

CONFIDENTIAL

ORIGINAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

8/28/10

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. _____

6/4/2008 6/5/2008 7/28/2008
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 205-27562-00-00
County: Wilson
____ - ____ - SE - SW Sec. 34 Twp. 30 S. R. 17 East West
691 feet from N (circle one) Line of Section
2024 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Skelton Well #: 14-34
Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals
Elevation: Ground: 898' Kelly Bushing: _____
Total Depth: 1036' Plug Back Total Depth: 1034'
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 1037
feet depth to Surface w/ 140 sx cmt.

Drilling Fluid Management Plan Alt II NH 10 75-08
(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: 8/28/2008
Subscribed and sworn to before me this 28 day of August,
2008.
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

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

SEP 02 2008
CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Skelton Well #: 14-34
 Sec. 34 Twp. 30 S. R. 17 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 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	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td><input checked="" type="checkbox"/> Log</td> <td>Formation (Top), Depth and Datum</td> <td><input type="checkbox"/> Sample</td> </tr> <tr> <td>Name</td> <td>Top</td> <td>Datum</td> </tr> <tr> <td>Pawnee Lime</td> <td>482 GL</td> <td>416</td> </tr> <tr> <td>Excello Shale</td> <td>616 GL</td> <td>282</td> </tr> <tr> <td>V-Shale</td> <td>675 GL</td> <td>223</td> </tr> <tr> <td>Mineral Coal</td> <td>715 GL</td> <td>183</td> </tr> <tr> <td>Mississippian</td> <td>1019 GL</td> <td>-121</td> </tr> </table>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample	Name	Top	Datum	Pawnee Lime	482 GL	416	Excello Shale	616 GL	282	V-Shale	675 GL	223	Mineral Coal	715 GL	183	Mississippian	1019 GL	-121
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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	# 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	1034'	Thick Set	140	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
	See Attached Page		

TUBING RECORD		Size	Set At	Packer At	Liner Run	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
		2-3/8"	994'			
Date of First, Resumerd Production, SWD or Enhr.			Producing Method			
7/31/2008			<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	17	0			

Disposition of Gas	METHOD OF COMPLETION	Production Interval	RECEIVED
<input type="checkbox"/> Vented <input checked="" type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	<input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input checked="" type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____		KANSAS CORPORATION COMMISSION

SEP 02 2008

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Skelton 14-34		
	Sec. 34 Twp. 30S Rng. 17E, Wilson County		
API:	15-205-27562-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations (July 2008)			
4	Riverton 1005.5' - 1007.5'	3100 lbs 20/40 sand 189 bbls water 300 gals 15% HCl acid	1005.5' - 1007.5'
4	Neutral 948.5' - 950' Rowe 940' - 942'	5000 lbs 20/40 sand 325 bbls water 400 gals 15% HCl acid	940' - 950'
4	Bluejacket 839' - 841' Weir 785' - 786.5'	5200 lbs 20/40 sand 346 bbls water 450 gals 15% HCl acid	785' - 841'
4	Mineral 714.5' - 716.5' Croweburg 675.5' - 678' Iron Post 650' - 652'	8900 lbs 20/40 sand 482 bbls water 460 gals 15% HCl acid	650' - 716.5'
4	Mulky 616.5' - 622'	6900 lbs 20/40 sand 415 bbls water 415 gals 15% HCl acid	616.5' - 622'

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CONSERVATION DIVISION
 WICHITA, KS

GEOLOGIC REPORT

LAYNE ENERGY
Skelton 14-34
SE SW, 691 FSL, 2024 FWL
Section 34-T30S-R17E
Wilson County, KS

Spud Date: 6/4/2008
Drilling Completed: 6/5/2008
Logged: 6/5/2008
A.P.I. #: 15205275620000
Ground Elevation: 898'
Depth Driller: 1036'
Depth Logger: 1036'
Surface Casing: 8.625 inches at 22'
Production Casing: 4.5 inches at 1034'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

CONFIDENTIAL
AS 2/2/08
KCC

Formation

Tops
(below ground) (subsea)

Formation	(below ground)	(subsea)
Surface		
Kansas City Group (Cherryvale Shale)		898
Pawnee Limestone	482	416
Excello Shale	616	282
"V" Shale	675	223
Mineral Coal	715	183
Mississippian	1,019	-121

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CONSERVATION DIVISION
WICHITA, KS

Daily Well Work Report

SKELTON 14-34

6/5/2008

Well Location:
WILSON KS
30S-17E-34 SE SW
691FSL / 2024FWL

Cost Center C01024900100
Lease Number C010249
Property Code KSCV30S17E3414
API Number 15-205-27562

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
6/4/2008	6/5/2008				

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1036	1034	22	1034	0	0

Reported By krd	Rig Number	Date 6/4/2008
Taken By krd		Down Time
Present Operation DRILL OUT SURFACE		Contractor THORNTON

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

Tuesday, July 29, 2008

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KANSAS CORPORATION COMMISSION
Page 7 of 7

SEP 02 2008

CONSERVATION DIVISION
WICHITA, KS

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



ENTERED

TICKET NUMBER 14154
 LOCATION Eureka
 FOREMAN Troy Shooker

**TREATMENT REPORT & FIELD TICKET
 CEMENT**

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY																
6-6-08	4758	Skilton 14-34				Monte																
CUSTOMER <u>Layne Energy</u>			<table border="1"> <thead> <tr> <th>TRUCK #</th> <th>DRIVER</th> <th>TRUCK #</th> <th>DRIVER</th> </tr> </thead> <tbody> <tr> <td>520</td> <td>Cliff</td> <td></td> <td></td> </tr> <tr> <td>515</td> <td>Jerrid</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				TRUCK #	DRIVER	TRUCK #	DRIVER	520	Cliff			515	Jerrid						
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515	Jerrid																					
MAILING ADDRESS <u>P.O. Box 160</u>																						
CITY <u>Sycamore</u>	STATE <u>Ks</u>	ZIP CODE																				

*Gas
Tones*

JOB TYPE Longstring HOLE SIZE 6 3/4" HOLE DEPTH 1036' CASING SIZE & WEIGHT 4 1/2" 10.5"
 CASING DEPTH 1034' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.9# SLURRY VOL 35 WATER gal/sk 6.1 CEMENT LEFT in CASING 0'
 DISPLACEMENT 16.481 DISPLACEMENT PSI 500 MIX PSI 1000 RATE _____

REMARKS: Safety Meeting: Rig up to 4 1/2" casing. Break Circulation w/ 5000 water
Pump back Gel-Flush w/ Halls. 20bl water, mixed 140lbs 50/50 Poz-mix w/
Chemicals @ 13.9#/gal. Wash out Pump & lines. Release Plug. Add 11.4 bl
Water. Final Pumping Pressure 500 PSI. Bump Plug to 1000 PSI.
Wait 2mins. Release Pressure. Float Held. Good Cement to surface
= 78bl Slurry to Pit.
Job Complete.

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	140sts	50/50 Poz-mix	9.75	1365.00
1102	235#	CaCl ₂ 2%	.75	176.25
1118A	235#	Gel 2%	.17	39.75
1110A	560#	Kol-Seal 4"/sk	.42	235.20
1101	420#	Cal-Seal 3"/sk	.36	151.20
1107	17#	Floccle 1/4"/sk	2.10	35.70
1135	58#	CFE-110 1/2%	7.90	458.00
1146	29#	CAF-38 1/4%	7.70	222.30
1105	50#	Halls	.39	19.50
1118A	300#	Gel-Flush	.17	51.00
5407		Ten-Mileage	MIK	315.00
4404	1	4 1/2" Top Rubber Plug	45.00	45.00
5605A	4hrs	welder	85.00	340.00
4311	1	4 1/2" weld on Collar	60.00	60.00
			Sub Total	4563.10
			SALES TAX	178.76
			ESTIMATED TOTAL	4741.86

63%

RECEIVED ESTIMATED
 KANSAS CORPORATION TOTAL

800561

AUTHORIZATION

Called by Jacob

TITLE *Co-Rep*

SEP 02 2008