

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

10/30/09
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: Timothy H. Wright
Phone: (913) 748-3960
Contractor: Name: Thornton Air Rotary
License: 33606

CONFIDENTIAL
OCT 30 2007
KCC

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. _____

7/19/2007 7/20/2007 8/29/2007
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-31391-00-00
County: Montgomery
_____ NW NW Sec. 12 Twp. 33 S. R. 16 East West
955 feet from S / **(N)** (circle one) Line of Section
450 feet from E / **(W)** (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE **(NW)** SW
Lease Name: DeMott Farms Well #: 4-12
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 748' Kelly Bushing: _____
Total Depth: 1103' Plug Back Total Depth: 1091'
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 1091
feet depth to Surface w/ 115 sx cmt.

Drilling Fluid Management Plan AGENTS 31109
(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: 10-30-07
Subscribed and sworn to before me this 30 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 **RECEIVED**
 Geologist Report Received **KANSAS CORPORATION COMMISSION**
UIC Distribution

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

OCT 31 2007
CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: DeMott Farms Well #: 4-12
 Sec. 12 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 <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	435 GL	313
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	572 GL	176
List All E. Logs Run:		V-Shale	621 GL	127
Compensated Density Neutron		Mineral Coal	667 GL	81
Dual Induction		Mississippian	1002 GL	-254

CONFIDENTIAL
OCT 30 2007
KCC

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	41'	Class A	35	Type 1 cement
Casing	6.75"	4.5"	10.5	1091'	Thick Set	115	#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		

RECEIVED
KANSAS CORPORATION COMMISSION
OCT 31 2007
CONSERVATION DIVISION
WICHITA, KS

TUBING RECORD	Size <u>2-3/8"</u>	Set At <u>983'</u>	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enthr.	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
<u>10/11/2007</u>				
Estimated Production Per 24 Hours	Oil Bbls. <u>0</u>	Gas Mcf <u><1</u>	Water Bbls. <u>4</u>	Gas-Oil Ratio
				Gravity

Disposition of Gas METHOD OF COMPLETION Production Interval

Vented Sold Used on Lease
 Open Hole Perf. Dually Comp. Commingled
(If vented, Submit ACO-18.)
 Other (Specify) _____

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	DeMott Farms 4-12		
	Sec. 12 Twp. 33S Rng. 16E, Montgomery County		
API:	15-125-31391-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations			
4	Rowe 932' - 934'	2800 lbs 20/40 sand 231 bbbls water 114 gals 15% HCl acid	932' - 934'
4	Mineral 666.5' - 668.5' V-Shale 622' - 625' Bevier 600.5' - 601.5'	5600 lbs 20/40 sand 616 bbbls water 1470 gals 15% HCl acid	600.5' - 668.5'
4	Mulky 572' - 577' summit 543' - 547'	9900 lbs 20/40 sand 658 bbbls water 790 gals 15% HCl acid	543' - 577'

CONFIDENTIAL
OCT 30 2007
KCC

RECEIVED
KANSAS CORPORATION COMMISSION

OCT 31 2007

CONSERVATION DIVISION
WICHITA, KS

GEOLOGIC REPORT

LAYNE ENERGY
DeMott Farms 4-12
NW NW, 955 FNL, 450 FWL
Section 12-T33S-R16E
Montgomery County, KS

Spud Date: 7/19/2007
Drilling Completed: 7/20/2007
Logged: 7/20/2007
A.P.I. #: 15125313910000
Ground Elevation: 748
Depth Driller: 1103
Depth Logger: 1103
Surface Casing: 8.625 inches at 41'
Production Casing: 4.5 inches at 1091'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, High Resolution
Compensated Density/Neutron

CONFIDENTIAL
OCT 30 2007
KCC

Formation	Tops	
	(below ground)	(subsea)
Quaternary	Alluvium	748
Pawnee Limestone	435	313
Excello Shale	572	176
"V" Shale	621	127
Mineral Coal	667	81
Mississippian	1,002	-254

RECEIVED
KANSAS CORPORATION COMMISSION

OCT 31 2007

CONSERVATION DIVISION
WICHITA, KS

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

TICKET NUMBER 12141
 LOCATION EDGEMO
 FOREMAN RICK LADANO

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
7-23-07	4758	DeMoss 4-12				MG
CUSTOMER <u>Layne Energy</u>		MAILING ADDRESS <u>P.O. Box 160</u>		CITY <u>Sycamore</u>		STATE <u>KS</u>
ZIP CODE		TRUCK #		DRIVER		TRUCK #
		605 Jones		463		Cliff
				502		Shannon
				436		J.P.
						OCT 30 2007
						KCC

JOB TYPE logstring HOLE SIZE 6 7/8" HOLE DEPTH 1103' CASING SIZE & WEIGHT 4 1/2" 14.5"
 CASING DEPTH 1091' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.2* SLURRY VOL 36 bbl WATER gal/sk 8.0 CEMENT LEFT in CASING 0'
 DISPLACEMENT 17.3 bbl DISPLACEMENT PSI 500 PSI 1000 RATE _____

REMARKS: Safety meeting - Rig up to 4 1/2" casing. Break circulation w/ 20 cu
fresh water. Pump 8 sxs gel-flush w/ hulls, 10 bbl water spacer, 20 bbl
metasilicate pre-flush, 7 bbl dye water. Mixed 115 sxs thickset
cement w/ 10" Kal-seal @ 13.2* per gal. Washout pump + lines.
shut down, release plug. Displace w/ 17.3 bbl fresh water. Final pump
pressure 500 PSI. Pump plug to 1000 PSI. wait 2 minutes, release
pressure, float hold. Good cement returns to surface - 7 bbl slurry to
pit. 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
1126A	115 sxs	thickset cement	15.40	1771.00
1110A	1150*	10" Kal-seal @ 13.2*	.38	437.00
1118A	400*	gel-flush	.15	60.00
1105	50*	hulls	.36	18.00
1102	80*	callz	.67	53.60
1111A	100*	metasilicate pre-flush	1.65	165.00
5407A	6.33	ten-mileage bulk tax	1.10	278.52
4404	1	4 1/2" top rubber plug	40.00	40.00
5502L	4 hrs	80 bbl uac. tax	90.00	360.00
1123	3000 gals	city water	12.80	38.40
		subtotal		4193.52
		SALES TAX	5.38	136.90
		ESTIMATED TOTAL		4330.42

RECEIVED
 KANSAS CORPORATION COMMISSION
 OCT 31 2007
 CONSERVATION DIVISION
 WICHITA, KS

AUTHORIZATION called by Muggs TITLE Co. Rep DATE _____

CONSOLIDATED OIL WELL SERVICE, INC.

P.O. BOX 884, CHANUTE, KS 66720

620-431-9210 OR 800-467-8676

TICKET NUMBER 12112

LOCATION Funeka

FOREMAN Steve Maud

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
7-19-07	4754	Demott #4-12				MB
CUSTOMER <u>Layne Energy</u>			TRUCK #			
MAILING ADDRESS <u>P.O. Box 160</u>			DRIVER			
CITY <u>Sycamore</u>			TRUCK #			
STATE <u>Ks</u>			DRIVER			
ZIP CODE <u>67363</u>						

JOB TYPE <u>Surface</u>	HOLE SIZE <u>11"</u>	HOLE DEPTH <u>45'</u>	CASING SIZE & WEIGHT <u>8 5/8"</u>
CASING DEPTH <u>40'</u>	DRILL PIPE	TUBING	OTHER
SLURRY WEIGHT	SLURRY VOL	WATER gal/sk	CEMENT LEFT in CASING
DISPLACEMENT <u>2 1/2</u>	DISPLACEMENT PSI	MIX PSI	RATE

REMARKS: Safety Meeting: Rig up to 8 5/8 casing. Break circulation with fresh water. Mix 25 sks Regular Cement, 2% Caclz, 2% Gel. Displace with 2 bbls fresh water. Shut casing in. Good cement returns to surface. Job complete Rig down.

CONFIDENTIAL
OCT 30 2007
KCC

Thank you

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401S	1	PUMP CHARGE	650.00	650.00
		MILEAGE <u>NC 2nd Well</u>		
1104S	75sks	Regular class "A" Cement	12.20	427.00
1102	65*	Caclz 2%	.67	43.55
1118A	65*	Gal 2%	.15	9.75
5407	1.64 Tons	Ten Mileage Bulk Truck	m/c	386.00
RECEIVED KANSAS CORPORATION COMMISSION				
OCT 31 2007				
CONSERVATION DIVISION WICHITA, KS				
			Sub Total	1415.30
			SALES TAX	25.46
			ESTIMATED TOTAL	1440.76

AUTHORIZATION Called by Thornton Drly

TITLE Contractor

DATE

0126 4441 00

Daily Well Work Report

DEMOTT FARMS 4-12

7/19/2007

Well Location:
MONTGOMERY KS
33S-16E-12 NW NW
955FNL / 450FWL

Cost Center C01013400400
Lease Number C010134
Property Code KSDC33S16E1204
API Number 15-125-31391

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
7/19/2007	7/20/2007	8/29/2007	10/11/2007	10/1/2007	DEMOTT_4_12

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1103	1091	41	1091	0	0

Reported By krd	Rig Number	Date 7/19/2007
Taken By krd		Down Time
Present Operation Drill Out from Under surface		Contractor Thornton Drilling

Narrative

MIRU Thorton Drilling, drilled 11' hole, 41' deep, rih w/2jt 8-5/8" surface casing. MIRU Consolidated to 8-5/8. Break circulation w/fresh water. Mixed 35 sxs regular cement, 2% cacalz, 2% gel. Displace w/2 bbls freah water. Shut casing in, good returns to surface. RD Consolidated MOL. SDFN DWC: \$ 4,441

CONFIDENTIAL
OCT 30 2007
KCC

RECEIVED
KANSAS CORPORATION COMMISSION
OCT 31 2007
CONSERVATION DIVISION
WICHITA, KS