

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

5/27/08

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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MAY 27 2008

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SLOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

KCC

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. _____

2/6/2008 2/7/2008 2/28/2008
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-31502-00-00
County: Montgomery

S2 - SW - SE Sec. 35 Twp. 31 S. R. 16 East West
488 feet from N (circle one) Line of Section
1826 feet from W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW

Lease Name: Rau Well #: 15-35
Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals
Elevation: Ground: 876' Kelly Bushing: _____

Total Depth: 1153' Plug Back Total Depth: 1152'
Amount of Surface Pipe Set and Cemented at 20 Feet

Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet

If Alternate II completion, cement circulated from 1152
feet depth to Surface w/ 100 sx cmt.

Drilling Fluid Management Plan AMINS 7-1309
(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: 5-27-2008

Subscribed and sworn to before me this 27 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: _____
 Wireline Log Received
RECEIVED
KANSAS CORPORATION COMMISSION
Report Received
MAY 28 2008
CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Rau Well #: 15-35
 Sec. 35 Twp. 31 S. R. 16 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 <div style="text-align: center;"> RECEIVED KANSAS CORPORATION COMMISSION MAY 28 2008 CONSERVATION DIVISION WICHITA, KS </div>	<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>Pawnee Lime</td> <td>596 GL</td> <td>280</td> </tr> <tr> <td>Excello Shale</td> <td>747 GL</td> <td>129</td> </tr> <tr> <td>V-Shale</td> <td>796 GL</td> <td>80</td> </tr> <tr> <td>Mineral Coal</td> <td>839 GL</td> <td>37</td> </tr> <tr> <td>Mississippian</td> <td></td> <td></td> </tr> </table>	Name	Top	Datum	Pawnee Lime	596 GL	280	Excello Shale	747 GL	129	V-Shale	796 GL	80	Mineral Coal	839 GL	37	Mississippian		
Name	Top	Datum																	
Pawnee Lime	596 GL	280																	
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V-Shale	796 GL	80																	
Mineral Coal	839 GL	37																	
Mississippian																			

MAY 27 2008 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	20	Class A	4	Type 1 cement
Casing	6.75"	4.5"	10.5	1152'	Thick Set	100	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
4	Riverton 1142' - 1144.5'	2500 lbs 20/40 sand	1142' - 1144.5'
		245 bbls water	
		300 gals HCl acid	

TUBING RECORD	Size	Set At	Packer At	Liner Run
	2-3/8"	1131'		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Date of First, Resumerd Production, SWD or Enhr.	Producing Method
3/17/2008	<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	18	<1		

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) _____

Daily Well Work Report

RAU 15-35

2/7/2008

Well Location:
MONTGOMERY KS
31S-16E-35 S2 SW SE
488FSL / 1826FEL

Cost Center C01032000200
Lease Number C010320
Property Code KSCV31S16E3515
API Number 15-125-31502

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnetiD
2/6/2008	2/7/2008	2/28/2008	3/17/2008	3/5/2008	RAU_15_35
TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1153	1152	20	1152	0	0

Reported By KRD	Rig Number	Date 2/6/2008
Taken By KRD		Down Time
Present Operation DRILL OUT FROM UNDER SURFACE		Contractor THORNTON DRILLING

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Narrative

MIRU THORNTON, DRILLED 11" HOLE, 20' 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, *llc*
 P.O. BOX 884, CHANUTE, KS 66720
 620-431-9210 OR 800-467-8676

TICKET NUMBER 13495
 LOCATION EUREKA
 FOREMAN RICK LEDFORD

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
2-8-08	4258	Rau 15-35				MC
CUSTOMER			TRUCK #			
LAME Energy			DRIVER			
MAILING ADDRESS			TRUCK #			
P.O. Box 160			DRIVER			
CITY						
STATE						
ZIP CODE						
Syracuse						
KS						

JOB TYPE <u>Longstring</u>	HOLE SIZE <u>6 3/4"</u>	HOLE DEPTH <u>1153'</u>	CASING SIZE & WEIGHT <u>4 1/2" 10.5"</u>
CASING DEPTH <u>1152'</u>	DRILL PIPE	TUBING	OTHER
SLURRY WEIGHT <u>13.9"</u>	SLURRY VOL <u>40 bbl</u>	WATER gal/sk <u>6'</u>	CEMENT LEFT in CASING <u>0'</u>
DISPLACEMENT <u>18.3 bbl</u>	DISPLACEMENT PSI <u>500</u>	PSI <u>1000</u>	RATE

REMARKS: Safety meeting. Rig up to 4 1/2" casing. Break circulation w/ 25 bbl fresh water. Pump 6 sus gel-flush w/ hulls. 20 bbl water. 5 bbl dye water. Mixed 160 sus 50/50 Perm cement w/ 2 1/2 gal, 2 1/2 conc, 4" Kal-seal, 3" cal-seal, 1/2" flange 1/2" FI-110 - 1/4" CAF-38 @ 13.9" flow. yield 1.40. washout pump + lines. shut down release plug. Displace w/ 18.3 bbl fresh water. Final pump pressure 500 PSI. Pump plug to 1000 PSI. wait 2 minutes. release pressure, float held. Good cement returns to surface = 7 bbl slurry to pit. Job complete. Rig down.

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"Thank You"

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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	160 sus	50/50 Perm cement	9.30	1488.00
1118A	270"	2 1/2 gal	.16	43.20
1102	270"	2 1/2 conc	.70	189.00
1118A	640"	Kal-seal 4" flow	.40	256.00
1101	480"	Cal-seal 3" flow	.35	168.00
1107	40"	flange 1/2" flow	1.98	79.20
1135	67"	FI-110 1/2"	7.15	479.05
1146	34"	CAF-38 1/4"	7.30	248.20
1118A	300"	gel-flush	.16	48.00
1105	50"	hulls	.37	18.50
5407A	6.72	tan-milage bulk trk	1.14	306.43
4404	1	4 1/2" top rubber plug	42.00	42.00
			Subtotal	4378.58
			SALES TAX	162.13
			ESTIMATED TOTAL	4540.71

AUTHORIZATION *Sandy McC...*

200163

TITLE _____

DATE _____

GEOLOGIC REPORT

LAYNE ENERGY
Rau 15-35
SW SE, 488 FSL, 1826 FEL
Section 35-T31S-R16E
Montgomery County, KS

Spud Date: 2/6/2008
Drilling Completed: 2/7/2008
Logged: 2/7/2008
A.P.I. #: 15125315020000
Ground Elevation: 876'
Depth Driller: 1153'
Depth Logger: 1154'
Surface Casing: 8.625 inches at 21'
Production Casing: 4.5 inches at 1152'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

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Formation	Tops	
	(below ground)	(subsea)
Surface (unnamed shale with Thayer coal bed)		876
Kansas City Group		
Pawnee Limestone	596	280
Excello Shale	747	129
"V" Shale	796	80
Mineral Coal	839	37
Mississippian		

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