

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

10/30/09

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: McPherson Drilling
License: 5675
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. _____

7/19/2007 7/23/2007 8/21/2007
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-31390-00-00
County: Montgomery
_____ NE - NE Sec. 4 Twp. 33 S. R. 16 East West
351 feet from S / (N) (circle one) Line of Section
347 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 #: 1-4
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 751' Kelly Bushing: _____
Total Depth: 1155' Plug Back Total Depth: 1146'
Amount of Surface Pipe Set and Cemented at 40 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1146
feet depth to Surface w/ 120 sx cmt.

Drilling Fluid Management Plan APPLY 3-11-09
(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: [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

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

KCC Office Use ONLY
 Letter of Confidentiality Attached RECEIVED
 If Denied, Yes Date: KANSAS CORPORATION COMMISSION
 Wireline Log Received
 Geologist Report Received
OCT 31 2007
CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: DeMott Farms Well #: 1-4
 Sec. 4 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;"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: left;">Top</th> <th style="text-align: left;">Datum</th> </tr> </thead> <tbody> <tr> <td>Pawnee Lime</td> <td>476 GL</td> <td>275</td> </tr> <tr> <td>Excello Shale</td> <td>608 GL</td> <td>143</td> </tr> <tr> <td>V-Shale</td> <td>657 GL</td> <td>94</td> </tr> <tr> <td>Mineral Coal</td> <td>699 GL</td> <td>52</td> </tr> <tr> <td>Mississippian</td> <td>1042 GL</td> <td>-291</td> </tr> </tbody> </table>	Name	Top	Datum	Pawnee Lime	476 GL	275	Excello Shale	608 GL	143	V-Shale	657 GL	94	Mineral Coal	699 GL	52	Mississippian	1042 GL	-291
Name	Top	Datum																	
Pawnee Lime	476 GL	275																	
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Mississippian	1042 GL	-291																	

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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	40'	Class A	35	Type 1 cement
Casing	6.75"	4.5"	10.5	1146'	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		

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TUBING RECORD	Size	Set At	Packer At	Liner Run	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	2-3/8"	1104'			
Date of First, Resumerd Production, SWD or Enhr.			Producing Method		
8/30/2007			<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.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	0	0	<1		

Disposition of Gas Vented Sold Used on Lease *(If vented, Submit ACO-18.)*

METHOD OF COMPLETION

Open Hole Perf. Dually Comp. Commingled
 Other (Specify) _____

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	DeMott Farms 1-4		
	Sec. 4 Twp. 33S Rng. 16E, Montgomery County		
API:	15-125-31390-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations			
4	Riverton 1025' - 1027' Rowe 965.5' - 967.5'	5100 lbs 20/40 sand 459 bbls water 570 gals 15% HCl acid	965.5' - 1027'
4	Mineral 698' - 700.5' V-Shale 657' - 660'	5500 lbs 20/40 sand 431 bbls water 650 gals 15% HCl acid	657' - 700.5'
4	Iron Post 631' - 632.5' Mulky 608' - 613' Summit 577' - 582'	8500 lbs 20/40 sand 672 bbls water 722 gals 15% HCl acid	577' - 632.5'

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GEOLOGIC REPORT

LAYNE ENERGY
DeMott Farms 1-4
NE NE, 351 FNL, 347 FEL
Section 4-T33S-R16E
Montgomery County, KS

Spud Date: 7/19/2007
Drilling Completed: 7/23/2007
Logged: 7/23/2007
A.P.I. #: 15125313900000
Ground Elevation: 751
Depth Driller: 1155
Depth Logger: 1145
Surface Casing: 8.625 inches at 36'
Production Casing: 4.5 inches at 1146'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, High Resolution
Compensated Density/Neutron

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Formation	Tops	
	(below ground)	(subsea)
Quaternary	Alluvium	751
Pawnee Limestone	476	275
Excello Shale	608	143
"V" Shale	657	94
Mineral Coal	699	52
Mississippian	1,042	-291

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

TICKET NUMBER 12143

LOCATION EUREKA

FOREMAN RICK LEONARD

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY	
7-23-07	4758	De Mar 1-4 1-4				MG	
CUSTOMER <u>LAME Energy</u>		Gus Jones		TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS <u>P.O. Box 160</u>				463	Cliff		
CITY <u>Sycamore</u>	STATE <u>KS</u>	ZIP CODE		502	Shannon		
				436	J.P.		

JOB TYPE Logging HOLE SIZE 6 3/4" HOLE DEPTH 1150' CASING SIZE & WEIGHT 4 1/2" 10.5"
 CASING DEPTH 1146' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.2# SLURRY VOL 37.6bbl WATER gal/sk 8.0 CEMENT LEFT in CASING 0'
 DISPLACEMENT 18 1/4 bbl DISPLACEMENT PSI 600 ~~Pump~~ PSI 000 RATE _____

REMARKS: Safety meeting. Rig up to 4 1/2" casing. Break circulation w/ 20 bbl fresh water. Pump 8 sacs gel-flush w/ hulls, 5 bbl water spacer, 20 bbl metasilicate pre-flush, 9 bbl dye water. Mixed 120 sacs thickset cement w/ 11" Kol-seal pipe @ 13.2# gal. Washout pump & lines, shut down release plug. Displace w/ 18 1/4 bbl fresh water. Final pump pressure 600 PSI. Pump plug to 1000 PSI. wait 2 mins release pressure, float held. 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	0	MILEAGE <u>2nd well</u>	0	0
1126A	120 sacs	thickset cement	15.40	1848.00
1110A	1200#	Kol-seal 11" pipe	.38	456.00
1118A	400#	gel-flush	.15	60.00
1105	50#	hulls	.36	18.00
1102	80#	rope	.67	53.60
1111A	110#	metasilicate pre-flush	1.65	165.00
5407A	6.0	tax-mileage bulk tax	1.10	290.40
5502C	4 hrs	80 bbl WAC. TAX	90.00	360.00
1123	3000 gals	city water	12.80	38.40
4404	1	4 1/2" top rubber plug	40.00	40.00
			Subtotal	4169.40
			SALES TAX	141.99
			ESTIMATED TOTAL	4311.39

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AUTHORIZATION Called by Messer

TITLE Co. Rp.

DATE _____

014953

5.37

CONSOLIDATED OIL WELL SERVICES, INC.

P.O. BOX 884, CHANUTE, KS 66720

620-431-9210 OR 800-467-8676

TICKET NUMBER

12111

LOCATION Eureka

FOREMAN Steve Mead

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
7-19-07	4758	Demott Farm 144				Ma.
CUSTOMER <u>Layne Energy</u>			TRUCK # DRIVER TRUCK # DRIVER			
MAILING ADDRESS <u>P.O. Box 160</u>			485 Alan			
CITY STATE ZIP CODE <u>Sycamore KS 67363</u>			515 Colin			

JOB TYPE Surface HOLE SIZE 11" HOLE DEPTH 40' CASING SIZE & WEIGHT 8 5/8"
 CASING DEPTH 35' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT _____ SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT IN CASING _____
 DISPLACEMENT _____ DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety Meeting. Rig up to 8 5/8 casing. Break circulation with fresh water. Add 35 SKs Regular cement 6.2% CaCl2 2% Gel. Displace with 1.9 bbls fresh water. Had cement to surface. Lost circulation while displacing cement. Job complete Rig down.

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Thank you

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ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5405	1	PUMP CHARGE	650.00	650.00
5406	40	MILEAGE	3.30	132.00
11045	35	Regular Class "A" Cement	12.20	427.00
1103	65*	CaCl2 2%	.67	43.55
1118A	65*	Gel 2%	.15	9.75
5407	1.64 Tons	Ton Mileage Bulk Truck	m/c	285.00
			Sub Total	1547.30
			SALES TAX	25.46
			ESTIMATED TOTAL	1572.76

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AUTHORIZATION Called by McPherson Dist.

TITLE Contractor

DATE _____

11573

Daily Well Work Report

DEMOTT FARMS 1-4

7/23/2007

Well Location:
MONTGOMERY KS
33S-16E-4 NE NE
351FNL / 347FEL

Cost Center C01013400300
Lease Number C010134
Property Code KSCV33S16E0401
API Number 15-125-31390

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Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
7/19/2007	7/23/2007	8/21/2007	8/30/2007	8/30/2007	DEMOTT_1_4
TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1155	1146	40	1146	0	0

Reported By krd **Rig Number** **Date** 7/19/2007
Taken By krd **Down Time**
Present Operation Drill out from under surface **Contractor** McPherson Drilling

Narrative

MIRU McPherson Drilling, drilled 11' hole, 40' 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% caciz, 2% gel. Displace w/1.9 bbls fresh water. Had cement to surface. Lost circ while displacing. Shut casing in, RD Consolidated MOL. SDFN DWC: \$ 4,573.

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