

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

8/24/09

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. 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 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. _____

<u>4/30/2007</u>	<u>5/2/2007</u>	<u>Pending</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

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API No. 15 - 125-31345-00-00
 County: Montgomery
SW NW SW Sec. 35 Twp. 33 S. R. 16 East West
1600 feet from N (circle one) Line of Section
117 feet from E W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Dunbar Well #: 12-35
 Field Name: Cherokee Basin Coal Area
 Producing Formation: Cherokee Coals
 Elevation: Ground: 732' Kelly Bushing: _____
 Total Depth: 1105' Plug Back Total Depth: 1097'
 Amount of Surface Pipe Set and Cemented at 45 Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set _____ Feet
 If Alternate II completion, cement circulated from 1097
 feet depth to Surface w/ 115 sx cm.

Drilling Fluid Management Plan AH II NS 3-409
 (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: MR Natrass
 Title: Agent Date: 8/24/07
 Subscribed and sworn to before me this 24 day of August,
 2007.
 Notary Public: MacLaughlin Darling
 Date Commission Expires: 1/4/2009

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

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Letter of Confidentiality Attached
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

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CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Dunbar Well #: 12-35
 Sec. 35 Twp. 33 S. R. 16 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	374 GL	358
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	544 GL	188
List All E. Logs Run:		V Shale	598 GL	134
Compensated Density Neutron		Mineral Coal	651 GL	81
Dual Induction		Mississippian	995 GL	-263

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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"	8.625"	24	45'	Class A	60	Type 1 cement
Casing	6.75"	4.5"	10.5	1097'	Thick Set	115	#10 KOL seal @ sx

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
___ Perforate				
___ Protect Casing				
___ Plug Back TD				
___ 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		

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 Other (Specify) _____

Production Interval _____

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WICHITA, KS

Daily Well Work Report

DUNBAR 12-35

5/2/2007

Well Location:
MONTGOMERY KS
33S-16E-35 NW SW
1600FSL / 117FWL

Cost Center G01022600100
Lease Number G010226
Property Code KSDC33S16E3512
API Number 15-125-31345

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Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
4/30/2007	5/2/2007				

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1105	1097	44	1097	0	0

Reported By krd	Rig Number	Date 4/30/2007
Taken By krd		Down Time
Present Operation Drill out from under surface		Contractor McPherson Drilling

Narrative

Miru McPherson Drilling, drilled 11' hole, 45' deep, rih w/ 2 jt 8-5/8" surface casing, MIRU Consolidated to 8-5/8" casing, pump 20 bbls fresh water ahead. Mixed 60 sks class "A" cement w/2% flocele per sk @14.8 # per gallon. Dixplace with 1.5 bbls fresh water. Shut casing in.
DWC: \$5123

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CONSERVATION DIVISION
WICHITA, KS

CONSOLIDATED OIL WELL SERVICE, INC.
 P.O. BOX 884, CHANUTE, KS 66720
 620-431-9210 OR 800-467-9676

TICKET NUMBER 11333
 LOCATION EUREKA
 FOREMAN RICK LEFFORD

**TREATMENT REPORT & FIELD TICKET
 CEMENT**

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
4-30-07	4758	Quiber 12-35				MG
CUSTOMER <u>Layne Energy</u>			TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS <u>P.O. Box 1166</u>			463	Kyle		
CITY <u>Sycamore</u>			429	JEFF		
STATE <u>KS</u>		ZIP CODE				

JOB TYPE surface HOLE SIZE 11" HOLE DEPTH 45' CASING SIZE & WEIGHT 8 7/8"
 CASING DEPTH 44' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 14.8^{lb} SLURRY VOL _____ WATER gal/sk 6.5 CEMENT LEFT in CASING 15'
 DISPLACEMENT 1.5 bbl DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety meeting. Rig up to 8 7/8" casing. Pump 20. bbl fresh water ahead mixed 60 sacks class "A" cement w/ 22 gal, 220 ccs, 1/4" flaccid @ 14.8^{lb}/gal. Displace w/ 1 1/2 bbl fresh water shut casing in.
Job Complete. Rig down.

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"Thank You"

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
54015	1	PUMP CHARGE	650.00	650.00
5406	40	MILEAGE	3.30	132.00
11045	60 SACS	class A cement	12.20	732.00
1118A	110 ^{gal}	220 gal	.15	16.50
1102	110 ^{gal}	220 ccs	.67	73.70
1107	15 ^{gal}	1/4" flaccid	1.90	28.50
5407		ten-mileage bulk disk	n/c	285.00
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			Subtotal	1917.20
			5.97% SALES TAX	45.09
			ESTIMATED TOTAL	1962.79

AUTHORIZATION Called by Rig TITLE _____ DATE _____

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 17315
 LOCATION EUREKA
 FOREMAN Kevin McCoy

TREATMENT REPORT & FIELD TICKET
 CONFIDENTIAL
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
5-2-07	4758	Dunbar 12-35				MG

CUSTOMER
Layne Energy
 MAILING ADDRESS
 P.O. Box 160
 CITY
Sycamore STATE
Ks ZIP CODE

Gus Jones
 Rig 1

TRUCK #	DRIVER	TRUCK #	DRIVER
445	Justin		
502	Shannon		
436	Jarrid		

JOB TYPE Longstring HOLE SIZE 6 3/4 HOLE DEPTH 1105' CASING SIZE & WEIGHT 4 1/2 10.5" New
 CASING DEPTH 1097 DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.2* SLURRY VOL 36 BBL WATER gal/sk 8.0 CEMENT LEFT in CASING 0'
 DISPLACEMENT 17.5 BBL DISPLACEMENT PSI 600 PSI 1100 Bump Plug RATE _____

REMARKS: Safety Meeting: Rig up to 4 1/2 casing. Break Circulation w/ 20 BBL fresh water. Pump 4 sks Gel flush, 5 BBL water spacer, 10 BBL metasilicate pre flush, 9 BBL Dye water. Mixed 115 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/ 17.5 BBL fresh water. Final Pumping Pressure 600 PSI. Bump Plug to 1100 PSI. Wait 2 minutes. Release Pressure. Float Held. 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	840.00	840.00
5406	40	MILEAGE	3.30	132.00
1126 A	115 sks	THICK Set Cement	15.40	1771.00
1110 A	1150 *	KOL-SEAL 10" per/sk	.38 *	437.00
1118 A	200 *	Gel Flush	.15 *	30.00
1111 A	50 *	Metasilicate Pre Flush	1.65 *	82.50
5407 A	6.32 TONS	40 miks Bulk TRUCK	1.10	278.08
5502 C	4 HRS	80 BBL VAC TRUCK	90.00	360.00
1123	2500 GALS	City water	12.80/1000	32.00
4404	1	4 1/2 Top Rubber Plug	40.00	40.00
Sub Total				4002.58
SALES TAX 5.3%				126.80
ESTIMATED TOTAL				4129.38

THANK YOU

AUTHORIZATION Called By Mike Taylor

TITLE Co. Rep.

DATE

GEOLOGIC REPORT

LAYNE ENERGY
Dunbar 12-35
NW SW, 1600 FSL, 117 FWL
Section 35-T33S-R16E
Montgomery County, KS

Spud Date: 4/30/2007
Drilling Completed: 5/2/2007
Logged: 5/2/2007
A.P.I. #: 15125313450000
Ground Elevation: 732'
Depth Driller: 1105'
Depth Logger: 1105'
Surface Casing: 8.625 inches at 45'
Production Casing: 4.5 inches at 1097'
Cemented Job: 0
Open Hole Logs: Dual Induction SFL/GR, High Resolution
Compensated Density/Neutron

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Formation	Tops	
	(below ground)	(subsea)
Quaternary	Surface (Alluvium)	732
Pawnee Limestone	374	358
Excello Shale	544	188
"V" Shale	598	134
Mineral Coal	651	81
Mississippian	995	-263

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