

CONFIDENTIAL

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

5/28/10

W
Wright
5/20/08

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 KCC
_____ Oil _____ SWD _____ SLOW _____ Temp. Abd.
 Gas _____ ENHR _____ SIGW
_____ Dry _____ Other (Core, WSW, Expl., Cathodic, etc)

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MAY 28 2008

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>2/18/2008</u>	<u>2/20/2008</u>	<u>3/21/2008</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-31504-00-00
County: Montgomery
_____ SW _____ SE _____ SW Sec 8 Twp. 32 S. R. 14 East West
457 feet from (S) N (circle one) Line of Section
1717 feet from E / (W) (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW (SW)
Lease Name: Osburn Well #: 14-5
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 834' Kelly Bushing: _____
Total Depth: 1523' Plug Back Total Depth: 1520'
Amount of Surface Pipe Set and Cemented at 21 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1520
feet depth to Surface w/ 210 sx cmt.

Drilling Fluid Management Plan AKJ 6-16-08
(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: 5-28-2008
Subscribed and sworn to before me this 28 day of May
20 08
Notary Public: MacLaughlin Darling
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
MAY 29 2008
CONSERVATION DIVISION
WICHITA, KS

MacLAUGHLIN DARLING
Notary Public - State of Kansas
My Appt. Expires 1-4-2009

Operator Name: Layne Energy Operating, LLC Lease Name: Osburn Well #: 14-5
 Sec. 8 Twp. 32 S. R. 14 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 <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	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td><input checked="" type="checkbox"/> Log</td> <td>Formation (Top), Depth and Datum</td> <td><input type="checkbox"/> Sample</td> </tr> <tr> <td>Name</td> <td>Top</td> <td>Datum</td> </tr> <tr> <td>Pawnee Lime</td> <td>919 GL</td> <td>-85</td> </tr> <tr> <td>Excello Shale</td> <td>1065 GL</td> <td>-231</td> </tr> <tr> <td>V-Shale</td> <td>1112 GL</td> <td>-278</td> </tr> <tr> <td>Mineral Coal</td> <td>1158 GL</td> <td>-324</td> </tr> <tr> <td>Mississippian</td> <td>1419 GL</td> <td>-585</td> </tr> </table>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample	Name	Top	Datum	Pawnee Lime	919 GL	-85	Excello Shale	1065 GL	-231	V-Shale	1112 GL	-278	Mineral Coal	1158 GL	-324	Mississippian	1419 GL	-585
<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample																				
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CASING RECORD New 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	21'	Class A	4	Type 1 cement
Casing	6.75"	4.5"	10.5	1520'	Thick Set	210	50/50 posmix w/2% gel

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 <u>2-3/8"</u>	Set At <u>1452'</u>	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. <u>3/27/2008</u>		Producing Method <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. <u>0</u>	Gas Mcf <u>56</u>	Water Bbls. <u><1</u>	Gas-Oil Ratio	Gravity

Disposition of Gas Vented Sold Used on Lease *(If vented, Submit ACO-18.)*

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

Production Interval _____

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 WICHITA, KS

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Osburn 14-5		
	Sec. 5 Twp. 32S Rng. 14E, Montgomery County		
API:	15-125-31504-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations (March 2008)			
4	Riverton 1370.5' - 1372'	2500 lbs 20/40 sand 227 bbls water 350 gals 15% HCl acid	1370.5' - 1372'
4	Weir 1218' - 1219.5' Mineral 1157.5' - 1159'	4800 lbs 20/40 sand 377 bbls water 500 gals 15% HCl acid	1157.5' - 1219.5'
4	Croweburg 1113' - 1115.5' Iron Post 1092.5' - 1094'	5500 lbs 20/40 sand 351 bbls water 500 gals 15% HCl acid	1092.5' - 1115.5'
4	Mulky 1066' - 1070'	5400 lbs 20/40 sand 256 bbls water 300 gals 15% HCl acid	1066' - 1070'
4	Summit 1042' - 1044'	2800 lbs 20/40 sand 177 bbls water 300 gals 15% HCl acid	1042' - 1044'

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WICHITA, KS

Daily Well Work Report

OSBURN 14-5

2/18/2008

Well Location:
MONTGOMERY KS
32S-14E-5 SE SW
457FSL / 1717FWL

Cost Center G01023500100
Lease Number G010235
Property Code KSSY32S14E0514
API Number 15-125-31504

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
2/18/2008	2/20/2008	3/21/2008	3/27/2008	3/25/2008	OSBURN_14_5

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1523	1520	21	1520	0	0

Reported By KRD	Rig Number	Date 2/18/2008
Taken By KRD		Down Time
Present Operation DRILL OUT FROM UNDER SURFACE		Contractor THORNTON DRILLING

Narrative

MIRU THORNTON, DRILLED 11" HOLE, 21' DEEP, RIH W/ 1 JT 8 5/8" SURFACE CASING, MIXED 4 SX TYPE 1 CEMENT, DUMPED DOWN THE BACKSIDE. SDFN.

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WICHITA, KS

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

TICKET NUMBER 13574
 LOCATION Eureka
 FOREMAN Troy Strickler

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
2-22-08	4758	Osborn 14-5				MG
CUSTOMER Layne Energy			TRUCK #			
MAILING ADDRESS P.O. Box 160			DRIVER			
CITY Synamore			TRUCK #			
STATE Ks			DRIVER			
ZIP CODE						

JOB TYPE Logstring HOLE SIZE 6 7/8" HOLE DEPTH 1522' CASING SIZE & WEIGHT 4 1/2" 19.5"
 CASING DEPTH 1520' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.9" SLURRY VOL 52861 WATER gal/sk 6.1 CEMENT LEFT in CASING 0'
 DISPLACEMENT 24.861 DISPLACEMENT PSI 700 MIX PSI 1200 Amp Ply RATE _____

REMARKS: Safety Meeting: Rig up to 4 1/2" casing. Break Circulation w/ 30.861 water
wash down 8' to PBD 1520'. Pump back Gel-Flush w/ Hulle 20.861 water. 5.861
Dye water. Mixed 210sks 50/50 For-mix Cement w/ 2% Gel, 2% Caoh, 4" Kol-Seal
3" Cal-Seal, 1/2" Flocc, 1/2% FI-110, + 1/4% CAF-38 @ 13.9" wpt Yield 1.40.
Wash out Pump + liner. Release plug. Displace w/ 24.861 water. Final Annulus
Pressure 700 PSI. Bump Plug to 1200 PSI. wait 2mins Release Pressure. Plant Hold.
Good Cement to surface = 2861 slurry to pit.
Job Complete

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	875.00	875.00
5406	40	MILEAGE	3.45	138.00
1124	210sks	50/50 For-Mix	9.50	1995.00
1118A	350"	2% Gel	.16"	56.00
1102	350"	2% Caoh	.70"	245.00
1110A	840"	Kol-Seal 4" wpt	.40"	336.00
1101	630"	Cal-Seal 3" wpt	.35"	220.50
1107	50"	Flocc 1/2" wpt	1.98"	99.00
1135	88"	FI-110 1/2%	7.15"	629.20
1146	44"	CAF-38 1/4%	7.30"	321.20
1118A	300"	Gel-Flush	.16"	48.00
1105	50"	Hulle	.37"	18.50
5407A	8-82	Torr-Mileage	1.14	402.12
4401	1	4 1/2" Top Rubber Ply	42.00	42.00
		Thank you!	Sub Total	5363.99
			SALES TAX	270.34
			ESTIMATED TOTAL	5593.93

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 MAY 29 2008
 CONSERVATION DIVISION
 WICHITA, KS

280398

AUTHORIZATION witnessed by Jacob TITLE Co-Rep DATE _____

GEOLOGIC REPORT

LAYNE ENERGY
Osburn 14-5
SE SW, 457 FSL, 1717 FWL
Section 5-T32S-R14E
Montgomery County, KS

Spud Date: 2/18/2008
Drilling Completed: 2/20/2008
Logged: 2/20/2008
A.P.I. #: 15125315040000
Ground Elevation: 834'
Depth Driller: 1523'
Depth Logger: 1525'
Surface Casing: 8.625 inches at 21'
Production Casing: 4.5 inches at 1520'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

Formation	Tops	
	(below ground)	(subsea)
Quaternary	Surface (Alluvium)	834
Pawnee Limestone	919	-85
Excello Shale	1,065	-231
"V" Shale	1,112	-278
Mineral Coal	1,158	-324
Mississippian	1,419	-585

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