

CONFIDENTIAL

12/19/08

ORIGINAL

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION**

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 **CONFIDENTIAL**
 License: 5831 **DEC 19 2008**
 Wellsite Geologist: _____
 Designate Type of Completion: **KCC**
 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>9/17/2008</u>	<u>9/19/2008</u>	<u>11/19/2008</u>
Spud Date or	Date Reached TD	Completion Date or
Recompletion Date		Recompletion Date

API No. 15 - 125-31773-00-00
 County: Montgomery
NE NE NW Sec. 25 Twp. 32 S. R. 16 East West
378 feet from S / (circle one) Line of Section
2239 feet from E / (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE SW
 Lease Name: Workman Well #: 3-25
 Field Name: Cherokee Basin Coal Area
 Producing Formation: Cherokee Coals
 Elevation: Ground: 799' Kelly Bushing: _____
 Total Depth: 1139' Plug Back Total Depth: 1135'
 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 1135
 feet depth to Surface w/ 175 sx cmf.

Drilling Fluid Management Plan *AA# NJ 3307*
(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: 12/18/08
 Subscribed and sworn to before me this 18 day of December,
 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 **RECEIVED**
 Geologist Report Received **KANSAS CORPORATION COMMISSION**
 UIC Distribution **DEC 22 2008**
CONSERVATION DIVISION WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Workman Well #: 3-25
 Sec. 25 Twp. 32 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 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input 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	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td><input checked="" type="checkbox"/> Log</td> <td>Formation (Top), Depth and Datum</td> <td><input type="checkbox"/> Sample</td> </tr> <tr> <td>Name</td> <td>Top</td> <td>Datum</td> </tr> <tr> <td>Pawnee Lime</td> <td>451 GL</td> <td>348</td> </tr> <tr> <td>Excello Shale</td> <td>597 GL</td> <td>202</td> </tr> <tr> <td>V-Shale</td> <td>646 GL</td> <td>153</td> </tr> <tr> <td>Mineral Coal</td> <td>687 GL</td> <td>112</td> </tr> <tr> <td>Mississippian</td> <td>1033 GL</td> <td>-234</td> </tr> </table>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample	Name	Top	Datum	Pawnee Lime	451 GL	348	Excello Shale	597 GL	202	V-Shale	646 GL	153	Mineral Coal	687 GL	112	Mississippian	1033 GL	-234
<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample																				
Name	Top	Datum																				
Pawnee Lime	451 GL	348																				
Excello Shale	597 GL	202																				
V-Shale	646 GL	153																				
Mineral Coal	687 GL	112																				
Mississippian	1033 GL	-234																				

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	8	Type 1 cement
Casing	6.75"	4.5"	10.5	1135'	Thick Set	175	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	CONFIDENTIAL DEC 19 2008 KCC	
		RECEIVED KANSAS CORPORATION COMMISSION	
		DEC 22 2008	
TUBING RECORD	Size Set At Packer At	Liner Run	
	2-3/8" 1098'	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date of First, Resumerd Production, SWD or Enhr.	Producing Method		
11/25/2008	<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	18	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 _____

Operator Name:	Layne Energy Operating, LLC.		
Lease Name:	Workman 3-25		
	Sec. 25 Twp. 32S Rng. 16E, Montgomery County		
API:	15-125-31773-00-00		
Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations (November 2008)			
4	Riverton 1020' - 1023'	4000 lbs 20/40 sand 468 bbls water 450 gals 15% HCl acid	1020' - 1023'
4	Rowe 986' - 987.5'	2300 lbs 20/40 sand 205 bbls water 300 gals 15% HCl acid	986' - 987.5'
4	Croweburg 645.5' - 648.5' Iron Post 622.5' - 624.5'	7000 lbs 20/40 sand 564 bbls water 550 gals 15% HCl acid	622.5' - 648.5'
4	Mulky 597' - 601'	4800 lbs 20/40 sand 295 bbls water 275 gals 15% HCl acid	597' - 601'
4	Lexington 483' - 484.5'	2300 lbs 20/40 sand 277 bbls water 650 gals 15% HCl acid	483' - 484.5'

CONFIDENTIAL

DEC 19 2008

KCC

RECEIVED
KANSAS CORPORATION COMMISSION

DEC 22 2008

CONSERVATION DIVISION
WICHITA, KS

Daily Well Work Report

WORKMAN 3-25
9/19/2008

Well Location:
MONTGOMERY KS
32S-16E-25 NE NE NW
378FNL / 2239FWL

Cost Center C01026200100
Lease Number C010262
Property Code KSCV32S16E2503
API Number 15-125-31773

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
9/17/2008	9/19/2008	11/19/2008		11/25/2008	WORKMAN_3_25
TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1139	1135	42	1135		

Reported By KRD	Rig Number	Date 9/17/2008
Taken By KRD		Down Time
Present Operation DRILL OUT SURFACE		Contractor MOKAT

Narrative

MIRU MOKAT DRILLING, DRILLED 11" HOLE, 42' DEEP, RIH W/1 JT 8 5/8" SURFACE CASING, MIXED 8 SX TYPE 1 CEMENT, DUMPED DOWN THE BACKSIDE. SDFN.
DWC:\$3160

RECEIVED
KANSAS CORPORATION COMMISSION

DEC 22 2008

CONSERVATION DIVISION
WICHITA, KS

CONFIDENTIAL
DEC 19 2008
KCC



CONSOLIDATED
Oil Well Services, LLC



ENTERED

TICKET NUMBER 19453

LOCATION EUREKA

FOREMAN Kevin McCoy

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
9-22-08	4758	WORKMAN 3-25				MC
CUSTOMER <u>Layne Energy</u>			TRUCK # DRIVER TRUCK # DRIVER			
MAILING ADDRESS <u>P.O. Box 160</u>						
CITY <u>Sycamore</u>			Gus Jones Rig 1			
STATE <u>Ks</u>						
ZIP CODE						

JOB TYPE Longstring HOLE SIZE 6 3/4 HOLE DEPTH 1139' CASING SIZE & WEIGHT 4 1/2 10.5" New
 CASING DEPTH 1136' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.9 # SLURRY VOL 44 BBL WATER gal/sk 6' CEMENT LEFT in CASING 0'
 DISPLACEMENT 18 BBL DISPLACEMENT PSI 700 ~~PSI 1200 Bump Plug~~ RATE _____

REMARKS: Safety Meeting: Rig up to 4 1/2 casing w/ wash head. Break circulation w/ 30 BBL fresh water. wash down 30' 4 1/2. Pump 6 sks Gel flush w/ Halls. 30 BBL water spacer. Shut down. Rig up Cement Head. Mixed 175 sks 50/50 Pozmix Cement w/ 2% Cacl2, 2% Gel, 4* Kol-Seal, 3* CAL-Seal, 1/8* PhenoSeal, 1/2 CFL-110, 1/4% CAF-38 @ 13.9 #/gal, 1.4% wash out Pump & Lines. Shut down. Release Plug. Displace w/ 18 BBL fresh water. Final Pumping Pressure 700 psi. Bump Plug to 1200 psi. wait 2 minutes. Release Pressure. Shut Held. Good Cement Returns to Surface = 6 BBL slurry (24 sks) to Pit. Job Complete. Rig down.

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	175 sks	50/50 Pozmix Cement	9.75	1706.25
1102	300 #	Cacl2 2%	.75 #	225.00
1118 A	300 #	Gel 2%	.17 #	51.00
1110 A	700 #	Kol-Seal 4 #/sk	.42 #	294.00
1101	525 #	CAL-Seal 3 #/sk	.36 #	189.00
1107 A	22 #	PhenoSeal 1/8 #/sk	1.15 #	25.30
1135	75 #	CFL-110 1/2%	7.50 #	562.50
1146	37 #	CAF-38 1/4%	7.70 #	284.90
1118 A	300 #	Gel flush	.17 #	51.00
1105	50 #	Halls	.39 #	19.50
5407 A	7.35 Tons	40 miles Back Truck	1.20	352.80
4404	1	4 1/2 Top Rubber Plug	45.00	45.00
5605 A	4 Hrs	Welder	85.00	340.00
4311	2	weld on Collars	70.00	140.00
			Sub Total	5357.25
		THANK You	SALES TAX 5.3%	190.45
			ESTIMATED TOTAL	5547.70

Flavin 3737

AUTHORIZATION witnessed by Jacob

TITLE Layne Co. Rep.

DATE _____

THANK You
205858

GEOLOGIC REPORT

LAYNE ENERGY
Workman 3-25
NE NW, 378 FNL, 2239 FWL
Section 25-T32S-R16E
Montgomery County, KS

Spud Date: 9/17/2008
Drilling Completed: 9/19/2008
Logged: 9/19/2008
A.P.I. #: 15125317730000
Ground Elevation: 799'
Depth Driller: 1139'
Depth Logger: 1138'
Surface Casing: 8.625 inches at 42'
Production Casing: 4.5 inches at 1135'
Cemented Job: 0
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

Formation	Tops	
	(below ground)	(subsea)
Surface		
(Cherryvale		
Kansas City Group	Formation)	799
Pawnee Limestone	451	348
Excello Shale	597	202
"V" Shale	646	153
Mineral Coal	687	112
Mississippian	1,033	-234

CONFIDENTIAL

DEC 19 2008

KCC

RECEIVED
KANSAS CORPORATION COMMISSION

DEC 22 2008

CONSERVATION DIVISION
WICHITA, KS

CONFIDENTIAL

DEC 19 2008

KCC