

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: McPherson
License: 5675

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: KCC
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. _____

5/12/2008 5/13/2008 6/4/2008
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 125-31594-00-00
County: Montgomery
W2 SW NW Sec. 30 Twp. 31 S. R. 17 East West
1935 feet from S / (circle one) Line of Section
403 feet from E / (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Crain Well #: 5-30
Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals
Elevation: Ground: 881' Kelly Bushing: _____
Total Depth: 1101' Plug Back Total Depth: 1100'
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 1100
feet depth to Surface w/ 150 sx cmt.

Drilling Fluid Management Plan N/A # NH10-14-08
(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: [Signature]
Title: Agent Date: 8/29/2008
Subscribed and sworn to before me this 29 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 **RECEIVED**
 Geologist Report Received **KANSAS CORPORATION COMMISSION**
 UIC Distribution **SEP 02 2008**
MacLAUGHLIN DARLING
Notary Public - State of Kansas
My Appt. Expires 1-4-2009
CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Crain Well #: 5-30
 Sec. 30 Twp. 31 S. R. 17 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>550 GL</td> <td>331</td> </tr> <tr> <td>Excello Shale</td> <td>671 GL</td> <td>210</td> </tr> <tr> <td>V-Shale</td> <td>721 GL</td> <td>160</td> </tr> <tr> <td>Mineral Coal</td> <td>764 GL</td> <td>117</td> </tr> <tr> <td>Mississippian</td> <td>1084 GL</td> <td>-203</td> </tr> </table>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample	Name	Top	Datum	Pawnee Lime	550 GL	331	Excello Shale	671 GL	210	V-Shale	721 GL	160	Mineral Coal	764 GL	117	Mississippian	1084 GL	-203
<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample																				
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Mineral Coal	764 GL	117																				
Mississippian	1084 GL	-203																				

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	22'	Class A	4	Type 1 cement
Casing	6.75"	4.5"	10.5	1100'	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
		2-3/8"	1065'			
Date of First, Resumerd Production, SWD or Enhr.			Producing Method			
6/13/2008			<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	17	0			

Disposition of Gas	METHOD OF COMPLETION	Production Interval
<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) _____	

RECEIVED
 KANSAS CORPORATION CORP/MISSISSIPPI
SEP 02 2008
 CONSERVATION DIVISION
 WICHITA, KS

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Crain 5-30		
	Sec. 30 Twp. 31S Rng. 17E, Montgomery County		
API:	15-125-31594-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations (June 2008)			
4	Riverton 1070' - 1072.5'	2900 lbs 20/40 sand 350 bbls water 650 gals 15% HCl acid	1070' - 1072.5'
4	Rowe 1015' - 1016.5'	2500 lbs 20/40 sand 171 bbls water 150 gals 15% HCl acid	1015' - 1016.5'
4	Bluejacket 902.5' - 904'	2800 lbs 20/40 sand 407 bbls water 300 gals 15% HCl acid	902.5' - 904'
4	Mineral 764' - 765.5' Croweburg 722' - 724.5' Bevier 704.5' - 706.5'	7500 lbs 20/40 sand 501 bbls water 900 gals 15% HCl acid	704.5' - 765.5'
4	Mulky 672.5' - 676.5' Summit 646.5' - 648.5'	7900 lbs 20/40 sand 375 bbls water 750 gals 15% HCl acid	646.5' - 676.5'

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 JUL 29 2008
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SEP 02 2008

CONSERVATION DIVISION
 WICHITA, KS

Layne Energy, Inc.

1900 Shawnee Mission Parkway, Mission Woods, Kansas 66205 Phone: (913) 748-3987 Fax: (913) 748-3970

August 29, 2008

Mr. Steve Bond
Kansas Corporation Commission
Oil & Gas Conservation Division
130 S. Market, Room 2078
Wichita, KS 67202

Re: Well Completion Form

Dear Mr. Bond:

I have enclosed the ACO-1 form and associated data for the following well:

API # 15-125-31594-00-00
Crain 5-30

We respectfully request that all information submitted be kept confidential. Per provision E-4 of K.A. R. 82-3-107, we request that the term of the confidentiality be extended by one year.

If you need additional information, please contact me at (913) 748-3960.

Sincerely,



MacLaughlin Darling
Engineering Technician

Enclosures

cc: Well File
Field Office

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SEP 02 2008
CONSERVATION DIVISION
WICHITA, KS



GEOLOGIC REPORT

LAYNE ENERGY

Crain 5-30

SW NW, 1935 FNL, 403 FWL

Section 30-T31S-R17E

Montgomery County, KS

Spud Date: 5/12/2008
Drilling Completed: 5/13/2008
Logged: 5/13/2008
A.P.I. #: 15125315940000
Ground Elevation: 881'
Depth Driller: 1101'
Depth Logger: 1101'
Surface Casing: 8.625 inches at 22'
Production Casing: 4.5 inches at 1065'
Cemented Job: 0
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

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Formation

	Tops	
	(below ground)	(subsea)
Surface (Dewey		
Limestone)		881
Pawnee Limestone	550	331
Excello Shale	671	210
"V" Shale	721	160
Mineral Coal	764	117
Mississippian	1,084	-203

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CONSERVATION DIVISION
WICHITA, KS

Daily Well Work Report

CRAIN 5-30
5/13/2008

Well Location:
MONTGOMERY KS
31S-17E-30 W2 SW NW
1935FNL / 403FWL

Cost Center C01026500100
Lease Number C010265
Property Code KSCV31S17E3005
API Number 15-125-31594

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
5/12/2008	5/13/2008	6/4/2008	6/13/2008	6/10/2008	CRAIN_5_30

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1101	1100	22	1100	0	0

Reported By KRD	Rig Number	Date 5/12/2008
Taken By KRD		Down Time
Present Operation DRILL OUT SURFACE		Contractor MCPHERSON

Narrative

MIRU MCPHERSON 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

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CONSERVATION DIVISION
WICHITA, KS

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

ENTERED

TICKET NUMBER 14034
 LOCATION Eureka
 FOREMAN Troy Strickler

**TREATMENT REPORT & FIELD TICKET
 CEMENT**

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
5-14-08	4758	Crane 5-30				MO
CUSTOMER <u>Layne Energy</u>			TRUCK #			
MAILING ADDRESS <u>P.O. Box 160</u>			DRIVER			
CITY <u>Sycamore</u>			TRUCK #			
STATE <u>Ks</u>			DRIVER			
ZIP CODE						

JOB TYPE Logstring HOLE SIZE 6 3/4" HOLE DEPTH 1101' CASING SIZE & WEIGHT 4 1/2"
 CASING DEPTH 1100' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.9" SLURRY VOL 37.4Bbl WATER gal/sk 6.1 CEMENT LEFT in CASING 0'
 DISPLACEMENT 17.5Bbl DISPLACEMENT PSI 500 MIX PSI 1000 Bump Ply RATE _____

REMARKS: Safety meeting. Rig up to 4 1/2' casing. Break circulation w/ 20Bbl water. Pump backs Gel-Flux w/ Halls. 5Bbl water, 5Bbl dye water. Mixed 150cks 50/50 Poz-mix Cement w/ 2% Gel, 2% Cacl₂, 4" Kol-Seal, 3" Cal-Seal, 1/2" Flocc, 1/2% FL-110, + 1/4% CAF-38 @ 13.9" wpt. Work out pump + lines. Release Plug. Displace w/ 17.5Bbl water. Final Pumping Pressure 500 PSI Bump Ply to 1000 PSI wait 2min. Release pressure. Float Held. Good Cement to surface = 6Bbl Slurry to Pit.

Job Complete

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	875.00	875.00
5406	40	MILEAGE <u>2nd of 2 wells</u>	3.45	N/C
1124	150cks	50/50 Poz-mix Cement	9.30	1395.00
1116A	250 #	2% Gel	.16 #	40.00
1102	250 #	2% Cacl ₂	.70 #	175.00
1110A	600 #	4" Kol-Seal	.40 #	240.00
1101	450 #	3" Cal-Seal	.35 #	157.50
1107	19 #	1/2" Flocc	1.98 #	37.62
1135	63 #	1/2% FL-110	7.15 #	450.45
1146	31 #	1/4% CAF-38	7.30 #	226.30
1118A	300 #	Gel-Flux	.16 #	48.00
1105	50 #	Halls	.37 #	18.50
5407		Ten-mileage	n/c	300.00
4404	1	4 1/2" Top Rubber Ply	42.00	42.00
5605A	4hrs.	Welder	85.00	340.00
4311	1	4 1/2" weld on Collar	60.00	60.00
			<u>Sub Total</u>	<u>4405.87</u>
			5.3% SALES TAX	<u>153.19</u>
			KANSAS CORPORATION ESTIMATED TOTAL	<u>4558.56</u>

Thanks!

5.3% SALES TAX
 KANSAS CORPORATION ESTIMATED TOTAL
4558.56

AUTHORIZATION called by Jacob

TITLE Co-Rep

002009

SEP 07 2008