

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

7/21/08

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 SLOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Exp. Casing, etc.)

If Workover/Re-entry: Old Well Info as follows:
Operator: _____

Well Name: **KCC**
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>4/10/2008</u>	<u>4/15/2008</u>	<u>4/30/2008</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-31525-00-00
County: Montgomery
S2 - S2 - NW Sec. 4 Twp. 31 S. R. 14 East West
1013 feet from S / (circle one) Line of Section
1246 feet from E / (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE SW
Lease Name: McGinnis Well #: 5-4

Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 895' Kelly Bushing: _____
Total Depth: 1412' Plug Back Total Depth: 1411'
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 1411
feet depth to Surface w/ 200 sx cmt.

Drilling Fluid Management Plan AI+II NH 8-13-08
(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: 7-21-08
Subscribed and sworn to before me this 21 day of July,
2008.
Notary Public: MacLaughlin Darling
Date Commission Expires: 1-4-2009

KCC Office Use ONLY

Letter of Confidentiality Attached
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received

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CONSERVATION DIVISION
WICHITA, KS

MacLAUGHLIN DARLING
Notary Public - State of Kansas
My Appt. Expires 1-4-2009

Operator Name: Layne Energy Operating, LLC Lease Name: McGinnis Well #: 5-4
 Sec. 4 Twp. 31 S. R. 14 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	<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>917 GL</td> <td>-21</td> </tr> <tr> <td>Excello Shale</td> <td>1043 GL</td> <td>-147</td> </tr> <tr> <td>V-Shale</td> <td>1112 GL</td> <td>-216</td> </tr> <tr> <td>Mineral Coal</td> <td>1157 GL</td> <td>-261</td> </tr> <tr> <td>Mississippian</td> <td>1406 GL</td> <td>-510</td> </tr> </table>	Name	Top	Datum	Pawnee Lime	917 GL	-21	Excello Shale	1043 GL	-147	V-Shale	1112 GL	-216	Mineral Coal	1157 GL	-261	Mississippian	1406 GL	-510
Name	Top	Datum																	
Pawnee Lime	917 GL	-21																	
Excello Shale	1043 GL	-147																	
V-Shale	1112 GL	-216																	
Mineral Coal	1157 GL	-261																	
Mississippian	1406 GL	-510																	

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CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
KCC 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	# Sacjs Used	Type and Percent Additives
Surface	11"	8.625"	24	41'	Class A	8	Type 1 cement
Casing	6.75"	4.5"	10.5	1411'	Thick Set	200	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		
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TUBING RECORD		Size	Set At	Packer At	Liner Run		
		2-3/8"	1375'		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Date of First, Resumerd Production, SWD or Enhr.			Producing Method				
5/6/2008			<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	65	2				

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

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled

Production Interval Other (Specify) _____

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	McGinnis 5-4		
	Sec. 4 Twp. 31S Rng. 14E, Montgomery County		
API:	15-125-31525-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations (April 2008)			
4	Rowe 1365' - 1366.5'	2400 lbs 20/40 sand 635 bbls water 750 gals 15% HCl acid	1365' - 1366.5'
4	Mineral 1156.5' - 1158.5'	2500 lbs 20/40 sand 193 bbls water 350 gals 15% HCl acid	1156.5' - 1158.5'
4	Croweburg 1112.5' - 1115.5' Bevier 1094.5' - 1096'	5900 lbs 20/40 sand 388 bbls water 450 gals 15% HCl acid	1094.5' - 1115.5'
4	Mulky 1043.5' - 1048' Summit 1028' - 1030'	8600 lbs 20/40 sand 464 bbls water 500 gals 15% HCl acid	1028' - 1048'

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WICHITA, KS

GEOLOGIC REPORT

LAYNE ENERGY
McGinnis 5-4
SW NW, 1440 FNL, 1225 FWL
Section 4-T31S-R14E
Montgomery County, KS

Spud Date: 4/10/2008
Drilling Completed: 4/15/2008
Logged: 4/15/2008
A.P.I. #: 15125315250000
Ground Elevation: 896'
Depth Driller: 1412'
Depth Logger: 1413'
Surface Casing: 8.625 inches at 41'
Production Casing: 4.5 inches at 1410.7'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

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Formation
KCC

Formation	Tops	
	(below ground)	(subsea)
Quaternary	Surface (Alluvium)	896
Pawnee Limestone	917	-21
Excello Shale	1,043	-147
"V" Shale	1,112	-216
Mineral Coal	1,157	-261
Mississippian	1,406	-510

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WICHITA, KS

Daily Well Work Report

MCGINNIS 5-4

4/15/2008

Well Location:
MONTGOMERY KS
31S-14E-4 S2 S2 NW
1013FNL / 1246FWL

Cost Center G01024300100
Lease Number G010243
Property Code KSSY31S14E0405
API Number 15-125-31525

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
4/10/2008	4/15/2008	4/30/2008	5/6/2008	5/6/2008	MCGINNIS_5_4
TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1412	1410.7	41	1410.7	0	0

Reported By KRD **Rig Number** **Date** 4/10/2008
Taken By KRD **Down Time**
Present Operation DRILL OUT FROM UNDER SURFACE **Contractor** THORNTON

Narrative

KCC
MIRU THORNTON, 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

TICKET NUMBER

13898

LOCATION

Eureka

FOREMAN

Troy Stecker

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
4-16-08	4758	McGinnes 5-4				MG
CUSTOMER			TRUCK #			
Layne Energy			DRIVER			
MAILING ADDRESS			TRUCK #			
P.O. Box 160			DRIVER			
CITY						
STATE						
ZIP CODE						
Sycamore						
Ks						

Gus Jones

JOB TYPE	Longstring	HOLE SIZE	6 3/4	HOLE DEPTH	1412'	CASING SIZE & WEIGHT	4 1/2" 10.5"
CASING DEPTH	1410'	DRILL PIPE		TUBING		OTHER	
SLURRY WEIGHT	13.9"	SLURRY VOL	508bl	WATER gal/sk	6.1'	CEMENT LEFT in CASING	0'
DISPLACEMENT	22.48bl	DISPLACEMENT PSI	700	MIX PSI	1200 bump fly	RATE	

REMARKS: Safety Meeting: Rig up to 4 1/2" casing. Break Circulation w/ 300psi water. Pump back Gel-Flush w/ Hulls, 108bl water, 58bl Dye water. Mixed 200cks 50/50 Poz-Mix Cement w/ 2% Gel, 2% Cacl₂, 4" Kol-Seal, 3" Cal-Seal, 1/4" Floccle, 1/2% FL-110; 1/4% CAF-38 @ 13.9"/gal yield. 140 Wash out Pump + loss. Release Plug. Displace w/ 22.48bl water. Final Pumping Pressure 700PSI. Pump Plug to 1200 PSI. Wait 2mins Release Pressure. Float Hold. Good Cement to surface = 88bl Slurry to ft. (32sk)

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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	200sk	50/50 Poz-Mix	9.30	1860.00
1118A	340"	Gel 2%	.16"	54.40
1102	340"	Cacl ₂ 2%	.70"	238.00
1110A	800"	Kol-Seal 4"/sk	.40"	320.00
1101	600"	Cal-Seal 3"/sk	.35"	210.00
1107	50"	Floccle 1/4"/sk	1.98"	99.00
1135	84"	FL-110 1/2%	7.15"	600.60
1146	42"	CAF-38 1/4%	7.30"	306.60
1118A	300"	Gel-Flush	.16"	48.00
1105	50"	Hulls	.37"	18.50
5407	8.4 Ton	Ton-Mileage	m/c	300.00
4404	1	4 1/2" Top Rubber Fly	42.00	42.00
		Thank You!	Sub Total	5110.10
			5.3%	SALES TAX
				201.24
				ESTIMATED TOTAL
				5311.34

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201310

AUTHORIZATION witnessed by Jacob

TITLE Layne Co-Rep

DATE