

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE**

COPY Form ACO-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: 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: 6/12/2007 Original Total Depth: 1185'

____ Deepening Re-perf. ____ Conv. to Enhr./SWD

____ Plug Back 1173' Plug Back Total Depth

Commingled Docket No. _____

____ Dual Completion Docket No. _____

____ Other (SWD or Enhr.?) Docket No. _____

| | |
|-----------------------------------|--|
| <u>7/19/2007</u> | <u>7/20/2007</u> |
| Spud Date or Recompletion Date | Date Reached TD Completion Date or Recompletion Date |

API No. 15 - 125-31077-00-01

County: Montgomery

____ - ____ SW ____ Sec. 10 Twp. 31 S. R. 16 East West

657 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: Dunham Well #: 13-10

Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals

Elevation: Ground: 874' Kelly Bushing: _____

Total Depth: 1185' Plug Back Total Depth: 1173'

Amount of Surface Pipe Set and Cemented at 21 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set _____ Feet

If Alternate II completion, cement circulated from 1173.4'

feet depth to Surface w/ 120 sx cmt.

Drilling Fluid Management Plan

(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

20 07

Notary Public: MacLaughlin Darline

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

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

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

Operator Name: Layne Energy Operating, LLC Lease Name: Dunham Well #: 13-10
 Sec. 10 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>556 GL</td> <td>318</td> </tr> <tr> <td>Excello Shale</td> <td>694 GL</td> <td>180</td> </tr> <tr> <td>V Shale</td> <td>745 GL</td> <td>129</td> </tr> <tr> <td>Mineral Coal</td> <td>781 GL</td> <td>93</td> </tr> <tr> <td>Mississippian</td> <td>1108 GL</td> <td>-234</td> </tr> </table> | Name | Top | Datum | Pawnee Lime | 556 GL | 318 | Excello Shale | 694 GL | 180 | V Shale | 745 GL | 129 | Mineral Coal | 781 GL | 93 | Mississippian | 1108 GL | -234 |
| Name | Top | Datum | | | | | | | | | | | | | | | | | |
| Pawnee Lime | 556 GL | 318 | | | | | | | | | | | | | | | | | |
| Excello Shale | 694 GL | 180 | | | | | | | | | | | | | | | | | |
| V Shale | 745 GL | 129 | | | | | | | | | | | | | | | | | |
| Mineral Coal | 781 GL | 93 | | | | | | | | | | | | | | | | | |
| Mississippian | 1108 GL | -234 | | | | | | | | | | | | | | | | | |

| 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 | 21' | Class A | 4 | Type 1 cement |
| Casing | 6.75" | 4.5" | 10.5 | 1173' | 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 | | | | |

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| 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 |
|----------------|---|---|-------|
| | See Attached Page | | |
| | | | |
| | | | |
| | | | |

| | | | | | | |
|--|-----------|---------|---|---------------|-----------|---|
| TUBING RECORD | | Size | Set At | Packer At | Liner Run | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| | | 2-3/8" | 814' | | | |
| Date of First, Resumerd Production, SWD or Enhr. | | | Producing Method | | | |
| 7/23/2007 | | | <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 | 25 | 13 | | | |

| | | |
|---|---|--|
| Disposition of Gas | METHOD OF COMPLETION | Production Interval |
| <input type="checkbox"/> Vented <input checked="" type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i> | <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input checked="" type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____ | RECEIVED KANSAS CORPORATION COMMISSION OCT 31 2007 CONSERVATION DIVISION WICHITA, KS |

| | | | |
|---|--|---|-----------------|
| Operator Name: | Layne Energy Operating, LLC. | | |
| Lease Name: | Dunham 13-10 | | |
| | Sec. 10 Twp. 31S Rng. 16E, Montgomery County | | |
| API: | 15-125-31077-00-01 | | |
| | | | |
| Shots per Foot | Perforation Record | Acid, Fracture, Shot, Cement Squeeze Record | Depth |
| Initial Perforations | | | |
| 4 | Mineral 781' - 783' Croweburg 745' - 747.5' Bevier 722.5' - 724.5' | 7000 lbs 20/40 sand 158 bbls water 500 gals 15% HCl acid | 722.5' - 783' |
| Recompletion Perforations (7/2007) | | | |
| 4 | Mulky 693.5' - 700.5' Summit 673.5' - 677' | 10500 lbs 20/40 sand 685 bbls water 500 gals 15% HCl acid | 673.5' - 700.5' |

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