

ORIGINAL

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Form ACO-1
September 1999
Form Must Be Typed

11/25/10

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:
[X] New Well [] Re-Entry [] Workover
[] Oil [] SWD [] SIOW [] Temp. Abd.
[X] 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.

Table with 3 columns: Spud Date or Recompletion Date, Date Reached TD, Completion Date or Recompletion Date. Values: 8/26/2008, 8/28/2008, 9/30/2008.

API No. 15 - 125-31763-00-00
County: Montgomery
N2 SE NE SE Sec. 4 Twp. 31 S. R. 16 [X] East [] West
1803 feet from (S) N (circle one) Line of Section
394 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE (SE) NW SW
Lease Name: Pierce Well #: 9-4
Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals
Elevation: Ground: 779' Kelly Bushing:
Total Depth: 1081' Plug Back Total Depth: 1080'
Amount of Surface Pipe Set and Cemented at 22 Feet
Multiple Stage Cementing Collar Used? [] Yes [X] No
If yes, show depth set Feet
If Alternate II completion, cement circulated from 1080 feet depth to Surface w/ 150

Drilling Fluid Management Plan
(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.:

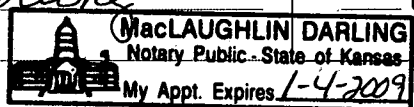
Handwritten note: AITZ-Dtg - 1/6/09

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: [Handwritten Signature]
Title: Project Engineer Date: 11/25/08
Subscribed and sworn to before me this 25 day of November, 2008.
Notary Public: MacLaughlin Darline
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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NOV 26 2008



CONSERVATION DIVISION WICHITA, KS

| | | | |
|--|--|--|---------------|
| Operator Name: | Layne Energy Operating, LLC. | | |
| Lease Name: | Pierce 9-4 | | |
| | Sec. 4 Twp. 31S Rng. 16E, Montgomery County | | |
| API: | 15-125-31763-00-00 | | |
| | | | |
| Shots per Foot | Perforation Record | Acid, Fracture, Shot, Cement Squeeze Record | Depth |
| Initial Perforations (September 2008) | | | |
| 4 | Mineral 699' - 700.5' | 2000 lbs 20/40 sand 336 bbls water 700 gals 15% HCl acid | 699' - 700.5' |
| 4 | Croweburg 663' - 665.5' Iron Post 641' - 642.5' | 6200 lbs 20/40 sand 386 bbls water 500 gals 15% HCl acid | 641' - 665.5' |
| 4 | Mulky 610.5' - 616' | 6800 lbs 20/40 sand 274 bbls water 200 gals 15% HCl acid | 610.5' - 616' |
| | | | |

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CONSERVATION DIVISION
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Pierce Well #: 9-4
 Sec. 4 Twp. 31 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Name | Top | Datum |
| Cores Taken | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | Pawnee Lime | 472 GL | 307 |
| Electric Log Run <i>(Submit Copy)</i> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Excello Shale | 610 GL | 169 |
| List All E. Logs Run: | | V-Shale | 663 GL | 117 |
| Compensated Density Neutron | | Mineral Coal | 699 GL | 80 |
| Dual Induction | | Mississippian | 1006 GL | -227 |

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| 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 | 1080' | 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" | 814' | | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| Date of First, Resumerd Production, SWD or Enhr. | | Producing Method | | | | | |
| 10/4/2008 | | <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 | 7 | 0 | | | | |

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

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

Production Interval _____



CONSOLIDATED
Oil Well Services, LLC



ENTERED

TICKET NUMBER 19291

LOCATION EVANNA

FOREMAN Rick Lafford

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 |
|--|------------|--------------------|------------|----------------|---------------------|--------|
| 8-29-08 | 4753 | PIKE 9-4 | | | | MO |
| CUSTOMER <u>Layne Energy</u> | | | TRUCK # | DRIVER | TRUCK # | DRIVER |
| MAILING ADDRESS <u>P.O. Box 160</u> | | | <u>463</u> | <u>Shannon</u> | <u>NOV 19 2008</u> | |
| CITY <u>Sycamore</u> | | | <u>479</u> | <u>John</u> | CONFIDENTIAL | |
| STATE <u>KS</u> | | | | | | |
| ZIP CODE | | | | | | |

JOB TYPE long string HOLE SIZE 6 3/4" HOLE DEPTH 108' CASING SIZE & WEIGHT 4 1/2" 10.5"
 CASING DEPTH 108' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.9" SLURRY VOL 37 bbl WATER gal/sk 6' CEMENT LEFT in CASING 0'
 DISPLACEMENT 17.2 bbl DISPLACEMENT PSI 500 ~~900~~ PSI 900 RATE _____

REMARKS: Safety meeting. Rig up to 4 1/2" casing. Break circulation w/ 25 bbl fresh water. Washdown 15' to T.D. Pump 30 bbl water to get air out. Pump 6 sacks gel-flush w/ hulls, 10 bbl water spacer. Mixed 150 sacks 50/50 Permox cement w/ 270 cacke, 270 gal, 4" col-seal, 3" col-seal, 1/2" phos-seal, 1/2" FL-110 & 1/4" CAZ-38 @ 13.9" yield 1.40. Washout pump + lms, shut down, release plug. Displace w/ 17.2 bbl fresh water. Final pump pressure 500 PSI. Pump plug to 200 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 SCS | 50/50 Permox cement | 9.75 | 1462.50 |
| 1102 | 250" | 270 cacke | .75 | 187.50 |
| 1118A | 250" | 270 gal | .17 | 42.50 |
| 1118A | 600" | 4" col-seal 100/100 | .42 | 252.00 |
| 1101 | 450" | 3" col-seal 100/100 | .36 | 162.00 |
| 1102A | 19" | 1/2" phos-seal 100/100 | 1.15 | 21.85 |
| 1135 | 25" | 1/2" FL-110 | 7.50 | 562.50 |
| 1146 | 38" | 1/4" CAZ-38 | 2.70 | 292.60 |
| 1118A | 300" | gel-flush | .17 | 51.00 |
| 1105 | 50" | hulls | .39 | 19.50 |
| 5407 | 6.3 | top-mileage bulk tax | m/c | 315.00 |
| 4404 | 1 | 4 1/2" top rubber plug | 45.00 | 45.00 |
| | | | Subtotal | 4984.95 |
| | | | SALES TAX | 164.25 |
| | | | ESTIMATED TOTAL | 4649.20 |

Ravin 3737

225316

AUTHORIZATION _____ TITLE _____ DATE _____

GEOLOGIC REPORT

LAYNE ENERGY
Pierce 9-4
SE NE SE, 1803 FSL, 394 FEL
Section 4-T31S-R16E
Montgomery County, KS

Spud Date: 8/26/2008
Drilling Completed: 8/28/2008
Logged: 8/28/2008
A.P.I. #: 15125317630000
Ground Elevation: 779'
Depth Driller: 1081'
Depth Logger: 1081'
Surface Casing: 8.625 inches at 22'
Production Casing: 4.5 inches at 1080'
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) | 779 |
| Pawnee Limestone | 472 | 307 |
| Excello Shale | 610 | 169 |
| "V" Shale | 663 | 117 |
| Mineral Coal | 699 | 80 |
| Mississippian | 1,006 | -227 |

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CONSERVATION DIVISION
WICHITA, KS

Daily Well Work Report

PIERCE 9-4

8/28/2008

Well Location:
MONTGOMERY KS
31S-16E-4 N2 SE NE SE
1803FSL / 394FEL

Cost Center C01021600400
Lease Number C010216
Property Code KSCV31S16E0409
API Number 15-125-31763

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| Spud Date | RDMO Date | First Compl | First Prod | EFM Install | CygnnetID |
|-----------|-----------|-------------|------------|-------------|------------|
| 8/26/2008 | 8/28/2008 | 9/30/2008 | 10/4/2008 | 10/1/2008 | PIERCE_9_4 |

| TD | PBTD | Sf Csg Depth | Pr Csg Depth | Tbg Size | Csg Size |
|------|------|--------------|--------------|----------|----------|
| 1081 | 1080 | 22 | 1080 | 0 | 0 |

| | | |
|--|-------------------|----------------------------------|
| Reported By KRD | Rig Number | Date 8/26/2008 |
| Taken By KRD | | Down Time |
| Present Operation DRILL OUT SURFACE | | Contractor MOKAT DRILLING |

Narrative

MIRU MOKAT 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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