

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL Form ACO-1
September 1999
Form Must Be Typed
5/09/10

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: Thornton Air Rotary
License: 33606
Wellsite Geologist: _____

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Designate Type of Completion: MAY 09 2008
 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. _____

1/21/2008 1/23/2008 2/20/2008
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 125-31499-00-00
County: Montgomery
_____ NW SE Sec. 33 Twp. 31 S. R. 14 East West
1942 feet from N (circle one) Line of Section
2111 feet from W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Faler Well #: 10-33

Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 863' Kelly Bushing: _____
Total Depth: 1514' Plug Back Total Depth: 1505'
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 1505
feet depth to Surface w/ 210 sx cmt.

Drilling Fluid Management Plan At INJ 10-25-09
(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: 5-9-2008
Subscribed and sworn to before me this 9 day of May,
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
 Letter of Confidentiality Attached
 If Denied, Yes Date: _____ RECEIVED
 Wireline Log Received KANSAS CORPORATION COMMISSION
 Geologic Report Received
MAY 12 2008
CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Faler Well #: 10-33
 Sec. 33 Twp. 31 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 <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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Pawnee Lime	916 GL	-53
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	1064 GL	-201
List All E. Logs Run:		V-Shale	1115 GL	-252
Compensated Density Neutron		Mineral Coal	1161 GL	-298
Dual Induction		Mississippian	1435 GL	-572

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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	21'	Class A	4	Type 1 cement
Casing	6.75"	4.5"	10.5	1505'	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 <i>(Amount and Kind of Material Used)</i>	Depth
	See Attached Page		

TUBING RECORD	Size <u>2-3/8"</u>	Set At <u>1406'</u>	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Date of First, Resumerd Production, SWD or Enhr. <u>2/28/2008</u>	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other <i>(Explain)</i>
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Estimated Production Per 24 Hours	Oil Bbls. <u>0</u>	Gas Mcf <u>41</u>	Water Bbls. <u>13</u>	Gas-Oil Ratio	Gravity RECEIVED
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Disposition of Gas **METHOD OF COMPLETION** Production Interval

Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled
(If vented, Submit ACO-18.) Other *(Specify)*

MAY 12 2008

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Faler 10-33		
	Sec. 33 Twp. 31S Rng. 14E, Montgomery County		
API:	15-125-31499-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations (February 2008)			
4	Rowe 1370.5' - 1372'	2600 lbs 20/40 sand 189 bbls water 350 gals 15% HCl acid	1370.5' - 1372'
4	Weir 1225' - 1227'	3700 lbs 20/40 sand 230 bbls water 350 gals 15% HCl acid	1225' - 1227'
4	Scammon 1177' - 1178' Mineral 1161' - 1163'	5400 lbs 20/40 sand 366 bbls water 350 gals 15% HCl acid	1161' - 1178'
4	Croweburg 1116.5' - 1118.5'	3800 lbs 20/40 sand 207 bbls water 350 gals 15% HCl acid	1116.5' - 1118.5'
4	Mulky 1065' - 1069' Summit 1042.5' - 1044'	6600 lbs 20/40 sand 372 bbls water 500 gals 15% HCl acid	1042.5' - 1069'
4	Mulberry 914.5' - 916'	2000 lbs 20/40 sand 166 bbls water 350 gals 15% HCl acid	914.5' - 916'

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CONSERVATION DIVISION
WICHITA, KS

Layne Energy, Inc.

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

May 9, 2008

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

Re: Well Completion Form

Dear Mr. Bond:

I have enclosed the ACO-1 form and associated data for the following well:

API # 15-125-31499-00-00
Faler 10-33

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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

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CONSERVATION DIVISION
WICHITA, KS



Daily Well Work Report

FALER 10-33

1/21/2008

Well Location:
MONTGOMERY KS
31S-14E-33 NW SE
1942FSL / 2111FEL

Cost Center G01024800100
Lease Number G010248
Property Code KSSY31S14E3310
API Number 15-125-31499

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
1/21/2008	1/23/2008	2/20/2008	2/28/2008	2/27/2008	FALER_10_33

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1514	1514	21	1505	0	0

Reported By KR D **Rig Number** **Date** 1/21/2008
Taken By KR D **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.
DWC:\$2880

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CONSERVATION DIVISION
WICHITA, KS

CONSOLIDATED OIL WELL SERVICES, INC.
 P.O. BOX 884, CHANUTE, KS 66720
 620-491-9210 OR 800-487-8676

TICKET NUMBER 13498
 LOCATION EURKA
 FOREMAN Kevin McCoy

**TREATMENT REPORT & FIELD TICKET
 CEMENT**

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
1-23-08	4758	Faler 10-33				M6

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

TRUCK #	DRIVER	TRUCK #	DRIVER
445	Justin		
429	John S.		

Gus
 James
 Rig 1

JOB TYPE Longstring HOLE SIZE 6 3/4 HOLE DEPTH 1514' CASING SIZE & WEIGHT 4 1/2 10.5" N80
 CASING DEPTH 1505' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.9 SLURRY VOL 52 BBL WATER gal/sk 6.1 CEMENT LEFT in CASING 0'
 DISPLACEMENT 23.6 BBL DISPLACEMENT PSI 600 PSI 1000 Bump Plug RATE _____

REMARKS: Safety Meeting: Rig up to 4 1/2 casing. Break Circulation w/ 35 BBL Fresh water. Pump 6 sks Gel Flush w/ Halls, 10 BBL water spacer, 5 BBL Dye water, mixed 210 sks 50/50 Pozmix Cement w/ 2% Gel, 2% CACLO, 4" Kol-Seal, 3" CAL-SEAL, 1/4" Floccs, 1/2% FL-110, 1/2% CAF-38 @ 13.9 gal yield 1.4g. wash out Pump & Lines. Shut down. Release Plug. Displace w/ 23.6 BBL Fresh water. Final Pumping Pressure 600 Psi. Bump Plug to 1000 Psi. wait 2 minutes. Release Pressure. Float Ball. Good Cement Returns to Surface = 7 BBL Slurry (28 sks) to Pit. Job Complete. Rig down.

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	210 SKS	50/50 Pozmix Cement	9.30	1953.00
1118 A	350 "	Gel 2%	.16 "	56.00
1102	350 "	CACLO 2%	.70 "	245.00
1110 A	840 "	KOL-SEAL 4" /SK	.40 "	336.00
1101	630 "	CAL-SEAL 3" /SK	.35 "	220.50
1107	50 "	Floccs 1/4" /SK	1.98 "	99.00
1135	88 "	FL-110 1/2%	7.15 "	629.20
1146	44 "	CAF-38 1/4%	7.30 "	321.20
1118 A	300 "	Gel Flush	.16 "	48.00
1105	50 "	Halls	.37 "	18.50
5407 A	8.82 Tons	40 miles BULK TRUCK	1.14	402.19
4404	1	4 1/2 Top Rubber Plug	42.00	42.00
		Sub Total		5383.09
		THANK You	5.3%	SALES TAX 210.33
				ESTIMATED TOTAL 5593.42

AUTHORIZATION Called By Mike Taylor TITLE _____ DATE _____

GEOLOGIC REPORT

LAYNE ENERGY
Faler 10-33
NW SE, 1942 FSL, 2111 FEL
Section 33-T31S-R14E
Montgomery County, KS

Spud Date: 1/21/2008
Drilling Completed: 1/23/2008
Logged: 1/23/2008
A.P.I. #: 15125314990000
Ground Elevation: 863'
Depth Driller: 1514'
Depth Logger: 1515'
Surface Casing: 8.625 inches at 21'
Production Casing: 4.5 inches at 1505'
Cemented Job: 0
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

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Formation	Tops	
	(below ground)	(subsea)
	Surface (South	
	Bend Limestone	
Lansing Group	Member)	863
Pawnee Limestone	916	-53
Excello Shale	1,064	-201
"V" Shale	1,115	-252
Mineral Coal	1,161	-298
Mississippian	1,435	-572

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