

12/12/08

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

CONFIDENTIAL

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL 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: M. Brent Natrass
Phone: (913) 748-3960
Contractor: Name: MOKAT Drilling
License: 3851

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DEC 17 2005
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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>8/15/2006</u>	<u>8/16/2006</u>	<u>4/9/2007</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-31148-00-00
County: Montgomery
____ - ____ - NW - SW Sec. 16 Twp. 31 S. R. 16 East West
1980 feet from N (circle one) Line of Section
660 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Houston Well #: 12-16
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 781' Kelly Bushing: _____
Total Depth: 1143' Plug Back Total Depth: 1139.4'
Amount of Surface Pipe Set and Cemented at 41 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1139'
feet depth to Surface w/ 120 sx cmt.

Drilling Fluid Management Plan NH 8/21/08
(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: 7/31/07
Subscribed and sworn to before me this 31 day of July
20 07.
Notary Public: MacLaughlin Darlene
Date Commission Expires: 1/4/2009

KCC Office Use ONLY
 Letter of Confidentiality Attached
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
Distribution _____

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

AUG 01 2007

OIL & GAS CONSERVATION DIVISION

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Operator Name: Layne Energy Operating, LLC Lease Name: Houston Well #: 12-16
 Sec. 16 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 <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	509 GL	272
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	646 GL	135
List All E. Logs Run:		V Shale	697 GL	84
Compensated Density Neutron		Mineral Coal	735 GL	46
Dual Induction		Mississippian	1047 GL	-266

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	41'	Class A	8	Type 1 cement
Casing	6.75"	4.5"	10.5	1139'	Thick Set	120	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		

TUBING RECORD	Size <u>2-3/8"</u>	Set At <u>760'</u>	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr.	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
4/24/2007				
Estimated Production Per 24 Hours	Oil Bbls. <u>0</u>	Gas Mcf <u>9</u>	Water Bbls. <u>19</u>	Gas-Oil Ratio <u> </u> Gravity <u> </u>

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)

AUG 01 2007
CONCRETE DIVISION

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Houston 12-16		
	Sec. 16 Twp. 31S Rng. 16E, Montgomery County		
API:	15-125-31148-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations			
4	Mineral 734.5' - 736' Croweburg 698' - 701' Bevier 674.5' - 676.5' Mulky 646.5' - 653.5' Summit 625.5' - 630'	13900 lbs 20/40 sand 1007 bbls water 1100 gals 15% HCl acid	625.5' - 736'

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AUG 11 2007

CONSERVATION DIVISION
WICHITA, KS

Layne Energy, Inc.

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

12/12/08

July 31, 2007

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

CONFIDENTIAL

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DEC 12 2008
CONFIDENTIAL

Re: Amended Well Completion Forms

Dear Mr. Bond:

I have enclosed the **amended** ACO-1 form and associated data for the following well:

API # 15-125-31148-00-00
Houston 12-16

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

MacLaughlin Darling
Engineering Technician

Enclosures

cc: Well File
Field Office



KANSAS CORPORATION COMMISSION

AUG 01 2007

OIL & GAS CONSERVATION DIVISION

12/12/08

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

CONFIDENTIAL

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WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 33365
Name: Layne Energy Operating, LLC
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City/State/Zip: Mission Woods, KS 66205
Purchaser: _____
Operator Contact Person: M. B. Natrass
Phone: (913) 748-3987
Contractor: Name: MOKAT Drilling
License: 3851 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. _____

8/15/2006 8/16/2006
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-31148 -00-00
County: Montgomery
____ NW SW Sec. 16 Twp. 31 S. R. 16 East West
1980 feet from N (circle one) Line of Section
660 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Houston Well #: 12-16
Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals
Elevation: Ground: 781 Kelly Bushing: _____
Total Depth: 1143 Plug Back Total Depth: 1139.4
Amount of Surface Pipe Set and Cemented at 41 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1139
feet depth to Surface w/ 120 sx cmt.

Drilling Fluid Management Plan AH# NH8-21-08
(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: M B Natrass
Title: Agent Date: 12/12/06
Subscribed and sworn to before me this 12 day of December
2006
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
RECEIVED
KANSAS CORPORATION COMMISSION
DEC 13 2006

CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Houston Well #: 12-16
 Sec. 16 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 <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>509 GL</td> <td>272</td> </tr> <tr> <td>Excello Shale</td> <td>646 GL</td> <td>135</td> </tr> <tr> <td>V Shale</td> <td>697 GL</td> <td>84</td> </tr> <tr> <td>Mineral Coal</td> <td>735 GL</td> <td>46</td> </tr> <tr> <td>Mississippian</td> <td>1047 GL</td> <td>-266</td> </tr> </table>	Name	Top	Datum	Pawnee Lime	509 GL	272	Excello Shale	646 GL	135	V Shale	697 GL	84	Mineral Coal	735 GL	46	Mississippian	1047 GL	-266
Name	Top	Datum																	
Pawnee Lime	509 GL	272																	
Excello Shale	646 GL	135																	
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Mineral Coal	735 GL	46																	
Mississippian	1047 GL	-266																	

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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	8.65	24	41'	Class A	8	Type 1 cement
Casing	6.75	4.5	10.5	1139'	Thick Set	120	

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

CONSOLIDATED OIL WELL SERVICES, INC.
 P.O. BOX 884, CHANUTE, KS 66720
 620-431-8210 OR 800-467-8676

DEC 12 2006

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TREATMENT REPORT & FIELD TICKET
 CEMENT

TICKET NUMBER 10556
 LOCATION EUREKA
 FOREMAN Rick Legend

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
8-18-06	4258	Huston 12-16				MG
CUSTOMER Layne Energy			TRUCK # DRIVER TRUCK # DRIVER			
MAILING ADDRESS P.O. Box 160			468 Alan			
CITY STATE ZIP CODE Sycamore KS			502 Cliff			

JOB TYPE lengthening HOLE SIZE 6 3/4" HOLE DEPTH 1143 CASING SIZE & WEIGHT 4 1/2" 16.5 lb/ft
 CASING DEPTH 1139 DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.2" SLURRY VOL _____ WATER gal/sk 8.0 CEMENT LEFT in CASING 0'
 DISPLACEMENT 18' Bbls DISPLACEMENT PSI 500 ~~400~~ PSI 900 RATE _____

REMARKS: Safety meeting. Rig up to 4 1/2" casing. Break circulation w/ 25 Bbls fresh water. Pump 4 sks gal-flush, 5 Bbl water spacer, 1 sk metasilicate pre-flush, 10 Bbls Dye water. Mixed 120 sks Thicket cement w/ 10" ~~10 1/2~~ gal-sal @ 15 ~~10 1/2~~ gal. Washout pump + lines. Release plug. Displace w/ 18' Bbls fresh water. Final pump pressure 500 PSI. Pump plug to 900 PSI. Wait 2 minutes. Release pressure. Float held. Good cement return to surface = 8 Bbls slurry to pit. Job complete. Tear down.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	80.00	80.00
5406	42	MILEAGE	3.15	126.00
1126A	120 sks	Thicket cement	14.65	1758.00
1110A	1200 #	Kal-sal 10" 10 1/2 gal/sk	.36 #	432.00
1118A	200 #	Gel-flush	.14 #	28.00
1111A	50 #	metasilicate pre-flush	1.65 #	82.50
5107A	6.6 tons	Ten-mileage OIL TAX	1.05	277.20
4404	1	4 1/2" Top rubber plug	40.00	40.00
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Thank You			Subtotal	3548.20
			5.3%	SALES TAX
				ESTIMATED TOTAL
				124.04
				3662.24

008013

AUTHORIZATION Called by John Ed TITLE _____ DATE _____

GEOLOGIC REPORT

LAYNE ENERGY
Houston 12-16
NW SW, 1980 FSL, 660 FWL
Section 16-T31S-R16E
Montgomery County, KS

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Spud Date: 8/15/2006
Drilling Completed: 8/16/2006
Logged: 8/17/2006
A.P.I. #: 1512531148
Ground Elevation: 781'
Depth Driller: 1143'
Depth Logger: 1143'
Surface Casing: 8.625 inches at 41'
Production Casing: 4.5 inches at 1139'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, High Resolution
Compensated Density/Neutron

Formation

Quaternary
Pawnee Limestone
Excello Shale
"V" Shale
Mineral Coal
Mississippian

Tops (in feet below ground level)

Surface (Alluvium)
509
646
697
735
1,047

Daily Well Work Report

HOUSTON 12-16
8/15/2006

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Well Location:
MONTGOMERY KS
31S-16E-16 NW SW
1980FSL / 660FWL

Cost Center C01016800100
Lease Number C010168
Property Code COLT-0066
API Number 15-125-31148

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
8/15/2006	8/16/2006				

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size	Pump Seat Depth
1143	1139.4	41	1139.4			1139.4

Reported By	Rig Number	Date	8/15/2006
Taken By		Down Time	
Present Operation		Contractor	

Narrative

MIRU MOKAT drilling, drilled 11" hole 41' deep, rih w/2 jts 8-5/8" surface casing. Mixed 8 sxs type 1 cement, dumped dn the backside, sdfn.

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CONSERVATION DIVISION
WICHITA, KS

Cumulative Well Cost \$ 28,828.00

12/12/08

Layne Energy, Inc.

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

December 12, 2006

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

KCC
DEC 12 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 # 15-125-31148
Houston 12-16

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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KANSAS CORPORATION COMMISSION
DEC 13 2006
CONSERVATION DIVISION
WICHITA, KS

