

ORIGINAL

CONFIDENTIAL
KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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AUG 17 2007

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE
CONSERVATION DIVISION
WICHITA, KS

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: 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. _____

4/19/2007 4/20/2007 Pending
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

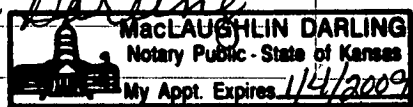
API No. 15 - 125-31329-00-00
County: Montgomery
W2 NW NW Sec. 31 Twp. 31 S. R. 16 East West
679 feet from S / (circle one) Line of Section
351 feet from E / (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Mills Trust Well #: 4-31
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 835' Kelly Bushing: _____
Total Depth: 1228' Plug Back Total Depth: 1224'
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 1224
feet depth to Surface w/ 130 sx cmt.

Drilling Fluid Management Plan Alt II US 2/16/09
(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: MBS Natrass
Title: Agent Date: 8/16/07
Subscribed and sworn to before me this 16 day of August
07
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
 UIC Distribution

Operator Name: Layne Energy Operating, LLC Lease Name: Mills Trust Well #: 4-31
 Sec. 31 Twp. 31 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 Yes No
 (Attach Additional Sheets)
 Samples Sent to Geological Survey Yes No
 Cores Taken Yes No
 Electric Log Run Yes No
 (Submit Copy)

List All E. Logs Run:

Compensated Density Neutron
 Dual Induction

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Log Formation (Top), Depth and Datum	Sample
Name	Top Datum
Pawnee Lime	583 GL 252
Excello Shale	736 GL 99
V Shale	886 GL -51
Mineral Coal	827 GL 8
Mississippian	1133 GL -298

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	1224'	Thick Set	130	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 (Amount and Kind of Material Used)	Depth
	SI-waiting on completion		

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 WICHITA, KS

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 _____

Daily Well Work Report

MILLS TRUST 4-31

4/20/2007

Well Location:
MONTGOMERY KS
31S-16E-31 NW NW
679FNL / 351FWL

Cost Center G01026200100
Lease Number G010262
Property Code KSSY31S16E3104
API Number 15-125-31329

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Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
4/19/2007	4/20/2007				

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1228	1224	20	1224	0	0

Reported By KRD	Rig Number	Date 4/19/2007
Taken By KRD		Down Time
Present Operation Drill out from under surface		Contractor Thornton

Narrative

Miru Thornton Drilling, drilled 11" hole, 20' deep, rih w/ 1 jt 8-5/8" surface casing, mxd 4 sxs type 1 cmt, dumped dn the backside, sdfn.
DWC: \$ 2,880

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WICHITA, KS

CONSOLIDATED OIL WELL SERVICE, INC.
 P.O. BOX 884, CHANUTE, KS 66720
 620-431-9210 OR 800-467-8876

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TREATMENT REPORT & FIELD TICKET
CEMENT

WELL NUMBER **17289**

LOCATION **Farrah**
 FOREMAN **Rick Leonard**

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
4-23-07	4758	Winnifred #2				M6
CUSTOMER Layne Energy Mills Trust 4-31			TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS P.O. Box 160			463	Kyle		
CITY Sycamore			515	Calin		
STATE KS			436	J.P.		
ZIP CODE						

JOB TYPE Logging HOLE SIZE 6 3/4" HOLE DEPTH 1229' CASING SIZE & WEIGHT 4 1/2" 10.5"
 CASING DEPTH 1229' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.2^{ppg} SLURRY VOL 40 Bbl WATER gal/sk 8.0 CEMENT LEFT in CASING 0'
 DISPLACEMENT 19 1/2 Bbl DISPLACEMENT PSI 600 ^{Bump} PSI 1100 RATE _____

REMARKS: Safety meeting rig up to 4 1/2" casing. Break circulation w/ 25 Bbl fresh water. Pump 4 sks gel-flush, 10 Bbl water spacer, 1 sk metasilicate pre-flush, 10 Bbl dye water. Mixed 120 sks thickest cement w/ 10^{ppg} Kalsol 1 @ 13.2^{ppg}/gal. Washout pump & lines, shut down, release plug. Displace w/ 19 1/2 Bbl water. Final pump pressure 600 PSZ. Bump plug to 1100 PSZ. wait 2 mins release pressure, float held. Good cement returns RECEIVED = 2 Bbl slurry to pit. Job complete. Rig down.

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"Thank You"

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ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	WICHITA, KS UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	840.00	840.00
5406	40	MILEAGE	3.30	132.00
1126A	130 SKS	thickest cement	15.40	2002.00
1118A	1300 ^{gal}	Kalsol 1 10 ^{ppg} /sk	.38	494.00
1118A	200 ^{gal}	gel-flush	.15	30.00
1111A	50 ^{gal}	metasilicate pre-flush	1.65	82.50
5407A	7.15	ton-mileage bulk tx	1.10	314.60
5502C	3 hrs	80 Bbl vac. TRK	90.00	270.00
1123	3000 gals	city water	12.80 100	38.40
4404	1	4 1/2" top rubber plug	40.00	40.00
			sub total	4243.50
			5.3%	SALES TAX 142.41
				ESTIMATED TOTAL 4385.91

AUTHORIZATION _____

TITLE _____

DATE _____

GEOLOGIC REPORT

LAYNE ENERGY
Mills Trust 4-31
NW NW, 679 FNL, 351 FWL
Section 31-T31S-R16E
Montgomery County, KS

Spud Date: 4/19/2007
Drilling Completed: 4/20/2007
Logged: 4/20/2007
A.P.I. #: 15125313290000
Ground Elevation: 835'
Depth Driller: 1228'
Depth Logger: 1227'
Surface Casing: 8.625 inches at 21'
Production Casing: inches at '
Cemented Job: 0
Open Hole Logs: Dual Induction SFL/GR, High Resolution
Compensated Density/Neutron

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Formation	Tops	
	(below ground)	(subsea)
Kansas City Group	Surface (Cottage	
Pawnee Limestone	Grove Sandstone)	835
Excello Shale	583	252
"V" Shale	736	99
Mineral Coal	886	-51
Mississippian	827	8
	1,133	-298

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