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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: 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. _____

7/28/2006 8/1/2006 9/21/2006
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-31045-00-00
County: Montgomery
SW NW Sec. 36 Twp. 31 S. R. 14 East West
1980 feet from S / (N) (circle one) Line of Section
660 feet from E / (W) (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Schabel Well #: 5-36
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 974 Kelly Bushing: _____
Total Depth: 1523 Plug Back Total Depth: 1518.6
Amount of Surface Pipe Set and Cemented at 23 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1518
feet depth to Surface w/ 150 sx cmf.

Drilling Fluid Management Plan AH II NH 8-15-08
(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.: _____

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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: [Signature]
Title: Agent Date: 11/21/06
Subscribed and sworn to before me this 21 day of November
20 [Signature]
Notary Public: [Signature]
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: Schabel Well #: 5-36
 Sec. 36 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	954 GL	20
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	1102 GL	-128
List All E. Logs Run:		V Shale	1151 GL	-177
Compensated Density Neutron		Mineral Coal	1198 GL	-224
Dual Induction		Mississippian	1454 GL	-480

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	23'	Class A	4	Type 1 cement
Casing	6.75	4.5	10.5	1518'	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				

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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		

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TUBING RECORD	Size <u>2 3/8"</u>	Set At <u>1432'</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>10/17/2006</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.	Gas Mcf	Water Bbls.	Gas-Oil Ratio Gravity
	<u>0</u>	<u>23</u>	<u>34</u>	

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) _____

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Operator Name: Layne Energy Operating, LLC.
Lease Name: Schabel 5-36
Sec. 36 Twp. 31S Rng. 14E, Montgomery County
API: 15-125-31045

Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
4	1404.5-1407	Rowe - 2100# 20/40 sand, 235 bbls wtr, 300 gal 15% HCl acid	1404.5-1407
4	1262-1265, 1213-1214.5, 1198-1200	Weir, Scammon A, Mineral-7400# 20/40 sand, 514 bbls wtr, 650 gal 15% HCl acid	1198-1265
4	1151-1154.5, 1129.5-1131	Croweburg, Bevier-5900# 20/40 sand, 533 bbls wtr, 500 gal 15% HCl acid	1129.5-1154.5
4	1101.5-1108, 1078-1083.5, 950.5-952, 767-769.5	Mulky, Summit, Mulberry, Dawson-12000# 20/40 sand, 695 bbls wtr, 1600 gal 15% HCl acid	767-1108

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TREATMENT REPORT & FIELD TICKET
CEMENT

TICKET NUMBER 10444
LOCATION Eureka
FOREMAN Tray Strickler

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

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
8-2-06	4758	Schable S-36				Wilson
CUSTOMER			Truck # DRIVER TRUCK # DRIVER			
Layne Energy			463 Alen			
MAILING ADDRESS			441 Justin			
P.O. Box 160						
CITY		STATE	ZIP CODE			
Syranox		KS				

JOB TYPE Logstring HOLE SIZE 6 3/4" HOLE DEPTH 1523' CASING SIZE & WEIGHT 4 1/2" 10.5"
 CASING DEPTH 1518' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.2" SLURRY VOL 47.50bbl WATER gal/sk 8" CEMENT LEFT IN CASING 0'
 DISPLACEMENT 24.18bbl DISPLACEMENT PSI 800 MIX PSI 1300 Bump Plug RATE _____

REMARKS: Safety meeting: Rig up to 4 1/2" casing. Break circulation w/ 30Bbl water. Pump tests Gel-Flush, 5Bbl water, 20Bbl Metasilicate Pre-Flush, 14Bbl Dye. Mixed 150sks Thick Set Cement w/ 10" Kol-Seal Plug @ 13.2" Pw/sgl. Wash out Pump + Lines Release Plug. Displace w/ 24.18bbl. Final Pump Pressure 800 PSI. Bump Plug to 1300 PSI. Wait 2mins. Release Pressure Float He.H. Good Cement to Surface = 88Bbl 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 2nd of 2 wells	3.15	126.00
1126A	150sks	Thick Set Cement	14.65	2197.50
1110A	1500 #	Kol-Seal 10" Pw/sgl	.36 #	540.00
1118A	300 #	Gel-Flush	.14 #	42.00
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
<u>Thank You!</u>				
			Sub Total	4048.50
			6.3% SALES TAX	182.83
			ESTIMATED TOTAL	4231.33

AUTHORIZATION called by John Ed TITLE _____ DATE _____

6011705

GEOLOGIC REPORT

LAYNE ENERGY
Schabel 5-36
SW NW, 1980 FNL, 660 FWL
Section 36-T31S-R14E
Montgomery County, KS

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Spud Date: 7/28/2006
Drilling Completed: 8/1/2006
Logged: 8/2/2006
A.P.I. #: 1512531045
Ground Elevation: 974'
Depth Driller: 1523'
Depth Logger: 1520'
Surface Casing: 8.625 inches at 21'
Production Casing: 4.5 inches at 1518.6'
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 (Undifferentiated Tallant Member)
954
1,102
1,151
1,198
1,454

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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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Re: Well Completion Form

To Whom It May Concern:

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

API # 15-125-31045
Schabel 5-36

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

