

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

Handwritten initials and date: 8/21/08

Handwritten date: 8/21/10

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 SIOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

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

Operator: _____
Well Name: _____
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. _____

5/28/2008 5/29/2008 6/19/2008
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 019-26908-00-00
County: Chautauqua
W2E2 SW SE Sec. 16 Twp. 32 S. R. 13 East West
634 feet from N (circle one) Line of Section
1903 feet from W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Gwartney Well #: 15-16B
Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals
Elevation: Ground: 923' Kelly Bushing: _____
Total Depth: 525' Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 42 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 500
feet depth to Surface w/ 75 sx cm.

Drilling Fluid Management Plan
(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: 8/21/2008
Subscribed and sworn to before me this 21 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

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

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CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Gwartney Well #: 15-16B
 Sec. 16 Twp. 32 S. R. 13 East West County: Chautauqua

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 checked="" type="checkbox"/> Yes <input 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:70%;">Name</td> <td style="width:15%;">Top</td> <td style="width:15%;">Datum</td> </tr> <tr> <td>Pawnee Lime</td> <td>N/A</td> <td>GL</td> </tr> <tr> <td>Excello Shale</td> <td>N/A</td> <td>GL</td> </tr> <tr> <td>V-Shale</td> <td>N/A</td> <td>GL</td> </tr> <tr> <td>Mineral Coal</td> <td>N/A</td> <td>GL</td> </tr> </table>	Name	Top	Datum	Pawnee Lime	N/A	GL	Excello Shale	N/A	GL	V-Shale	N/A	GL	Mineral Coal	N/A	GL
Name	Top	Datum														
Pawnee Lime	N/A	GL														
Excello Shale	N/A	GL														
V-Shale	N/A	GL														
Mineral Coal	N/A	GL														

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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	42'	Class A	8	Type 1 cement
Casing	6.75"	4.5"	10.5	500'	Thick Set	75	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 <i>(Amount and Kind of Material Used)</i>	Depth
	Open hole -- Unknown Interval 499' - 525'	N/A	499'-525'

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TUBING RECORD		Size	Set At	Packer At	Liner Run	CONSERVATION DIVISION WICHITA, KS	
		2-3/8"	466'		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Date of First, Resumerd Production, SWD or Enhr.		Producing Method					
6/20/2008		<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	29	0				

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

GEOLOGIC REPORT

LAYNE ENERGY
Gwartney 15-16B
SW SE, 634 FSL, 1903 FEL
Section 16-T32S-R13E
Chautauqua County, KS

Spud Date: 5/28/2008
Drilling Completed: 5/28/2008
Logged: 5/29/2008
A.P.I. #: 15019269080000
Ground Elevation: 923'
Depth Driller: 525'
Depth Logger: 501'
Surface Casing: 8.625 inches at 42'
Production Casing: 4.5 inches at 499'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

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AGS 21 2008

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Formation

Tops

(below ground)

(subsea)

Douglas Group	Surface (Stranger	
Pawnee Limestone	Formation)	923
Excello Shale		
"V" Shale		
Mineral Coal		
Mississippian		

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CONSERVATION DIVISION
WICHITA, KS

Daily Well Work Report

GWARTNEY 15-16B

5/28/2008

Well Location:
CHAUTAUQUA KS
32S-13E-16 SW SE
634FSL / 1903FEL

Cost Center G01027000200
Lease Number G010270
Property Code KSLE32S13E1615B
API Number 15-019-26908

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
5/28/2008	5/28/2008	6/19/2008	6/20/2008	6/20/2008	GWARTNEY15_16B

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
500	499	42	499	0	0

Reported By KRD	Rig Number	Date 5/28/2008
Taken By KRD		Down Time
Present Operation DRILL OUT SURFACE		Contractor THORNTON

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Narrative

AUG 21 2008

MIRU THORNTON, DRILLED 11" HOLE, 42' 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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WICHITA, KS

