

Operator Name: Layne Energy Operating, LLC Lease Name: Schabel Well #: 16-23
 Sec. 23 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 Yes No
 (Attach Additional Sheets)

Samples Sent to Geological Survey Yes No

Cores Taken Yes No

Electric Log Run Yes No
 (Submit Copy)

List All E. Logs Run:

Compensated Density Neutron
 Dual Induction

<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Name	Top	Datum
Pawnee Lime	915 GL	-3
Excello Shale	1049 GL	-137
V-Shale	1103 GL	-191
Mineral Coal	1147 GL	-235
Mississippian	1410 GL	-498

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	# 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	1435'	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		

TUBING RECORD		Size	Set At	Packer At	Liner Run
		2-3/8"	1402'		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.			Producing Method		
8/13/2008			<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	5	0		

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

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

Production Interval

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GEOLOGIC REPORT

LAYNE ENERGY
Schabel 16-23
SE SE, 997 FSL, 968 FEL
Section 23-T31S-R14E
Montgomery County, KS

Spud Date: 6/27/2008
Drilling Completed: 7/7/2008
Logged: 7/7/2008
A.P.I. #: 15125316450000
Ground Elevation: 912'
Depth Driller: 1437'
Depth Logger: 1437'
Surface Casing: 8.625 inches at 21'
Production Casing: 4.5 inches at 1434.75'
Cemented Job: 0
Open Hole Logs: Dual Induction SFL/GR, Litho Density / Neutron Logs

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Formation

Tops

	(below ground)	(subsea)
Surface (South		
Bend Limestone		
Member)		912
Lansing Group	915	-3
Pawnee Limestone	1,049	-137
Excello Shale	1,103	-191
"V" Shale	1,147	-235
Mineral Coal	1,410	-498
Mississippian		

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CONSERVATION DIVISION
WICHITA, KS

Daily Well Work Report

SCHABEL 16-23
6/27/2008

Well Location:
MONTGOMERY KS
31S-14E-23 NW SE SE
992FSL / 981FEL

Cost Center G01028400200
Lease Number G010284
Property Code KSSY31S14E2316
API Number 15-125-31645

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
6/27/2008	7/7/2008	8/8/2008	8/13/2008	8/13/2008	SCHABEL_16_23

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1437	1434.75	21	1434.75		

Reported By KRD	Rig Number	Date 6/27/2008
Taken By KRD		Down Time
Present Operation PERF AND FRAC		Contractor CONSOLIDATED

Narrative

MIRU THORNTON DRILLING, 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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KCC

Wednesday, August 27, 2008

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WICHITA, KS

