

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

WELL COMPLETION FORM

WELL HISTORY - DESCRIPTION OF WELL & LEASE

11/7/09

Form ACO-1
September 1999
Form Must Be Typed

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: Timothy H. Wright
Phone: (913) 748-3960
Contractor: Name: Thornton Drilling
License: 33606
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>7/25/2007</u>	<u>7/26/2007</u>	<u>10/24/2007</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-31415-00-00
County: Montgomery
____ - ____ - NE Sec. 29 Twp. 32 S. R. 16 East West
389 feet from S / (N) (circle one) Line of Section
565 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) (NE) SE NW SW
Lease Name: Shepherd Well #: 1-29
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 772' Kelly Bushing: _____
Total Depth: 1188' Plug Back Total Depth: 1171'
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 1171
feet depth to Surface w/ 125 sx cmt.

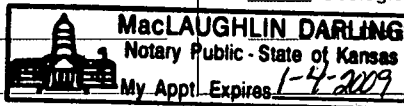
Drilling Fluid Management Plan AT IUS 3-2304
(Data must be collected from the Reserve Pit)
Chloride content N/A ppm Fluid volume _____ bbls
Dewatering method used N/A - Air Drilled
Location of fluid disposal if hauled offsite:
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter _____ Sec. _____ 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: 2/4/08
Subscribed and sworn to before me this 4 day of February,
2008.
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
 Geologist Report Received
RECEIVED
KANSAS CORPORATION COMMISSION
FEB 06 2008
CONSERVATION DIVISION
WICHITA, KS



Operator Name: Layne Energy Operating, LLC Lease Name: Shepherd Well #: 1-29
 Sec. 29 Twp. 32 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:70%;">Name</td> <td style="width:15%;">Top</td> <td style="width:15%;">Datum</td> </tr> <tr> <td>Pawnee Lime</td> <td>494 GL</td> <td>278</td> </tr> <tr> <td>Excello Shale</td> <td>651 GL</td> <td>121</td> </tr> <tr> <td>V-Shale</td> <td>698 GL</td> <td>74</td> </tr> <tr> <td>Mineral Coal</td> <td>740 GL</td> <td>32</td> </tr> <tr> <td>Mississippian</td> <td>1085 GL</td> <td>-313</td> </tr> </table>	Name	Top	Datum	Pawnee Lime	494 GL	278	Excello Shale	651 GL	121	V-Shale	698 GL	74	Mineral Coal	740 GL	32	Mississippian	1085 GL	-313
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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	20'	Class A	4	Type 1 cement
Casing	6.75"	4.5"	10.5	1171'	Thick Set	125	#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		
		2-3/8"	1040'		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Date of First, Resumerd Production, SWD or Enhr.			Producing Method				
11/8/2007			<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		<1	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 COMMISSION FEB 06 2008

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Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Shepherd 1-29		
	Sec. 29 Twp. 32S Rng. 16E, Montgomery County		
API:	15-125-31415-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations			
4	Mineral 740' - 742' V-Shale 698' - 701'	6313 lbs 20/40 sand 499 bbls water 500 gals 15% HCl acid	698' - 742'
4	Iron Post 672' - 674' Mulky 650' - 653' Summit 622' - 625'	1400 lbs 20/40 sand 402 bbls water 500 gals 15% HCl acid	622' - 674'
4	(re-perforated) Mulky 652.5' - 655.5' Summit 622' - 624'	2500 lbs 20/40 sand 485 bbls water 400 gals 15% HCl acid	622' - 655.5'

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FEB 06 2008

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WICHITA, KS