

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

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: MoKat
License: 5831

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. _____

7/9/2008 7/11/2008 8/6/2008
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 205-27563-00-00
County: Wilson
____ - ____ - SE - SE Sec. 32 Twp. 29 S. R. 14 East West
601 feet from S / N (circle one) Line of Section
630 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Shire Well #: 16-32
Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals
Elevation: Ground: 974' Kelly Bushing: _____
Total Depth: 1463' Plug Back Total Depth: 1459'
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 1459
feet depth to Surface w/ 205 sx cmt.

Drilling Fluid Management Plan At II NJI-21-09
(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: _____
Title: Agent Date: 10-28-08
Subscribed and sworn to before me this 28 day of October
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

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

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CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Shire Well #: 16-32
 Sec. 32 Twp. 29 S. R. 14 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 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	981 GL	-7
Excello Shale	1070 GL	-96
V-Shale	1143 GL	-169
Mississippian	1396 GL	-422

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	1459'	Thick Set	205	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		

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TUBING RECORD		Size	Set At	Packer At	Liner Run	CONSERVATION DIVISION WICHITA, KS	
		2-3/8"	1410'		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Date of First, Resumerd Production, SWD or Enhr. 8/11/2008			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 Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity		
	0	18	0				

Disposition of Gas **METHOD OF COMPLETION** Production Interval

Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled
 (If vented, Submit ACO-18.) Other (Specify) _____

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Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Shire 16-32		
	Sec. 32 Twp. 29S Rng. 14E, Wilson County		
API:	15-205-27563-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations (August 2008)			
4	Rowe 1345.5' - 1347.5'	2500 lbs 20/40 sand 271 bbls water 680 gals 15% HCl acid	1345.5' - 1347.5'
4	Croweburg 1143.5' - 1146.5' Iron Post 1125.5' - 1127'	6300 lbs 20/40 sand 335 bbls water 500 gals 15% HCl acid	1125.5' - 1146.5'
4	Mulky 1070.5' - 1074.5'	5000 lbs 20/40 sand 245 bbls water 100 gals 15% HCl acid	1070.5' - 1074.5'
4	Mulberry 977' - 978.5' Mulberry 976.5' - 978'	800 lbs 20/40 sand 248 bbls water 800 gals 15% HCl acid	976.5' - 978.5'
4	Laredo 850.5' - 852'	2600 lbs 20/40 sand 171 bbls water 300 gals 15% HCl acid	850.5' - 852'

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CONSERVATION DIVISION
 WICHITA, KS

GEOLOGIC REPORT

LAYNE ENERGY
Shire 16-32
SE SE, 601 FSL, 630 FEL
Section 32-T29S-R14E
Wilson County, KS

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Spud Date: 7/9/2008
Drilling Completed: 7/11/2008
Logged: 7/11/2008
A.P.I. #: 15205275630000
Ground Elevation: 974'
Depth Driller: 1463'
Depth Logger: 1468'
Surface Casing: 8.625 inches at 40'
Production Casing: 4.5 inches at 1459'
Cemented Job: 0
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

Formation	Tops	
	(below ground)	(subsea)
Douglas Group	Surface (Stranger Formation)	974
Pawnee Limestone	981	-7
Excello Shale	1,070	-96
"V" Shale	1,143	-169
Mineral Coal		
Mississippian	1,396	-422

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WICHITA, KS

Daily Well Work Report

SHIRE 16-32
7/11/2008

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Well Location:
WILSON KS
29S-14E-32 SE SE
601FSL / 630FEL

Cost Center G01015800300
Lease Number G010158
Property Code KSSY29S14E3216
API Number 15-205-27563

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
7/9/2008	7/11/2008	8/6/2008	8/11/2008	8/11/2008	SHIRE_16_32

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1463	1459	40	1459	0	0

Reported By KRD	Rig Number	Date 7/9/2008
Taken By KRD		Down Time
Present Operation DRILL OUT FROM UNDER SURFACE		Contractor MOKAT DRILLING

Narrative

MIRU MOKAT 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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CONSERVATION DIVISION
WICHITA, KS



CONSOLIDATED
Oil Well Services, LLC

ENTERED

TICKET NUMBER 18724
LOCATION FUREKA
FOREMAN RICK LEONARD KCC

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

FIELD TICKET & TREATMENT REPORT
CEMENT

OCT 28 2008

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
7-14-08	4758	Shiae 16-32				Wilson
CUSTOMER			TRUCK #	DRIVER	TRUCK #	DRIVER
Mailing Address			463	Shannon		
CITY			502	Phillip		
STATE						
ZIP CODE						
Layne Energy						
D.O. Box 160						
Sycamore						
KS						

JOB TYPE logstring HOLE SIZE 6 3/4" HOLE DEPTH 1408' CASING SIZE & WEIGHT 4 1/2" 18.5"
CASING DEPTH 1465' DRILL PIPE _____ TUBING _____ OTHER _____
SLURRY WEIGHT 13.9" SLURRY VOL 51 bbl WATER gal/sk 6' CEMENT LEFT in CASING 0'
DISPLACEMENT 23.3 bbl DISPLACEMENT PSI 900 MIX PSI 1300 RATE _____

REMARKS: Safety meeting- Rig up to 4 1/2" casing. Break circulation w/ 30 bbl fresh water. Washdown to T.P. Pump 6 sks gel-flush w/ hulls, 5 bbl water spacer. Mixed 205 sks 50/50 Pozmix cement w/ 220 cack, 220 gel, 4" Kel-seal, 3" cal-seal, 1/2" Phenosan ^{100%}, 1/2" FL-110 + 1/4" CAF-32 @ 13.9" ^{100%} yield 1.40. Washout pump + 1 inch shut down, release plug. Dipha w/ 23.3 bbl fresh water. Final pump pressure 900 PSI. Pump plug to 1300 PSI. wait 2 minutes, release pressure, flow held. Good cement returns to surface = 8 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	205 sks	50/50 Pozmix cement	9.25	1998.75
1102	345"	270 cack	.75	258.75
1118A	345"	270 gel	.17	58.65
1110A	820"	4" Kel-seal ^{100%}	.42	344.40
1101	615"	3" cal-seal ^{100%}	.36	221.40
1107A	25"	1/8" Phenosan ^{100%}	1.15	28.75
1135	100"	1/2" FL-110	7.50	750.00
1146	50"	1/4" CAF-32	7.70	385.00
1118A	300"	gel-flush	.17	51.00
1165	50"	hulls	.39	19.50
5407A	8.6	car-mileage bulk tri	1.20	412.80
4404	1	4 1/2" Exp rubber plug	45.00	45.00
5605A	4 hrs	welder	85.00	340.00
4311	2	4 1/2" weld on collar	60.00	120.00
		Subtotal		6105.00
		SALES TAX		269.78
		ESTIMATED TOTAL		6374.78

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253546

Ravin 3737

AUTHORIZATION

Judy Meier

TITLE

DATE