

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

5/27/10

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

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Wellsite Geologist: _____
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. _____

<u>2/4/2008</u>	<u>2/5/2008</u>	<u>2/26/2008</u>
Spud Date or	Date Reached TD	Completion Date or
Recompletion Date		Recompletion Date

API No. 15 - 125-31503-00-00
County: Montgomery
 - S2 - NW - SW Sec. 36 Twp. 31 S. R. 16 East West
2096 feet from N (circle one) Line of Section
817 feet from E / W (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Rau Well #: 12-36
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 916' Kelly Bushing: _____
Total Depth: 1144' Plug Back Total Depth: 1143'
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 1143
feet depth to Surface w/ 160 sx cmt.

Drilling Fluid Management Plan AK II 6/26/09
(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: 5/27/2008
Subscribed and sworn to before me this 27 day of May,
2008.
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 No Date: _____
 Wireline Log Received RECEIVED
 Geologist Report Received KANSAS CORPORATION COMMISSION
MAY 28 2008

Operator Name: Layne Energy Operating, LLC Lease Name: Rau Well #: 12-36
 Sec. 36 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 checked="" type="checkbox"/> Yes <input 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;"> <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>580 GL</td> <td>336</td> </tr> <tr> <td>Excello Shale</td> <td>729 GL</td> <td>187</td> </tr> <tr> <td>V-Shale</td> <td>779 GL</td> <td>138</td> </tr> <tr> <td>Mineral Coal</td> <td>820 GL</td> <td>96</td> </tr> <tr> <td>Mississippian</td> <td></td> <td></td> </tr> </table>	Name	Top	Datum	Pawnee Lime	580 GL	336	Excello Shale	729 GL	187	V-Shale	779 GL	138	Mineral Coal	820 GL	96	Mississippian		
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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	20	Class A	4	Type 1 cement
Casing	6.75"	4.5"	10.5	1143'	Thick Set	160	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
4	Riverton 1128.5' - 1130.5'	1500 lbs 20/40 sand	1128.5' - 1130.5'
		166 bbls water	
		600 gals 15% HCl acid	

TUBING RECORD	Size <u>2-3/8"</u>	Set At <u>1117'</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>2/29/2008</u>	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)
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Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	0	9	0		

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) _____

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KANSAS CORPORATION COMMISSION

MAY 28 2008

Daily Well Work Report

RAU 12-36

2/5/2008

Well Location:
MONTGOMERY KS
31S-16E-36 NW SW
2096FSL / 817FWL

Cost Center C01032100100
Lease Number C010321
Property Code KSCV31S16E3612
API Number 15-125-31503

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
2/4/2008	2/5/2008	2/26/2008	2/29/2008	2/28/2008	RAU_12_36

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1144	1143	20	1143	0	0

Reported By KRD	Rig Number	Date 2/4/2008
Taken By KRD		Down Time
Present Operation DRILL OUT SURFACE		Contractor THORNTON

Narrative

MIRU THORNTON, DRILLED 11' HOLE, 20' DEEP, RIH W/1 JT 8-5/8" SURFACE CSG, MIXED 4 SXS, TYPE 1 CEMENT. DUMPED DOWN THE BACKSIDE. SDFN. DWC:\$2,880

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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

RECEIVED
 KANSAS CORPORATION COMMISSION TICKET NUMBER **13570**

MAY 28 2008
 TREATMENT REPORT & FIELD TICKET

LOCATION Evans
 FOREMAN Troy S. Miller

CEMENT CONSERVATION DIVISION
 WICHITA, KS

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY	
2-6-08	4168	Rau 12-36				AG	
CUSTOMER <u>Layne Energy</u>		Gus Jones		TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS <u>P.O. Box 160</u>				520	Shannon		
CITY <u>Sycamore</u>				477	John S		
STATE <u>Ks</u>	ZIP CODE						

JOB TYPE Logging HOLE SIZE 6 3/4" HOLE DEPTH 1144' CASING SIZE & WEIGHT 4 1/2" 12.5" Wt
 CASING DEPTH 1143' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.9" SLURRY VOL 408bl WATER gal/sk 6.1" CEMENT LEFT in CASING 0'
 DISPLACEMENT 18.28bl DISPLACEMENT PSI 500 MIX PSI 900 long Plug RATE _____

REMARKS: Safety Meeting: Rig up to 4 1/2" casing. Break circulation w/ 250bl water.
Pump back Gel-Flush w/ Hulls, 208bl water, 58bl dye water. Mixed 1lb/50lb
50/50 Poz-mix Cement w/ 2% Gel, 2% Cacl₂, 4" Kal-Seal, 3" Cal-Seal
1/4" Floccle, 1/2% FL-110, + 1/4% CAF-38 @ 13.9" wgt, Yield 1.40. Wash out
Pump + lines Release Plug. Displace w/ 18.28bl water. Final Pumping Pressure
500 PSI. Bump Plug to 900 PSI. Wait 2mins. Release Pressure. Shut Well
Good Cement to surface = 7 Bbl Slurry to Pit.
 Job Complete

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ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE		
5406	40	MILEAGE	875.00	875.00
			3.45	138.00
1124	160lb	50/50 Poz-mix Cement	9.22	1475.20
1118A	270 #	Gel 2%	.16 #	43.20
1102	270 #	Cacl ₂ 2%	.70 #	189.00
1110A	640 #	Kal-Seal 4" wgt	.40 #	256.00
1101	480 #	Cal-Seal 3" wgt	.35 #	168.00
1107	40 #	Floccle 1/4" wgt	1.98 #	79.20
1135	67 #	FL-110 1/2%	7.15 #	479.65
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 Ton	Ten-Mileage Bulk Truck	1.14	306.43
4404	1	4 1/2" Top Rubber Plug	42.00	42.00
Thank You!			Sub Total	4378.43
			SALES TAX	162.13
			ESTIMATED TOTAL	4540.71

AUTHORIZATION Jacob Mellish

TITLE 200093

DATE 2-6-08
 4540.71

GEOLOGIC REPORT

LAYNE ENERGY
Rau 12-36
NW SW, 2096 FSL, 817 FWL
Section 36-T31S-R16E
Montgomery County, KS

Spud Date: 2/4/2008
Drilling Completed: 2/5/2008
Logged: 2/5/2008
A.P.I. #: 15125315030000
Ground Elevation: 916'
Depth Driller: 1144'
Depth Logger: 1140'
Surface Casing: 8.625 inches at 20'
Production Casing: 4.5 inches at 1143'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

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Formation	Tops	
	(below ground)	(subsea)
Kansas City Group	Surface (Cottage Grove Sandstone)	916
Pawnee Limestone	580	336
Excello Shale	729	187
"V" Shale	779	138
Mineral Coal	820	96
Mississippian		

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WICHITA, KS