

12/21/08

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

ORIGINAL
Form ACO-1
September 1999
Must Be Typed
AMENDED

Operator: License # 33365
Name: Layne Energy Operating, LLC
Address: 1900 Shawnee Mission Parkway
City/State/Zip: Mission Woods, KS 66205
Purchaser: _____
Operator Contact Person: Timothy H. Wright
Phone: (913) 748-3960
Contractor: Name: MOKAT Drilling
License: 3851
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. _____

8/25/2006	8/29/2006	6/14/2007
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-31029-00-00
County: Montgomery
 - - NE - SE Sec. 17 Twp. 33 S. R. 16 East West
2244 feet from N (circle one) Line of Section
667 feet from W (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: McHugh Well #: 9-17
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 807 Kelly Bushing: _____
Total Depth: 1232' Plug Back Total Depth: 1224'
Amount of Surface Pipe Set and Cemented at 21.5 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1224
feet depth to Surface w/ 125 sx cmt.

Drilling Fluid Management Plan 04 8/23/08
(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: 10-10-07
Subscribed and sworn to before me this 10 day of October
2007
Notary Public: MacLaughlin Darling
Date Commission Expires: 1-4-2009



KCC Office Use ONLY
 Letter of Confidentiality Attached
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
RECEIVED
KANSAS CORPORATION COMMISSION
Distribution
OCT 12 2007

CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: McHugh Well #: 9-17
 Sec. 17 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 <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	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td><input checked="" type="checkbox"/> Log</td> <td>Formation (Top), Depth and Datum</td> <td><input type="checkbox"/> Sample</td> </tr> <tr> <td>Name</td> <td>Top</td> <td>Datum</td> </tr> <tr> <td>Pawnee Lime</td> <td>537 GL</td> <td>270</td> </tr> <tr> <td>Excello Shale</td> <td>708 GL</td> <td>99</td> </tr> <tr> <td>V Shale</td> <td>760 GL</td> <td>47</td> </tr> <tr> <td>Mineral Coal</td> <td>806 GL</td> <td>1</td> </tr> <tr> <td>Mississippian</td> <td>1144 GL</td> <td>-337</td> </tr> </table>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample	Name	Top	Datum	Pawnee Lime	537 GL	270	Excello Shale	708 GL	99	V Shale	760 GL	47	Mineral Coal	806 GL	1	Mississippian	1144 GL	-337
<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample																				
Name	Top	Datum																				
Pawnee Lime	537 GL	270																				
Excello Shale	708 GL	99																				
V Shale	760 GL	47																				
Mineral Coal	806 GL	1																				
Mississippian	1144 GL	-337																				

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	21.5'	Class A	4	Type 1 cement
Casing	6.75	4.5	10.5	1224'	Thick Set	125	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	RECEIVED KANSAS CORPORATION COMMISSION OCT 12 2007 CONSERVATION DIVISION WICHITA, KS	

TUBING RECORD	Size Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	2-3/8" 1096'		
Date of First, Resumerd Production, SWD or Enhr.		Producing Method	
6/26/2007		<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 Bbbs.	Gas Mcf	Water Bbbs. Gas-Oil Ratio Gravity
	0	2	4

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 _____

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	McHugh 9-17		
	Sec. 17 Twp. 33S Rng. 16E, Montgomery County		
API:	15-125-31029-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations			
4	Rowe 1070.5' - 1072.5' Weir 902' - 904'	6300 lbs 20/40 sand 429 bbls water 670 gals 15% HCl acid	902' - 1072.5'
4	Mineral 806' - 808' Croweburg 760' - 762.5' Iron Post 734' - 735.5'	7100 lbs 20/40 sand 520 bbls water 800 gals 15% HCl acid	734' - 808'
4	Mulky 707.5' - 712.5' Summit 677.5' - 682.5'	4100 lbs 20/40 sand 585 bbls water 1050 gals 15% HCl acid	677.5' - 712.5'

RECEIVED
KANSAS CORPORATION COMMISSION

OCT 12 2007

CONSERVATION DIVISION
WICHITA, KS

Layne Energy, Inc.

12/21/08

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

October 10, 2007

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 # 15-125-31029-00-00
McHugh 9-17

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
Engineering Technician

Enclosures

cc: Well File
Field Office

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KANSAS CORPORATION COMMISSION
OCT 12 2007
CONSERVATION DIVISION
WICHITA, KS



CONFIDENTIAL

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

ORIGINAL

12/21/08

Form ACO-1
September 1999
Form Must Be Typed

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: MOKAT Drilling

License: 3851 88 5831

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. _____

<u>8/25/2006</u>	<u>8/29/2006</u>	
Spud Date or	Date Reached TD	Completion Date or
Recompletion Date		Recompletion Date

KCC

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KANSAS CORPORATION COMMISSION

DEC 22 2006

CONSERVATION DIVISION
WICHITA, KS

API No. 15 - 125-31029-00-00

County: Montgomery

NE SE Sec. 17 Twp. 33 S. R. 16 East West

2244 feet from N (circle one) Line of Section

667 feet from W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE SE NW SW

Lease Name: McHugh Well #: 9-17

Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals

Elevation: Ground: 807 Kelly Bushing: _____

Total Depth: 1232 Plug Back Total Depth: 1224

Amount of Surface Pipe Set and Cemented at 21.5 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set _____ Feet

If Alternate II completion, cement circulated from 1224

feet depth to Surface w/ 125 sx cmt.

Drilling Fluid Management Plan AHJ NH 8-25-08
(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: 12/21/06

Subscribed and sworn to before me this 21 day of December

20 06
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: McHugh Well #: 9-17
 Sec. 17 Twp. 33 S. R. 16 East West County: Montgomery **CONFIDENTIAL**

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	537 GL	270
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	708 GL	99
List All E. Logs Run:	RECEIVED KANSAS CORPORATION COMMISSION DEC 22 2006 CONSERVATION DIVISION WICHITA, KS	Y Shale	760 GL	47
Compensated Density Neutron		Mineral Coal	806 GL	1
Dual Induction		Mississippian	1144 GL	-337

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	21.5'	Class A	4	Type 1 cement
Casing	6.75	4.5	10.5	1224'	Thick Set	125	

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		

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. SI - Waiting on pipeline		Producing Method <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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Daily Well Work Report

MCHUGH 9-17
8/25/2006

Well Location:
MONTGOMERY KS
33S-16E-17 NE SE
2244FSL / 667FEL

Cost Center G01015000100
Lease Number G010150
Property Code GLNA-0179
API Number 15-125-31029

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
8/25/2006	8/29/2006				

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size	Pump Seat Depth
1232	1224	21.5	1224			1224

Reported By	Rig Number	Date	8/25/2006
Taken By		Down Time	
Present Operation		Contractor	

Narrative

MIRU MOKAT, drilled 11" hole 21.5' deep. Rih w/1 jt 8-5/8" surface casing. Cement w/ 4 sxs. SDFN

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CONSERVATION DIVISION
WICHITA, KS

KCC

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CONSOLIDATED OIL WELL SERVICE, INC.
 P.O. BOX 884, CHANUTE, KS 66720
 620-431-9210 OR 800-467-8678

TICKET NUMBER 10594
 LOCATION EUREKA
 FOREMAN KEVIN MCCOY

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
8-30-06	4758	McMugh 9-17				MG
CUSTOMER <u>Layne Energy</u>			TRUCK #		DRIVER	
MAILING ADDRESS <u>P.O. Box 37</u>			445		Justin	
CITY <u>Sycamore</u>			439		Jarrod	
STATE <u>KS</u>		ZIP CODE	HOLE SIZE <u>6 3/4</u>			
HOLE DEPTH <u>1232'</u>		CASING SIZE & WEIGHT <u>4 1/2 10.5# New</u>				
DISPLACEMENT <u>19.4 BBL</u>		DISPLACEMENT PSI <u>600</u>		WATER gals/sk <u>8.0</u>		
SLURRY WEIGHT <u>13.2 #</u>		SLURRY VOL <u>39 BBL</u>		CEMENT LEFT IN CASING <u>0'</u>		
CASING DEPTH <u>1224</u>		DRILL PIPE		TUBING		
JOB TYPE <u>Logstring</u>		HOLE SIZE		OTHER		

REMARKS: Safety Meeting: Rig up to 4 1/2 casing w/ wash head. Break circulation w/ 25 BBL fresh water. wash down 15' casing w/ additional 20 BBL water. Pump 4 hrs. Gel flush, 5 BBL water spacer, 10 BBL metasilicate. Pre flush, 10 BBL dye water. Shut down. Rig up cement head. Mixed 125 sacks 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/ 19.4 BBL fresh water. Final pumping pressure 600 psi. Pump plug to 1100 psi. wait 2 minutes. Release pressure. Float held. Good cement returns = 9 BBL slurry. Job complete rig down.

ACCOUNT CODE	QUANTITY OF UNITS	DESCRIPTION OF SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	800.00	800.00
5406	40	MILEAGE 15 ^{mi} well of KANSAS CORPORATION COMMISSION	3.15	126.00
1126 A	125 Sks	THICK Set Cement	14.65	1831.25
1110 A	1250 #	KOL-SEAL 10" PER/SK CONSERVATION DIVISION WICHITA, KS	.36 #	450.00
1118 A	200 #	Gel Flush	.14 #	28.00
1111 A	50 #	metasilicate	1.65 #	82.50
5407 A	6.87 tons	40 miles Bulk Truck	1.05	288.54
4404	1	4 1/2 Top Rubber Plug	40.00	40.00
			Sub TOTAL	3646.29
			SALES TAX 5.3%	128.88
			ESTIMATED TOTAL	3775.17

THANK YOU

208632

AUTHORIZATION Called by John Ed

TITLE _____

DATE _____

GEOLOGIC REPORT

LAYNE ENERGY
McHugh 9-17
NE SE, 2244 FSL, 667 FEL
Section 17-T33S-R16E
Montgomery County, KS

KCC
DEC 21 2006
CONFIDENTIAL

Spud Date: 8/25/2006
Drilling Completed: 8/29/2006
Logged: 8/29/2006
A.P.I. #: 1512531029
Ground Elevation: 807'
Depth Driller: 1232'
Depth Logger: 1218'
Surface Casing: 8.625 inches at 21.5'
Production Casing: 4.5 inches at 1224'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, High Resolution
Compensated Density/Neutron

Formation

Kansas City Group
Pawnee Limestone
Excello Shale
"V" Shale
Mineral Coal
Mississippian

Tops (in feet below ground level)

Surface (Dewey Limestone)
537
708
760
806
1,144

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DEC 22 2006

CONSERVATION DIVISION
WICHITA, KS

12/21/08

Layne Energy, Inc.

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

December 21, 2006

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

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KANSAS CORPORATION COMMISSION

DEC 22 2006

CONSERVATION DIVISION
WICHITA, KS

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DEC 21 2006
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Re: Well Completion Form

To Whom It May Concern:

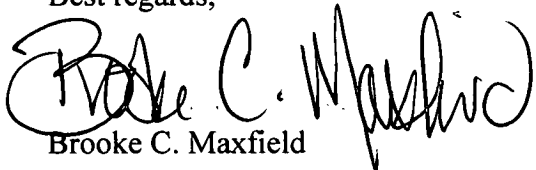
I have enclosed the ACO-1 form and associated data for the following wells:

API # 15-125-31029
McHugh 9-17

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

