

CONFIDENTIAL

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12/03/08

ORIGINAL

12/03/10

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM

WELL HISTORY - DESCRIPTION OF WELL & LEASE

DEC 08 2008

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 SIOW 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>8/28/2008</u>	<u>9/4/2008</u>	<u>10/2/2008</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-31759-00-00

County: Montgomery

NW SW NE Sec. 5 Twp. 31 S. R. 14 East West
1711 feet from S / (N) (circle one) Line of Section

2157 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) (NE) SE NW SW

Lease Name: Lawrence Well #: 7-5

Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals

Elevation: Ground: 917' Kelly Bushing: _____

Total Depth: 1437' Plug Back Total Depth: 1433'

Amount of Surface Pipe Set and Cemented at 42 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set _____ Feet

If Alternate II completion, cement circulated from 1433

feet depth to Surface w/ 200 sx cmt.

Drilling Fluid Management Plan ATF I NJ 22509
(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: Project Engineer Date: 12/3-08

Subscribed and sworn to before me this 3 day of December

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

UIC Distribution

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KANSAS CORPORATION COMMISSION

DEC 04 2008

CONSERVATION DIVISION
WICHITA, KS

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Operator Name: Layne Energy Operating, LLC Lease Name: Lawrence Well #: 7-5
 Sec. 5 Twp. 31 S. R. 14 East West County: Montgomery

K00

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	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <th style="width:60%;">Name</th> <th style="width:20%;">Top</th> <th style="width:20%;">Datum</th> </tr> <tr> <td>Pawnee Lime</td> <td>912 GL</td> <td>5</td> </tr> <tr> <td>Excello Shale</td> <td>1028 GL</td> <td>-111</td> </tr> <tr> <td>V-Shale</td> <td>1096 GL</td> <td>-179</td> </tr> <tr> <td>Mineral Coal</td> <td>1137 GL</td> <td>-220</td> </tr> <tr> <td>Mississippian</td> <td>1356 GL</td> <td>-439</td> </tr> </table>	Name	Top	Datum	Pawnee Lime	912 GL	5	Excello Shale	1028 GL	-111	V-Shale	1096 GL	-179	Mineral Coal	1137 GL	-220	Mississippian	1356 GL	-439
Name	Top	Datum																	
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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	42'	Class A	25	Type 1 cement
Casing	6.75"	4.5"	10.5	1433'	Thick Set	200	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 2-3/8"	Set At 1377'	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	CONSERVATION DIVISION WICHITA, KS
Date of First, Resumerd Production, SWD or Enhr. 10/7/2008		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. 0	Gas Mcf 46	Water Bbls. 0	Gas-Oil Ratio	Gravity

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) _____

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Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Lawrence 7-5		
	Sec. 5 Twp. 31S Rng. 14E, Montgomery County		KCC
API:	15-125-31759-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations (September 2008)			
4	Rowe 1314' - 1316'	2600 lbs 20/40 sand 294 bbls water 760 gals 15% HCl acid	1314' - 1316'
4	Mineral 1137.5' - 1139'	3000 lbs 20/40 sand 192 bbls water 120 gals 15% HCl acid	1137.5' - 1139'
4	Croweburg 1096.5' - 1100' Bevier 1078.5' - 1080'	6800 lbs 20/40 sand 368 bbls water 400 gals 15% HCl acid	1078.5' - 1100'
4	Mulky 1029' - 1032' Summit 1016' - 1018'	7100 lbs 20/40 sand 353 bbls water 400 gals 15% HCl acid	1016' - 1032'
4	Mulberry 908.5' - 910'	2400 lbs 20/40 sand 168 bbls water 200 gals 15% HCl acid	908.5' - 910'

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WICHITA, KS

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GEOLOGIC REPORT

LAYNE ENERGY
Lawrence 7-5
SW NE, 1711 FNL, 2157 FEL
Section 5-T31S-R14E
Montgomery County, KS

Spud Date: 8/28/2008
Drilling Completed: 9/4/2008
Logged: 9/4/2008
A.P.I. #: 15125317590000
Ground Elevation: 917'
Depth Driller: 1437'
Depth Logger: 1436'
Surface Casing: 8.625 inches at 42'
Production Casing: 4.5 inches at 1433'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

Formation	Tops	
	(below ground)	(subsea)
Quaternary	Surface (Alluvium)	917
Pawnee Limestone	912	5
Excello Shale	1,028	-111
"V" Shale	1,096	-179
Mineral Coal	1,137	-220
Mississippian	1,356	-439

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KOB

Daily Well Work Report

LAWRENCE 7-5
8/28/2008

Well Location:
MONTGOMERY KS
31S-14E-5 SW NE
1711FNL / 2157FEL

Cost Center G01060800100
Lease Number G010608
Property Code KSSY31S14E0507
API Number 15-125-31759

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
8/28/2008	9/4/2008	10/2/2008	10/7/2008	10/7/2008	LAWRENCE_7_5

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1437	1433	42	1433	0	0

Reported By KRD	Rig Number	Date 8/28/2008
Taken By KRD		Down Time
Present Operation DRILL OUT SURFACE		Contractor MOKAT

Narrative

MIRU MOKAT DRILLING, DRILLED 11" HOLE, 42' DEEP, RIH W/2 JT 8 5/8" SURFACE CASING, RU CONSOLIDATED TO CSG, BREAK CIRCULATION W/5 BBLS FRESH WATER. MIXED 25 SKS THICK SET CEMENT AT 14#/GAL. DISPLACE WITH 1.9 BBLS FRESH WATER. SHUT CASING IN. GOOD CEMENT RETURNS TO SURFACE. SDFN.
DWC:\$4700

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WICHITA, KS



CONSOLIDATED
Oil Well Services, LLC

INTEREST



TICKET NUMBER 19360
LOCATION Eureka
FOREMAN Troy Strickland

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

FIELD TICKET & TREATMENT REPORT
CEMENT

DEC 08 2008

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY																
9-5-08	4758	Lawrence 7-5			R20	MC																
CUSTOMER <u>Layne Energy</u>			<table border="1"> <thead> <tr> <th>TRUCK #</th> <th>DRIVER</th> <th>TRUCK #</th> <th>DRIVER</th> </tr> </thead> <tbody> <tr> <td>520</td> <td>Cliff</td> <td></td> <td></td> </tr> <tr> <td>479</td> <td>John</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				TRUCK #	DRIVER	TRUCK #	DRIVER	520	Cliff			479	John						
TRUCK #	DRIVER	TRUCK #					DRIVER															
520	Cliff																					
479	John																					
MAILING ADDRESS <u>P.O. Box 160</u>																						
CITY <u>Sycamore</u>																						
STATE <u>Ks</u>		ZIP CODE																				

Gas Jones

JOB TYPE <u>L/S</u>	HOLE SIZE <u>6 3/4"</u>	HOLE DEPTH <u>1437</u>	CASING SIZE & WEIGHT <u>4 1/2" 12.5"</u>
CASING DEPTH <u>1433'</u>	DRILL PIPE	TUBING	OTHER
SLURRY WEIGHT <u>13.9"</u>	SLURRY VOL <u>508bl</u>	WATER gal/sk <u>6'</u>	CEMENT LEFT in CASING <u>0'</u>
DISPLACEMENT <u>22.88bl</u>	DISPLACEMENT PSI <u>1000</u>	MIX PSI <u>1500 Ap Fly</u>	RATE

REMARKS: Safety Meeting. Rig up to 4 1/2" casing. Break Circulation w/ 508bl water. Pump back Gel-Flush w/ Hulls, 50bl water spacer. Mixed 200skt 50/50 Poz-mix Cement w/ 2% Cacl₂, 2% Gel, 4" Kol-Seal, 3" Cal-Seal, 1/2" Phenoseal 1/2% FI-110, + 1/4% CAF-38 @ 13.9"/gal. yield 1.40. Wash out Pump + line. Release Plug Displace w/ 22.88bl water. Final Pumping Pressure 1000PSI. Bump Plug to 1500PSI. wait 2mins. Release Pressure. Float Held. Good Cement surface = 88bl 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	200skt	50/50 Poz-mix Cement	9.75	1950.00
1102	335"	2% Cacl ₂	.75	251.25
1118A	335"	2% Gel	.17	56.75
1110A	800"	4" Kol-Seal /sk	.42	336.00
1101	600"	3" Cal-Seal /sk	.36	216.00
1107A	25"	1/2" Phenoseal /sk	1.15	28.75
1135	100"	1/2% FL-110	7.50	750.00
1146	50"	1/4% CAF-38	7.70	385.00
1118A	300"	Gel-Flush	.17	51.00
1105	50"	Hulls	1.39	19.50
5407A	8.4	Ton-Mileage	1.20	403.20
4404	1	4 1/2" Top Rubber Plug	45.00	45.00
<u>Thank!</u>			Sub Total	5563.65
			5.3% SALES TAX	216.75
			ESTIMATED TOTAL	5780.40

Revin 3737

225316

AUTHORIZATION _____ TITLE _____ DATE _____