

CONFIDENTIAL

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

9/18/09  
Form ACD-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. Brent Natrass  
Phone: (913) 748-3960  
Contractor: Name: Thornton Air Rotary  
License: 33606  
Wellsite Geologist: \_\_\_\_\_

API No. 15 - 205-27203-00-00  
County: Wilson  
SW NW Sec. 34 Twp. 30 S. R. 16  East  West  
1724 feet from S /  (circle one) Line of Section  
335 feet from E /  (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE  NW SW  
Lease Name: Bailey AX&P Well #: 5-34  
Field Name: Cherokee Basin Coal Area

Designate Type of Completion:  
 New Well  Re-Entry  Workover  
 Oil  SWD  SLOW  Temp. Abd.  
 Gas  ENHR  SIGW  
 Dry  Other (Core, WSW, Expl., Cathodic, etc)

Producing Formation: Cherokee Coals  
Elevation: Ground: 782' Kelly Bushing: \_\_\_\_\_  
Total Depth: 722' Plug Back Total Depth: 717'  
Amount of Surface Pipe Set and Cemented at 43 Feet  
Multiple Stage Cementing Collar Used?  Yes  No

If Workover/Re-entry: Old Well Info as follows:

If Alternate II completion, cement circulated from 717  
feet depth to Surface w/ 75 sx cmt.

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. \_\_\_\_\_

Drilling Fluid Management Plan At IJNS 2-18-09  
(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.: \_\_\_\_\_

6/1/2007 6/4/2007 7/13/2007  
Spud Date or Date Reached TD Completion Date or  
Recompletion Date Recompletion Date

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**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  
20 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

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

Operator Name: Layne Energy Operating, LLC Lease Name: Bailey AX&P Well #: 5-34  
 Sec. 34 Twp. 30 S. R. 16  East  West County: Wilson

**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	484 GL 298
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	611 GL 171
List All E. Logs Run:		V Shale	668 GL 114
Compensated Density Neutron Dual Induction		Mineral Coal	704 GL 78

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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	43'	Class A	25	Type 1 cement
Casing	6.75"	4.5"	10.5	717'	Thick Set	75	#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 <i>(Amount and Kind of Material Used)</i>	Depth
	See Attached Page		

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TUBING RECORD	Size <u>2-3/8"</u>	Set At <u>652'</u>	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. <u>8/10/2007</u>	Producing Method <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 Bbls. <u>0</u>	Gas Mcf <u>7</u>	Water Bbls. <u>0</u>	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

Production Interval  Other (Specify) \_\_\_\_\_

<b>Operator Name:</b>	Layne Energy Operating, LLC.		
<b>Lease Name:</b>	Bailey AX&P 5-34		
	Sec. 34 Twp. 30S Rng. 16E, Wilson County		
<b>API:</b>	15-205-27203-00-00		
<b>Shots per Foot</b>	<b>Perforation Record</b>	<b>Acid, Fracture, Shot, Cement Squeeze Record</b>	<b>Depth</b>
<b>Initial Perforations</b>			
4	Croweburg 668.5' - 671' Bevier 647' - 650'	5000 lbs 20/40 sand 386 bbls water 600 gals 15% HCl acid	647' - 671'
4	Mulky 611' - 617' Summit 592' - 596'	3800 lbs 20/40 sand 468 bbls water 1000 gals 15% HCl acid	592' - 617'

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# Daily Well Work Report

BAILEY AX&P 5-34

6/4/2007

**Well Location:**  
WILSON KS  
30S-16E-34 SW NW  
1724FNL / 335FWL

**Cost Center**  
**Lease Number**  
**Property Code**  
**API Number**

C01021901500  
C010219bk  
KSCV30S16E3405  
15-205-27203

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Spud Date	RDMO Date	First Compl	First Prod	EFM Install	
6/1/2007	6/4/2007	7/13/2007	8/10/2007	7/30/2007	
TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
722	717	43	717		

**CygnnetID**  
BAILYAXP\_5\_34

<b>Reported By</b> krd	<b>Rig Number</b>	<b>Date</b> 6/1/2007
<b>Taken By</b> krd		<b>Down Time</b>
<b>Present Operation</b> Drill Out from under surface		<b>Contractor</b>

## Narrative

MIRU Thorton Drilling, drilled 11'hole, 43' deep, rih w/2jt 8-5/8 surface casing. MIRU Consolidated, break circulation. Mixed 25 sks regular cement w/2% caclz and 2% gel, 1/4# flocele @ 14 #/per gal. Wash out pump and lines, displace w/2 bbls water. Shut casing in. Good cement returns to surface. DWC:\$4,918

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CONSOLIDATED OIL WELL SERVICES, INC.  
 P.O. BOX 884, CHANUTE, KS 66720  
 620-431-9210 OR 800-487-8676

TICKET NUMBER 17460  
 LOCATION EVERKA  
 FOREMAN RICK LEONARD

TREATMENT REPORT & FIELD TICKET  
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY	
6-6-07	4758	<del>XXXXXXXXXX</del> <b>Bailey 5-34</b>				Wilson	
CUSTOMER		MCC		TRUCK #	DRIVER	TRUCK #	DRIVER
Mailing Address		SEP 8 2007		463	Kyle		
CITY		CONFIDENTIAL		479	JEFF		
STATE		ZIP CODE					
Sycamore		KS					

JOB TYPE Logging HOLE SIZE 6 3/4" HOLE DEPTH 222' CASING SIZE & WEIGHT 4 1/2" 10.5"  
 CASING DEPTH 712' DRILL PIPE \_\_\_\_\_ TUBING \_\_\_\_\_ OTHER \_\_\_\_\_  
 SLURRY WEIGHT 13.2# SLURRY VOL 23 Bbl WATER gal/sk 8.0 CEMENT LEFT in CASING 0'  
 DISPLACEMENT 11 1/2 Bbl DISPLACEMENT PSI 500 MIX PSI 1000 RATE \_\_\_\_\_

REMARKS: Safety meeting. Rig up to 4 1/2" casing. Break circulation w/ 20 Bbl fresh water. Pump 4 sacks gel-flush, 1 sk metasilicate pre-flush, 20 Bbl water spacer, 5 Bbl dye water. Mixed 75 sacks thickset cement w/ 10" Kal-seal 100% @ 15.2# P/L. Washout pump + lines, shut down, release plug. Displace w/ 11 1/2 Bbl fresh water. Final pump pressure 500 PSI. Bump plug to 1000 PSI, wait 2 mins, release pressure, float held. Good cement returns to surface = 6 Bbl slurry to pit. Job complete. Rig down.

"Thank You"

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES	RECEIVED SEP 19 2007	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	SEP 19 2007	840.00	840.00
5406	40	MILEAGE		3.80	152.00
1126A	75 sacks	thickset cement	CONSERVATION DIVISION WICHITA, KS	15.40	1155.00
1110A	250 #	Kal-seal 10" P/L		.38	285.00
1118A	200 #	gel-flush		.15	30.00
1111A	50 #	metasilicate pre-flush		1.65	82.50
5407A	4 <sup>13</sup>	ton-mileage bulk trk		1.10	181.72
4404	1	4 1/2" top rubber plug		40.00	40.00
				subtotal	2746.22
			6.3%	SALES TAX	100.33
				ESTIMATED TOTAL	2846.55

AUTHORIZATION called by Muggs

TITLE

DWOC  
10015

DATE

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

TICKET NUMBER 17432  
 LOCATION Eureka  
 FOREMAN Trey Strickler

TREATMENT REPORT & FIELD TICKET  
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
6-1-07	4758	Bailey S-34				Wilson
CUSTOMER		KCC				
Layne Energy		SEP 18 2007				
MAILING ADDRESS		CONFIDENTIAL				
P.O. Box 160						
CITY	STATE	ZIP CODE	TRUCK #	DRIVER	TRUCK #	DRIVER
Sycamore	Ks		445	Justin		
			436	Calin		
				J.P.		

JOB TYPE Surface HOLE SIZE 11" HOLE DEPTH 44' CASING SIZE & WEIGHT 8.5#  
 CASING DEPTH 43' DRILL PIPE \_\_\_\_\_ TUBING \_\_\_\_\_ OTHER \_\_\_\_\_  
 SLURRY WEIGHT 14# SLURRY VOL \_\_\_\_\_ WATER gal/sk 6.5# CEMENT LEFT IN CASING 10'  
 DISPLACEMENT 28bl DISPLACEMENT PSI \_\_\_\_\_ MIX PSI \_\_\_\_\_ RATE \_\_\_\_\_

REMARKS: Safety Meeting: Rig up to 8 5/8" casing. Break circulation. Mixed 25 sks  
Regular Cement w/ 27 Coals + 27 Gel + 1/4" Floccs @ 14" Pcpal. Wash  
out Pump + lines. Displace w/ 28bl water. Shut casing in w/ Good Cement  
to surface.  
Job Complete.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES	RECEIVED SEP 19 2007	UNIT PRICE	TOTAL
54015	1	PUMP CHARGE		650.00	650.00
5406	40	MILEAGE		3.30	132.00
CONSERVATION DIVISION WICHITA, KS					
11045	25sk	Class A Cement		12.20	305.00
1118A	50#	Gel 27		.15#	7.50
1102	50#	Coals 27		.67#	33.50
1107	6#	Floccs 1/4" Pcpal		1.90#	11.40
54070		Ton-Mileage Bulk Truck		m/c	285.00
5502C	3hrs	80Bbl Vac Truck		90.00	270.00
0123	2000gal	City Water		12.80	36.40
Thank You!					
					1732.80
					Sub Total
					637
					SALES TAX
					ESTIMATED
					TOTAL
					1796.74
					1757.74

AUTHORIZATION called by Billy Thorton TITLE Mo Kat DATE \_\_\_\_\_

**GEOLOGIC REPORT**

LAYNE ENERGY  
Bailey AX&P 5-34  
SW NW, 1724 FNL, 305 FWL  
Section 34-T30S-R16E  
Wilson County, KS

Spud Date: 6/1/2007  
Drilling Completed: 6/4/2007  
Logged: 6/4/2007  
A.P.I. #: 1520527203  
Ground Elevation: 782'  
Depth Driller: 722'  
Depth Logger: 721'  
Surface Casing: 8.625 inches at 41'  
Production Casing: 4.5 inches at 717'  
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)	782
Pawnee Limestone	484	298
Excello Shale	611	171
"V" Shale	668	114
Mineral Coal	704	78
Mississippian		

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