

11/2/09

CONFIDENTIAL

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
WELL COMPLETION FORM

ORIGINAL

Form ACO-1  
September 1999  
Form Must Be Typed

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  
Wellsite Geologist: \_\_\_\_\_

CONFIDENTIAL  
NOV 07 2007  
KCC

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. \_\_\_\_\_

<u>7/24/2007</u>	<u>7/25/2007</u>	<u>10/18/2007</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-31394-00-00  
County: Montgomery  
\_\_\_\_ - \_\_\_\_ - NW SE Sec. 1 Twp. 33 S. R. 16  East  West  
2141 feet from  N (circle one) Line of Section  
2164 feet from  W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE  SE NW SW  
Lease Name: DeMott Farms Well #: 10-1  
Field Name: Cherokee Basin Coal Area  
Producing Formation: Cherokee Coals  
Elevation: Ground: 864' Kelly Bushing: \_\_\_\_\_  
Total Depth: 1188' Plug Back Total Depth: 1091'  
Amount of Surface Pipe Set and Cemented at 20 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 AH INJ 3-18-09  
(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.: \_\_\_\_\_

**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: \_\_\_\_\_  
Title: Agent Date: 11-7-07  
Subscribed and sworn to before me this 7 day of November  
20 07  
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  
 If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution

RECEIVED  
KANSAS CORPORATION COMMISSION  
NOV 08 2007  
CONSERVATION DIVISION  
WICHITA, KS

NOV 07 2007

Operator Name: Layne Energy Operating, LLC Lease Name: DeMott Farms Well #: 10-1  
 Sec. 1 Twp. 33 S. R. 16  East  West County: Montgomery **KCC**

**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>518 GL</td> <td>346</td> </tr> <tr> <td>Excello Shale</td> <td>662 GL</td> <td>202</td> </tr> <tr> <td>V-Shale</td> <td>710 GL</td> <td>154</td> </tr> <tr> <td>Mineral Coal</td> <td>758 GL</td> <td>106</td> </tr> <tr> <td>Mississippian</td> <td>1108 GL</td> <td>-244</td> </tr> </table>	Name	Top	Datum	Pawnee Lime	518 GL	346	Excello Shale	662 GL	202	V-Shale	710 GL	154	Mineral Coal	758 GL	106	Mississippian	1108 GL	-244
Name	Top	Datum																	
Pawnee Lime	518 GL	346																	
Excello Shale	662 GL	202																	
V-Shale	710 GL	154																	
Mineral Coal	758 GL	106																	
Mississippian	1108 GL	-244																	

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	20'	Class A	4	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 (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"	1062'		
Date of First, Resumerd Production, SWD or Enhr.		Producing Method		
10/24/2007		<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
	0	5	0	

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 REGISTRATION  
 NOV 08 2007  
 CONSERVATION DIVISION  
 WICHITA, KS

<b>Operator Name:</b>	Layne Energy Operating, LLC.		
<b>Lease Name:</b>	DeMott Farms 10-1		
	Sec. 1 Twp. 33S Rng. 16E, Montgomery County		
<b>API:</b>	15-125-31394-00-00		
<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	Rowe 1039' - 1041.5'	3100 lbs 20/40 sand 376 bbls water 650 gals 15% HCl acid	1039' - 1041.5'
4	V-Shale 712' - 716' Iron Post 688' - 690.5'	7700 lbs 20/40 sand 518 bbls water 730 gals 15% HCl acid	688' - 716'
4	Mulky 663' - 667' Summit 634' - 637'	9400 lbs 20/40 sand 775 bbls water 1250 gals 15% HCl acid	634' - 667'

CONFIDENTIAL  
NOV 07 2007  
KCC

RECEIVED  
KANSAS CORPORATION COMMISSION

NOV 08 2007

CONSERVATION DIVISION  
WICHITA, KS

**GEOLOGIC REPORT**

LAYNE ENERGY  
DeMott Farms 10-1  
NW SE, 2141 FSL, 2164 FEL  
Section 1-T33S-R16E  
Montgomery County, KS

Spud Date: 7/24/2007  
Drilling Completed: 7/25/2007  
Logged: 7/25/2007  
A.P.I. #: 15125313940000  
Ground Elevation: 864  
Depth Driller:  
Depth Logger: 1187  
Surface Casing: 8.625 inches at 21'  
Production Casing:  
Cemented Job:  
Open Hole Logs: Dual Induction SFL/GR, High Resolution  
Compensated Density/Neutron

Formation	Tops	
	(below ground)	(subsea)
Nellie Bly Formation		864
Kansas City Group		
Pawnee Limestone	518	346
Excello Shale	662	202
"V" Shale	710	154
Mineral Coal	758	106
Mississippian	1,108	-244

CONFIDENTIAL  
NOV 07 2007  
KCC

RECEIVED  
KANSAS CORPORATION COMMISSION

NOV 08 2007

CONSERVATION DIVISION  
WICHITA, KS



# Daily Well Work Report

DEMOTT FARMS 10-1  
7/25/2007

**Well Location:**  
MONTGOMERY KS  
33S-16E-1 NW SE  
2141FSL / 2164FEL

**Cost Center** C01013400600  
**Lease Number** C010134  
**Property Code** KSCV33S16E0110  
**API Number** 15-125-31394

~~CONFIDENTIAL~~  
NOV 07 2007

KCC

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
7/24/2007	7/25/2007	10/18/2007	10/24/2007	10/23/2007	DEMOTT_10_1
TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1188	1091	20	1091	0	0

<b>Reported By</b> krd	<b>Rig Number</b> KRD	<b>Date</b> 7/24/2007
<b>Taken By</b> krd		<b>Down Time</b> q
<b>Present Operation</b> Drill out from under surface		<b>Contractor</b> Thornton Rotary

## Narrative

Miru Thornton Drilling, drilled 11" hole, 20' deep, rih w/ 1 jt 8-5/8" surface casing, mxd 4 sxs type 1 cmt, dumped dn the backside, sdfn.  
DWC: \$ 2,880

RECEIVED  
KANSAS CORPORATION COMMISSION  
NOV 08 2007  
CONSERVATION DIVISION  
WICHITA, KS