

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 33365
 Name: Layne Energy Operating, LLC
 Address: 1900 Shawnee Mission Parkway
 City/State/Zip: Mission Woods, KS 66205
 Purchaser: _____
 Operator Contact Person: Victor H. Dyal
 Phone: (913) 748-3987
 Contractor: Name: McPherson Drilling
 License: 5675
 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. _____

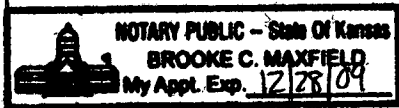
<u>1/26/2006</u>	<u>1/30/2006</u>	<u>2/7/2006</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-30926-00-00
 County: Montgomery
NW NE NW Sec. 22 Twp. 31 S. R. 16 East West
436 feet from S N (circle one) Line of Section
1402 feet from E W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Wilson Well #: 3-22
 Field Name: Neodesha
 Producing Formation: Cherokee Coals
 Elevation: Ground: 886' Kelly Bushing: _____
 Total Depth: 1244' Plug Back Total Depth: 1234'
 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 1241'
 feet depth to Surface w/ 135 sx cmt.
Hit 2 - Dig - 11-4/08
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: [Signature]
 Title: Agent Date: 5/23/06
 Subscribed and sworn to before me this 23rd day of May, 2006
 Notary Public: [Signature]
 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

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 MAY 24 2006
 CONSERVATION DIVISION
 WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Wilson Well #: 3-22
 Sec. 22 Twp. 31 S. R. 16 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 <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	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"><input checked="" type="checkbox"/> Log</td> <td style="width:60%;">Formation (Top), Depth and Datum</td> <td style="width:30%;">Sample</td> </tr> <tr> <td></td> <td>Name</td> <td>Datum</td> </tr> <tr> <td></td> <td>Pawnee Lime</td> <td>590 296</td> </tr> <tr> <td></td> <td>Excello Shale</td> <td>737 149</td> </tr> <tr> <td></td> <td>V Shale</td> <td>790 96</td> </tr> <tr> <td></td> <td>Mineral Coal</td> <td>830 56</td> </tr> <tr> <td></td> <td>Mississippian</td> <td>1143 -256</td> </tr> </table>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	Sample		Name	Datum		Pawnee Lime	590 296		Excello Shale	737 149		V Shale	790 96		Mineral Coal	830 56		Mississippian	1143 -256
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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	# Sacks Used	Type and Percent Additives
Surface	11"	8.625	24	20	Class A	8	Type 1 Cement
Casing	6 3/4"	4.5"	10.5	1241'	Thick Set	135	

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		

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TUBING RECORD		Size	Set At	Packer At	Liner Run	Yes	<input checked="" type="checkbox"/> No
		2 3/8"	1151'				
Date of First, Resumed Production, SWD or Enhr.			Producing Method				
2/27/2006			Flowing <input type="checkbox"/> Pumping <input checked="" type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) <input type="checkbox"/>				
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity		
	0	0	68				

Disposition of Gas Vented Sold Used on Lease *(If vented, Sumit ACO-18.)*

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

Production Interval _____

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Wilson 3-22		
	Sec. 22 Twp. 31S Rng. 16E, Montgomery County		
API:	15-125-30926		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
4	1125.5-1128	Riverton - ATP 1229, 15 min 172, 1200# 20/40 sand, 400 gal 15% HCl, 188 bbls wtr	1125.5-1128
4	888.5-889.5, 829.5-831.5, 791.5-794	Tebo, Mineral, Croweberg -ATP 1161, 15 min 430, 3900# 20/40 sand, 1500 gal 15% acid, 378 bbls wtr	791.5-889.5
4	766.5-769.5, 737-744.5, 713-717.5, 440-442	Ironpost, Mulky, Summit, Hushpuckey-ATP 701, 15 min 319, 6500# 20/40 sand, 1500 gal 15% HCl acid, 578 bbls wtr	440-769.5

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

TICKET NUMBER 08233
 LOCATION Eureka
 FOREMAN Troy Strickler

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
2-1-06	4758	Wilson 3-22				MG

CUSTOMER
Layne Energy
 MAILING ADDRESS
P.O. Box 160
 CITY
Sycamore STATE Ks ZIP CODE

Gas Jones
 Rs 2

TRUCK #	DRIVER	TRUCK #	DRIVER
463	Alan		
479	Calin		
436	Larry		
452/63	Jim		

JOB TYPE Longstring HOLE SIZE 6 3/4 HOLE DEPTH 1246 CASING SIZE & WEIGHT 4 1/2"
 CASING DEPTH 1241' DRILL PIPE _____ TUBING _____ OTHER POTD 1234'
 SLURRY WEIGHT 13.2# SLURRY VOL _____ WATER gal/sk 8.0 CEMENT LEFT in CASING 7'
 DISPLACEMENT 19.6 Bbl DISPLACEMENT PSI 600 PSI 1200 Bumply RATE _____

REMARKS: Safety Meeting: Rig up to 4 1/2" casing. Break circulation w/ 25 Bbl Fresh Water. Pump 4skt Gel Flush, 5 Bbl water spacer, 10 Bbl Metasilicate Pre-Flush, 10 Bbl Dye water. Mixed 135skt Thick Set Cement w/ 10# Kol-Seal Am/5k. @ 13.2# Am/gal Yield 1.75. Wash Out Pump + lines. Shut Down. Released Plug. Displaced w/ 19.6 Bbl Fresh Water. Final Pump Pressure 600 PSI. Bump Plug to 1200 PSI. Wait 2 mins. Released Pressure. Float Held. Good Cement Returns to Surface = 6 Bbl slurry to Pit. Job Complete. Rig down.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICE or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	800.00	800.00
5406	40	MILEAGE	3.15	126.00
1126A	135skt	Thickset Cement	13.65	1842.75
1110A	27skt	Kol-Seal 10# <u>Am/5k</u>	17.75	479.25
1118A	4skt	Gel-Flush	7.00	28.00
1111A	50#	Metasilicate Pre-Flush	1.65#	82.50
5407A	7.42 Ton	Ton Mileage BULK Truck	1.05	311.64
5501C	4hrs	Water Transport	98.00	392.00
5502C	4hrs	80Bbl Vac. Truck	90.00	360.00
1123	6000 gal	City Water	12.80 <u>Am</u>	76.80
4404	1	4 1/2 Top Rubber Plug	40.00	40.00
5605A	4hrs	Welder	78.00	312.00
4311	1	4 1/2" Weldon Collar	58.00	58.00
		Sub Total		4908.94
		SALES TAX 5.3%		138.18
		ESTIMATED TOTAL		5047.12

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 MAY 24 2006

Thank You!
 202124

AUTHORIZATION Called by John Ed. TITLE _____ DATE _____

GEOLOGIC REPORT

LAYNE ENERGY
Wilson 3-22
NE NW, 436 FNL, 1402 FWL
Section 22-T31S-R16E
Montgomery County, KS

Spud Date: 1/26/2006
Drilling Completed: 1/30/2006
Logged: 1/30/2006
A.P.I. #: 15-125-30926
Ground Elevation: 886'
Depth Driller: 1244'
Depth Logger: 1248'
Surface Casing: 8.625 inches at 20'
Production Casing: 4.5 inches at 1241'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, High Resolution
Compensated Density/Neutron

Formation

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

Tops (in feet below ground level)

Surface (Cottage Grove Sandstone)
590
737
790
830
1,143

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