

12/3/09

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

CONFIDENTIAL

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
Wellsite Geologist: _____

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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. _____
8/10/2007 8/17/2007 Pending
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 019-26818-00-00
County: Chautauqua
SW SW NW Sec. 10 Twp. 32 S. R. 13 East West
2603 feet from S / (circle one) Line of Section
496 feet from E / (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE SW
Lease Name: Osburn Well #: 5-10
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 843' Kelly Bushing: _____
Total Depth: 1433' Plug Back Total Depth: 1429'
Amount of Surface Pipe Set and Cemented at 122 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1429
feet depth to Surface w/ 150 sx cmf.

Drilling Fluid Management Plan AH INJ 3-24-09
(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: 12/3/09
Subscribed and sworn to before me this 3 day of December
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
RECEIVED
KANSAS CORPORATION COMMISSION
DEC 04 2007

CONSERVATION DIVISION
WICHITA, KS

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Operator Name: Layne Energy Operating, LLC Lease Name: Osburn Well #: 5-10
 Sec. 10 Twp. 32 S. R. 13 East West County: Chautauqua

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	975 GL	-132
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	1099 GL	-256
List All E. Logs Run:		V Shale	1152 GL	-309
Compensated Density Neutron		Mineral Coal	1193 GL	-350
Dual Induction		Mississippian	1404 GL	-561

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	122'	Class A	150	Type 1 cement
Casing	6.75"	4.5"	10.5	1429'	Thick Set	150	#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		

TUBING RECORD	Size <u>2-3/8"</u>	Set At <u>1360'</u>	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. <u>SI - waiting on pipeline</u>	Producing Method <input type="checkbox"/> Flowing <input 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

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

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Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Osburn 5-10		
	Sec. 10 Twp. 32S Rng. 13E, Chautauqua County		
API:	15-019-26818-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations			
4	Burgess 1404.5' - 1405.5'	n/a lbs 20/40 sand n/a bbls water n/a gals 15% HCl acid	1404.5' - 1405.5'
4	Burgess 1406.7' - 1407.7'	n/a lbs 20/40 sand n/a bbls water n/a gals 15% HCl acid	1406.7' - 1407.7'

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WICHITA, KS

GEOLOGIC REPORT

LAYNE ENERGY
Osburn 5-10
SW NW, 2603 FNL, 496 FWL
Section 10-T32S-R13E
Chautauqua County, KS

Spud Date: 8/10/2007
Drilling Completed: 8/17/2007
Logged: 8/17/2007
A.P.I. #: 15019268180000
Ground Elevation: 843'
Depth Driller: '
Depth Logger: 1434'
Surface Casing: 8.625 inches at 122'
Production Casing: 4.5 inches at 1429'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, High Resolution
Compensated Density/Neutron

Formation

	Tops	
	(below ground)	(subsea)
Quaternary	Surface (Alluvium)	843
Pawnee Limestone	975	-132
Excello Shale	1,099	-256
"V" Shale	1,152	-309
Mineral Coal	1,193	-350
Mississippian	1,404	-561

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CONSERVATION DIVISION
WICHITA, KS

CONSOLIDATED OIL WELL SERVICES, LLC

TICKET NUMBER

12519

P.O. BOX 884, CHANUTE, KS 66720

LOCATION EURONA

620-431-9210 OR 800-467-8676

FOREMAN Rick Leonard

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY												
8-12-07	4758	OSWEN 5-10				CO												
CUSTOMER <u>LAME Energy</u>			<table border="1"> <thead> <tr> <th>TRUCK #</th> <th>DRIVER</th> <th>TRUCK #</th> <th>DRIVER</th> </tr> </thead> <tbody> <tr> <td>463</td> <td>Cliff</td> <td></td> <td></td> </tr> <tr> <td>502</td> <td>Shannon</td> <td></td> <td></td> </tr> </tbody> </table>				TRUCK #	DRIVER	TRUCK #	DRIVER	463	Cliff			502	Shannon		
TRUCK #	DRIVER	TRUCK #					DRIVER											
463	Cliff																	
502	Shannon																	
MAILING ADDRESS <u>P.O. Box 160</u>																		
CITY <u>Sycamore</u>	STATE <u>KS</u>	ZIP CODE																

JOB TYPE Log string HOLE SIZE 6 3/4" HOLE DEPTH 1433' CASING SIZE & WEIGHT 4 1/2" 41.5#
 CASING DEPTH 1429' DRILL PIPE TUBING OTHER
 SLURRY WEIGHT 13.2# SLURRY VOL 47 bbl WATER gal/sk 8" CEMENT LEFT in CASING 0'
 DISPLACEMENT 22 3/4 bbl DISPLACEMENT PSI 700 ~~PSI~~ 1200 RATE

REMARKS: Safety meeting. Rig up to 4 1/2" casing. Break circulation w/ 25 bbl fresh water. Pump 2 ses gel-flush w/ hulls 5 bbl water, 20 bbl metasilicate pre-flush, 15 bbl dye water. Mixed 150 ses thickset cement w/ 10# Katsol @ 13.2# / gal. Washat pump & lines, shut down, release plug. Displace w/ 22 3/4 bbl fresh water. Final pump pressure 700 psi. Pump plug to 1200 psi. wait 2 minutes, 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	1	MILEAGE 2.00 well	9	9
1126A	150 ses	thickset cement	15.00	2250.00
1110A	1500 #	Katsol 10# / gal	.38	570.00
1118A	400#	gel-flush	.15	60.00
1105	50#	hulls	.36	18.00
1102	80#	cacl	.67	53.60
1111A	100#	metasilicate pre-flush	1.65	165.00
5407A	8.25	ton-mileage bulk frk	1.10	362.25
4404	1	4 1/2" top rubber plug	40.00	40.00
			6.38	
			SALES TAX	22.65
			ESTIMATED TOTAL	4622.25

AUTHORIZATION Called by Manager

TITLE C. P.

DATE

4622.25

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CONSOLIDATED OIL WELL SERVICES, LLC

TICKET NUMBER 12462

P.O. BOX 884, CHANUTE, KS 66720

LOCATION ELLEN

620-431-9210 OR 800-467-8676

FOREMAN RICK LAMAR

KCC

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
8-10-07	4258	OSBORN 5-10				CO
CUSTOMER <u>LAYNE ENERGY</u>			TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS <u>P.O. Box 160</u>			<u>463</u>	<u>Cliff</u>		
CITY <u>Sycamore</u>			<u>502</u>	<u>Troy</u>		
STATE <u>KS</u>			<u>515</u>	<u>Calin</u>		
ZIP CODE						

JOB TYPE surface HOLE SIZE 11 7/8 HOLE DEPTH 128' CASING SIZE & WEIGHT 8 5/8
 CASING DEPTH 122 G.L. DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 15" SLURRY VOL _____ WATER gal/sk 6.5 CEMENT LEFT in CASING 15'
 DISPLACEMENT 6 1/2 bbl DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety meeting. Rig up to 8 5/8" casing. Break circulation w/ 20 bbl fresh water. Pumped 150 sacks class "A" cement w/ 2% cur, 20 gal + 1/4" flange @ 15" @ 150 gal. Displace w/ 6 1/2 bbl fresh water. Shut casing in. Good circulation @ all times while cementing w/ no return to surface. Job complete. Rig down.

"Thank You"

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
54015	1	PUMP CHARGE	650.00	650.00
5406	1	MILEAGE <u>2nd 100</u>		
11045	150 Sks	class A cement	12.00	1800.00
1102	300"	2% cur	.67	201.00
1118A	300"	2% gal	.15	45.00
1107	37"	1/4" flange @ 1/2"	1.80	66.60
5407		ten-mileage bulk tax	n/a	285.00
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			CONSERVATION DIVISION	
			WICHITA KS	
			SALES TAX	2001.30
			ESTIMATED	108.92
			TOTAL	3216.52

215524

AUTHORIZATION called by Rig

TITLE _____

DATE _____

3216.52

Daily Well Work Report

OSBURN 5-10
8/10/2007

Well Location:
CHAUTAUQUA KS
32S-13E-10 SW NW
2603FNL / 496FWL

Cost Center G01029800100
Lease Number G010298
Property Code KSLE32S13E1005
API Number 15-019-26818

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
8/10/2007	8/17/2007				

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1433	1429	122	1429	0	0

Reported By krd	Rig Number	Date 8/10/2007
Taken By krd		Down Time
Present Operation Drill out from under surface		Contractor Thornton

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Narrative

MIRU Thornton Drilling, drilled 11' hole, 122' deep, rih w/6 jts 8-5/8" surface casing. RU Consolidated, break circulation w/20 bbls fresh water, pumped 150 sks Class "A" cement w/2% calcz, 2% gel, 1/4# flocele per/sk @ 15 psi. Displace w/6.5 bbls fresh water. Shut casing in. Good circulation at all times while cementing, no returns to surface. RD MOL. DWC:\$6217

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