

CONFIDENTIAL

ORIGINAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Form ACO-1
September 1999
Form Must Be Typed

8/29/10

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:
[checked] New Well [ ] Re-Entry [ ] Workover
[ ] Oil [ ] SWD [ ] SIOW [ ] Temp. Abd.
[checked] Gas [ ] ENHR [checked] 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.

6/11/2008 6/17/2008 Pending
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-31668-00-00
County: Montgomery
S2 S2 SW Sec. 2 Twp. 31 S. R. 16 [checked] East [ ] West
331 feet from (S) N (circle one) Line of Section
1229 feet from E (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW (SW)
Lease Name: Falke Well #: 13-2
Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals
Elevation: Ground: 810' Kelly Bushing:
Total Depth: 1045' Plug Back Total Depth: 1043'
Amount of Surface Pipe Set and Cemented at 22 Feet
Multiple Stage Cementing Collar Used? [ ] Yes [checked] No
If yes, show depth set Feet
If Alternate II completion, cement circulated from 1043
feet depth to Surface w/ 150 sx cmt.

Drilling Fluid Management Plan [Handwritten: AH-IT 10-10-08]
(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: [Handwritten Signature]
Title: Agent Date: 8/29/2008
Subscribed and sworn to before me this 29 day of August
20 08.
Notary Public: MacLaughlin Darling
Date Commission Expires: 1-4-2009



KCC Office Use ONLY
[checked] Letter of Confidentiality Attached
[ ] If Denied, Yes [ ] Date:
[checked] Wireline Log Received
[checked] Geologist Report Received
RECEIVED KANSAS CORPORATION COMMISSION
SEP 02 2008
WIC Distribution

CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Falke Well #: 13-2  
 Sec. 2 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  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	498 GL	317
Excello Shale	635 GL	180
V-Shale	687 GL	128
Mineral Coal	727 GL	88
Mississippian	1033 GL	-218

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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	22'	Class A	4	Type 1 cement
Casing	6.75"	4.5"	10.5	1043'	Thick Set	150	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
				<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Date of First, Resumerd Production, SWD or Enhr.	Producing Method
Shut - In	<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  Open Hole  Perf.  Dually Comp.  Commingled  Other (Specify) \_\_\_\_\_  
 Production Interval \_\_\_\_\_

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CONSERVATION DIVISION  
 WICHITA, KS

<b>Operator Name:</b>	Layne Energy Operating, LLC.		
<b>Lease Name:</b>	Falke 13-2		
	Sec. 2 Twp. 31S Rng. 16E, Montgomery County		
<b>API:</b>	15-125-31668-00-00		
<b>Shots per Foot</b>	<b>Perforation Record</b>	<b>Acid, Fracture, Shot, Cement Squeeze Record</b>	<b>Depth</b>
<b>Initial Perforations (August 2008)</b>			
4	Riverton 1012.5' - 1016'	5900 lbs 20/40 sand 470 bbls water 500 gals 15% HCl acid	1012.5' - 1016'
4	Mineral 727' - 728.5' Croweburg 687.5' - 690'	6200 lbs 20/40 sand 334 bbls water 500 gals 15% HCl acid	687.5' - 728.5'
4	Mulky 636' - 641.5'	6800 lbs 20/40 sand 377 bbls water 300 gals 15% HCl acid	636' - 641.5'

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WICHITA, KS

# GEOLOGIC REPORT

LAYNE ENERGY  
Falke 13-2  
SW SW, 331 FSL, 1229 FWL  
Section 2-T31S-R16E  
Montgomery County, KS

Spud Date: 6/11/2008  
Drilling Completed: 6/17/2008  
Logged: 6/17/2008  
A.P.I. #: 15125316680000  
Ground Elevation: 815'  
Depth Driller: 1045'  
Depth Logger: 1045'  
Surface Casing: 8.625 inches at 22'  
Production Casing: 4.5 inches at 1042.6'  
Cemented Job: 0  
Open Hole Logs: Dual Induction SFL/GR, Litho Density /  
Neutron Logs

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Formation 2 9 2008

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Formation	Tops	
	(below ground)	(subsea)
Quaternary	Surface (Alluvium)	815
Pawnee Limestone	498	317
Excello Shale	635	180
"V" Shale	687	128
Mineral Coal	727	88
Mississippian	1,033	-218

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CONSERVATION DIVISION  
WICHITA, KS

# Daily Well Work Report

FALKE 13-2

6/11/2008

**Well Location:**  
MONTGOMERY KS  
31S-16E-2 S2 S2 SE  
331FSL / 1229FWL

**Cost Center** C01035200100  
**Lease Number** C010352  
**Property Code** KSCV31S16E0213  
**API Number** 15-125-31668

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
6/11/2008	6/17/2008				

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1045	1042.6	22	1042.6	0	0

<b>Reported By</b> KRD	<b>Rig Number</b>	<b>Date</b> 6/11/2008
<b>Taken By</b> KRD		<b>Down Time</b>
<b>Present Operation</b> DRILL OUT SURFACE		<b>Contractor</b> THORNTON DRILLING

## Narrative

MIRU THORNTON 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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Thursday, August 28, 2008

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CONSERVATION DIVISION  
WICHITA, KS



TICKET NUMBER 18612  
LOCATION EUREKA  
FOREMAN RICK LEONARD

PO Box 884, Chanute, KS 66720  
620-431-9210 or 800-467-8676

### FIELD TICKET & TREATMENT REPORT CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
6-17-08	4758	FALKE 13-2				MG
CUSTOMER			TRUCK #	DRIVER	TRUCK #	DRIVER
Layne Energy			520	Cliff		
MAILING ADDRESS			441	J.P.		
P.O. Box 160						
CITY	STATE	ZIP CODE				
Sycamore	KS					

Gus Jones

JOB TYPE Logging HOLE SIZE 6 3/4" HOLE DEPTH 1045' CASING SIZE & WEIGHT 4 1/2" 10.5"  
 CASING DEPTH 1043' DRILL PIPE \_\_\_\_\_ TUBING \_\_\_\_\_ OTHER \_\_\_\_\_  
 SLURRY WEIGHT 139" SLURRY VOL 37 Bbl WATER gal/sk 6.' CEMENT LEFT in CASING 0'  
 DISPLACEMENT 16.6 Bbl DISPLACEMENT PSI 500 MIX PSI 1000 RATE \_\_\_\_\_

REMARKS: Safety meeting. Log up to 4 1/2" casing. Break circulation w/ 25 Bbl fresh water. Washdown to T.D. Pump 6 segs gel-flush w/ bulls 5 Bbl water spacer. Mixed 150 segs 50/50 Perm mix cement w/ 270 cells, 270 gal, 4" Kal-seal, 3" cal-seal, 1/8" Pinosol 1/2", 1/2 to FL-110 + 4470 CAF-38 @ 13.9" flow. Washout pump + lines shut down, release plug. Displace w/ 16.6 Bbl fresh water. Final pump pressure 500 PSI. Pump plug to 1000 PSI. Wait 2 mins. release pressure. Fleet held. Good cement returns to surface = 2 Bbl slurry to pit. Job complete. Rig down.  
 : Thank You

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	925.00	925.00
5406	40	MILEAGE	3.65	146.00
1124	150 segs	50/50 Perm mix cement	9.75	1462.50
1102	250"	270 cells	.25	187.50
1118A	250"	270 gal	.17	42.50
1118A	600"	4" Kal-seal 1/2"	.42	252.00
1101	450"	3" CAL-SEAL 1/2"	.36	162.00
1107A	19"	Pinosol 1/8" 1/2"	1.15	21.85
1135	75"	1/2 70 FL-110	7.50	562.50
1146	38"	1/4 70 CAF-38	7.70	298.60
1118A	300"	gel-flush	.17	51.00
1105	50"	bulls	.39	19.50
5407	6.3	tan-mileage bulk fuel	n/c	315.00
4404	1	4 1/2" top cable plus	45.00	45.00
5685A	4 hrs	welder	85.00	340.00
			Subtotal	4824.95
		222803	SALES TAX 5.32	164.25
			ESTIMATED TOTAL	4989.20

AUTHORIZATION Jacobs Mudd  
 Received Time Jun. 18. 2008 4:37PM No. 4335

TITLE Field sup.

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