluejacket, Mineral, Croweberg, Bevier, Mulky, Summit-7400# 20/40 sand, 2700 gal 15% HCl acid, 616 bbls wtr	651-893

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MORNING COMPLETION REPORT

Report Called in by: : JOHN ED

Report taken by: KRD

LEASE NAME & #		AFE#	DATE	DAYS	CIBP	PBTD	
BAILEY B&B 15-7		C01022002300	1/4/2006	1	DEPTH	TYPE FLUID	
PRESENT OPERATION:		DRILL OUT FROM UNDER SURFACE				WT	VIS
DEEPEST CASING OD SHOE DEPTH	LINERS OD TOP & SHOE DEPTH		REPAIR DOWN TIME HRS		CONTRACTOR		
					RIG NO		
PACKER OR ANCHOR	FISHING TOOLS	OD	ID	TEST PERFS	SQUEEZED OR PLUG BACK PERFS		
				TO	TO		
				TO	TO		
				TO	TO		
				TO	TO		
HRS	BRIEF DESCRIPTION OF OPERATION						
	MIRU MC AIR, DRILLED 11" HOLE, 43' DEEP, RIH W/ 2 JT 8 5/8" SURFACE CASING,						
	MIXED 12 SKS TYPE 1 CEMENT, DUMPED DOWN THE BACKSIDE. SDFN						
	RECEIVED KANSAS CORPORATION COMMISSION MAY 04 2006 CONSERVATION DIVISION WICHITA, KS						
DAILY COST ANALYSIS							

RIG	_____
SUPERVISION	200
RENTALS	_____
SERVICES	400
MISC	2360

MC AIR DRILLING @ 6.50/ft	
MC (CEMENT)	160
DIRTWORKS (LOC, RD, PIT)	400
SURFACE CASING	200
LAND/ LEGAL	2000

DAILY TOTALS 2960 PREVIOUS TCTD TCTD 2960

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

TICKET NUMBER 08156
 LOCATION Eureka
 FOREMAN Brad Butler

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY																
1-14-06	4758	Bailey 15-7				Wilson																
CUSTOMER <u>Lance Energy</u>			<table border="1"> <thead> <tr> <th>TRUCK #</th> <th>DRIVER</th> <th>TRUCK #</th> <th>DRIVER</th> </tr> </thead> <tbody> <tr> <td>446</td> <td>Scott</td> <td></td> <td></td> </tr> <tr> <td>439</td> <td>Steve</td> <td></td> <td></td> </tr> <tr> <td>434</td> <td>Jim</td> <td></td> <td></td> </tr> </tbody> </table>				TRUCK #	DRIVER	TRUCK #	DRIVER	446	Scott			439	Steve			434	Jim		
TRUCK #	DRIVER	TRUCK #					DRIVER															
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439	Steve																					
434	Jim																					
MAILING ADDRESS <u>P.O. Box 160</u>																						
CITY <u>Sycamore</u>																						
STATE <u>Ks.</u>																						
ZIP CODE																						

JOB TYPE Logstring HOLE SIZE 6 3/4" HOLE DEPTH 913' CASING SIZE & WEIGHT 4 1/2" - 10.5 lb
 CASING DEPTH 910' DRILL PIPE TUBING OTHER PBD 903'
 CARRY WEIGHT 13.2 lb SLURRY VOL 31 Bbls WATER gal/sk 8.0 CEMENT LEFT in CASING 7'
 DISPLACEMENT 14 1/2 Bbls DISPLACEMENT PSI 450 PSI 900 Bump Plug RATE

REMARKS: Safety Meeting: Rig up to 4 1/2" casing Break circulation with 20 Bbls water.
Pump 10 Bbl Gel Flush 10 Bbl water 10 Bbl Metasilicate PreFlush 10 Bbl water spacer.
Mixed 100 sks Thick Set cement w/ 10" P/SK of K01-SEAL at 13.2 lb P/SK (Yield 1.25)
Shut down - wash out pump strokes - Release Plug - Displace Plug with 14 1/2 Bbls water
Final pumping at 450 PSI - Bump Plug to 900 PSI - wait 2 min - Release Pressure
Float Held - Good cement returns to surface w/ 7 Bbl Slurry
Job complete Teardown

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Thank you

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	WICHITA KS UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	800.00	800.00
5406	0	MILEAGE 2 nd Job of 3		MC
1126A	100 SKS	Thick Set cement	13.65	1365.00
1110A	20 SKS	K01-SEAL 10" P/SK	17.75	355.00
1118A	4 SKS	Gel Flush	7.00	28.00
1111A	50 lbs	Metasilicate PreFlush	1.65 lb	82.50
5407A	5.5 Ton	40 miles - Bulk Truck	1.05	231.00
5502C	4 Hrs	80 Bbl VAC Truck	90.00	360.00
5605A	4 Hrs	Welder	78.00	312.00
4311	1	4 1/2" Weldon Collar	50.00	50.00
4404	1	4 1/2" Top Rubber Plug	40.00	40.00
			6.3%	SALES TAX
				ESTIMATED TOTAL

002191

AUTHORIZATION Called by John Ed TITLE _____ DATE _____

GEOLOGIC REPORT

LAYNE ENERGY
Bailey Farm B&B 15-7
SW SE, 882 FSL, 1588 FEL
Section 7-T30S-R16E
Wilson County, KS

Spud Date:	1/4/2006
Drilling Completed:	1/13/2006
Logged:	1/13/2006
A.P.I. #:	15-205-26268
Ground Elevation:	807'
Depth Driller:	913'
Depth Logger:	912'
Surface Casing:	8.625 inches at 40'
Production Casing:	4.5 inches at 910'
Cemented Job:	Consolidated
Open Hole Logs:	Dual Induction SFL/GR, High Resolution Compensated Density/Neutron

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Formation

Kansas City Group
Pawnee Limestone
Excello Shale
"V" Shale
Mineral Coal
Mississippian

Tops (in feet below ground level)

Surface (Bonner Springs Shale)
544
667
738
776

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