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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

cont'd. 5/2/08
KCC 5/06/10

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: McPherson
License: 5675
Wellsite Geologist: _____

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

KCC Workover

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. _____
1/15/2008 1/16/2008 2/27/2008
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-31513-00-00
County: Montgomery 3 34 16
_____ SW SW Sec. 18 Twp. 3 S. R. 15 East West
500 feet from N (circle one) Line of Section
605 feet from E / W (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Montgomery Well #: 13-3
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 829' Kelly Bushing: _____
Total Depth: 1230' Plug Back Total Depth: 1226'
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 1226
feet depth to Surface w/ 175 sx cmt.

Drilling Fluid Management Plan AKH 11/6 2009
(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: 5/6/08
Subscribed and sworn to before me this 6 day of May,
20 08.
Notary Public: MacLaughlin Darline
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
 Geologist Report Received MAY 07 2008
MacLAUGHLIN DARLINE
Notary Public - State of Kansas
My Appt. Expires 1-4-2009
CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Montgomery Well #: 13-3
 Sec. 18 Twp. 31 S. R. 15 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>511 GL</td> <td>318</td> </tr> <tr> <td>Excello Shale</td> <td>687 GL</td> <td>142</td> </tr> <tr> <td>V-Shale</td> <td>742 GL</td> <td>87</td> </tr> <tr> <td>Mineral Coal</td> <td>749 GL</td> <td>35</td> </tr> <tr> <td>Mississippian</td> <td>1156 GL</td> <td>-327</td> </tr> </table>	Name	Top	Datum	Pawnee Lime	511 GL	318	Excello Shale	687 GL	142	V-Shale	742 GL	87	Mineral Coal	749 GL	35	Mississippian	1156 GL	-327
Name	Top	Datum																	
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CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
<i>Report all strings set-conductor, surface, intermediate, production, etc.</i>							
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'	Type 1	8	Type 1 cement
Casing	6.75"	4.5"	10.5	1226'	50/50 Pozmix	175	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>1181'</u>	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. Shut-In		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

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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 checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input checked="" type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify)	Production Interval
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MAY 07 2008

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Montgomery 13-3		
	Sec. 3 Twp. 34S Rng. 16E, Montgomery County		
API:	15-125-31513-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations (February 2008)			
4	Riverton 1136.5' - 1139'	2500 lbs 20/40 sand 170 bbls water 350 gals 15% HCl acid	1136.5' - 1139'
4	Rowe 1073.5' - 1075'	2500 lbs 20/40 sand 173 bbls water 350 gals 15% HCl acid	1073.5' - 1075'
4	Weir 877' - 880'	3800 lbs 20/40 sand 202 bbls water 350 gals 15% HCl acid	887' - 880'
4	Mineral 793.5' - 795' Croweburg 743' - 744.5' Bevier 726.5' - 728'	8700 lbs 20/40 sand 696 bbls water 600 gals 15% HCl acid	726.5' - 795'
4	Mulky 687' - 690' Summit 652' - 654'	6100 lbs 20/40 sand 565 bbls water 650 gals 15% HCl acid	652' - 690'

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WICHITA, KS

Daily Well Work Report

MONTGOMERY 13-3
1/16/2008

Well Location:
MONTGOMERY KS
34S-16E-3 SW SW
500FSL / 605FWL

Cost Center G01064100100
Lease Number G010641
Property Code KSDC34S16E0313
API Number 15-125-31513

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
1/15/2008	1/16/2008	2/27/2008		3/5/2008	MONTGOMERY13_3
TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1230	1226	21.5	1226	0	0

Reported By KRD **Rig Number** **Date** 1/15/2008
Taken By KRD **Down Time**
Present Operation DRILL OUT FROM UNDER SURFACE **Contractor** MCPHERSON

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Narrative

MIRU MCPHERSON, DRILLED 11" HOLE, 21' DEEP, RIH W/ 1 JT 8 5/8" SURFACE CASING, MIXED 8 SX TYPE 1 CEMENT, DUMPED DOWN THE BACKSIDE. SDFN.
DWC:\$2880

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WICHITA, KS

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

uc **ENTERED**

TICKET NUMBER 13484
 LOCATION EUREKA
 FOREMAN KEVIN MCCOY

**TREATMENT REPORT & FIELD TICKET
 CEMENT**

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
1-17-08	4758	Montgomery 13-3				DC
CUSTOMER Layne Energy			TRUCK # DRIVER TRUCK # DRIVER			
MAILING ADDRESS P.O. Box 160			445 SHANNON			
CITY STATE ZIP CODE Sycamore KS			515 Kyle			

Gus Jones
Rig 1

JOB TYPE Longstring HOLE SIZE 6 3/4 HOLE DEPTH 1230' CASING SIZE & WEIGHT 4 1/2 10.5" NEW
 CASING DEPTH 1234' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.9* SLURRY VOL 44 BBL WATER gal/sk 6.1 CEMENT LEFT in CASING 0'
 DISPLACEMENT 19.5 BBL DISPLACEMENT PSI 600 PSI 1000 Bump Plug RATE _____

REMARKS: Safety Meeting: Rig up to 4 1/2 casing. Break Circulation w/ 25 BBL fresh water.
Pump 6 sks Gel Flush w/ Hulls, 15 BBL water spacer, 5 BBL Dye water. Arrived 175 sks
50/50 Pozmix Cement w/ 2% Gel, 2% CaCl2, 4" Kol-Seal, 3" CAL-SEAL, 1/4" Floccs, 1/2 %
FL-110, 1/4 % CAF-38 @ 13.9* / gal, yield 1.40. Wash out Pump & Lines. Shut down.
Release Plug. Displace w/ 19.5 BBL fresh water. Final Pumping Pressure 600 PSI. Bump Plug
to 1000 PSI. wait 2 minutes. Release Pressure. Float Held. Good Cement Returns to
Surface = 6 BBL Slurry (24 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	175 sks	50/50 Pozmix Cement	9.30	1627.50
1118 A	300 *	Gel 2%	.16 "	48.00
1102	300 "	CaCl2 2%	.70 "	210.00
1110 A	700 "	Kol-Seal 4" / sk	.40 "	280.00
1101	525 "	CAL-SEAL 3" / sk	.35 "	183.75
1107	44 "	Floccs 1/4" / sk	1.98 "	87.12
1135	74 "	FL-110 1/2 %	7.15 "	529.10
1146	37 "	CAF-38 1/4 %	7.30 "	270.10
1118 A	300 *	Gel Flush	.16 "	48.00
1105	50 *	Hulls	.37 "	18.50
5407 A	7.35 tons	40 miles Bulk Truck	1.14	335.16
4404	1	4 1/2 Top Rubber Plug	42.00	42.00
			Sub Total	3181.23
			SALES TAX 5.3%	177.24
			ESTIMATED TOTAL	3358.47

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Thank You

219183

AUTHORIZATION *Judy McC...*

TITLE _____

DATE _____ 4869.47

GEOLOGIC REPORT

LAYNE ENERGY
Montgomery 13-3
SW SW, 500 FSL, 605 FWL
Section 3-T34S-R16E
Montgomery County, KS

Spud Date: 1/15/2008
Drilling Completed: 1/16/2008
Logged: 1/16/2008
A.P.I. #: 15125315130000
Ground Elevation: 829'
Depth Driller: 1230'
Depth Logger: 1231'
Surface Casing: 8.625 inches at 21.5'
Production Casing: 4.5 inches at 1226'
Cemented Job: 0
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

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Formation	Tops	
	(below ground)	(subsea)
	Surface (Drum	
	Limestone	
Kansas City Group	Formation)	829
Pawnee Limestone	511	318
Excello Shale	687	142
"V" Shale	742	87
Mineral Coal	794	35
Mississippian	1,156	-327

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