

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. _____

<u>7/24/2008</u>	<u>7/25/2008</u>	<u>9/10/2008</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-31641-00-00
County: Montgomery
E2 NE SW Sec. 2 Twp. 33 S. R. 16 East West
1931 feet from N (circle one) Line of Section
1048 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Perkins Well #: 12-2
Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals
Elevation: Ground: 748' Kelly Bushing: _____
Total Depth: 1107' Plug Back Total Depth: 1098'
Amount of Surface Pipe Set and Cemented at 44 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1098
feet depth to Surface w/ 150 sx cmf.

Drilling Fluid Management Plan Att # NJ 1-21-09
(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: [Signature]
Title: Project Engineer Date: 10-28-08
Subscribed and sworn to before me this 28 day of October
20 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
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OCT 29 2008
My Appt. Expires 1-4-2009



Operator Name: Layne Energy Operating, LLC Lease Name: Perkins Well #: 12-2
 Sec. 2 Twp. 33 S. R. 16 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 <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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Pawnee Lime	444 GL	304
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Excello Shale	606 GL	142
List All E. Logs Run:		V-Shale	656 GL	92
Compensated Density Neutron		Mineral Coal	700 GL	48
Dual Induction		Mississippian	1033 GL	-285

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	44'	Class A	70	Type 1 cement
Casing	6.75"	4.5"	10.5	1098'	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 <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	CONSERVATION DIVISION WICHITA, KS	
		2-3/8"	1068'		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Date of First, Resumerd Production, SWD or Enhr.			Producing Method				
9/17/2008			<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 Vented Sold Used on Lease *(If vented, Submit ACO-18.)*

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled

Production Interval Other (Specify) _____

KCC

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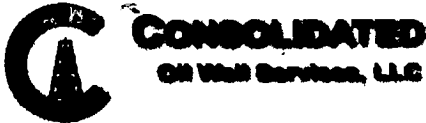
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Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Perkins 12-2		
	Sec. 2 Twp. 33S Rng. 16E, Montgomery County		
API:	15-125-31641-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations (September 2008)			
4	Riverton 1018.5' - 1022'	2700 lbs 20/40 sand 303 bbls water 300 gals 15% HCl acid	1018.5' - 1022'
4	Weir 782' - 785'	2700 lbs 20/40 sand 166 bbls water 750 gals 15% HCl acid	782' - 785'
4	Mineral 699.5' - 701.5'	2400 lbs 20/40 sand 161 bbls water 100 gals 15% HCl acid	699.5' - 701.5'
4	Croweburg 656' - 659' Iron Post 632.5' - 634'	6300 lbs 20/40 sand 335 bbls water 400 gals 15% HCl acid	632.5' - 659'
4	Mulky 606.5' - 610.5'	6100 lbs 20/40 sand 458 bbls water 450 gals 15% HCl acid	606.5' - 610.5'
4	Lexington 479' - 480.5'	2400 lbs 20/40 sand 123 bbls water 300 gals 15% HCl acid	479' - 480.5'

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CONSERVATION DIVISION
WICHITA, KS



ENTERED

TICKET NUMBER 18878
LOCATION Eureka
FOREMAN STEVEN MAUL

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
7-24-08	4758	Parkins #12-2				Osage
CUSTOMER			TRUCK #			
Layne Energy			DRIVER			
MAILING ADDRESS			TRUCK #			
P.O. Box 160			DRIVER			
CITY						
STATE						
ZIP CODE						
Sycamore						
KS						

JOB TYPE Surface HOLE SIZE 11" HOLE DEPTH 45' CASING SIZE & WEIGHT 8 5/8 20*
 CASING DEPTH 44' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT _____ SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT in CASING 5'
 DISPLACEMENT 2 1/2 bbls DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety Meeting: Rig up to 8 5/8 casing. Break circulation with 5 bbls
Fresh water. Mix 70 sks Class A cement w/ 3% Cel 2% Cel. Displace
with 2 1/2 bbls Fresh water. Good circulation while cementing. Traces
Cement to surface. Shut well in. Job complete Rig down

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Thank you

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5405	1	PUMP CHARGE	725.00	725.00
		MILEAGE in area	0	0
11045	70 SKS	Class A Cement	13.50	945.00
1102	200#	Cel 3%	.75	150.00
1118A	130#	Cel 2%	.17	22.10
5407		Ten mileys bulk truck	MIK	312.00
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CONSERVATION DIVISION WICHITA, KS				
			SubTotal	2157.10
			SALES TAX 5.3%	59.31
			ESTIMATED TOTAL	2216.31

Revin 3737

883973

AUTHORIZATION Witness by Jacob

TITLE Co. Rep

DATE _____



ENTERED

TICKET NUMBER 18902

LOCATION FURGA

FOREMAN RICK LEAFORD

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
7-28-08	4258	Perkins 12-2				MO
CUSTOMER		Layne Energy		TRUCK #		DRIVER
MAILING ADDRESS		P.O. Box 160		463		Shannon
CITY		Sycamore		479		John
STATE		KS				
ZIP CODE						
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JOB TYPE Logging HOLE SIZE 6 3/4" HOLE DEPTH 1102' CASING SIZE & WEIGHT 4 1/2" 10.5#
 CASING DEPTH 1098' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.9" SLURRY VOL 37 bbl WATER gal/sk 6.1 CEMENT LEFT in CASING 0'
 DISPLACEMENT 17.5 bbl DISPLACEMENT PSI 600 MIX PSI 1000 RATE _____

REMARKS: Safety meeting. Rig up to 4 1/2" casing. Break circulation w/ 25 bbl fresh water washdown 15' to T.O. Pump 30 bbl water ahead. Pump 6 sacks gal flush w/ hulls, 5 bbl water spacer. Mixed 150 sacks 50/50 Permian cement w/ 27% conc, 27% gal, 4" Pol-sol, 3" col-sol, 1/2" phosol, 1/2" 52-10 + 1/2" CAF-58 @ 13.9" gal. yield 1.40. Washnet pump + lines shut down, release plug. Displace w/ 17.5 bbl fresh water. Final pump pressure 400 PSI. Pump plug to 400 PSI. wait 2 minutes, release pressure, float held. Good cement returns to surface = 7 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	150 sacks	50/50 Permian cement	9.25	1402.50
1102	250#	27% conc	.75	197.50
1118A	250#	27% gal	.17	42.50
1118A	600#	4" Pol-sol	.42	252.00
1101	450#	3" col-sol	.36	162.00
1107A	19#	1/2" phosol	1.15	21.85
1135	25#	1/2" 52-10	2.50	62.50
1146	38#	1/2" CAF-58	2.70	298.60
1118A	300#	gal flush	.17	51.00
1105	50#	hulls	.37	19.50
5407	6.3	tan-milago bulk trk	n/c	365.00
4404	1	4 1/2" top rubber plug	45.00	45.00
5605A	4 hrs	welder	85.00	340.00
4311	1	4 1/2" weld on collar	60.00	60.00
			Subtotal	4794.95
			SALES TAX	167.43
			ESTIMATED TOTAL	5052.38

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WICHITA, KS

Ravin 3737

AUTHORIZATION Jessy Meade

TITLE 204070

DATE _____

GEOLOGIC REPORT

LAYNE ENERGY
Perkins 12-2
NW SW, 1931 FSL, 1048 FWL
Section 2-T33S-R16E
Montgomery County, KS

Spud Date: 7/24/2008
Drilling Completed: 7/25/2008
Logged: 7/25/2008
A.P.I. #: 15125316410000
Ground Elevation: 748'
Depth Driller: 1107'
Depth Logger: 1102'
Surface Casing: 8.625 inches at 41'
Production Casing: 4.5 inches at 1097.6'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

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Formation	Tops	
	(below ground)	(subsea)
Quaternary	Surface (Alluvium)	748
Pawnee Limestone	444	304
Excello Shale	606	142
"V" Shale	656	92
Mineral Coal	700	48
Mississippian	1,033	-285

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Daily Well Work Report

PERKINS 12-2

7/24/2008

Well Location:
MONTGOMERY KS
33S-16E-2 E2 NE SW
1931FSL / 1048FWL

Cost Center G01051200100
Lease Number G010512
Property Code KSDC33S16E0212
API Number 15-125-31641

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
7/24/2008	7/25/2008	9/10/2008	9/17/2008	9/15/2008	PERKINS_12_2

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1107	1098	44	1098	0	0

Reported By KRD	Rig Number	Date 7/24/2008
Taken By KRD		Down Time
Present Operation DRILL OUT		Contractor MOKAT

Narrative

MIRU MOKAT DRILLING, DRILLED 11" HOLE, 44' DEEP, RIH W/2 JT 8 5/8" SURFACE CASING, RIG UP CONSOLIDATED TO 8-5/8" CSG, BREAK CIRCULATION W/5 BBLs FRESH WATER. MIX 70 SKS CLASS A CEMENT W/3% CACLZ, 2% GEL. DISPLACE WITH 2.5 BBLs WATER. GOOD CIRCULATION WHILE CEMENTING. TRACE CEMENT TO SURFACE, SHUT WELL IN. RD MOL.
DWC:\$ 5,377

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WICHITA, KS

Monday, October 27, 2008

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