

CONFIDENTIAL

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

12/10/07  
ORIGINAL  
Form ACO-1  
September 1999  
Form Must Be Typed

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. \_\_\_\_\_

<u>8/30/2007</u>	<u>8/31/2007</u>	<u>10/16/2007</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-31422-00-00  
County: Montgomery  
SE - SE - SE Sec. 8 Twp. 32 S. R. 16  East  West  
350 feet from (S) N (circle one) Line of Section  
350 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 #: 16-8  
Field Name: Cherokee Basin Coal Area  
Producing Formation: Cherokee Coals  
Elevation: Ground: 772' Kelly Bushing: \_\_\_\_\_  
Total Depth: 1180' Plug Back Total Depth: 1176'  
Amount of Surface Pipe Set and Cemented at 62 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from 1176  
feet depth to Surface w/ 125 sx cmt.

Drilling Fluid Management Plan ATT IINJ 4909  
(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: 12-10-07  
Subscribed and sworn to before me this 10 day of December  
20 07.  
Notary Public: MacLaughlin Darline  
Date Commission Expires: 1-4-2009

**KCC Office Use ONLY**  
 Letter of Confidentiality Attached  
 If Denied, Yes  Date: RECEIVED  
 Wireline Log Received **KANSAS CORPORATION COMMISSION**  
 Geologist Report Received **DEC 12 2007**  
UIC Distribution  
**MacLAUGHLIN DARLING**  
Notary Public - State of Kansas  
My Appt. Expires 1-4-2009  
CONSERVATION DIVISION  
WICHITA, KS

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DEC 11

KCI

Operator Name: Layne Energy Operating, LLC Lease Name: DeMott Farms Well #: 16-8  
 Sec. 8 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 <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	538 GL	234
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	676 GL	96
List All E. Logs Run:		V-Shale	727 GL	45
Compensated Density Neutron		Mineral Coal	767 GL	5
Dual Induction		Mississippian	1091 GL	-319

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	62'	Class A	50	Type 1 cement
Casing	6.75"	4.5"	10.5	1176'	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 <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"	819'					
Date of First, Resumerd Production, SWD or Enhr.			Producing Method					
SI-Waiting on pipeline			<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
<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 checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input checked="" type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	

<b>Operator Name:</b>	Layne Energy Operating, LLC.		
<b>Lease Name:</b>	DeMott Farms 16-8		
	Sec. 8 Twp. 32S Rng. 16E, Montgomery County		
<b>API:</b>	15-125-31422-00-00		
<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	Iron Post 703' - 705' Mulky 676' - 683' Summit 648' - 652'	7200 lbs 20/40 sand 672 bbls water 1100 gals 15% HCl acid	648' - 705'

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# GEOLOGIC REPORT

LAYNE ENERGY  
DeMott Farms 16-8  
SE SE, 350 FSL, 350 FEL  
Section 8-T32S-R16E  
Montgomery County, KS

Spud Date: 8/30/2007  
Drilling Completed: 8/31/2007  
Logged: 8/31/2007  
A.P.I. #: 15125314220000  
Ground Elevation: 772'  
Depth Driller: '  
Depth Logger: 1181'  
Surface Casing: 8.625 inches at 62'  
Production Casing: 4.5 inches at 1176'  
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	Surface (Alluvium)	772
Pawnee Limestone	538	234
Excello Shale	676	96
"V" Shale	727	45
Mineral Coal	767	5
Mississippian	1,091	-319

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# Daily Well Work Report

DEMOTT FARMS 16-8

8/31/2007

Well Location:  
MONTGOMERY KS  
32S-16E-8 SE SE SE  
350FSL / 350FEL

Cost Center C01013300200  
Lease Number C010133  
Property Code KSCV32S16E0816  
API Number 15-125-31422

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Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
8/30/2007	8/31/2007	10/17/2007		10/23/2007	DEMOTT_16_8

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1180	1176	62	1176	0	0

<b>Reported By</b> krd	<b>Rig Number</b>	<b>Date</b> 8/30/2007
<b>Taken By</b> krd		<b>Down Time</b>
<b>Present Operation</b> Drill out from under surface		<b>Contractor</b> McPherson

## Narrative

MIRU McPherson Drilling, drilled 11' hole, 62" deep, rih w/3 jts 8-5/8" surface casing. RU Consolidated to 8-5/8" casing. Break circulation w/fresh water. Mixed 50 sks regular class "A" cement with 2% caclz, 2% gel and 1/4# flocele per sk @ 15 # per gal. Displace w/3 bbls fresh water, shut casing in. Good cement returns to surface. RD SDFN. DWC: \$5,281

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WICHITA, KS

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

TICKET NUMBER 12603  
 LOCATION Edgema  
 FOREMAN Rick Leonard

TREATMENT REPORT & FIELD TICKET  
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY																
9-4-07	4758	Demott 16-8				mg																
CUSTOMER <i>Layne Energy</i>			<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>Kyle</td> <td></td> <td></td> </tr> <tr> <td>515</td> <td>Calin</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				TRUCK #	DRIVER	TRUCK #	DRIVER	463	Kyle			515	Calin						
TRUCK #	DRIVER	TRUCK #					DRIVER															
463	Kyle																					
515	Calin																					
MAILING ADDRESS <i>P.O. Box 160</i>																						
CITY <i>Sycamore</i>	STATE <i>KS</i>	ZIP CODE																				
OVS Jones																						

JOB TYPE Logging HOLE SIZE 6 3/4" HOLE DEPTH 1180' CASING SIZE & WEIGHT 4 1/2" 10.5"  
 CASING DEPTH 1126' DRILL PIPE \_\_\_\_\_ TUBING \_\_\_\_\_ OTHER \_\_\_\_\_  
 SLURRY WEIGHT 13.2# SLURRY VOL 39 bbl WATER gal/sk 9.0 CEMENT LEFT in CASING 0'  
 DISPLACEMENT 18.7 bbl DISPLACEMENT PSI 600 MIX PSI 1100 RATE \_\_\_\_\_

REMARKS: *Safety meeting. Rig up to 4 1/2" casing. Break circulation w/ 25 bbl fresh water. Pump 8 ses gel-flush w/ hulls, 5 bbl water spacer, 20 bbl metasilicate pre-flush, 9 bbl dye water. Mixed 125 ses thickset cement w/ 10# Kd-sol 10# @ 13.2# 10%. Washout pump & lines, shut down, release plug. Displace w/ 18.7 bbl fresh water. Final pump pressure 600 PSI. Pump plug to 1100 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	40	MILEAGE	3.80	152.00
1126A	125 SKS	thickset cement	15.40	1925.00
1110A	1250#	Kd-sol 10# 10% KOC	.38	475.00
1118A	400#	gel-flush	.15	60.00
1105	50#	hulls	.36	18.00
1102	80#	coack2	.67	55.60
1111A	100#	metasilicate pre-flush	1.65	165.00
5407A	6.88	ten-mileage bulk tax	1.10	302.72
4404	1	4 1/2" top rubber plug	40.00	40.00
			Subtotal	4011.32
			SALES TAX 5.3%	145.05
			ESTIMATED TOTAL	4156.37

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AUTHORIZATION Called by MNgan TITLE Co. Rep. DATE \_\_\_\_\_

216008

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

TICKET NUMBER 12560  
 LOCATION EURON  
 FOREMAN Rick Leonard

TREATMENT REPORT & FIELD TICKET  
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
8-30-07	4758	DeMatt 16-8				m/c
CUSTOMER			TRUCK #			
Layne Energy			DRIVER			
MAILING ADDRESS			TRUCK #			
P.O. Box 160			DRIVER			
CITY						
STATE						
ZIP CODE						
Sycamore			KS			

JOB TYPE surface HOLE SIZE 11" HOLE DEPTH 62' CASING SIZE & WEIGHT 8 5/8"  
 CASING DEPTH 60' DRILL PIPE \_\_\_\_\_ TUBING \_\_\_\_\_ OTHER \_\_\_\_\_  
 SLURRY WEIGHT 15" SLURRY VOL \_\_\_\_\_ WATER gal/sk 6.5 CEMENT LEFT in CASING 10'  
 DISPLACEMENT 3.2 bbl DISPLACEMENT PSI \_\_\_\_\_ MIX PSI \_\_\_\_\_ RATE \_\_\_\_\_

REMARKS: Safety meeting- Rig up to drilling rig. Mixed gel-water while  
drilling to T.D. Rig up to 8 5/8" casing. Break circulation w/ fresh water.  
Mixed 50 sacks regular class "A" cement w/ 2% cacl<sub>2</sub>, 22 gal 4 1/2" flocc  
plus @ 15" min. Displace w/ 3.2 bbl fresh water. Shut casing in w/ mud cement  
returns to surface. Job complete Rig down.

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"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 2000 well	1	1
5609	2	misc. pump	166.00	320.00
11045	50 sacks	class "A" cement	12.20	610.00
1102	94 #	2% cacl <sub>2</sub>	.67	62.98
1118A	94 #	2% gel	.15	14.10
1107	12 #	1/4" flocc 4 1/2"	1.90	22.80
1118A	750 #	gel	.15	112.50
5407		ten-mileage bulk tax		205.00
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			5.3%	2077.89
			SALES TAX	43.59
			ESTIMATED TOTAL	2120.97

AUTHORIZATION called by Rick

TITLE Driller

DATE \_\_\_\_\_

2120.97