

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

7/21/10

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

If Workover/Re-entry: Old Well Info as follows JUL 21 2008

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. _____

4/15/2008 4/17/2008 5/13/2008
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 205-27447-00-00
County: Wilson
W2 SE SW Sec. 35 Twp. 30 S. R. 16 East West
578 feet from (S) N (circle one) Line of Section
1625 feet from E / (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW (SW)
Lease Name: Grabner Well #: 14-35

Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 860' Kelly Bushing: _____
Total Depth: 1110' Plug Back Total Depth: 1108'
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 1108
feet depth to Surface w/ 155 sx cmt.

Drilling Fluid Management Plan ACT IINH 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: _____
Title: Agent Date: 7-21-08
Subscribed and sworn to before me this 21 day of July
20 08
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, Date: _____
 Wireline Log Received
 KANSAS CORPORATION COMMISSION
 Well Report Received
 Distribution
JUL 22 2008
CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Grabner Well #: 14-35
 Sec. 35 Twp. 30 S. R. 16 East West County: Wilson

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 border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:70%;">Name</th> <th style="width:15%;">Top</th> <th style="width:15%;">Datum</th> </tr> </thead> <tbody> <tr> <td>Pawnee Lime</td> <td>557 GL</td> <td>303</td> </tr> <tr> <td>Excello Shale</td> <td>692 GL</td> <td>168</td> </tr> <tr> <td>V-Shale</td> <td>746 GL</td> <td>114</td> </tr> <tr> <td>Mineral Coal</td> <td>786 GL</td> <td>74</td> </tr> <tr> <td>Mississippian</td> <td>1089 GL</td> <td>-229</td> </tr> </tbody> </table>	Name	Top	Datum	Pawnee Lime	557 GL	303	Excello Shale	692 GL	168	V-Shale	746 GL	114	Mineral Coal	786 GL	74	Mississippian	1089 GL	-229
Name	Top	Datum																	
Pawnee Lime	557 GL	303																	
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Mineral Coal	786 GL	74																	
Mississippian	1089 GL	-229																	

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CASING RECORD New 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	# Sacjs Used	Type and Percent Additives
Surface	11"	8.625"	24	21'	Class A	4	Type 1 cement
Casing	6.75"	4.5"	10.5	1108'	Thick Set	155	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 <u>2-3/8"</u> Set At <u>1075'</u> 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. <u>5/16/2008</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 Bbbs. <u>0</u>	Gas Mcf <u>40</u>	Water Bbbs. <u>26</u> Gas-Oil Ratio _____ Gravity _____

Disposition of Gas Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled _____
 (If vented, Submit ACO-18.) Other (Specify) _____

Operator Name: Layne Energy Operating, LLC.			
Lease Name: Grabner 14-35			
Sec. 35 Twp. 30S Rng. 16E, Wilson County			
API: 15-205-27447-00-00			
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations (May 2008)			
4	Riverton 1080' - 1081.5'	3600 lbs 20/40 sand 416 bbls water 500 gals 15% HCl acid	1080' - 1081.5'
4	Tebo 855' - 857'	3100 lbs 20/40 sand 196 bbls water 300 gals 15% HCl acid	855' - 857'
4	Mineral 786' - 787.5' Croweburg 747' - 749' Bevier 725' - 726.5'	7100 lbs 20/40 sand 504 bbls water 750 gals 15% HCl acid	725' - 787.5'
4	Mulky 692.5' - 697.5'	6500 lbs 20/40 sand 360 bbls water 300 gals 15% HCl acid	692.5' - 697.5'

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WICHITA, KS

GEOLOGIC REPORT

LAYNE ENERGY
Grabner 14-35
SE SW, 578 FSL, 1625 FWL
Section 35-T30S-R16E
Wilson County, KS

Spud Date: 4/15/2008
Drilling Completed: 4/18/2005
Logged: 4/18/2008
A.P.I. #: 15205274470000
Ground Elevation: 860'
Depth Driller: 1110'
Depth Logger: 1091'
Surface Casing: 8.625 inches at 21'
Production Casing: 4.5 inches at 1107.8'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, Litho Density / Neutron Logs

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Formation	Tops	
	(below ground)	(subsea)
Surface (Chanute Shale)		860
Kansas City Group		
Pawnee Limestone	557	303
Excello Shale	692	168
"V" Shale	746	114
Mineral Coal	786	74
Mississippian	1,089	-229

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WICHITA, KS

Daily Well Work Report

GRABNER 14-35

4/17/2008

Well Location:
WILSON KS
30S-16E-35 W2 SE SW
578FSL / 1625FWL

Cost Center C01034600100
Lease Number C010346
Property Code KSCV30S16E3514
API Number 15-205-27447

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
4/15/2008	4/18/2008	5/13/2008	5/16/2008	5/16/2008	GRABNER_14_35

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1110	1107.8	21	1107.8	0	0

Reported By KRD	Rig Number	Date 4/15/2008
Taken By KRD		Down Time
Present Operation DRILL OUT SURFACE		Contractor THORNTON DRILLING

Narrative

MIRU THORNTON, DRILLED 11" HOLE, 21' DEEP, RIH W/ 1 JT 8 5/8" SURFACE CASING, MIXED 4 SX TYPE 1 CEMENT, DUMPED DOWN THE BACKSIDE. SDFN.
DWC:\$2880

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

TICKET NUMBER 13894
 LOCATION EUREKA
 FOREMAN Kevin McCoy

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
4-18-08	4758	GARBER 14-35				RAMSON
CUSTOMER Layne Energy			Gus Jones Rig 1			
MAILING ADDRESS P.O. Box 160						
CITY	STATE	ZIP CODE	TRUCK #	DRIVER	TRUCK #	DRIVER
Sycamore	Ks		445	Justin		
			479	Cliff		

JOB TYPE Longstring HOLE SIZE 6 3/4 HOLE DEPTH 1110' CASING SIZE & WEIGHT 4 1/2 10.5" New
 CASING DEPTH 1108' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.9* SLURRY VOL 39 Bbl WATER gal/sk 6.1 CEMENT LEFT in CASING 0'
 DISPLACEMENT 17.7 Bbl DISPLACEMENT PSI 600 ~~WATER~~ PSI 1200 Bump Plug RATE _____

REMARKS: Safety meeting: Rig up to 4 1/2 casing w/ wash head. Break circulation w/ 20 Bbl fresh water. wash down 20' casing. Pump 6 sks Gel Flush w/ Halls, 15 Bbl water spacer, 5 Bbl dye water. Shut down. Rig up Cement Head. Mixed 155 sks 50/50 Pozmix Cement w/ 2% Gel, 2% CaCl2, 4* Kel-Seal, 3* Cal-Seal, 1/4* Flocele, 1/2% CFL-110, 1/4% CAF-38 @ 129*/gal, yield 1.40. Wash out Pump & Lines. Shut down. Release Pump. Displace w/ 17.7 Bbl Fresh water. Final Pumping Pressure 600 PSI. Bump Plug to 1200 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 1st well of 2	3.45	138.00
1124	155 sks	50/50 Pozmix Cement	9.30	1441.50
1118 A	260 *	Gel 2%	.16 *	41.60
1102	260 *	CaCl2 2%	.70 *	182.00
1110 A	620 *	Kel-Seal 4*/sk	.40 *	248.00
1101	465 *	Cal-Seal 3*/sk	.35 *	162.75
1107	39 *	Flocele 1/4*/sk	1.98 *	77.22
1135	65 *	CFL-110 1/2%	7.15 *	464.75
1146	33 *	CAF-38 1/4%	7.30 *	240.90
1118 A	300 *	Gel Flush	.16 *	48.00
1105	50 *	Halls	.37 *	18.50
5407	6.51 tons	Ton Mileage Bulk Truck	MIC	300.00
4404	1	4 1/2 Top Rubber Plug	42.00	42.00
			Sub Total	4280.22
		THANK YOU	SALES TAX 6.3%	186.93
		021357	ESTIMATED TOTAL	4467.15

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 WICHITA, KS

AUTHORIZATION Witnessed By Jacob

TITLE Layne Co. Rep.

DATE _____