

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

11/21/08
Form ACO-1
September 1999
Form Must Be Typed
AMENDED

ORIGINAL

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. Brent Natrass
Phone: (913) 748-3960
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. _____
7/26/2006 7/28/2006 4/25/2007
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-31088-00-00
County: Montgomery
SW NE Sec. 8 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: McCabe Well #: 7-8
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 953' Kelly Bushing: _____
Total Depth: 1584' Plug Back Total Depth: 1561'
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 1561'
feet depth to Surface w/ 160 sx cmt.

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: MB Natrass
Title: Agent Date: 8/20/07
Subscribed and sworn to before me this 20 day of August
20 07
Notary Public: MacLaughlin Darlene
Date Commission Expires: 1/4/2009

MacLAUGHLIN DARLING
Notary Public - State of Kansas
My Appt. Expires 1/4/2009

KCC Office Use ONLY
Y Letter of Confidentiality Attached
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
RECEIVED
KANSAS CORPORATION COMMISSION
AUG 22 2007
CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: McCabe Well #: 7-8
 Sec. 8 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="0" style="width: 100%;"> <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>-31</td> </tr> <tr> <td>Excello Shale</td> <td>1113 GL</td> <td>-160</td> </tr> <tr> <td>V Shale</td> <td>1182 GL</td> <td>-229</td> </tr> <tr> <td>Mineral Coal</td> <td>1226 GL</td> <td>-273</td> </tr> <tr> <td>Mississippian</td> <td>1508 GL</td> <td>-555</td> </tr> </table>	Name	Top	Datum	Pawnee Lime	984 GL	-31	Excello Shale	1113 GL	-160	V Shale	1182 GL	-229	Mineral Coal	1226 GL	-273	Mississippian	1508 GL	-555
Name	Top	Datum																	
Pawnee Lime	984 GL	-31																	
Excello Shale	1113 GL	-160																	
V Shale	1182 GL	-229																	
Mineral Coal	1226 GL	-273																	
Mississippian	1508 GL	-555																	

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"	8.625"	24	20'	Class A	4	Type 1 cement
Casing	6.75"	4.5"	10.5	1561'	Thick Set	160	#10 KOL seal @ sx

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 Page		

TUBING RECORD		Size	Set At	Packer At	Liner Run
		2-3/8"	1249'		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.			Producing Method		
5/7/2007			<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	56	5		

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) _____	

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CONSERVATION DIVISION
WICHITA, KS

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	McCabe 7-8		
	Sec. 8 Twp. 31S Rng. 14E, Montgomery County		
API:	15-125-31088-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations			
4	Mineral 1226' - 1228' Croweburg 1182' - 1185' Bevier 1164' - 1167.5'	9500 lbs 20/40 sand 735 bbls water 950 gals 15% HCl acid	1164' - 1228'
4	Mulky 1112.5' - 1118.5' Summit 1097' - 1101' Dawson 804' - 806'	11700 lbs 20/40 sand 867 bbls water 750 gals 15% HCl acid	804' - 1118.5'

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CONSERVATION DIVISION
WICHITA, KS

Layne Energy, Inc.

11/21/08

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

August 21, 2007

CONFIDENTIAL

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

Re: Amended Well Completion Forms

Dear Mr. Bond:

I have enclosed the **amended** ACO-1 form and associated data for the following well:

API # 15-125-31088-00-00
McCabe 7-8

We respectfully request that all information submitted be kept confidential. 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, please contact me at (913) 748-3960.

Sincerely,

MacLaughlin Darling

MacLaughlin Darling
Engineering Technician

Enclosures

cc: Well File
Field Office

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AUG 22 2007

CONSERVATION DIVISION
WICHITA, KS



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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

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. _____

7/26/2006 7/28/2006
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-31088-00-00
County: Montgomery
____ SW NE Sec. 8 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: McCabe Well #: 7-8
Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals
Elevation: Ground: 953 Kelly Bushing: _____
Total Depth: 1584 Plug Back Total Depth: 1561
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 1561
feet depth to Surface w/ 160 sx cm.

Drilling Fluid Management Plan AIA II NH 8-13-08
(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. _____ East West
County: _____ Docket No.: _____

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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: 11/21/06
Subscribed and sworn to before me this 21 day of November
2006
Notary Public: Brooke C. Maxfield
Date Commission Expires: 12/28/09

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

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: McCabe Well #: 7-8
 Sec. 8 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	984 GL	-31
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	1113 GL	-160
List All E. Logs Run:		V Shale	1182 GL	-229
Compensated Density Neutron		Mineral Coal	1226 GL	-273
Dual Induction		Mississippian	1508 GL	-555

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CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
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Casing	6.75	4.5	10.5	1561'	Thick Set	160	

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		
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		KCC WICHITA	

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

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled

Production Interval Other (Specify) _____

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 10420
 LOCATION Eureka
 FOREMAN Troy Strickler

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KCC WICHITA
TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
7-31-06	4758	M9Tabe 7-8				MG
CUSTOMER			TRUCK #	DRIVER	TRUCK #	DRIVER
Layne Energy			446	Colin		
MAILING ADDRESS			979	Kyle		
P.O. Box 160						
CITY	STATE	ZIP CODE				
Sycamore	KS					

Gus Jones #2

JOB TYPE Longstring HOLE SIZE 6 3/4" HOLE DEPTH 1583' CASING SIZE & WEIGHT 4 1/2" 10.5"
 CASING DEPTH 1561 DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.2" SLURRY VOL 49Bbl WATER gal/sk 8" CEMENT LEFT in CASING 0'
 DISPLACEMENT 24.8Bbl DISPLACEMENT PSI 800 MIX PSI 1300 Bump Plug RATE _____

REMARKS: Safety Meeting: Rig up to 4 1/2" casing. Wash Bridge @ 1220' + 1390'. Washed 5' on bottom to PSTD 1561'. Pump 15Bbl Gel-Flush. Pump 50Bbl to Bring Gel to surface. Rig up to Cement. Pump 10Bbl Metasilicate Pre-Flush, 15Bbl Dye water. Mixed 160sk Thick Set Cement w/ 10" Kol-Seal P/sk @ 13.2" P/sk. Wash out Pump + lines. Release Plug. Displace w/ 24.8 Bbl water. Final Pump Pressure 800 PSI. Bump Plug to 1300 PSI. Wait 2mins. Release Pressure. Float Held. Good Cement to surface = 8Bbl slurry to Pit.

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 1st of 2 wells	3.15	126.00
1126A	160sk	Thick Set Cement	14.65	2344.00
1110A	1600"	Kol-Seal 10" P/sk	.36"	576.00
1118A	200"	Gel-Flush	.14"	28.00
1111A	50"	Metasilicate Pre-Flush	1.65"	82.50
5407A	8.8 Tons	Ton-Mileage Bulk Truck	1.05	369.60
4404	1	4 1/2" Top Rubber Plug	40.00	40.00
<u>Thank You!</u>				
			Sub Total	4366.10
			SALES TAX	162.13
			ESTIMATED TOTAL	4528.23

501655

AUTHORIZATION called by John Ed.

TITLE _____

DATE _____

GEOLOGIC REPORT

LAYNE ENERGY
McCabe 7-8
SW NE, 1980 FNL, 1980 FEL
Section 8-T31S-R14E
Montgomery County, KS

KCC
NOV 21 2006
CONFIDENTIAL

Spud Date: 7/26/2006
Drilling Completed: 7/28/2006
Logged: 7/28/2006
A.P.I. #: 1512531088
Ground Elevation: 953'
Depth Driller: 1584'
Depth Logger: 1579'
Surface Casing: 8.625 inches at 20'
Production Casing: 4.5 inches at 1561.4'
Cemented Job: Consolidate
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 (Revard Sandstone bed)
984
1,113
1,182
1,226
1,508

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Layne Energy, Inc.

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

November 21, 2006

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

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KCC WICHITA

Re: Well Completion Form

To Whom It May Concern:

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

API # 15-125-31088
McCabe 7-8

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

