

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

12/06/08
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: KCC
Operator Contact Person: M. B. Natrass
Phone: (913) 748-3987
Contractor: Name: Thornton Air Rotary
License: 33606

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. _____

8/9/2006 8/11/2006
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-31164-00-00
County: Montgomery
 - - NE - NW Sec. 1 Twp. 31 S. R. 14 East West
415 feet from S / (N) (circle one) Line of Section
1838 feet from E / (W) (circle one) Line of Section

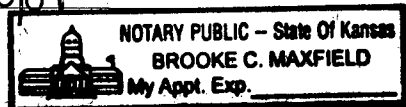
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Fortner Well #: 3-1
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 918 Kelly Bushing: _____
Total Depth: 1482 Plug Back Total Depth: 1477
Amount of Surface Pipe Set 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 AH # VHS-20-08
(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: MB Natrass
Title: Agent Date: 12/6/06
Subscribed and sworn to before me this 06 day of December
20 06.
Notary Public: Brooke C. Maxfield
Date Commission Expires: 12/28/09



KCC Office Use ONLY
 Letter of Confidentiality Attached
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
RECEIVED
KANSAS CORPORATION COMMISSION
DEC 07 2006

CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Fortner Well #: 3-1
 Sec. 1 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 style="width:100%; border-collapse: collapse;"> <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>897 GL</td> <td>21</td> </tr> <tr> <td>Excello Shale</td> <td>1019 GL</td> <td>-101</td> </tr> <tr> <td>V Shale</td> <td>1088 GL</td> <td>-170</td> </tr> <tr> <td>Mineral Coal</td> <td>1133 GL</td> <td>-215</td> </tr> <tr> <td>Mississippian</td> <td>1384 GL</td> <td>-466</td> </tr> </table>	Name	Top	Datum	Pawnee Lime	897 GL	21	Excello Shale	1019 GL	-101	V Shale	1088 GL	-170	Mineral Coal	1133 GL	-215	Mississippian	1384 GL	-466
Name	Top	Datum																	
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Mineral Coal	1133 GL	-215																	
Mississippian	1384 GL	-466																	

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>
	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	METHOD OF COMPLETION	Production Interval
<input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	<input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	

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CONSERVATION DIVISION
 WICHITA, KS

Daily Well Work Report

FORTNER 3-1
8/9/2006

KCC
DEC 06 2006
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Well Location:
MONTGOMERY KS
31S-14E-1 NE NW
415FNL / 1838FWL

Cost Center G01015300200
Lease Number G010153
Property Code KSSY31140103
API Number 15-125-31164

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
8/9/2006	8/11/2006				

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size	Pump Seat Depth
1482	1477	20	1477			1477

Reported By	Rig Number	Date	8/9/2006
Taken By		Down Time	
Present Operation		Contractor	

Narrative

MIRU Thornton drilling rig, drilled 11" hole 20'deep. Rih w/1 jts 8-5/8" surface casing. Mixed 4 sxs type 1 cement, dumped dn the backside. SDFN.

Cumulative Well Cost \$ 31,731.00

Monday, December 04, 2006

Page 3 of 3
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CONSERVATION DIVISION
WICHITA, KS

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

KCC

DEC 06 2006

TICKET NUMBER 10522
 LOCATION EURGA
 FOREMAN RICK LEONARD

CONFIDENTIAL
 TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
8-14-06	4758	FORTNER 3-1				MG
CUSTOMER			TRUCK #			
Layne Energy			DRIVER			
MAILING ADDRESS			TRUCK #			
P.O. Box 160			DRIVER			
CITY						
Sycamore						
STATE						
KS						
ZIP CODE						

JOB TYPE Logging HOLE SIZE 6 3/4 HOLE DEPTH 1482 CASING SIZE & WEIGHT 4 1/2" 10.5" NEW
 CASING DEPTH 1477' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.2" SLURRY VOL 47 Bbl WATER gal/sk 8.0 CEMENT LEFT in CASING 0'
 DISPLACEMENT 28.5 Bbl DISPLACEMENT PSI 900 ~~PSI~~ 1400 RATE _____

REMARKS: Safety meeting: Rig up to 4 1/2" casing. Break circulation w/ 25 Bbls
fresh water pump 4 sks Gel flush, 5 Bbl water spacer, 10 Bbl Metasilicate
Pre-flush, 15 Bbl Oye water mixed 150 sks Thicket cement w/ 10"
Kal-seal 10" 100/sk @ 13.2" 100/sk. Washout pump & lines. Shut down. Release
plug. Displace w/ 28.5 Bbls fresh water. Final pumping pressure 900 psig.
Bump plug to 1400 PSI wait 2 mins Release pressure. Float held
Good cement returns to surface = 8 Bbl slurry to pit. Job complete.
Rig down.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	800.00	800.00
5406	40	MILEAGE 1 of 2 wells	3.15	126.00
1126A	150 sks	Thicket cement	14.65	2197.50
1110A	1500 #	Kal-seal 10" 100/sk	3.60	540.00
1118A	200 #	Gel-flush	1.40	28.00
1111A	50 #	Metasilicate Pre-flush	1.65	82.50
5407A	8.25 hrs	40 miles Bulk Tax	43.20	346.50
4404	1	4 1/2 top rubber plug	40.00	40.00
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DEC 07 2006				
CONSERVATION DIVISION				
WICHITA, KS				
"Thank You"				
			5.3%	Subtotal
				4160.50
				SALES TAX
				153.06
				ESTIMATED
				TOTAL
				4313.56

208003

AUTHORIZATION called by John Ed TITLE _____ DATE _____

GEOLOGIC REPORT

LAYNE ENERGY
Fortner 3-1
NE NW, 415 FNL, 1838 FWL
Section 1-T31S-R14E
Montgomery County, KS

KCC
DEC 06 2006
CONFIDENTIAL

Spud Date:	8/9/2006
Drilling Completed:	8/11/2006
Logged:	8/11/2006
A.P.I. #:	1512531164
Ground Elevation:	918'
Depth Driller:	1482'
Depth Logger:	1483'
Surface Casing:	8.625 inches at 20'
Production Casing:	4.5 inches at 1477'
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 (Stoner Limestone Member)
897
1,019
1,088
1,133
1,384

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CONSERVATION DIVISION
WICHITA, KS

12/06/08

Layne Energy, Inc.

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

December 6, 2006

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

KCC
DEC 06 2006
CONFIDENTIAL

Re: Well Completion Form

To Whom It May Concern:

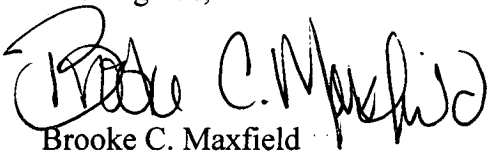
I have enclosed the ACO-1 form and associated data for the following wells:

API # 15-125-31164
Fortner 3-1

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



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WICHITA, KS