

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL
4/4/08
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:

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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.
1/2/2008 1/11/2008 1/22/2008
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 019-26849-00-00 D-30,103
County: Chautauqua
SE SW SE Sec. 15 Twp. 32 S. R. 13 East West
214 feet from (S) N (circle one) Line of Section
1810 feet from (E) W (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE (SE) NW SW
Lease Name: Mills SWD Well #: 15-15
Field Name: Cherokee Basin Coal Area
Producing Formation: Arbuckle Disposal
Elevation: Ground: 921' Kelly Bushing:
Total Depth: 2025' Plug Back Total Depth: 1902'
Amount of Surface Pipe Set and Cemented at 43 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set Feet
If Alternate II completion, cement circulated from
feet depth to Surface w/ 320 sx cmt.

Drilling Fluid Management Plan *SUD/NS/6-22-09*
(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: 4/4/08
Subscribed and sworn to before me this 4 day of April
20 08
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
Y Letter of Confidentiality Attached
V If Denied, Yes Date: RECEIVED
KANSAS CORPORATION COMMISSION
V Wireline Log Received
V Geologist Report Received APR 07 2008
CONSERVATION DIVISION
WICHITA, KS

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15-15
APR 04 2008
KCC

Operator Name: Layne Energy Operating, LLC Lease Name: Mills SWD Well #: 15-15
 Sec. 15 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: 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;"> <thead> <tr> <th style="width:70%;">Name</th> <th style="width:15%;">Top</th> <th style="width:15%;">Datum</th> </tr> </thead> <tbody> <tr> <td>Pawnee Lime</td> <td>1079 GL</td> <td>-158</td> </tr> <tr> <td>Excello Shale</td> <td>1219 GL</td> <td>-298</td> </tr> <tr> <td>V-Shale</td> <td>1267 GL</td> <td>-346</td> </tr> <tr> <td>Mineral Coal</td> <td>1311 GL</td> <td>-390</td> </tr> <tr> <td>Mississippian</td> <td>1567 GL</td> <td>-646</td> </tr> </tbody> </table>	Name	Top	Datum	Pawnee Lime	1079 GL	-158	Excello Shale	1219 GL	-298	V-Shale	1267 GL	-346	Mineral Coal	1311 GL	-390	Mississippian	1567 GL	-646
Name	Top	Datum																	
Pawnee Lime	1079 GL	-158																	
Excello Shale	1219 GL	-298																	
V-Shale	1267 GL	-346																	
Mineral Coal	1311 GL	-390																	
Mississippian	1567 GL	-646																	

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	43'	Class A	45	2% CACI & 2% Gel
Casing	6.75"	5.5"		1902'	60/40 Pozmix	320	4% gel 5#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
	OH Arbuckle		

TUBING RECORD	Size <u>2-7/8"</u>	Set At	Packer At <u>1872'</u>	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. <u>SWD</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 <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input checked="" type="checkbox"/> Other (Specify) <u>Arbuckle Disposal Well</u>	Production Interval
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Daily Well Work Report

MILLS 15-15 SWD

1/10/2008

Well Location:
CHAUTAUQUA KS
32S-13E-15 SE SW SE
214FSL / 1810FEL

Cost Center G01053100200
Lease Number G010531
Property Code KSLE32S13E1515
API Number 15-019-26849

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
1/2/2008	1/10/2008	1/22/2008		2/25/2008	MILLS_15_15SWD

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
2025	1902	43	1872	0	0

Reported By KRD **Rig Number** **Date** 1/2/2008
Taken By KRD **Down Time**
Present Operation DRILL OUT FROM UNDER SURFACE **Contractor** MCPHERSON

Narrative

MIRU MCPHERSON DRILLING, DRILLED 11" HOLE, 43' DEEP, RIH W/ 2 JT 8 5/8" SURFACE CASING, MI RU CONSOLIDATED TO 8-5/8" CASING, BREAK CIRCULATION W/10 BBLS FRESH WATER. MIXED 45 SKS CLASS "A" CEMENT W/2% CACLZ, 2% GEL @ 15#/Gal, yield 1.35. DISPLACE W/2 BBLS FRESH WATER. GOOD CEMENT RETURNS TO SURFACE. SHUT WELL IN. MOL.
DWC:\$3,160

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GEOLOGIC REPORT

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LAYNE ENERGY
Mills 15-15 SWD
SW SE, 214 FSL, 1810 FEL
Section 15-T32S-R13E
Chautauqua County, KS

Spud Date: 1/2/2008
Drilling Completed: 1/10/2008
Logged: 1/10/2008
A.P.I. #: 15019268490000
Ground Elevation: 921'
Depth Driller: 2025'
Depth Logger: 1998'
Surface Casing: 8.625 inches at 43'
Production Casing: 5.5 inches at 1903'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, High Resolution
Compensated Density/Neutron

Formation

Tops

(below ground)

(subsea)

Formation	(below ground)	(subsea)
Surface (Stranger Formation)		921
Douglas Group		
Pawnee Limestone	1,079	-158
Excello Shale	1,219	-298
"V" Shale	1,267	-346
Mineral Coal	1,311	-390
Mississippian	1,567	-646

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CONSOLIDATED OIL WELL SERVICES, INC.
 P.O. BOX 884, CHANUTE, KS 66720
 620-431-9210 OR 800-467-8878

TICKET NUMBER 13405
 LOCATION EURBKA
 FOREMAN Kevin McCoy

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
1-2-08	475B	MILLS 15-15 SWD				Ce

CUSTOMER
Layne Energy
 MAILING ADDRESS
 P.O. Box 160
 CITY
Sycamore STATE **Ks** ZIP CODE

TRUCK #	DRIVER	TRUCK #	DRIVER
445	Justin		
442	Shane	Eldorado	

JOB TYPE SURFACE HOLE SIZE _____ HOLE DEPTH 44' CASING SIZE & WEIGHT 8 5/8"
 CASING DEPTH 43' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 15" SLURRY VOL 11 BBL WATER gal/sk 6.5 CEMENT LEFT in CASING 10'
 DISPLACEMENT 2 BBL DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety Meeting: Rig up to 8 5/8" casing. Break circulation w/ 10 BBL fresh water.
Mixed 45 SKS class "A" cement w/ 2% GAGL, 2% GGL @ 15" / gal, yield 1-35.
Displace w/ 2 BBL fresh water. Shut casing in. Good cement returns to surface.
Job complete. Rig down.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401 S	1	PUMP CHARGE	675.00	675.00
5406	40	MILEAGE	3.45	138.00
1104 S	45 SKS	CLASS "A" Cement	12.90	580.50
1102	85 "	GAGL 2%	.70 "	59.50
1118 A	85 "	GGL 2%	.16 "	13.60
5407	2-11 TONS	Tow Mileage BULK TRUCK	MIC	300.00

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Sub TOTAL 1766.40
 SALES TAX 41.18
 ESTIMATED TOTAL 1807.58
 Thank You 6.3%

AUTHORIZATION Called By Mike Taylor TITLE _____ DATE _____

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

ENTERED

TICKET NUMBER 13508

LOCATION Eureka

FOREMAN Steve Mead

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
1-22-08	4768	Mills 15-15 SWD	15	32S	13E	CG
CUSTOMER			TRUCK #	DRIVER	TRUCK #	DRIVER
Mailing Address			485	Alan		
P.O. Box 160			462/163	Jim		
CITY		STATE	ZIP CODE		CONFIDENTIAL	
Sycamore		KS			APR 04 2008	
					KCC	

JOB TYPE Acid HOLE SIZE _____ HOLE DEPTH 2025' CASING SIZE & WEIGHT 5 1/2
 CASING DEPTH 1908' DRILL PIPE _____ TUBING 2 3/8 Packer 1872' OTHER _____
 SLURRY WEIGHT _____ SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT in CASING _____
 DISPLACEMENT _____ DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety Meeting! Rig up to well. Wash on well. Wash Tubing to TD
2025'. Spot 500 gallons 20% HCL Acid on bottom. Pull out 5 Joints Tubing.
Pump 5000 gallons water. Pump 500 gallons 20% HCL Acid. Displace with 1000
HCL water. Rate 250" 2 1/2 hrs per min shut down pressure 0*. Wait
while change out Tubing. Run in 2 3/8 Tubing. Set packer AT 1872'
Pump 30 bbls water with pack fluid set packer. Nit well 400" for
30 min. Job complete Rig down

Thank You

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5307	1	PUMP CHARGE	585.00	585.00
5306	40	MILEAGE	3.45	138.00
3108	1000 gallons	20% HCL Acid w/ Inhibitor	1.55	1550.00
3171	5 gallons	Iron Control	37.25	186.25
3174	3 gallons	Surface Tension Reducer	34.95	104.85
5501A	8 hrs	Water Transport	104.00	832.00
3172	5 gallons	HCL	27.10	135.50
3179	1000 gallons	CITY water	13.70	137.00
3178	3 gallons	Packer Fluid	40.00	120.00
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APR 07 2008				
CONSERVATION DIVISION WICHITA, KS				
			Subtotal	3134.40
			SALES TAX	5.03
			ESTIMATED TOTAL	3139.43

AUTHORIZATION witness by Justin

019801
 TITLE Co. Rep

DATE _____

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

ENTERED

TICKET NUMBER 13460
 LOCATION Eureka
 FOREMAN Steve Mend

**TREATMENT REPORT & FIELD TICKET
 CEMENT**

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
1-21-08	4759	Mills 15-18-SWD	15	32S	17E	CG
CUSTOMER			TRUCK #			
<u>Layne Energy</u>			485			
MAILING ADDRESS			DRIVER			
<u>P.O. Box 160</u>			<u>Alan</u>			
CITY			TRUCK #			
<u>Sycamore</u>						
STATE		ZIP CODE		CONFIDENTIAL APR 04 2008 KCC		
<u>KS</u>						

JOB TYPE Pump Rental HOLE SIZE _____ HOLE DEPTH _____ CASING SIZE & WEIGHT _____
 CASING DEPTH _____ DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT _____ SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT in CASING _____
 DISPLACEMENT _____ DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety Meeting. Rig up to well. Wash on well while drilling on plug.

Thank you

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5610	5 hrs	PUMP CHARGE	170.00	850.00
5306	40	MILEAGE	3.45	138.00
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Subtotal				988.00
SALES TAX				
ESTIMATED TOTAL				988.00

219814

AUTHORIZATION Witness by Justin TITLE Co. Rep DATE _____

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

ncw ENTERED

TICKET NUMBER 13463
 LOCATION EURAKA
 FOREMAN Kevin McCoy

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY												
1-14-08	4758	MILLS 15-15 SWD				Co												
CUSTOMER Layne Energy			<table border="1"> <thead> <tr> <th>TRUCK #</th> <th>DRIVER</th> <th>TRUCK #</th> <th>DRIVER</th> </tr> </thead> <tbody> <tr> <td>445</td> <td>Justin</td> <td>CONFIDENTIAL</td> <td></td> </tr> <tr> <td>515</td> <td>Jeraid</td> <td>APR 04 2008</td> <td></td> </tr> </tbody> </table>				TRUCK #	DRIVER	TRUCK #	DRIVER	445	Justin	CONFIDENTIAL		515	Jeraid	APR 04 2008	
TRUCK #	DRIVER	TRUCK #					DRIVER											
445	Justin	CONFIDENTIAL																
515	Jeraid	APR 04 2008																
MAILING ADDRESS P.O. Box 160																		
CITY Sycamore	STATE KS	ZIP CODE	Gus Jones Rig 1															

JOB TYPE Topoutside / MIT HOLE SIZE 7 7/8 HOLE DEPTH _____ CASING SIZE & WEIGHT 5 1/2
 CASING DEPTH 1902' DRILL PIPE _____ TUBING 1" OTHER _____
 SLURRY WEIGHT 13.8 SLURRY VOL 6.2 bbl WATER gal/sk 6.7 CEMENT LEFT in CASING _____
 DISPLACEMENT _____ DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety Meeting: Ran 1" Tubing down Annulus of 5 1/2 Csg. TAG top of Cement @ 110'. Break Circulation w/ Fresh water. Mixed 25 sks 60/40 Pozmix Cement w/ 4% Gel @ 13.8 /gal. Good Cement to Surface. Shut down. Pull 1" Tubing.

Rig up to 5 1/2 Csg. Pressure Casing to 400 PSI. MIT well @ 400 PSI for 30 minutes. Good Test. No decrease in Pressure. Witnessed By LARRY (KCC Agent)
Job Complete. Rig down.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401 S	1	PUMP CHARGE	675.00	675.00
5406	40	MILEAGE	3.45	138.00
1131	25 SKS	60/40 Pozmix Cement	10.80	270.00
1118 A	85 *	Gel 4%	.16 *	13.60
5407	1.08 TONS	Ton Mileage Bulk Truck	MIC	300.00
				RECEIVED
				KANSAS CORPORATION COMMISSION
				APR 07 2008
				CONSERVATION DIVISION WICHITA, KS
			Sub Total	1376.60
			SALES TAX 6.3%	17.87
			ESTIMATED TOTAL	1414.47

Thank you
 219633

AUTHORIZATION witnessed By Jacob TITLE Layne Co. Rep. DATE _____