

ORIGINAL

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KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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KANSAS CORPORATION COMMISSION

Form ACO-1
September 1999

OCT 23 2006

Form Must Be Typed

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) 748-3987
Contractor: Name: Thornton Air Rotary
License: 33606

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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)

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. _____

6/27/2006 6/29/2006 8/23/2006
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 125-31052 - 00-00
County: Montgomery
____ - ____ NW SE Sec. 16 Twp. 31 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: Schoeni Well #: 10-16
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 862 Kelly Bushing: _____
Total Depth: 1487 Plug Back Total Depth: 1477
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 1477
feet depth to Surface w/ 150 sx cmt.

Drilling Fluid Management Plan API II NH7-31-05
(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: 10/20/06
Subscribed and sworn to before me this 20 day of October
Brooke C. Maxfield
Notary Public: _____
Date Commission Expires: 12/28/09

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

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

Operator Name: Layne Energy Operating, LLC Lease Name: Schoeni Well #: 10-16
 Sec. 16 Twp. 31 S. R. 14 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	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:70%;">Name</th> <th style="width:15%;">Top</th> <th style="width:15%;">Datum</th> </tr> </thead> <tbody> <tr> <td>Pawnee Lime</td> <td>898 GL</td> <td>619</td> </tr> <tr> <td>Excello Shale</td> <td>1033 GL</td> <td>-171</td> </tr> <tr> <td>V Shale</td> <td>1094 GL</td> <td>-232</td> </tr> <tr> <td>Mineral Coal</td> <td>1141 GL</td> <td>-279</td> </tr> <tr> <td>Mississippian</td> <td>1397 GL</td> <td>-535</td> </tr> </tbody> </table>	Name	Top	Datum	Pawnee Lime	898 GL	619	Excello Shale	1033 GL	-171	V Shale	1094 GL	-232	Mineral Coal	1141 GL	-279	Mississippian	1397 GL	-535
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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	20'	Class A	4	Type 1 cement
Casing	6.75	4.5	10.5	1477'	Thick Set	150	

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>
	See Attached	RECEIVED KANSAS CORPORATION COMMISSION OCT 23 2006 CONSERVATION DIVISION WICHITA, KS

TUBING RECORD		Size	Set At	Packer At	Liner Run
		2 3/8"	1395'		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.			Producing Method		
10/11/2006			<input type="checkbox"/> Flowing <input checked="" 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
	0	1	100		

Disposition of Gas METHOD OF COMPLETION Production Interval

Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled
(If vented, Submit ACO-18.) Other (Specify)

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WICHITA, KS

Operator Name: Layne Energy Operating, LLC.
Lease Name: Schoeni 10-16
Sec. 16 Twp. 31S Rng. 14E, Montgomery County
API: 15-125-31052

Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
4	1353.5-1355.5, 1140.5-1142.5	Rowe, Mineral - 3600# 20/40 sand, 400 gal 15% HCl acid, 315 bbls wtr	1140.5-1353.5
4	1094-1096.5, 1077.5-1079	Croweburg, Iron Post - 4500# 20/40 sand, 401 bbls wtr, 600 gal 15% HCl acid	1077.5-1096.5
4	1032.5-1038.5, 1016-1018.5, 896-897.5	Mulky, Summit, Mulberry - 7300# 20/40 sand, 560 bbls wtr, 1000 gal 15% HCl acid	896-1038.5

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

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TICKET NUMBER 10238
 LOCATION Eureka
 FOREMAN Troy Strickler

CONSERVATION DIVISION
 WICHITA, KS
TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
6-30-06	4758	Schaeni 10-16				MG
CUSTOMER			TRUCK #	DRIVER	TRUCK #	DRIVER
Layne Energy			446	Calin		KCC
MAILING ADDRESS			502	Kyle		
P.O. Box 160						OCT 20 2006
CITY	STATE	ZIP CODE	CONFIDENTIAL			
Sycamore	Ks.					

JOB TYPE Longstems HOLE SIZE 6 3/4" HOLE DEPTH 1487' CASING SIZE & WEIGHT _____ OTHER _____
 CASING DEPTH 1477' DRILL PIPE _____ TUBING _____
 SLURRY WEIGHT 13.2" SLURRY VOL 488bl WATER gal/sk 8" CEMENT LEFT IN CASING 0'
 DISPLACEMENT 23.5 Bbl DISPLACEMENT PSI 1000 MIX PSI 1500 Bump Pkg RATE _____
 REMARKS: Safety Meeting: Rig up to 4 1/2" Casing. Break Circulation w/ 30 Bbl Water.
Pump 15 Bbl Gel-Flush, 10 Bbl Metasilicate Pre-Flush, 12 Bbl Dye, Mixed 150SKs
Thick Set Cement w/ 8" Kol-Seal @ 13.2" w/gal. Wash out Pump + lines. Release
Plug. Displace w/ 23.5 Bbl. Final Pump Pressure 1000 PSI. Bump Pkg to 1500 PSI.
Wait 2 min. Release Pressure. Float Held. Good Cement to surface = 30 Bbl Slurry
Job Complete.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	800.00	800.00
5406	40	MILEAGE	3.15	126.00
1126A	150SKS	Thick Set Cement	14.65	2197.50
1110A	1500"	Kol-Seal 10" Pkg	.36"	540.00
1118A	300"	Gel-Flush	.14"	42.00
1111A	50"	Metasilicate	1.65"	82.50
5407A	8.25 Ton	Ton-Mileage Bell Truck	1.05	346.50
4404	1	4 1/2" Top Rubber Plug	40.00	40.00
<u>Thank You!</u>				
			<u>Sub Total</u>	<u>4174.50</u>
			<u>5.3%</u> SALES TAX	<u>153.81</u>
			ESTIMATED TOTAL	<u>4328.31</u>

AUTHORIZATION Called by John Ed

206613

TITLE _____

DATE _____

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CONSERVATION DIVISION
WICHITA, KS

GEOLOGIC REPORT

LAYNE ENERGY
Schoeni 10-16
NW SE, 1980 FSL, 1980 FEL
Section 16-T31S-R14E
Montgomery County, KS

Spud Date:	6/27/2006
Drilling Completed:	6/29/2006
Logged:	6/29/2006
A.P.I. #:	1512531052
Ground Elevation:	862'
Depth Driller:	1482'
Depth Logger:	1487'
Surface Casing:	8.625 inches at 21'
Production Casing:	4.5 inches at 1477'
Cemented Job:	Consolidated
Open Hole Logs:	Dual Induction SFL/GR, High Resolution Compensated Density/Neutron

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Formation

Quaternary
Pawnee Limestone
Excello Shale
"V" Shale
Mineral Coal
Mississippian

Tops (in feet below ground level)

Surface (Alluvium)
898
1,033
1,094
1,141
1,397

Layne Energy, Inc.

10/20/08

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

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WICHITA, KS

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

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Re: Well Completion Form

To Whom It May Concern:

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

API # 15-125-31052
Schoeni 10-16

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

