

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

8/29/08

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: ACG 2 9 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. _____

<u>6/17/2008</u>	<u>6/19/2008</u>	<u>Pending</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-31642-00-00
County: Montgomery
SW SE SW Sec. 19 Twp. 32 S. R. 14 East West
402 feet from S / N (circle one) Line of Section
1778 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Reece Well #: 14-19
Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals
Elevation: Ground: 836' Kelly Bushing: _____
Total Depth: 1447' Plug Back Total Depth: 1444'
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 1444
feet depth to Surface w/ 200 sx cmt.

Drilling Fluid Management Plan AH INH 10-6-08
(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: 8/29/2008
Subscribed and sworn to before me this 29 day of August,
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
 UIC Distribution

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KANSAS CORPORATION COMMISSION
SEP 02 2008
CONSERVATION DIVISION
WICHITA, KS



Operator Name: Layne Energy Operating, LLC Lease Name: Reece Well #: 14-19
 Sec. 19 Twp. 32 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 <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	<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>930 GL</td> <td>-94</td> </tr> <tr> <td>Excello Shale</td> <td>1078 GL</td> <td>-242</td> </tr> <tr> <td>V-Shale</td> <td>1122 GL</td> <td>-286</td> </tr> <tr> <td>Mineral Coal</td> <td>1168 GL</td> <td>-332</td> </tr> <tr> <td>Mississippian</td> <td>1443 GL</td> <td>-607</td> </tr> </table>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample	Name	Top	Datum	Pawnee Lime	930 GL	-94	Excello Shale	1078 GL	-242	V-Shale	1122 GL	-286	Mineral Coal	1168 GL	-332	Mississippian	1443 GL	-607
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CONFIDENTIAL 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	1444'	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		Acid, Fracture, Shot, Cement Squeeze Record	
	Specify Footage of Each Interval Perforated		(Amount and Kind of Material Used)	
				Depth

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	METHOD OF COMPLETION	Production Interval
<input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	<input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	RECEIVED KANSAS CORPORATION COMMISSION SEP 02 2008

GEOLOGIC REPORT

LAYNE ENERGY
Reece 14-19
SE SW, 402 FSL, 1778 FWL
Section 19-T32S-R14E
Montgomery County, KS

Spud Date: 6/17/2008
Drilling Completed: 6/19/2008
Logged: 6/19/2008
A.P.I. #: 15125316420000
Ground Elevation: 836'
Depth Driller: 1447'
Depth Logger: 1447'
Surface Casing: 8.625 inches at 22'
Production Casing: 4.5 inches at 1444'
Cemented Job: 0
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

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SEP 29 2008
Formation

Formation	Tops	
	(below ground)	(subsea)
Surface (Weston Shale Member)		836
Douglas Formation		
Pawnee Limestone	930	-94
Excello Shale	1,078	-242
"V" Shale	1,122	-286
Mineral Coal	1,168	-332
Mississippian	1,443	-607

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CONSERVATION DIVISION
WICHITA, KS

Daily Well Work Report

REECE 14-19

6/19/2008

Well Location:
MONTGOMERY KS
32S-14E-19 SW SE SW
402FSL / 1778FWL

Cost Center G01050700100
Lease Number G010507
Property Code KSSY32S14E1914
API Number 15-125-31642

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
6/17/2008	6/19/2008				

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1447	1444	22	1444	0	0

Reported By KRD	Rig Number	Date 6/17/2008
Taken By KRD		Down Time
Present Operation DRILL OUT SURFACE		Contractor THORNTON DRILLING

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Narrative

SEP 29 2008

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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CONSERVATION DIVISION
WICHITA, KS
Page 3 of 3

Friday, August 29, 2008



CONSOLIDATED
Oil Well Services, LLC

TICKET NUMBER 18628

LOCATION Europe

FOREMAN Troy Strickler

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
10-20-08	4758	Race 14-19				Mc
CUSTOMER			Gus Jones #1			
Layne Energy						
MAILING ADDRESS						
P.O. Box 160						
CITY		STATE	ZIP CODE			
Sycamore		KS				
TRUCK #		DRIVER	TRUCK #		DRIVER	
520		Cliff				
502		Phillip				

JOB TYPE Log string HOLE SIZE 6 3/4 HOLE DEPTH 1447' CASING SIZE & WEIGHT 4 1/2 10.5'
 CASING DEPTH 1444' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.9" SLURRY VOL 50861 WATER gal/sk 6" CEMENT LEFT in CASING _____
 DISPLACEMENT 25861 DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety Meeting: Safety Meeting: Rig up to 4 1/2" casing. Break circulation. Wash
Down 8' to PSTD 1444' w/ 60861 water. Rig up to Cement. Pump tests Gel w/ Halls
200# water, Mixed 200# 50/50 Poz-mix w/ 2% CaCl2, 2% Gel, 4" Kol-Seal, 3" Cal-Seal
1/2" Phenoseal Pvc, 1/2% FL-110, 1/4% CAF-38 @ 13.9" gal. Wash out Pump + lines. Release
Plug. Displace w/ 23861 water. Final Pumping Pressure 700 PSI. Bump Plug to 1200 PSI.
Wait 2 hrs Release Pressure. Foot Hold. Good Cement to surface = 700 PSI
to Pit.

Job Complete.
AUG 29 2008

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	200#	50/50 Poz-mix	9.75	1950.00
1102	335"	2% CaCl2	.75	251.25
1118A	335"	2% Gel	.17	56.95
1110A	800"	4" Kol-Seal	.42	336.00
1101	600"	3" Cal-Seal	.36	216.00
1107A	25"	1/2" Phenoseal	1.15	28.75
1135	84"	1/2% FL-110	7.50	630.00
1146	42"	1/4% CAF-38	7.70	323.40
1118A	300"	Gel-Flush	.17	51.00
1105	50"	Halls	.39	19.50
5407	8.4 Ton	Ton-Mileage	m/c	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	5693.85
			SALES TAX	210.30
			ESTIMATED	5904.15

Thank You!
202912

Revin 3737

AUTHORIZATION Called by Jacob

TITLE Co-Rep.

KANSAS CORPORATION COMMISSION

SEP 02 2008

CONSERVATION DIVISION
WICHITA, KS