

CONFIDENTIAL

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

ORIGINAL

1/14/11  
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: Thornton Air Rotary  
License: 33606  
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>9/24/2008</u>	<u>9/25/2008</u>	<u>10/29/2008</u>
Spud Date or	Date Reached TD	Completion Date or
Recompletion Date		Recompletion Date

API No. 15 - 019-26932-00-00  
County: Chautauqua  
SE SE SW Sec. 8 Twp. 33 S. R. 12  East  West  
301 feet from (S) N (circle one) Line of Section  
2162 feet from E / (W) (circle one) Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE NW (SW)  
Lease Name: Lane Well #: 14-8  
Field Name: Cherokee Basin Coal Area  
Producing Formation: Cherokee Coals  
Elevation: Ground: 889' Kelly Bushing: \_\_\_\_\_  
Total Depth: 1688' Plug Back Total Depth: 1676'  
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 1676  
feet depth to Surface w/ 250 sx cmt.

Drilling Fluid Management Plan ALT IN 4-19-09  
(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: 1-14-2009  
Subscribed and sworn to before me this 14 day of January  
2009  
Notary Public: MacLaughlin Darling  
Date Commission Expires: 1-4-2013



**KCC Office Use ONLY**  
 Letter of Confidentiality Attached  
If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution  
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**JAN 15 2009**

CONSERVATION DIVISION  
WICHITA, KS

Operator Name: Layne Energy Operating, LLC Lease Name: Lane Well #: 14-8  
 Sec. 8 Twp. 33 S. R. 12  East  West County: Chautauqua

**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

Log Formation (Top), Depth and Datum		Sample
Name	Top	Datum
Pawnee Lime	1223 GL	-334
Excello Shale	1346 GL	-457
V-Shale	1393 GL	-504
Mississippian	1645 GL	-756

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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	8	Type 1 cement
Casing	6.75"	4.5"	10.5	1676'	Thick Set	250	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
		2-3/8"	1662'		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.		Producing Method			
<b>Shut-In</b>		<input type="checkbox"/> Flowing <input 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		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 \_\_\_\_\_

<b>Operator Name:</b>	Layne Energy Operating, LLC.		
<b>Lease Name:</b>	Lane 14-8		
	Sec. 8 Twp. 33S Rng. 12E, Chautauqua County		
<b>API:</b>	15-019-26932-00-00		
<b>Shots per Foot</b>	<b>Perforation Record</b>	<b>Acid, Fracture, Shot, Cement Squeeze Record</b>	<b>Depth</b>
<b>Initial Perforations (October 2008)</b>			
4	Riverton 1633.5' - 1635.5'	3000 lbs 20/40 sand 287 bbls water 300 gals 15% HCl acid	1633.5' - 1635.5'
4	Croweburg 1393' - 1396' Bevier 1375.5' - 1377'	6600 lbs 20/40 sand 428 bbls water 400 gals 15% HCl acid	1375.5' - 1396'
4	Mulky 1346.5' - 1350'	4500 lbs 20/40 sand 254 bbls water 300 gals 15% HCl acid	1346.5' - 1350'
4	Summit 1327' - 1329.5'	3000 lbs 20/40 sand 202 bbls water 300 gals 15% HCl acid	1327' - 1329.5'

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# GEOLOGIC REPORT

LAYNE ENERGY  
Lane 14-8  
SE SW, 301 FSL, 2,162 FWL  
Section 8, T33S, R12E  
Chautauqua County, KS

Spud Date: 9/24/2008  
Drilling Completed: 9/25/2008  
Logged: 9/26/2008  
A.P.I. #: 15019269320000  
Ground Elevation: 889  
Depth Driller: 1,688'  
Depth Logger: 1,686'  
Surface Casing: 8.625 inches at 42'  
Production Casing: 4.5 inches at 1,676'  
Cemented Job:  
Open Hole Logs: High Resolution Compensated Density Sidewall  
Neutron Log; Dual Induction LL3/GR Log

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Formation	Tops	
	(below ground)	(subsea)
	Surface (Lawrence Formation)	889
Douglas Group	1,223	-334
Pawnee Limestone	1,346	-457
Excello Shale	1,393	-504
"V" Shale	1,645	-756
Mississippian		

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# Daily Well Work Report

LANE 14-8  
9/25/2008

**Well Location:**  
CHAUTAUQUA KS  
33S-12E-8 SE SE SW  
301FSL / 2162FWL

**Cost Center** G01065400100  
**Lease Number** G010654  
**Property Code** KSLE33S12E0814  
**API Number** 15-019-26932

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Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
9/24/2008	9/25/2008	10/29/2008		10/31/2008	LANE_14_8
TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1688	1676	42	1676	0	0

<b>Reported By</b> KRD	<b>Rig Number</b>	<b>Date</b> 9/24/2008
<b>Taken By</b> KRD		<b>Down Time</b>
<b>Present Operation</b> DRILL OUT SURFACE		<b>Contractor</b> THORNTON ROTARY

## Narrative

MIRU THORNTON ROTARY DRILLING, DRILLED 11" HOLE, 42' 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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**CONSOLIDATED**  
Oil Well Services, L.L.C.

ENTERED

TICKET NUMBER 19487

LOCATION EUREKA

FOREMAN Rick Lottford

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
9-26-08	4758	Lane 14-8				Chaut.
CUSTOMER <u>Layne Energy</u>			Gus Jones			
MAILING ADDRESS <u>P.O. Box 160</u>			TRUCK #	DRIVER	TRUCK #	DRIVER
CITY <u>Sycamore</u>			<u>463</u>	<u>Shannon</u>		
STATE <u>KS</u>			<u>479</u>	<u>John</u>		
ZIP CODE						

JOB TYPE logstring HOLE SIZE 6 7/8" HOLE DEPTH 1688' CASING SIZE & WEIGHT 4 1/2" 10.5"  
 CASING DEPTH 1679' DRILL PIPE \_\_\_\_\_ TUBING \_\_\_\_\_ OTHER \_\_\_\_\_  
 SLURRY WEIGHT 12.9" SLURRY VOL 62 bbl WATER gal/sk 6' CEMENT LEFT in CASING 0'  
 DISPLACEMENT 26.7 bbl DISPLACEMENT PSI 900 PSI 1300 RATE \_\_\_\_\_

REMARKS: Safety meeting. Rig up to 4 1/2" casing. Break circulation w/ 35 bbl fresh water. Washdown 15' to T.D. Pump 60 bbl water ahead. Pump 6 sks gel-flush w/ bulls 10 bbl water spacer. Mixed 250 sks 50/50 Premix cement w/ 27% cclz, 27% gel, 4" Kalsol 3" cal-seal, 1/8" phosser, 1/2" FL-110 + 1/4" CAF-38 @ 13.9" yield 1.40. Washout pump & lines. Shut down, release plug. Displa w/ 26.7 bbl fresh water. Final pump pressure 900 PSI. Pump plug to 1300 PSI. Wait 2 minutes, release pressure, float held. Grad cement returns to surface = 9 bbl slurry to pit. Job complete. Rig down.

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"Thank You"

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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	250 sks	50/50 Premix cement	9.75	2437.50
1102	420"	27% cclz	.75	315.00
1118A	420"	27% gel	.17	71.40
1110A	1000"	4" Kalsol <sup>1/2" sk</sup>	.42	420.00
1101	750"	3" cal-seal <sup>1/2" sk</sup>	.36	270.00
1107A	31"	1/8" phosser <sup>1/2" sk</sup>	1.15	35.65
1135	125	1/2" FL-110	7.50	937.50
1146	63"	1/4" CAF-38	7.20	485.10
1118A	300"	gel-flush	.17	51.00
1105	50"	bulls	.39	19.50
5407A	10.5	tan-mileage bulk trk	1.20	584.00
4404	1	4 1/2" top rubber plug	45.00	45.00
5605A	4 hrs	welder	85.00	340.00
4311	2	4 1/2" weld on collar	70.00	140.00
			6.3%	subtotal
				7142.65
				SALES TAX
				329.35
				ESTIMATED TOTAL
				7472.00

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AUTHORIZATION

Sarah Miller TITLE 226050

DATE