

5/9/09

# CONFIDENTIAL

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

RECEIVED  
KANSAS CORPORATION COMMISSION Form ACO-1  
September 1999  
MAY 09 2007 Form Must Be Typed

ORIGINAL

## WELL COMPLETION FORM

WELL HISTORY - DESCRIPTION OF WELL & LEASE CONSERVATION DIVISION  
WICHITA, KS

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) 748-3960  
Contractor: Name: McPherson Drilling  
License: 5675  
Wellsite Geologist: \_\_\_\_\_

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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. \_\_\_\_\_

01/11/2007 01/18/2007  
Spud Date or Date Reached TD Completion Date or  
Recompletion Date Recompletion Date

API No. 15 - 205-27063-00-00  
County: Wilson  
NE NE Sec. 26 Twp. 29 S. R. 13  East  West  
660' feet from S /  (circle one) Line of Section  
660' feet from  (circle one) W Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE NW SW  
Lease Name: Tharp Well #: 1-26  
Field Name: Cherokee Basin Coal Area  
Producing Formation: Cherokee Coals  
Elevation: Ground: 922' Kelly Bushing: \_\_\_\_\_  
Total Depth: 1482' Plug Back Total Depth: 1477'  
Amount of Surface Pipe Set and Cemented at 41 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from 1477  
feet depth to Surface w/ 155 sx cmt.

Drilling Fluid Management Plan AH I NH 10-2808  
(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: MRS Natrass  
Title: Agent Date: 5/4/07  
Subscribed and sworn to before me this 4<sup>th</sup> day of May,  
20 07.

Notary Public: [Signature]  
Date Commission Expires: 10/14/2008

**MARGARET ALLEN**  
Notary Public - State of Kansas  
My Appt. Expires 10/14/2008

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

Operator Name: Layne Energy Operating, LLC Lease Name: Tharp Well #: 1-26  
 Sec. 26 Twp. 29 S. R. 13  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>984 GL</td> <td>-62</td> </tr> <tr> <td>Excello Shale</td> <td>1076 GL</td> <td>-154</td> </tr> <tr> <td>V Shale</td> <td>1147 GL</td> <td>-225</td> </tr> <tr> <td>Mineral Coal</td> <td>1204 GL</td> <td>-282</td> </tr> <tr> <td>Mississippian</td> <td>1393 GL</td> <td>-471</td> </tr> </table>	Name	Top	Datum	Pawnee Lime	984 GL	-62	Excello Shale	1076 GL	-154	V Shale	1147 GL	-225	Mineral Coal	1204 GL	-282	Mississippian	1393 GL	-471
Name	Top	Datum																	
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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	40'	Class A	8	Type 1 cement
Casing	6.75	4.5	10.5	1477'	Thick Set	155	

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
	SI-waiting on completion.		
		RECEIVED KANSAS CORPORATION COMMISSION MAY 09 2007 CONSERVATION DIVISION WICHITA, KS	

TUBING RECORD		Size	Set At	Packer At	Liner Run			
						<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Date of First, Resumerd Production, SWD or Enhr.			Producing Method					
SI - waiting on pipeline			<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 type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	_____

CONSOLIDATED OIL WELL SERVICES, LLC  
 P.O. BOX 884, CHANUTE, KS 66720  
 620-431-9210 OR 800-467-8676

TICKET NUMBER 16755

LOCATION EUREKA

FOREMAN RICIL LEONARD

TREATMENT REPORT & FIELD TICKET  
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
1-19-07	4758	Tharp 1-26				Wilson
CUSTOMER Layne Energy			TRUCK #			
MAILING ADDRESS P.O. Box 160			DRIVER			
CITY Sycamore			TRUCK #			
STATE KS			DRIVER			
ZIP CODE			TRUCK #			
			DRIVER			

JOB TYPE logstrings HOLE SIZE 6 3/4" HOLE DEPTH 1482' CASING SIZE & WEIGHT 4 1/2" 10.5# new  
 CASING DEPTH 1477' DRILL PIPE \_\_\_\_\_ TUBING \_\_\_\_\_ OTHER \_\_\_\_\_  
 SLURRY WEIGHT 13.2# SLURRY VOL 48 Bbl WATER gal/sk 8.0 CEMENT LEFT in CASING 0'  
 DISPLACEMENT 23 1/2 Bbl DISPLACEMENT PSI 600 <sup>bump</sup> PSI 1100 RATE \_\_\_\_\_

REMARKS: Safety meeting- Rig up to 4 1/2" casing. Break circulation w/ 35 Bbl fresh water. Pump 6 sks gel-flush, 10 Bbl fresh water spacer, 1 sk metasilicate pre-flush, 13 Bbl dye water mixed 155 sks thickset cement w/ 10# Kol-seal @ 13.2# gal. Washout pump & lines. release plug. Displace w/ 23 1/2 Bbl fresh water. Final pump pressure 600 PSI. Pump plug to 1100 PSI. wait 2 mins release pressure, float held. Good cement returns to surface = 8 Bbl slurry to pit. Job complete. Rig down.

"Thank You"

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE		
5406	40	MILEAGE	840.00	840.00
			3.30	132.00
		<b>KCC</b>		
1126A	155 sks	thickset cement	15.40	2387.00
1110A	1550 #	Kol-seal 10# @ 10 1/2 gal	.38	589.00
		<b>CONFIDENTIAL</b>		
1118A	300 #	gel-flush	.15	45.00
1111A	50 #	metasilicate pre-flush	1.65	82.50
5407A	8.53	ton-mileage bulk-trk	1.10	375.32
5502c	4 hrs	80 Bbl vac. trk	90.00	360.00
1123	3000 gal	city water	12.80 <sup>PSI</sup> / 1000	38.40
4404	1	4 1/2" top rubber plug	40.00	40.00
		<b>RECEIVED</b>		
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		<b>MAY 09 2007</b>		
		CONSERVATION DIVISION	subtotal	4889.22
		WICHITA, KS	SALES TAX	200.47
			ESTIMATED TOTAL	5089.69

AUTHORIZATION Mike Jensen

011603

TITLE \_\_\_\_\_

DATE 1-19-07

# GEOLOGIC REPORT

LAYNE ENERGY  
Tharp 1-26  
NE NE, 660 FNL, 660 FEL  
Section 26-T29S-R13E  
Wilson County, KS

Spud Date: 1/11/2007  
Drilling Completed: 1/18/2007  
Logged: 1/18/2007  
A.P.I. #: 1520527063  
Ground Elevation: 922'  
Depth Driller: 1482'  
Depth Logger: 1480'  
Surface Casing: 8.625 inches at 40'  
Production Casing: 4.5 inches at 1477'  
Cemented Job: Consolidated  
Open Hole Logs: Dual Induction SFL/GR, High Resolution  
Compensated Density/Neutron

## Formation

Douglas Group  
Pawnee Limestone  
Excello Shale  
"V" Shale  
Mineral Coal  
Mississippian

## Tops (in feet below ground level)

Surface (Stranger Formation)  
984  
1,076  
1,147  
1,204  
1,393

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