

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

10/28/10

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

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 SLOW 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. _____

<u>7/18/2008</u>	<u>7/23/2008</u>	<u>8/11/2008</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 019-26920-00-00
County: Chautauqua
_____ SW SW Sec. 3 Twp. 32 S. R. 13 East West
621 feet from N (circle one) Line of Section
641 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Vaughn Well #: 13-3
Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals
Elevation: Ground: 866' Kelly Bushing: _____
Total Depth: 1424' Plug Back Total Depth: 1418'
Amount of Surface Pipe Set and Cemented at 40 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1418
feet depth to Surface w/ 195 sx cmf.

Drilling Fluid Management Plan ALT II NJ 1-20-09
(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: Project Engineer Date: 10-20-08
Subscribed and sworn to before me this 28 day of October,
20 08.
Notary Public: MacLaughlin Darling
Date Commission Expires: 1-4-2009

MacLAUGHLIN DARLING
Notary Public - State of Kansas
My Appt. 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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OCT 29 2008

CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Vaughn Well #: 13-3
 Sec. 3 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 <i>(Attach Additional Sheets)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Pawnee Lime	991 GL	-125
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	1110 GL	-244
List All E. Logs Run:		V-Shale	1164 GL	-298
Compensated Density Neutron Dual Induction		Mineral Coal	1204 GL	-338

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	40'	Class A	8	Type 1 cement
Casing	6.75"	4.5"	10.5	1418'	Thick Set	195	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		

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TUBING RECORD		Size	Set At	Packer At	Liner Run	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
		2-3/8"	1285'			
Date of First, Resumerd Production, SWD or Enhr. 8/15/2008			Producing Method			
			<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 Bbbls.	Gas Mcf	Water Bbbls.	Gas-Oil Ratio	Gravity	
	0	36	0			

Disposition of Gas Vented Sold Used on Lease *(If vented, Submit ACO-18.)*

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled

Production Interval Other (Specify) _____

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Vaughn 13-3		
	Sec. 3 Twp. 32S Rng. 13E, Chautauqua County		
API:	15-019-26920-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations (August 2008)			
4	Mineral 1204' - 1205.5'	2400 lbs 20/40 sand 253 bbls water 366 gals 15% HCl acid	1204' - 1205.5'
4	Croweburg 1164.5' - 1167' Bevier 1146' - 1147'	5600 lbs 20/40 sand 318 bbls water 400 gals 15% HCl acid	1146' - 1167'
4	Mulky 1110.5' - 1114' Summit 1095.5' - 1097'	8100 lbs 20/40 sand 335 bbls water 500 gals 15% HCl acid	1095.5' - 1114'

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GEOLOGIC REPORT

LAYNE ENERGY
Vaughn 13-3
SW SW, 621 FSL, 641 FWL
Section 3-T32S-R13E
Chautauqua County, KS

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Spud Date: 7/18/2008
Drilling Completed: 7/23/2008
Logged: 7/22/2008
A.P.I. #: 15019269200000
Ground Elevation: 866'
Depth Driller: 1424'
Depth Logger: 1424'
Surface Casing: 8.625 inches at 40'
Production Casing: 4.5 inches at 1418.2'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

Formation	Tops	
	(below ground)	(subsea)
Quaternary	Surface (Alluvium)	866
Pawnee Limestone	991	-125
Excello Shale	1,110	-244
"V" Shale	1,164	-298
Mineral Coal	1,204	-338
Mississippian		

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WICHITA, KS

Daily Well Work Report

VAUGHN 13-3
7/18/2008

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Well Location:
CHAUTAUQUA KS
32S-13E-3 SW SW
621FSL / 641FWL

Cost Center G01048900100
Lease Number G010489
Property Code KSLE32S13E0313
API Number 15-019-26920

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
7/18/2008	7/22/2008	8/11/2008	8/15/2008	8/15/2008	VAUGHN_13_3

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1424	1418.2	40	4.5	0	0

Reported By KRD	Rig Number	Date 7/18/2008
Taken By KRD		Down Time
Present Operation DRILL UNDER SURFACE		Contractor THORNTON ROTARY

Narrative

MIRU THORNTON ROTARY DRILLING, DRILLED 11" HOLE, 40' 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



CONSOLIDATED
Oil Well Services, LLC

ENTERED

TICKET NUMBER 18886

LOCATION Eureka

FOREMAN Troy Stricker

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
7-23-08	4758	Vaughn 13-3				ELK
CUSTOMER Layne Energy Vaughn						
MAILING ADDRESS P.O. Box 160						
CITY Sycamore						
STATE Ks		ZIP CODE				
			TRUCK #	DRIVER	TRUCK #	DRIVER
			520	Cliff	OCT 28 2008	
			441	David		
			CONFIDENTIAL			

JOB TYPE Logistics HOLE SIZE 6 3/4" HOLE DEPTH 1424' CASING SIZE & WEIGHT 4 1/2" 10.5"
 CASING DEPTH 1418' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.9" SLURRY VOL 48.681 WATER gal/sk 6' CEMENT LEFT in CASING 0'
 DISPLACEMENT 22.586 DISPLACEMENT PSI 750 MIX PSI 1250 Pump Ply RATE _____

REMARKS: Safety Meeting: Rig up to 4 1/2" casing. Break Circulation w/ 2500 gal water.
 Pump 3000 gal water, mixed last Gel - Flush w/ Halls. 2000 gal water spacer.
 Mixed 195 skr 50/50 Poz-mix Cement w/ 2% Caclz, 2% Gel, 4" Kal-Seal,
 3" Cal-Seal, 1/2" Phenacal, 1/2% FL-110, + 1/4% CAF-38 @ 13.9" / gal - Yield 1.40.
 Wash out Pump + liner. Release Plug. Displace w/ 22.5 gal water.
 Final Pumping Pressure 750 PSI. Pump Ply to 1250 PSI. Wait 20 min.
 Release Pressure. Float Held. Good Cement to surface = 981
 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	195 skr	50/50 Poz-Mix	9.25	1901.25
1102	330*	2% Caclz	.75	247.50
1118A	330*	2% Gel	.17	56.10
1110A	780*	4" Kal-Seal / sk	.42	327.60
1101	585	3" Cal-Seal / sk	.36	210.60
1107A	25*	1/2" Phenacal sk	1.15	28.75
1135	82*	1/2% FL-110	7.50	615.00
1146	41*	1/4% CAF-38	7.70	315.70
1118A	300*	Gel-Flush	.17	51.00
1105	50*	Halls	.39	19.50
5407A	8.19	Top Mileage	1.20	993.12
4404		4 1/2" Top Rubber Ply	45.00	45.00
5605A	4 hrs	welder	85.00	340.00
		Thank You!	Sub Total	5622.12
			SALES TAX	240.59
			ESTIMATED TOTAL	5862.60

Ravin 3737

223897

AUTHORIZATION Called by Jacob

TITLE Co Rep

DATE _____