

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

6/26/10

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: KCC

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>3/21/2008</u>	<u>3/25/2008</u>	<u>5/28/2008</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 019-26880-00-00
County: Chautauqua
_____ W2 _____ NW _____ SE _____ Sec. 20 Twp. 32 S. R. 13 East West
2075 feet from N (circle one) Line of Section
2252 feet from W (circle one) Line of Section :

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Crececius Well #: 10-20

Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals

Elevation: Ground: 947' Kelly Bushing: _____
Total Depth: 1613' Plug Back Total Depth: 1612'

Amount of Surface Pipe Set and Cemented at 40 Feet
Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1612
feet depth to Surface w/ 225 sx cmt.

Drilling Fluid Management Plan Air Drilled
(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: 6-26-08
Subscribed and sworn to before me this 26 day of June
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
 Geologist Report Received

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CONSERVATION DIVISION
WICHITA, KS

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Side Two

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Operator Name: Layne Energy Operating, LLC Lease Name: Crecelius Well #: 10-20
 Sec. 20 Twp. 32 S. R. 13 East West County: Chautauqua

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	1145 GL -198
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	1278 GL -331
List All E. Logs Run:		V-Shale	1327 GL -380
Compensated Density Neutron		Mineral Coal	1367 GL -420
Dual Induction		Mississippi	1609 GL -662

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	# Sacks Used	Type and Percent Additives
Surface	11"	8.625"	24	40'	Class A	8	Type 1 cement
Casing	6.75"	4.5"	10.5	1612'	Thick Set	225	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				

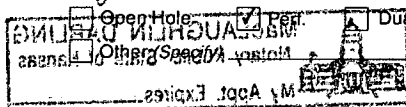
Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
	See Attached Page		

TUBING RECORD		Size <u>2-3/8"</u>	Set At <u>1421'</u>	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. <u>6/5/2008</u>		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 <u>2</u>	Water Bbls. <u>16</u>	Gas-Oil Ratio	Gravity

Disposition of Gas Vented Sold Used on Lease (If vented, Submit ACO-18.)

METHOD OF COMPLETION Open Hole Perforated Dually Comp. Confinement

Production Interval



Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Crecelius 10-20		
	Sec. 20 Twp. 32S Rng. 13E, Chautauqua County		
API:	15-019-26880-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations (May 2008)			
4	Mineral 1366.5' - 1368'	2500 lbs 20/40 sand 226 bbls water 100 gals 15% HCl acid	1366.5' - 1368'
4	Croweburg 1327' - 1331' Iron Post 1308' - 1309.5'	7400 lbs 20/40 sand 431 bbls water 400 gals 15% HCl acid	1308' - 1331'
4	Mulky 1279.5' - 1284.5'	6200 lbs 20/40 sand 438 bbls water 320 gals 15% HCl acid	1279.5' - 1284.5'
4	Summit 1259' - 1260.5'	3000 lbs 20/40 sand 190 bbls water 200 gals 15% HCl acid	1259' - 1260.5'

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WICHITA, KS

Daily Well Work Report

CRECELIUS 10-20

3/25/2008

Well Location:
CHAUTAUQUA KS
32S-13E-20 NW SE
2075FSL / 2252FEL

Cost Center G01026400100
Lease Number G010264
Property Code KSLE32S13E2010
API Number 15-019-26880

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
3/21/2008	3/25/2008	5/28/2008	6/5/2008	6/4/2008	CRECELIUS10_20
TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1613	1611.8	40	1611.8		

Reported By krd **Rig Number** **Date** 3/21/2008
Taken By krd **Down Time**
Present Operation Drill out surface **CONFIDENTIAL** **Contractor** Thornton

JUN 26 2008

Narrative

MIRU THORNTON, DRILLED 11" HOLE, 40' DEEP. ~~RTW~~ 2 JT 8 5/8" SURFACE CASING, MIXED 8 SX TYPE 1 CEMENT, DUMPED DOWN THE BACKSIDE. SDFN.
DWC:\$3,160

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WICHITA, KS

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Wednesday, June 25, 2008

GEOLOGIC REPORT

LAYNE ENERGY
Crecelius 10-20
NW SE, 2075 FSL, 2252 FEL
Section 20-T32S-R13E
Chautauqua County, KS

Spud Date: 3/21/2008
Drilling Completed: 3/25/2008
Logged: 3/25/2008
A.P.I. #: 15019268800000
Ground Elevation: 947'
Depth Driller: 1613'
Depth Logger: 1614'
Surface Casing: 8.625 inches at 40'
Production Casing: 4.5 inches at 1611.8'
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)	947
Douglas Group		
Pawnee Limestone	1,145	-198
Excello Shale	1,278	-331
"V" Shale	1,327	-380
Mineral Coal	1,367	-420
Mississippian	1,609	-662

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CONSERVATION DIVISION
WICHITA, KS

CONSOLIDATED OIL WELL SERVICES

P.O. BOX 884, CHANUTE, KS 66720

620-431-9210 OR 800-467-8676

TICKET NUMBER

13802

LOCATION Eureka

FOREMAN Troy Strickler

TREATMENT REPORT & FIELD TICKET

CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY																
3-26-08	4758	Creelius 10-20				CR																
CUSTOMER <u>Layne Energy</u>			<table border="1"> <tr> <th>TRUCK #</th> <th>DRIVER</th> <th>TRUCK #</th> <th>DRIVER</th> </tr> <tr> <td>520</td> <td>Cliff</td> <td></td> <td></td> </tr> <tr> <td>442</td> <td>Gene Eldorado</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </table>				TRUCK #	DRIVER	TRUCK #	DRIVER	520	Cliff			442	Gene Eldorado						
TRUCK #	DRIVER	TRUCK #					DRIVER															
520	Cliff																					
442	Gene Eldorado																					
MAILING ADDRESS <u>P.O. Box 160</u>																						
CITY <u>Sycamore</u>	STATE <u>Ks</u>	ZIP CODE																				

JOB TYPE <u>Logging</u>	HOLE SIZE <u>6 1/4"</u>	HOLE DEPTH <u>1613'</u>	CASING SIZE & WEIGHT <u>4 1/2" 10.5"</u>
CASING DEPTH <u>1612'</u>	DRILL PIPE	TUBING	OTHER
SLURRY WEIGHT <u>13.9"</u>	SLURRY VOL <u>56.8U</u>	WATER gal/sk <u>6.1</u>	CEMENT LEFT in CASING <u>0'</u>
DISPLACEMENT <u>25.6BU</u>	DISPLACEMENT-PSI <u>700</u>	MIX PSI <u>1200</u>	RATE

REMARKS: Safety Meeting: Rig up to 4 1/2" Casing. Break Circulation w/ 30.8U water. Wash Down 12' to PBTD 1612'. Pump 6sk Gel-Flush w/ Hulls, 25.8U water, 5.8U Dry water. Mixed 225sk 50/50 Poz-mix Cement w/ 2% Gel, 2% Cacl₂, 4" Kol-Seal 1sk, 3" Cal-Seal 1sk, 1/4" Flocc 1sk, 1/2% FL-110, + 1/4% CAF-38. Wash out Pump + lines. Release Plug. Displace w/ 25.6BU water. Final Pumping Pressure 700 PSI. ~~BUCKET~~ 1200 PSI. Wait 2mins. Release Pressure. Float Held. Good Cement to surface = 108U slurry to Pit.

JUN 26 2008

Job Complete

KCC

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	225sk	50/50 Poz-mix	9.30	2092.50
1118A	380"	2% Gel	.16"	60.80
1102	380"	2% Cacl ₂	.70"	266.00
1110A	900"	Kol-Seal 4" P/sk	.40"	360.00
1101	675"	Cal-Seal 3" P/sk	.35"	236.25
1107	60"	1/4" Floccle P/sk	1.98"	118.80
1135	95"	1/2% FL-110	7.15"	679.25
1146	48"	1/4% CAF-38	7.30"	350.40
1118A	300"	Gel-Flush	.16"	48.00
1105	50"	Hulls	.37"	18.50
5407A	9.45Ton	Ton-mileage	1.14	430.92
4404	1	4 1/2" Top Rubber P/sk	42.00	42.00
		Thank u!	Sub Total	5716.42
			6.3%	SALES TAX
				ESTIMATED TOTAL
				5985.59

220811/220818

AUTHORIZATION Called by Jacob

TITLE Co-Rep

DATE