

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

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
 Oil SWD SIOW 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. _____
2/27/2008 3/3/2008 4/16/2008
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 049-22500-00-00
County: Elk
SE SE SW Sec. 15 Twp. 30 S. R. 13 East West
438 feet from (S) N (circle one) Line of Section
2159 feet from E / (W) (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW (SW)
Lease Name: Shay Well #: 14-15
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 1041' Kelly Bushing: _____
Total Depth: 1887' Plug Back Total Depth: 1886'
Amount of Surface Pipe Set and Cemented at 41 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1886
feet depth to Surface w/ 260 sx cmt.

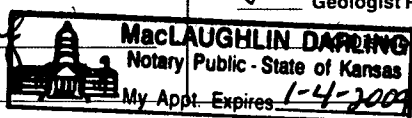
Drilling Fluid Management Plan Alt II N/A 6/24/09
(Data must be collected from the Reserve Pit)
Chloride content N/A ppm Fluid volume _____ bbls
Dewatering method used N/A - Air Drilled
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter _____ 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: _____
Title: Agent Date: 5-28-2008
Subscribed and sworn to before me this 28 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: _____
 Wireline Log Received **RECEIVED**
 Geologist Report Received KANSAS CORPORATION COMMISSION
MAY 29 2008
CONSERVATION DIVISION
WICHITA, KS



Operator Name: Layne Energy Operating, LLC Lease Name: Shay Well #: 14-15
 Sec. 15 Twp. 30 S. R. 13 East West County: Elk

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 (Attach Additional Sheets) 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 (Submit Copy) 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:70%;">Name</td> <td style="width:15%;">Top</td> <td style="width:15%;">Datum</td> </tr> <tr> <td>Pawnee Lime</td> <td>1181 GL</td> <td>-140</td> </tr> <tr> <td>Excello Shale</td> <td>1271 GL</td> <td>-230</td> </tr> <tr> <td>V-Shale</td> <td>1341 GL</td> <td>-300</td> </tr> <tr> <td>Mineral Coal</td> <td>1383 GL</td> <td>-342</td> </tr> <tr> <td>Mississippian</td> <td>1582 GL</td> <td>-541</td> </tr> </table>	Name	Top	Datum	Pawnee Lime	1181 GL	-140	Excello Shale	1271 GL	-230	V-Shale	1341 GL	-300	Mineral Coal	1383 GL	-342	Mississippian	1582 GL	-541
Name	Top	Datum																	
Pawnee Lime	1181 GL	-140																	
Excello Shale	1271 GL	-230																	
V-Shale	1341 GL	-300																	
Mineral Coal	1383 GL	-342																	
Mississippian	1582 GL	-541																	

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KOC 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	41'	Class A	8	Type 1 cement
Casing	6.75"	4.5"	10.5	1886'	Thick Set	260	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>1642'</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 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	Water Bbls.	Gas-Oil Ratio

Disposition of Gas <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <small>(If vented, Submit ACO-18.)</small>	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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WICHITA, KS

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Shay 14-15		
	Sec. 15 Twp. 30S Rng. 13E, Elk County		
API:	15-049-22500-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations (March/April 2008)			
4	Chattanooga Shale 1878' - 1884'	4300 lbs 20/40 sand 408 bbls water 300 gals 15% HCl acid	1878' - 1884'
4	Riverton 1567' - 1569'	1600 lbs 20/40 sand 253 bbls water 446 gals 15% HCl acid	1567' - 1569'
4	Croweburg 1341.5' - 1344.5'	3700 lbs 20/40 sand 244 bbls water 400 gals 15% HCl acid	1341.5' - 1344.5'
4	Mulky 1271.5' - 1274.5' Summit 1257' - 1258.5'	7100 lbs 20/40 sand 379 bbls water 500 gals 15% HCl acid	1257' - 1274.5'
4	Anna Shale 1205.5' - 1207' Mulberry 1177' - 1178.5'	5200 lbs 20/40 sand 324 bbls water 500 gals 15% HCl acid	1177' - 1207'

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WICHITA, KS

Daily Well Work Report

SHAY 14-15
3/3/2008

Well Location:
ELK KS
30S-13E-15 SE SW
438FSL / 2159FWL

Cost Center G01029300100
Lease Number G010293
Property Code KSEC30S13E1514
API Number 15-049-22500

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
2/27/2008	3/3/2008	4/16/2008		4/25/2008	SHAY_14_15

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1887	1886	41	1886	0	0

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Reported By KRD	Rig Number	Date 2/27/2008
Taken By KRD		Down Time
Present Operation DRILL OUT FROM UNDER SURFACE		Contractor THORNTON

Narrative

MIRU THORNTON ROTARY, DRILLED 11" HOLE, 41' DEEP, RIH W/ 2 JT 8 5/8" SURFACE CASING, MIXED 8 SX TYPE 1 CEMENT, DUMPED DOWN THE BACKSIDE. SDFN.
DWC:\$3160

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

*File
 New
 5/29/08*

TICKET NUMBER 13623

LOCATION Euclid

FOREMAN Tracy Stricker

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
3-4-08	4158	Shae 14-15				Wilson
CUSTOMER Layne Energy		SHAY				
MAILING ADDRESS P.O. Box 160		Gas Jones				
CITY Spartan	STATE KS	ZIP CODE	TRUCK #	DRIVER	TRUCK #	DRIVER
			520	Shannon		
			439	John		
			515	Jerrid		

JOB TYPE Logging HOLE SIZE 6 3/4" HOLE DEPTH 1887' CASING SIZE & WEIGHT 4 1/2" 10.5"
 CASING DEPTH 1885' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.9# SLURRY VOL 64.8861 WATER gal/sk 6.1" CEMENT LEFT in CASING 0'
 DISPLACEMENT 3084 DISPLACEMENT PSI 700 MIX PSI 1200 Comp By RATE _____

REMARKS: Safety Meeting: Rig up to 4 1/2" casing. Break Circulation w/ 3084 water.
Wash Down 30' to PSTD 1885: Pump back Gel-Flush w/ Hulls, 3584 water. 5000 lbs
water. Mixed 2600 lbs 50/50 Poz-mix Cement w/ 2% Gel, 2% Cacl₂, 4% Kal-Seal #1, 3% Cat-Seal #1, 1/4" Floreke #1, 1/2% FL-110, + 1/4% CAF-38, @ 13.9# / gal. Yield 1.40
Wash out Pump + lines Release Plug. Displace w/ 3084 water. Final Pumping
Pressure 700 PSI Pump Plug to 1200 PSI wait 2mins. Release Pressure.
Float Held. Good Cement to surface - 7841 Slug to Pit.
Tub Complete

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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	3.85	152.00
1124	2600#	50/50 Poz-mix Cement	9.30	2418.00
1118A	490#	Gel 2%	.16#	70.40
1102	410#	Cacl ₂ 2%	.70#	308.00
1110A	1050#	Kal-Seal 4# #1	.40#	420.00
1101	780#	Cat-Seal 3# #1	.35#	273.00
1107	65#	Floreke 1/4" #1	1.92#	128.70
1135	110#	FL-110 1/2%	7.15#	786.50
1146	55#	CAF-38 1/4%	7.30#	401.50
1118A	300#	Gel-Flush	.16#	48.00
1105	50#	Hulls	.37#	18.50
5407A	10.92 Ton	Ton-Mileage Bulk Truck	1.14	497.98
4404	1	4 1/2" Top Rubber Plug	42.00	42.00
			Sub Total	6425.58
			6.2% SALES TAX	507.62
			ESTIMATED TOTAL	6735.18

220513

AUTHORIZATION witnessed by Jacob

TITLE Co-Rep.

DATE _____
 6735.18

GEOLOGIC REPORT

LAYNE ENERGY
Shay 14-15
SE SW, 438 FSL, 2159 FWL
Section 15-T30S-R13E
Elk County, KS

Spud Date: 2/27/2008
Drilling Completed: 3/3/2008
Logged: 3/3/2008
A.P.I. #: 15049225000000
Ground Elevation: 1041'
Depth Driller: 1887'
Depth Logger: 1887'
Surface Casing: 8.625 inches at 41'
Production Casing: 4.5 inches at 1886'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

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Formation	Tops	
	(below ground)	(subsea)
	Surface (Lawrence Formation)	1,041
Douglas Group		
Pawnee Limestone	1,181	-140
Excello Shale	1,271	-230
"V" Shale	1,341	-300
Mineral Coal	1,383	-342
Mississippian	1,582	-541

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