

ORIGINAL

CONFIDENTIAL

RECEIVED OCT 11 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: KCC Operator Contact Person: M. B. Natrass Phone: (913) 748-3987 Contractor: Name: McPherson Drilling License: 5675

Wellsite Geologist: Designate Type of Completion: [X] New Well [] Re-Entry [] Workover [] Oil [] SWD [] SLOW [] Temp. Abd. [X] 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 [] Dual Completion [] Other (SWD or Enhr.?) Docket No.

6/13/2006 Spud Date or Recompletion Date 6/19/2006 Date Reached TD 8/17/2006 Completion Date or Recompletion Date

API No. 15 - 125-31033-00-00 County: Montgomery SW SW Sec. 2 Twp. 31 S. R. 14 [X] East [] West 602 feet from S / N (circle one) Line of Section 539 feet from E / W (circle one) Line of Section Footages Calculated from Nearest Outside Section Corner: (circle one) NE SE NW SW Lease Name: Schultz Well #: 13-2 Field Name: Cherokee Basin Coal Area Producing Formation: Cherokee Coals Elevation: Ground: 907 Kelly Bushing: Total Depth: 1523 Plug Back Total Depth: 1505 Amount of Surface Pipe Set and Cemented at 40 Feet Multiple Stage Cementing Collar Used? [] Yes [X] No If yes, show depth set Feet If Alternate II completion, cement circulated from 1505 feet depth to Surface w/ 150 sx cmt.

Drilling Fluid Management Plan AH II 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.:

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: 10/10/06 Subscribed and sworn to before me this 10 day of October 20 06 Notary Public: [Signature] Date Commission Expires: 12/28/09

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

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

KCC

OCT 10 2006
CONFIDENTIAL

Operator Name: Layne Energy Operating, LLC Lease Name: Schultz Well #: 13-2
 Sec. 2 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 <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	903 GL	4
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	1032 GL	-125
List All E. Logs Run:		V Shale	1101 GL	-194
Compensated Density Neutron		Mineral Coal	1146 GL	-239
Dual Induction		Mississippian	1399 GL	-492

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	# Sacs Used	Type and Percent Additives
Surface	11	8.65	24	40'	Class A	10	Type 1 cement
Casing	6.75	4.5	10.5	1505'	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>	Depth
	See Attached	RECEIVED KANSAS CORPORATION COMMISSION OCT 11 2006 CONSERVATION DIVISION WICHITA, KS	

TUBING RECORD	Size <u>2 3/8"</u>	Set At <u>1378'</u>	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.	Producing Method			
<u>10/5/2006</u>	<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. <u>0</u>	Gas Mcf <u>20</u>	Water Bbls. <u>90</u>	Gas-Oil Ratio <u>90</u> Gravity

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

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

Production Interval _____

RECEIVED
KANSAS CORPORATION COMMISSION

OCT 11 2006

CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC.
Lease Name: Schultz 13-2
Sec. 2 Twp. 31S Rng. 14E, Montgomery County
API: 15-125-31033

Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
4	1353.5-1357, 1200.5-1202.5, 1146-1148	Rowe, Tebo, Mineral-4900# 20/40 sand, 473 bbls wtr, 750 gal 15% HCl acid	1146-1357
4	1101.5-1106, 1082.5-1086, 1032-1038, 1017.5-1021.5	Croweburg, Bevier, Mulky, Summit-12500# 20/40 sand, 870 bbls wtr, 1800 gal 15% HCl acid	1017.5-1106
4	901.5-903, 769.5-771	Mulberry, Laredo-2600# 20/40 sand, 284 bbls wtr, 400 gal 15% HCl acid	769.5-903

KCC
OCT 10 2006
CONFIDENTIAL

KCC
OCT 10 2006
CONFIDENTIAL

MORNING COMPLETION REPORT

Report Called in by: JOHN ED

Report taken by: KRD

LEASE NAME & #		AFE#	DATE	DAYS	CIBP	PBTD	
Shultz #13-2		G01012600200	6/13/2006	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		
			TEST PERFS				
PACKER OR ANCHOR	FISHING TOOLS	OD	ID	TO	SQUEEZED OR PLUG BACK PERFS		
				TO	TO		
				TO	TO		
				TO	TO		
				TO	TO		
HRS	BRIEF DESCRIPTION OF OPERATION						
	MIRU MCPHERSON DRILLING, DRILLED 11" HOLE, 40' DEEP, RIH W/ 2 JT 8 5/8" SURFACE CASING,						
	MIXED 10 SXS TYPE 1 CEMENT, DUMPED DN THE BACKSIDE, SDFN.						

RECEIVED
KANSAS CORPORATION COMMISSION
OCT 11 2006
CONSERVATION DIVISION
WICHITA, KS

DAILY COST ANALYSIS

RIG	_____
SUPERVISION	_____ 200
RENTALS	_____
SERVICES	_____ 400
MISC	_____ 2560

DETAILS OF RENTALS, SERVICES, & MISC

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

DAILY TOTALS 3160 **PREVIOUS TCTD** **TCTD** 3160

RECEIVED
KANSAS CORPORATION COMMISSION

OCT 11 2006

TICKET NUMBER 10161

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

CONSERVATION DIVISION
WICHITA, KS

LOCATION Eureka
FOREMAN Troy Strickland **KCC**

TREATMENT REPORT & FIELD TICKET
CEMENT

OCT 10 2006

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY	
6-20-06	4758	Shultz 13-2				MA	
CUSTOMER		Gus Jones #2		TRUCK #	DRIVER	TRUCK #	DRIVER
Layne Energy				463	Alan		
MAILING ADDRESS				442	Rick P.		
P.O. Box 160							
CITY		STATE	ZIP CODE				
Sycamore		Ks					

JOB TYPE Logging HOLE SIZE 6 3/4" HOLE DEPTH _____ CASING SIZE & WEIGHT 4 1/2" 10.5"
 CASING DEPTH 150' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.2" SLURRY VOL 47.5 bbl WATER gal/bk 8" CEMENT LEFT IN CASING 0'
 DISPLACEMENT 23.8 bbl DISPLACEMENT PSI 900 MIX PSI 1400 Bump Plug RATE _____

REMARKS: Safety Meeting: Rig up to 4 1/2" casing. Break circulation w/ 30 bbl water. Pump 4 sk Gel-Flush, 1 sk Metasilicate, Pump 12 bbl dye water. Mixed 150 sks Thick Set Cement w/ 10" P/SZ Kal-Seal @ 13.2" P/SZ. Wash out pump + lines. Release Plug. Displace w/ 23.8 bbl water. Final Pump Pressure 900 PSI. Bump Plug to 1400 PSI wait 2 mins Release Pressure Float Held. Good Cement to Surface = 78 bbl Slurry to Pit.

Job Complete.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
9401	1	PUMP CHARGE	800.00	800.00
5406	40	MILEAGE	3.15	126.00
1126A	150 sks	Thick Set Cement	14.65	2197.50
1110A	1500 "	Kal-Seal 10" P/SZ	.36	540.00
1118A	200 "	Gel-Flush	.14	28.00
1111A	50 "	Metasilicate Pre-Flush	1.65	82.50
5407A	8.25 Ton	Ton-Mileage Bulk Truck	1.05	346.50
4404	1	4 1/2" Top Rubber Plug	40.00	40.00

Post-It® Fax Note 7671 Date _____ # of pages 1

To DRODKE From MICHELLE

Co./Dept. _____ Co. _____

Phone # _____ Phone # _____

Fax # 913-748-3950 Fax # _____

Thank You!

Sub Total 4160.50

SALES TAX 153.06

ESTIMATED TOTAL 4313.56

2006318

DATE _____

RECEIVED
KANSAS CORPORATION COMMISSION

OCT 11 2006

CONSERVATION DIVISION
WICHITA, KS

GEOLOGIC REPORT

LAYNE ENERGY
Schultz 13-2
SW SW, 602 FSL, 539 FWL
Section 2-T31S-R14E
Montgomery County, KS

KCC

OCT 10 2006

CONFIDENTIAL

Spud Date:	6/13/2006
Drilling Completed:	6/19/2006
Logged:	6/19/2006
A.P.I. #:	1512531033
Ground Elevation:	907'
Depth Driller:	1523'
Depth Logger:	1510'
Surface Casing:	8.625 inches at 45'
Production Casing:	4.5 inches at 1505'
Cemented Job:	Consolidated
Open Hole Logs:	Dual Induction SFL/GR, High Resolution Compensated Density/Neutron

Formation

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

Tops (in feet below ground level)

Surface (South Bend Limestone Member)
903
1,032
1,101
1,146
1,399

Layne Energy, Inc.

10/19/08

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

October 10, 2006

RECEIVED
KANSAS CORPORATION COMMISSION

OCT 11 2006

CONSERVATION DIVISION
WICHITA, KS

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

KCC
OCT 10 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 # 15-125-31033
Schultz 13-2

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

