

CONFIDENTIAL

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

WELL COMPLETION FORM

WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

4/2/08

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: Thornton Air Rotary  
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: 9/7/2007    Original Total Depth: 1775'  
\_\_\_\_ 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>12/18/2007</u>	<u>12/18/2007</u>
Spud Date or Recompletion Date	Date Reached TD Completion Date or Recompletion Date

KCC  
APR 02 2008  
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API No. 15 - 049-22454-00-01  
County: Elk  
\_\_\_\_ - \_\_\_\_ - SE - SE Sec. 31 Twp. 28 S. R. 12  East  West  
660 feet from  N (circle one) Line of Section  
660 feet from  W (circle one) Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE  SE NW SW  
Lease Name: Kelly Well #: 16-31  
Field Name: Cherokee Basin Coal  
Producing Formation: Cherokee Coals  
Elevation: Ground: 1085' Kelly Bushing: \_\_\_\_\_  
Total Depth: 1775' Plug Back Total Depth: 1748.9'  
Amount of Surface Pipe Set and Cemented at 44 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from 1748.9  
feet depth to Surface w/ 185 sx cmt.

Drilling Fluid Management Plan WD NJ 6-2009  
(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: 4/2/08  
Subscribed and sworn to before me this 2 day of April,  
2008.  
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: \_\_\_\_\_  
**RECEIVED**  
KANSAS CORPORATION COMMISSION  
Wireline Log Received  
Geologist Report Received **APR 03 2008**  
DISTRIBUTION  
CONSERVATION DIVISION  
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Kelly Well #: 16-34 APR 02 2008  
 Sec. 31 Twp. 28 S. R. 12  East  West County: Elk **CONFIDENTIAL**

**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>1398 GL</td> <td>-313</td> </tr> <tr> <td>Excello Shale</td> <td>1472 GL</td> <td>-387</td> </tr> <tr> <td>V-Shale</td> <td>1540 GL</td> <td>-455</td> </tr> <tr> <td>Mississippian</td> <td>1761 GL</td> <td>-676</td> </tr> </table>	Name	Top	Datum	Pawnee Lime	1398 GL	-313	Excello Shale	1472 GL	-387	V-Shale	1540 GL	-455	Mississippian	1761 GL	-676
Name	Top	Datum														
Pawnee Lime	1398 GL	-313														
Excello Shale	1472 GL	-387														
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Mississippian	1761 GL	-676														

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	44'	Class A	10	Type 1 cement
Casing	6.75"	4.5"	10.5	1748.9'	Thick Set	185	#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"	1628'		
Date of First, Resumerd Production, SWD or Enhr.		Producing Method		
Shut-In		<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	<b>RECEIVED</b>
<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) _____		<b>APR 03 2008</b>

# Layne Energy, Inc.

1900 Shawnee Mission Parkway, Mission Woods, Kansas 66205 Phone: (913) 748-3987 Fax: (913) 748-3970

April 2, 2008

**KCC**  
**APR 02 2008**  
**CONFIDENTIAL**

Mr. Steve Bond  
Kansas Corporation Commission  
Oil & Gas Conservation Division  
130 S. Market, Room 2078  
Wichita, KS 67202

Re: Well Recompletion Form

Dear Mr. Bond:

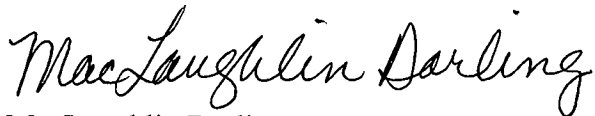
I have enclosed the ACO-1 form for the following **recompleted** well:

API # 15-049-22454-00-01  
Kelly 16-31

We respectfully request that all information submitted be kept confidential. Per provision E-4 of K.A. R. 82-3-107, we request that the term of the confidentiality be extended by one year.

If you need additional information, please contact me at (913) 748-3960.

Sincerely,



MacLaughlin Darling  
Engineering Technician

Enclosures

cc: Well File  
Field Office



RECEIVED  
KANSAS CORPORATION COMMISSION

APR 03 2008

CONSERVATION DIVISION  
WICHITA, KS

<b>Operator Name:</b>	Layne Energy Operating, LLC.		
<b>Lease Name:</b>	Kelly 16-31		
	Sec. 31 Twp. 28S Rng. 12E, Elk County		
<b>API:</b>	15-049-22454-00-01		
<b>Shots per Foot</b>	<b>Perforation Record</b>	<b>Acid, Fracture, Shot, Cement Squeeze Record</b>	<b>Depth</b>
<b>Initial Perforations (September 2007)</b>			
4	V-Shale 1541' - 1544.5'	4200 lbs 20/40 sand 388 bbls water w/ 1% KCl 350 gals 15% HCl acid	1541' - 1544.5'
4	Excello 1473' - 1476.5'	5700 lbs 20/40 sand 404 bbls water w/ 1% KCl 350 gals 15% HCl acid	1473' - 1476.5'
<b>Recompletion Perforations (December 2007)</b>			
4	Hushpuckney 1149.5' - 1152' Stark Shale 1123.5' - 1126.5'	7605 lbs 20/40 sand 459 bbls water w/ 1% KCl 400 gals 15% HCl acid	1123.5' - 1152'

**RECEIVED**  
**KANSAS CORPORATION COMMISSION**

**APR 03 2008**

CONSERVATION DIVISION  
WICHITA KS