

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

9/18/09
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. Brent Natrass
Phone: (913) 748-3960
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. D-28,966
5/31/2007 6/4/2007 6/11/2007
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

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API No. 15 - 125-31371-00-00
County: Montgomery
_____ SE SE Sec. 32 Twp. 33 S. R. 16 East West
141 feet from (S) N (circle one) Line of Section
813 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE (SE) NW SW
Lease Name: Elias SWD Well #: 16-32
Field Name: Cherokee Basin Coal Area

Producing Formation: Arbuckle
Elevation: Ground: 830' Kelly Bushing: _____
Total Depth: 1826' Plug Back Total Depth: _____
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 1497
feet depth to Surface w/ 240 sx cmt.

Drilling Fluid Management Plan API # W 27809
(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: 9/17/07
Subscribed and sworn to before me this 17 day of September,
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
 UIC Distribution

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

Operator Name: Layne Energy Operating, LLC Lease Name: Elias SWD Well #: 16-32
 Sec. 32 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	<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>555 GL</td> <td>275</td> </tr> <tr> <td>Excello Shale</td> <td>726 GL</td> <td>104</td> </tr> <tr> <td>V Shale</td> <td>779 GL</td> <td>51</td> </tr> <tr> <td>Mineral Coal</td> <td>832 GL</td> <td>-2</td> </tr> <tr> <td>Mississippian</td> <td>1166 GL</td> <td>-336</td> </tr> </table>	Name	Top	Datum	Pawnee Lime	555 GL	275	Excello Shale	726 GL	104	V Shale	779 GL	51	Mineral Coal	832 GL	-2	Mississippian	1166 GL	-336
Name	Top	Datum																	
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Mississippian	1166 GL	-336																	

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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	# Sacs Used	Type and Percent Additives
Surface	11"	8.625"	24	23'	Class A	4	Type 1 cement
Casing	7.875"	5.5"	15.5	1497'	Thick Set	240	5# 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
	RECEIVED KANSAS CORPORATION COMMISSION SEP 19 2007 CONSERVATION DIVISION WICHITA, KS		1497'-1826'

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. 8/21/2007			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	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 checked="" type="checkbox"/> Other (Specify) <u>OH Arbuckle Disposal Well</u>	

GEOLOGIC REPORT

LAYNE ENERGY
Elias 16-32 SWD
SE SE, 141 FSL, 813 FEL
Section 32-T33S-R16E
Montgomery County, KS

Spud Date: 5/31/2007
Drilling Completed: 6/4/2007
Logged: 6/4/2007
A.P.I. #: 15125313710000
Ground Elevation: 830'
Depth Driller: 1826'
Depth Logger: 1825'
Surface Casing: 8.625 inches at 23'
Production Casing: 5.5 inches at 1497'
Cemented Job: 0
Open Hole Logs: Dual Induction SFL/GR, High Resolution
Compensated Density/Neutron

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Formation	Tops	
	(below ground)	(subsea)
	Surface (Noxie	
Kansas City Group	Sandstone)	830
Pawnee Limestone	555	275
Excello Shale	726	104
"V" Shale	779	51
Mineral Coal	832	-2
Mississippian	1,166	-336

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CONSERVATION DIVISION
WICHITA, KS

Daily Well Work Report

ELIAS 16-32 SWD

6/4/2007

Well Location:
MONTGOMERY KS
33S-16E-32 SW SE SE
141FSL / 813FEL

Cost Center G01019000200
Lease Number G010190
Property Code KSDC33S16E3216
API Number 15-125-31371

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Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
5/31/2007	6/4/2007			7/20/2007	ELIAS_16_32SWD

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1826	1497	23	1497	0	0

Reported By krd	Rig Number	Date 5/31/2007
Taken By krd		Down Time
Present Operation Drill out from under surface		Contractor McPherson

Narrative

Miru McPherson Drilling, drilled 11" hole, 23' deep, rih w/1 jt 8-5/8" x 23' surface casing, mxd 4 sxs type 1 cmt, dumped dn the backside, sdfn.
DWC: \$ 2,880

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CONSERVATION DIVISION
WICHITA, KS

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

ATTN: Byron
 316-337-6211

TICKET NUMBER 17458
 LOCATION EUREKA
 FOREMAN RICK LEFORD

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY	
6-5-07	4758	Elias SWD 16-32SWD				ME	
CUSTOMER Layne Energy		TRUCK #		DRIVER		TRUCK # DRIVER	
MAILING ADDRESS P.O. Box 160		463		Kyle		KCC	
CITY Sycamore		502		Shannon		SEP 18 2007	
STATE KS						CONFIDENTIAL	
ZIP CODE							

JOB TYPE Logging HOLE SIZE 2 7/8" HOLE DEPTH 1800' CASING SIZE & WEIGHT 5 1/2" 15.5"
 CASING DEPTH 1497' DRILL PIPE _____ TUBING 2 7/8" Eve OTHER _____
 SLURRY WEIGHT 14" SLURRY VOL 63.8bl WATER gal/sk 7.0 CEMENT LEFT in CASING 0'
 DISPLACEMENT 4 3/4 bl DISPLACEMENT PSI 700 MIX PSI _____ RATE _____

REMARKS: Safety meeting - Ran 1497' 5 1/2" casing w/ open hole packer w/ part collar. Ran 2 7/8" tubing w/ opening + cleaning tool. Rig up to 2 7/8" tubing w/ wash head. Load 5 1/2" casing w/ water shut in annulus of 2 7/8" tubing open part collar. Break circulation w/ 10.8bl water pump 9 sxs gel-flush, 10.8bl foam, 10.8bl water spacer. Mixed 240 sxs w/ 40 lb cement w/ 5" Kol-soal 4 3/4 gal, 2% cacl2 @ 14" yield 1.48. Displace w/ 4 3/4 bl fresh water. Close part collar. pressure casing to 1200 psi. Tol closed open annulus of 2 7/8" tubing back wash w/ 15.8bl water the short way. Back wash w/ 40.8bl water the long way. casing clean. pull tubing. shut casing in @ 0 psi. Good cement returns to surface = 7.8bl slurry. Job complete. Rig down.

"Thank You"

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
1131	240 sxs	60/40 Perm cement	9.80	2352.00
1110A	1200 "	Kol-soal 5" 100/sk	.38	456.00
1118A	825 "	4 3/4 gal	.15	123.75
1102	410 "	2% cacl2	.67	274.70
1118A	200 "	gel-flush	.15	30.00
5407A	10.32	ten-mileage bulk truck	1.10	454.08
1238	1 gal	SOAP	35.45	35.45
			subtotal	4697.98
			5.3%	SALES TAX 171.53
				ESTIMATED TOTAL 4869.51

AUTHORIZATION witnessed by Justin TITLE Co. Rep. DATE _____

37 lanes 5 1/2 1497 1500 0031

DC

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

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TICKET NUMBER 12019

LOCATION Eureka

FOREMAN Russell McCoy

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
6-15-07	4758	Elias 16-32 SWD	32	33	16	MG

TRUCK #	DRIVER	TRUCK #	DRIVER
443	ED		
485	Alan - no charge		
452/1763	J.P.		

CUSTOMER: Hayne Energy
 MAILING ADDRESS: P.O. Box 160
 CITY: Sycamore STATE: KS ZIP CODE: 67363

JOB TYPE: Acid Job HOLE SIZE: 7 7/8 HOLE DEPTH: 1825' CASING SIZE & WEIGHT: 5 1/2
 CASING DEPTH: 1497' DRILL PIPE: _____ TUBING: _____ OTHER: _____
 SLURRY WEIGHT: _____ SLURRY VOL: _____ WATER gal/sk: _____ CEMENT LEFT in CASING: _____
 DISPLACEMENT: _____ DISPLACEMENT PSI: _____ MIX PSI: _____ RATE: _____

REMARKS: Safety meeting, 10.00 am 10.02 - 10.32 Test 5 1/2 casing at 300' At 1497' For 30 min good test open T slot Tool w/ 2400' Pump 20 water. Ran wire line tag T.D. 1825' Rig up to 5 1/2 to Acidize well. Pump 1000 gallons 20% Acid, Flush w/ 175 Bbl 2% KCl water at 12 BPM 800 PSI. TSDP 0 well on VAC at 1.5 BPM. Close casing in. Job complete, Tear Down. Thank you!

Russell McCoy

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5307	1	PUMP CHARGE	560.00	560.00
5306	40	MILEAGE	3.30	132.00
3108	1000 gallons	20% H.C.L. Acid	1.47	1470.00
3134	2 gallons	Surface Tension Reducer	33.60	67.20
3171	5 gallons	Iron control	36.40	182.00
5501A	3.5 hr	130 Bbl water Transport	100.00	350.00
3129	5000	gallons city water	12.80	64.00
3172	5	gallon KCl mixed w/ city water	26.00	130.00
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			Sub Total	2,955.20
			5.3 % SALES TAX	331.13
			ESTIMATED TOTAL	2,958.59

AUTHORIZATION witnessed by Justin

TITLE CO/REP

DATE 6-15-07