

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

8/19/10

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
License: 5675

Wellsite Geologist: _____
Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, ~~W/S~~ Exp., Cathodic, etc)

If Workover/Re-entry: Old Well Info as follows: AUG 19 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. _____

5/9/2008 5/12/2008 7/14/2008
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-31592-00-00
County: Montgomery
_____ SE SE Sec. 23 Twp. 31 S. R. 16 East West
367 feet from N (circle one) Line of Section
442 feet from W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Huser Well #: 16-23
Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals
Elevation: Ground: 845' Kelly Bushing: _____
Total Depth: 1115' Plug Back Total Depth: 1114'
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 1114
feet depth to Surface w/ 160 sx cmt.

Drilling Fluid Management Plan AHJ NH 11-2008
(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: 8/18/2008
Subscribed and sworn to before me this 18 day of August,
20 08.
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
RECEIVED
KANSAS CORPORATION COMMISSION
AUG 20 2008
MacLAUGHLIN DARLING
Notary Public - State of Kansas
My Appt. Expires 1-4-2009

Operator Name: Layne Energy Operating, LLC Lease Name: Huser Well #: 16-23
 Sec. 23 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>537 GL</td> <td>308</td> </tr> <tr> <td>Excello Shale</td> <td>687 GL</td> <td>158</td> </tr> <tr> <td>V-Shale</td> <td>738 GL</td> <td>107</td> </tr> <tr> <td>Mineral Coal</td> <td>— GL</td> <td>—</td> </tr> <tr> <td>Mississippian</td> <td>1092 GL</td> <td>-247</td> </tr> </table>	Name	Top	Datum	Pawnee Lime	537 GL	308	Excello Shale	687 GL	158	V-Shale	738 GL	107	Mineral Coal	— GL	—	Mississippian	1092 GL	-247
Name	Top	Datum																	
Pawnee Lime	537 GL	308																	
Excello Shale	687 GL	158																	
V-Shale	738 GL	107																	
Mineral Coal	— GL	—																	
Mississippian	1092 GL	-247																	

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	1114'	Thick Set	160	50/50 posmix w/2% gel
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ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth	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	Top Bottom AUG 19 2008 KCC			

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	RECEIVED KANSAS CORPORATION COMMISSION AUG 20 2008 CONSERVATION DIVISION WICHITA, KS
TUBING RECORD Size <u>2-3/8"</u> Set At <u>1074'</u> Packer At _____		Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. <u>7/17/2008</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>7</u> Water Bbbs. <u>0</u>	Gas-Oil Ratio _____ Gravity _____	

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

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled _____
 Other (Specify) _____

Operator Name: Layne Energy Operating, LLC.			
Lease Name: Huser 16-23			
Sec. 23 Twp. 31S Rng. 16E, Montgomery County			
API: 15-125-31592-00-00			
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations (July 2008)			
4	Riverton 1074.5' - 1077.5'	3700 lbs 20/40 sand 286 bbls water 530 gals 15% HCl acid	1074.5' - 1077.5'
4	Rowe 1020' - 1021.5'	2500 lbs 20/40 sand 193 bbls water 300 gals 15% HCl acid	1020' - 1021.5'
4	Weir 903.5' - 905' Tebo 848.5' - 850'	5100 lbs 20/40 sand 342 bbls water 500 gals 15% HCl acid	848.5' - 905'
4	Croweburg 739' - 742' Iron Post 717' - 718.5'	6000 lbs 20/40 sand 357 bbls water 380 gals 15% HCl acid	717' - 742'
4	Mulky 688' - 692.5'	6000 lbs 20/40 sand 249 bbls water 450 gals 15% HCl acid	688' - 692.5'
4	Summit 663' - 665'	2900 lbs 20/40 sand 158 bbls water 300 gals 15% HCl acid	663' - 665'

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AUG 19 2008

KCC

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KANSAS CORPORATION COMMISSION

AUG 20 2008

CONSERVATION DIVISION
WICHITA, KS

GEOLOGIC REPORT

LAYNE ENERGY
Huser 16-23
SE SE, 367 FSL, 442 FEL
Section 23-T31S-R16E
Montgomery County, KS

Spud Date: 5/9/2008
Drilling Completed: 5/12/2008
Logged: 5/12/2008
A.P.I. #: 15125315920000
Ground Elevation: 845'
Depth Driller: 1115'
Depth Logger: 1117'
Surface Casing: 8.625 inches at 22'
Production Casing: 4.5 inches at 1114'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

KCC

Formation	Tops	
	(below ground)	(subsea)
	Surface (Dewey	
Kansas City Group	Limestone)	845
Pawnee Limestone	537	308
Excello Shale	687	158
"V" Shale	738	107
Mineral Coal		
Mississippian	1,092	-247

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KANSAS CORPORATION COMMISSION

AUG 20 2008

CONSERVATION DIVISION
WICHITA, KS

Daily Well Work Report

HUSER 16-23
5/12/2008

Well Location:
MONTGOMERY KS
31S-16E-23 SE SE
367FSL / 442FEL

Cost Center C01033300100
Lease Number C010333
Property Code KSCV31S16E2316
API Number 15-125-31592

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
5/9/2008	5/12/2008	7/14/2008	7/17/2008	7/17/2008	HUSER_16_23

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1115	1114	22	1114		

Reported By KRD	Rig Number	Date 5/9/2008
Taken By KRD		Down Time
Present Operation DRILL OUT SURFACE		Contractor MCPHERSON

Narrative

MIRU MCPHERSON DRILLING, 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.
DWC:\$2880

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AUG 20 2008

CONSERVATION DIVISION
WICHITA, KS

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



ENTERED

TICKET NUMBER 14008
 LOCATION EUREKA
 FOREMAN Rick Ladano

**TREATMENT REPORT & FIELD TICKET
 CEMENT**

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
5-13-08	4758	Huser 16-23				MO
CUSTOMER Layne Energy			Gus Jones			
MAILING ADDRESS P.O. Box 160			TRUCK #			
CITY Sycamore			DRIVER			
STATE KS			TRUCK #			
ZIP CODE			DRIVER			
			463 Shannon			
			502 Phillip			

JOB TYPE Logging HOLE SIZE 6 3/4" HOLE DEPTH 1115' CASING SIZE & WEIGHT 4 1/2" 10.5"
 CASING DEPTH 1114' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.9 # SLURRY VOL 40 bbl WATER gal/sk 6' CEMENT LEFT in CASING 0'
 DISPLACEMENT 12.7 bbl DISPLACEMENT PSI 500 RATE PSI 900

REMARKS: Safety meeting. Rig up to 4 1/2" casing. Break circulation w/ 25 bbl fresh water. Pump to surface gel-flush w/ bulls, 15 bbl water spacer, 5 bbl dye water. Mixed 160 gal sol/sol Perm mix cement w/ 220 gal 270 gal 4" Retrol 3" cal-seal, 1/2" floack bx, 1/2 70 FL-110 + 1/4 70 CAT-38 @ 13.9 #/gal washed pump & lines. shut down release plug. Displace w/ 12.7 bbl fresh water. Final pump pressure 500 PSI. Pump plug to 900 PSI. wait 2 mins. release pressure, first hold. Good cement returns to surface = 7 bbl slurry to pit. Job complete. Rig down

KCC "Thank you"

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	825.00	825.00
5406	40	MILEAGE	3.45	138.00
1124	160 gal	sol/sol Perm mix cement	9.80	1568.00
1118A	270 #	270 gal	.16	43.20
1102	270 #	270 gal	.70	189.00
1118A	640 #	4" Retrol 100/100	.40	256.00
1101	480 #	3" cal-seal 100/100	.35	168.00
1107	20 #	1/2" floack 100/100	1.98	39.60
1135	67 #	1/2 70 FL-110	7.15	479.05
1146	34 #	1/4 70 CAT-38	7.30	248.20
1118A	300 #	gel-flush	.16	48.00
1105	50 #	bulls	.37	18.50
5407A	6.72	tan-mileage bulk truck	1.14	306.43
4904	1	4 1/2" top rubber plug	42.00	42.00
4311	1	4 1/2" weld on collar	60.00	60.00
5605A	4 hrs	Welder	85.00	340.00
			Subtotal	4788.98
			SALES TAX	163.21
			ESTIMATED TOTAL	4952.19

AUTHORIZATION [Signature]

201984

TITLE _____

DATE _____