

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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: Victor H. Dyal
Phone: (913) 748-3960
Contractor: Name: Smith Drilling
License: ~~33998~~ 34126
Wellsite Geologist: Tom Oast

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: Indianola Oil, Inc.
Well Name: Peterson 1 Dual Completion
Original Comp. Date: 4/1/2004 Original Total Depth: 1752'
 Deepening Re-perf. Conv. to Enhr./SWD
 Plug Back Plug Back Total Depth
 Commingled Docket No. _____
 Dual Completion Docket No. D-28,338 (cancelled)
 Other (SWD or Enhr.?) Docket No. _____

<u>5/29/2007</u>	<u>5/29/2007</u>
Spud Date or Recompletion Date	Date Reached TD Completion Date or Recompletion Date

API No. 15 - 019-26587-00-01
County: Chautauqua
SW SE Sec. 21 Twp. 32 S. R. 13 East West
1980 feet from (S) N (circle one) Line of Section
1980 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE (SE) NW SW
Lease Name: Peterson Well #: 1
Field Name: Unknown

Producing Formation: Mulky Shale, Holdenville Coal
Elevation: Ground: 1040' Kelly Bushing: _____
Total Depth: 1752' Plug Back Total Depth: 1650'
Amount of Surface Pipe Set and Cemented at 230 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1742
feet depth to 814' w/ 100 sx cmt.

Drilling Fluid Management Plan OWNO - AIT I NR
(Data must be collected from the Reserve Pit) 4-12-10
Chloride content N/A ppm Fluid volume _____ bbls
Dewatering method used Evaporation
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: Manager of Engineering Date: April 8, 2010
Subscribed and sworn to before me this 8 day of April
20 10
Notary Public: MacLaughlin Darling
Date Commission Expires: 1-4-2013

KCC Office Use ONLY

N Letter of Confidentiality Attached
If Denied, Yes Date: _____
 Wireline Log Received **RECEIVED**
 Geologist Report Received **APR 12 2010**
KCC WICHITA



Operator Name: Layne Energy Operating, LLC Lease Name: Peterson Well #: 1
 Sec. 21 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 <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: Density Log Cement Bond Log	<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>Holdenville Coal</td> <td>1058'-1062'</td> <td></td> </tr> <tr> <td>Mulkey Shale</td> <td>1387'-1397'</td> <td></td> </tr> <tr> <td>Burgess Sand</td> <td>1734'-1752'</td> <td></td> </tr> </table> Driller's Log Attached	Name	Top	Datum	Holdenville Coal	1058'-1062'		Mulkey Shale	1387'-1397'		Burgess Sand	1734'-1752'	
Name	Top	Datum											
Holdenville Coal	1058'-1062'												
Mulkey Shale	1387'-1397'												
Burgess Sand	1734'-1752'												

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		8.625"	20	230'	Class A	75	
Production		4.5"	9.5	1742'	50/50 poz	100	gilsonite, cellfi

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
4	Perforated DML	Frac 320 bbls, 100# sand	1058'
2	Perf DML	Frac 500# sand in 400 bbls	1387'
	Open hole completion 1742'	Burgess sand used for water injection	
Recompletion	5/29/2007 CIBP 1650'		
	U-5 Submitted to KCC 5/31/2007	No longer dual completion -- gas well only	

TUBING RECORD		Size	Set At	Packer At	Liner Run
		2-3/8"	1472'		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.			Producing Method		
5/27/2007			<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	130	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) _____	<input type="checkbox"/> No longer dual completion GAS WELL

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 APR 12 2010
 KCC WICHITA



THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS
CONSERVATION DIVISION

CANCELLATION OF INJECTION AUTHORIZATION

Oper. License #: 33365	Permit #: D-28,335
Operator: Layne Energy Operating, LLC	Injection Well Name & No.: Peterson # 1
Address: 1900 Shawnee Mission Parkway	Location: 1980'FSL 1980'FEL
City: Mission Woods	Sec. 21 TWP 32S RGE 13E
State: KS	County: Chautauqua
Zip Code: 66205	Field Name: Unnamed

Project Acreage: Section 21, Township 32 South, Range 13 East.

On August 23, 2004 the Commission/Conservation Division granted a permit for the injection of produced salt water or other fluids approved by the Conservation Division into the above referenced well or enhanced recovery project.

The Division received A U-5 indicating that as of May 31, 2007 the well authorized by the permit was a producing gas well only. A field report received on July 16, 2007 indicated it is equipped and producing gas on July 9, 2007.

Based on the above information, the permit granting injection authority is hereby cancelled.

Date Cancelled: July 17, 2007

Director, Underground Injection Control
Conservation Division

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APR 12 2010
KCC WICHITA



Smith Drilling Company

Dewey,
OK

396871 West 1063 Way - Dewey, OK 74029
Home: 918-534-1020 - Mobile: 918-331-7420

5045

INDIANOLA OIL INC.

PETERSON LEASE

APRIL 14, 2003

Chautauqua County - Ks

Well # 1

Sec 21 Twp 32E Range 13S

0	-	237	Surface	1061	-	1074	Lime
237	-	240	Shale	1074	-	1122	Sandy Shale
240	-	250	Sand(wet)	1122	-	1132	Lime
250	-	257	Shale	1132	-	1144	Shale
257	-	298	Sand	1144	-	1157	Lime
298	-	403	Sandy Shale	1157	-	1252	Shale
403	-	410	Lime	1252	-	1278	Lime(Light odor
410	-	469	Shale	1278	-	1335	Shale
469	-	480	Lime	1335	-	1360	Lime(Oswego)
480	-	485	Shale	1360	-	1369	Shale(LittleOsag
485	-	515	Sand	1369	-	1386	Lime
515	-	683	Sandy Shale	1386	-	1391	Mulky Shale
683	-	695	Sand	1391	-	1394	Lime
695	-	718	Sandy Shale	1394	-	1396	Shale
718	-	730	Sand	1396	-	1400	Lime
730	-	750	Sandy Shale	1400	-	1423	Sandy Shale
750	-	772	Sand	1423	-	1438	Sand
772	-	795	Sandy Shale	1438	-	1721	Sandy Shale
795	-	860	Lime	1721	-	1734	Burgess Sand
860	-	871	Shale	1734	-	1744	Miss Lime
871	-	891	Sand	1744			TD
891	-	966	Sandy Shale				
966	-	983	Lime				
983	-	1044	Shale				
1044	-	1055	Lime				
1055	-	1061	Shale				

RECEIVED

APR 12 2003

KCC WILDLIFE



Smith
Drilling Company

Dewey,
OK

396871 West 1063 Way - Dewey, OK 74029
Home: 918-534-1020 - Mobile: 918-331-7420

INDIANOLA OIL INC.

PETERSON LEASE

APRIL 14, 2003

Chautauqua County - Ks

Well # 1

Sec 21 Twp 32E Range 13S

DRILLERS COMMENTS:

Spud date 4/10/03

Surface hole 237'

Surface pipe 230' of 8 5/8" - 10 joints

Cemented by Elmore cementers

Used booster of 4/11/03

Burgess Sand 1721 - 1734

Miss Lime 1734 - 1744 Watered out

TD 1744'

Layne Energy, Inc.

1900 Shawnee Mission Parkway, Mission Woods, Kansas 66205 Phone: (913) 748-3987 Fax: (913) 748-3950

April 8, 2010

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:

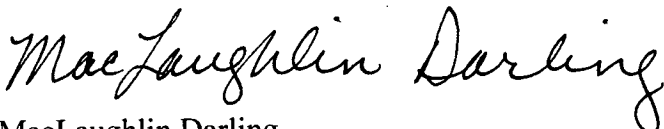
I have enclosed the ACO-1 form for the following **recompleted** well:

API # 15-019-26587-00-01
Peterson 1

The Peterson 1 was originally a dual completion well. A CIBP was set at 1650' and the well was recompleted to a gas well only. The U-5 form was submitted on 5/31/2007 requesting the docket #D-28,335 be cancelled.

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

Sincerely,


MacLaughlin Darling
Production Analyst

Enclosures

cc: Well File
Field Office



RECEIVED

APR 12 2010

KCC WICHITA