

**CONFIDENTIAL**

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: M. B. Natrass  
Phone: (913) 748-3987  
Contractor: Name: McPherson Drilling  
License: 5675

API No. 15 - 205-26796 00-00  
County: Wilson  
SW NE Sec. 26 Twp. 30 S. R. 14  East  West  
1980 feet from S / (N) (circle one) Line of Section  
1980 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE NW SW  
Lease Name: Baker Well #: 7-26  
Field Name: Cherokee Basin Coal Area

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)

Producing Formation: Cherokee Coals  
Elevation: Ground: 903 Kelly Bushing: \_\_\_\_\_  
Total Depth: 1483 Plug Back Total Depth: 1477  
Amount of Surface Pipe Set and Cemented at 40 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/ 145 sx cmt.

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. \_\_\_\_\_

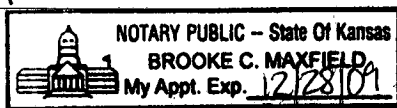
**Drilling Fluid Management Plan** ALPH NH 7-31-08  
(Data must be collected from the Reserve Pit)  
Chloride content N/A ppm Fluid volume \_\_\_\_\_ bbls  
Dewatering method used N/A - Air Drilled  
Location of fluid disposal if hauled offsite: \_\_\_\_\_  
Operator Name: \_\_\_\_\_  
Lease Name: \_\_\_\_\_ License No.: \_\_\_\_\_  
Quarter \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West  
County: \_\_\_\_\_ Docket No.: \_\_\_\_\_

Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date
<u>6/29/2006</u>	<u>7/5/2006</u>	<u>8/31/2006</u>

**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: 10/26/06  
Subscribed and sworn to before me this 26 day of October  
20 Brooke C. Maxfield  
Notary Public: \_\_\_\_\_  
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

**RECEIVED**  
**KANSAS CORPORATION COMMISSION**  
**OCT 27 2006**  
**CONSERVATION DIVISION**  
**WICHITA, KS**

KCC

OCT 26 2006

CONFIDENTIAL

Operator Name: Layne Energy Operating, LLC Lease Name: Baker Well #: 7-26  
 Sec. 26 Twp. 30 S. R. 14  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 <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	873 GL	30
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	987 GL	-84
List All E. Logs Run:		V Shale	1058 GL	-155
Compensated Density Neutron		Mineral Coal	1100 GL	-197
Dual Induction		Mississippian	1371 GL	-468

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	145	

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
	See Attached		

TUBING RECORD	Size <u>2 3/8"</u>	Set At <u>1357'</u>	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
<u>9/22/2006</u>				
Estimated Production Per 24 Hours	Oil Bbls. <u>0</u>	Gas Mcf <u>157</u>	Water Bbls. <u>62</u>	Gas-Oil Ratio
				Gravity

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)	

RECEIVED  
 KANSAS CORPORATION COMMISSION  
 OCT 27 2006  
 CONSERVATION DIVISION  
 WICHITA, KS

**Operator Name:** Layne Energy Operating, LLC.  
**Lease Name:** Baker 7-26  
Sec. 26 Twp. 30S Rng. 14E, Montgomery County  
**API:** 15-205-26796

<b>Shots per Foot</b>	<b>Perforation Record</b>	<b>Acid, Fracture, Shot, Cement Squeeze Record</b>	<b>Depth</b>
4	1311-1314.5	Rowe - 2047# 20/40 sand, 170 gal 15% HCl acid, 250 bbls wtr	1311-1314.5
4	1099-1102, 1058.5-1061.5, 1038.5-1042	Mineral, Croweburg, Bevier - 5400# 20/40 sand, 950 gal 15% HCl acid, 425 bbls wtr	1038.5-1102
4	987-994, 971-974.5, 870-872.5	Mulky, Summit, Mulberry - 7900# 20/40 sand, 1250 gal 15% HCl acid, 611 bbls wtr	870-994

**RECEIVED**  
**KANSAS CORPORATION COMMISSION**

**OCT 27 2006**

**CONSERVATION DIVISION**  
**WICHITA, KS**

KCC

OCT 26 2006

CONFIDENTIAL

# Daily Well Work Report

BAKER 7-26  
6/29/2006

**Well Location:**  
WILSON KS  
30S-14E-26 SW NE  
1980FNL / 1980FEL

**Cost Center** G01018400500  
**Lease Number** G010184  
**Property Code** KSSY30S14E2607  
**API Number** 15-205-26796

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
6/29/2006	7/5/2006	8/31/2006	9/22/2006		

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size	Pump Seat Depth
1483	1477	40	1477			1477

Reported By	Taken By	Present Operation	Date
			6/29/2006

Contractor	Rig Number	Down Time

### Narrative

MIRU McPherson Drilling, drill 11' hole 40' deep, RIH w/ 2 jts 8 5/8" surface csg. Mixed 8 sxs type 1 cement, dumped dwn backside. SDFN.

RECEIVED  
KANSAS CORPORATION COMMISSION  
OCT 27 2006  
CONSERVATION DIVISION  
WICHITA, KS

**Cumulative Well Cost** \$ 93,119.00

**GEOLOGIC REPORT**

LAYNE ENERGY  
Baker 7-26  
SW NE, 1980 FNL, 1980 FEL  
Section 26-T30S-R14E  
Wilson County, KS

**KCC**  
OCT 26 2006  
**CONFIDENTIAL**

Spud Date: 6/29/2006  
Drilling Completed: 7/5/2006  
Logged: 7/5/2006  
A.P.I. #: 1520526796  
Ground Elevation: 903'  
Depth Driller: 1483'  
Depth Logger: 1487'  
Surface Casing: 8.625 inches at 41'  
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 (Stanton Limestone)  
873  
987  
1,058  
1,100  
1,371

RECEIVED  
KANSAS CORPORATION COMMISSION  
OCT 27 2006  
CONSERVATION DIVISION  
WICHITA, KS

KCC

OCT 26 2006

CONFIDENTIAL

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

TICKET NUMBER 10263  
 LOCATION EUREKA  
 FOREMAN KEVIN McCoy

TREATMENT REPORT & FIELD TICKET  
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
7-6-06	4758	BAKER 7-26				Wilson
CUSTOMER Layne Energy			Gus Jones Rig 2			
MAILING ADDRESS P.O. Box 160			TRUCK #	DRIVER	TRUCK #	DRIVER
CITY SYCAMORE			463	ALAN		
STATE KS			439	JUSTIN		
ZIP CODE						

JOB TYPE Longstring HOLE SIZE 6 3/4 HOLE DEPTH 1483 CASING SIZE & WEIGHT 4 1/2 10.5" New  
 CASING DEPTH 1477 DRILL PIPE \_\_\_\_\_ TUBING \_\_\_\_\_ OTHER \_\_\_\_\_  
 SLURRY WEIGHT 13.2" SLURRY VOL 45 BBL WATER gal/sk 8.0 CEMENT LEFT in CASING 0'  
 DISPLACEMENT 23.4 BBL DISPLACEMENT PSI 700 PSI 1200 Bump Plug 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, 15 BBL Dye water. Mixed 145 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/ 23.4 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	800.00	800.00
5406	0	MILEAGE 2 <sup>ND</sup> well of 2	0	0
1126 A	145 sks	THICK Set Cement	14.65	2124.25
1110 A	1450 "	Kol-Seal 10" per/sks	.36	522.00
1118 A	200 "	Gel Flush	.14	28.00
1111 A	50 "	Metasilicate Pre Flush	1.65	82.50
5407 A	7.97 Tons	40 miles BULK TRUCK	1.05	334.74
4404	1	4 1/2 Top Rubber Plug	40.00	40.00

RECEIVED  
 KANSAS CORPORATION COMMISSION  
 OCT 27 2006

CONSERVATION DIVISION  
 WICHITA, KS

Post-it® Fax Note 7671

Date	# of pages 1
To DROCKE	From MICHELLE
Co./Dept.	Co.
Phone #	Phone #
Fax # 713-748-3950	Fax #

Sub Total 3931.49  
 6.3% SALES TAX 176.20  
 ESTIMATED TOTAL 4107.69  
 DATE \_\_\_\_\_

Layne Energy, Inc.

10/26/08

1900 Shawnee Mission Parkway, Mission Woods, Kansas 66205 Phone: (913) 748-3987 Fax: (913) 748-3970

October 26, 2006

RECEIVED  
KANSAS CORPORATION COMMISSION  
OCT 27 2006  
CONSERVATION DIVISION  
WICHITA, KS

Kansas Corporation Commission  
Oil & Gas Conservation Division  
130 S. Market, Room 2078  
Wichita, KS 67202

KCC  
OCT 26 2006  
CONFIDENTIAL

Re: Well Completion Form

To Whom It May Concern:

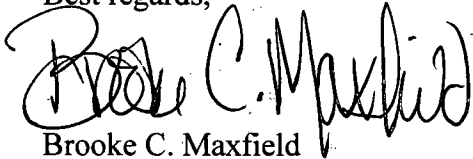
I have enclosed the ACO-1 form and associated data for the following wells:

API # 15-205-26796  
Baker 7-26

We respectfully request that all information submitted be kept confidential and per provision E-4 of K.A. R. 82-3-107, we request that the term of the confidentiality be extended by one year.

If you need additional information or have any questions or comments, please contact me at (913) 748-3987.

Best regards,



Brooke C. Maxfield

Enclosures

Cc Well File  
Field Office

