

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

7/22/10

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 Drilling  
License: 5675  
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: **CONFIDENTIAL**  
Operator: \_\_\_\_\_ JUL 22 2008

Well Name: \_\_\_\_\_  
Original Comp. Date: \_\_\_\_\_ Original Total Depth: KCC  
 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. \_\_\_\_\_

5/2/2008 5/9/2008 Pending  
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 125-31593-00-00  
County: Montgomery  
\_\_\_\_ NE NW Sec. 36 Twp. 31 S. R. 16  East  West  
906 feet from S /  (circle one) Line of Section  
2173 feet from E /  (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE  (circle one) SW  
Lease Name: Goodwin Well #: 3-36  
Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals  
Elevation: Ground: 930' Kelly Bushing: \_\_\_\_\_  
Total Depth: 1167' Plug Back Total Depth: 1166'  
Amount of Surface Pipe Set and Cemented at 22 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from 1166  
feet depth to Surface w/ 160 sx cmt.

Drilling Fluid Management Plan AH 4 N H 98-08  
(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: \_\_\_\_\_  
Title: Agent Date: 7-21-08  
Subscribed and sworn to before me this 21 day of July  
20 08  
Notary Public: MacLaughlin Darlene  
Date Commission Expires: 1-4-2009

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

**KCC Office Use ONLY**  
 Letter of Confidentiality Attached  
If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
**RECEIVED**  
KANSAS CORPORATION COMMISSION  
JUL 23 2008

Operator Name: Layne Energy Operating, LLC Lease Name: Goodwin Well #: 3-36  
 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 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>607 GL</td> <td>323</td> </tr> <tr> <td>Excello Shale</td> <td>746 GL</td> <td>184</td> </tr> <tr> <td>V-Shale</td> <td>797 GL</td> <td>133</td> </tr> <tr> <td>Mineral Coal</td> <td>840 GL</td> <td>91</td> </tr> <tr> <td>Mississippian</td> <td>1158 GL</td> <td>-228</td> </tr> </table>	Name	Top	Datum	Pawnee Lime	607 GL	323	Excello Shale	746 GL	184	V-Shale	797 GL	133	Mineral Coal	840 GL	91	Mississippian	1158 GL	-228
Name	Top	Datum																	
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Mississippian	1158 GL	-228																	

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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	22'	Class A	4	Type 1 cement
Casing	6.75"	4.5"	10.5	1166'	Thick Set	160	50/50 posmix w/2% gel

ADDITIONAL CEMENTING / SQUEEZE RECORD

Purpose: <input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives

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>
	See Attached Page	Depth
		RECEIVED KANSAS CORPORATION COMMISSION
		JUL 23 2008

TUBING RECORD	Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	CONSERVATION DIVISION WICHITA, KS
Date of First, Resumerd Production, SWD or Enhr. <b>Shut-In</b>	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
	0		0		

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

METHOD OF COMPLETION

Production Interval  Open Hole  Perf.  Dually Comp.  Commingled  Other (Specify) \_\_\_\_\_

<b>Operator Name:</b>	Layne Energy Operating, LLC.		
<b>Lease Name:</b>	Goodwin 3-36		
	Sec. 36 Twp. 31S Rng. 16E, Montgomery County		
<b>API:</b>	15-125-31593-00-00		
<b>Shots per Foot</b>	<b>Perforation Record</b>	<b>Acid, Fracture, Shot, Cement Squeeze Record</b>	<b>Depth</b>
<b>Initial Perforations (July 2008)</b>			
4	Riverton 1146.5' - 1149.5'	1400 lbs 20/40 sand 309 bbls water 500 gals 15% HCl acid	1146.5' - 1149.5'
4	Rowe 1091.5' - 1094'	2800 lbs 20/40 sand 199 bbls water 300 gals 15% HCl acid	1091.5' - 1094'
4	Bluejacket 973.5' - 975'	2400 lbs 20/40 sand 338 bbls water 800 gals 15% HCl acid	973.5' - 975'
4	Mineral 839.5' - 841' Croweburg 797.5' - 800.5' Iron Post 776.5' - 778'	8600 lbs 20/40 sand 490 bbls water 500 gals 15% HCl acid	776.5' - 841'

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CONSERVATION DIVISION  
V. CHITA, KS

**GEOLOGIC REPORT**

LAYNE ENERGY  
Goodwin 3-36  
NE NW, 906 FNL, 2173 FWL  
Section 36-T31S-R16E  
Montgomery County, KS

Spud Date: 5/2/2008  
Drilling Completed: 5/9/2008  
Logged: 5/9/2008  
A.P.I. #: 15125315930000  
Ground Elevation: 930'  
Depth Driller: 1167'  
Depth Logger: 1162'  
Surface Casing: 8.625 inches at 22'  
Production Casing: 4.5 inches at 1165.8'  
Cemented Job: Consolidated  
Open Hole Logs: Dual Induction SFL/GR, Litho Density /  
Neutron Logs

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**Formation**

KCC

**Tops**

**(below ground)**

**(subsea)**

	Surface (Cottage Grove Sandstone)	
Kansas City Group		930
Pawnee Limestone	607	323
Excello Shale	746	184
"V" Shale	797	133
Mineral Coal	840	91
Mississippian	1,158	-228

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CONSERVATION DIVISION  
WICHITA, KS

# Daily Well Work Report

GOODWIN 3-36

5/2/2008

**Well Location:**  
MONTGOMERY KS  
31S-16E-36 NE NW  
906FNL / 2173FWL

**Cost Center** C01033100100  
**Lease Number** C010331  
**Property Code** KSCV31S16E3603  
**API Number** 15-125-31593

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
5/2/2008	5/9/2008				

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1167	1165.8	22	1165.8		

<b>Reported By</b> KRD	<b>Rig Number</b>	<b>Date</b> 5/2/2008
<b>Taken By</b> KRD		<b>Down Time</b>
<b>Present Operation</b> Drill Out Surface		<b>Contractor</b> McPherson

## Narrative

MIRU MCPHERSON, DRILLED 11" HOLE, 22' DEEP, RIH W/ 1 JT 8 5/8" SURFACE CASING, MIXED 4 SX TYPE 1 CEMENT, DUMPED DOWN THE BACKSIDE. SDFN. FUEL LINE ON RIG BROKE AND CAUGHT FIRE. THIS WILL DELAY DRILLING OUT SURFACE FOR A FEW DAYS.  
DWC:\$2880

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Tuesday, July 15, 2008

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WICHITA, KS

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

**ENTERED**

TICKET NUMBER **14003**  
 LOCATION EUREKA  
 FOREMAN RICK LEONARD

**TREATMENT REPORT & FIELD TICKET  
 CEMENT**

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
5-9-08	4758	Goodwin 3-36				MG

CUSTOMER Layne Energy  
 MAILING ADDRESS P.O. Box 160  
 CITY Sycamore STATE KS ZIP CODE

TRUCK #	DRIVER	TRUCK #	DRIVER
463	Shannon		
502	Shawn (Albark)		

JOB TYPE longstring HOLE SIZE 6 7/8" HOLE DEPTH 1162' CASING SIZE & WEIGHT 4 1/2" 16.5"  
 CASING DEPTH 1166' DRILL PIPE TUBING OTHER  
 SLURRY WEIGHT 13.9" SLURRY VOL 40 bbl WATER gal/sk 6' CEMENT LEFT in CASING 0'  
 DISPLACEMENT 18 1/2 bbl DISPLACEMENT PSI 600 600 PSI 1100 RATE

REMARKS: Safety meeting. Rig up to 4 1/2" casing. Break circulation w/ 25 Bbl water. Washdown 6' to T.D. Pump 6 sks gel-flush w/ hulls 20 Bbl water spacer. 5 Bbl dye water. Mixed 160 sks 50/50 Paemix cement w/ 270 gal 270 coarse 4" Kol-seal, 3" Cal-seal, 1/2" flocc 1 1/2" x 1/2", 1/2" 70 fl-110 + 4970 CAF-38 @ 13.9 wpm. Washout pump & lines. Shut dam. release plug. Displace w/ 18 1/2 bbl fresh water. Final pump pressure 600 PSI. Bump plug to 1100 PSI. wait 2 minutes. release pressure, first hold. Good cement returns to surface = 7 Bbl slurry to pit. Job complete. Rig down.

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"Thank You"

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	875.00	875.00
5406	2	MILEAGE 2 <sup>nd</sup> well	0/c	0/c
1124	160 sks	50/50 Paemix cement	9.30	1488.00
1118A	270*	270 gal	.16	43.20
1102	270*	270 coarse	.70	189.00
1110A	640*	4" Kol-seal 1 1/2" x 1/2"	.40	256.00
1101	480*	3" Cal-seal 1 1/2" x 1/2"	.35	168.00
1107	20*	1/2" flocc 1 1/2" x 1/2"	1.98	39.60
1135	67*	1/2 70 fl-110	7.15	479.05
1146	34*	4970 CAF-38	7.30	248.20
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1118A	306*	gel-flush	.16	48.96
1105	50*	hulls	.37	18.50
5407A	6.78	tan-mileage bulk tax	1.14	7.74
4404	1	4 1/2" top rubber plug	42.00	42.00
				4200.96
				5.32
				SALES TAX 160.03
				ESTIMATED TOTAL 4361.01

AUTHORIZATION [Signature]

TITLE 001931

DATE