

CONFIDENTIAL

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

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KANSAS CORPORATION COMMISSION

4-1-09  
APR 01 2009

Form ACO-1  
September 1998  
Form Must Be Typed

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

CONSERVATION DIVISION  
WICHITA, KS

3/31/11

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 Drilling  
License: 33606

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: Shane AS ABOVE

Well Name: \_\_\_\_\_  
Original Comp. Date: 10/30/2008 Original Total Depth: 1813'  
\_\_\_\_ 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. \_\_\_\_\_

12/31/2008 12/31/2008  
Spud Date or Date Reached TD Completion Date or  
Recompletion Date Recompletion Date

API No. 15 - 049-22521-00-01  
County: Elk  
\_\_\_\_ W2 \_\_\_\_ NW \_\_\_\_ NE Sec. 22 Twp. 31 S. R. 12  East  West  
633 feet from S /  N (circle one) Line of Section  
2236 feet from  E  W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:  
(circle one)  NE  SE  NW  SW  
Lease Name: KCE Well #: 2-22  
Field Name: Cherokee Basin Coal Area

Producing Formation: Cherokee Coals  
Elevation: Ground: 1062' Kelly Bushing: \_\_\_\_\_  
Total Depth: 1813' Plug Back Total Depth: 1808'  
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 1808  
feet depth to Surface w/ 100 sx cmt.

Drilling Fluid Management Plan WNS 12/10/07  
(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: 3/31/09

Subscribed and sworn to before me this 31 day of March,  
20 09.

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  
\_\_\_\_ IUC Distribution

**MacLAUGHLIN DARLING**  
Notary Public - State of Kansas  
My Appt. Expires 1-4-2013

Operator Name: Layne Energy Operating, LLC Lease Name: KCE Well #: 2-22  
Sec. 22 Twp. 31 S. R. 12  East  West County: Elk

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

Name	Top	Datum
Pawnee Lime	1316 GL	-254
Excello Shale	1417 GL	-355
V-Shale	1485 GL	-423
Mississippian	1742 GL	-680

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	42'	Class A	8	Type 1 cement
Casing	6.75"	4.5"	10.5	1808'	Thick Set	100	50/50 posmix w/2% gel

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
..... Perforate ..... Protect Casing ..... Plug Back TD ..... 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	<b>RECEIVED</b> <b>KANSAS CORPORATION COMMISSION</b>  <b>APR 01 2009</b>  <b>CONSERVATION DIVISION</b> <b>WICHITA, KS</b>	

TUBING RECORD	Size	Set At	Packer At	Liner Run
	2-3/8"	883'		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Date of First, Resumerd Production, SWD or Enhr. **Shut-in**  
Producing Method  Flowing  Pumping  Gas Lift  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  
Production Interval  Other (Specify)

<b>Operator Name:</b>	Layne Energy Operating, LLC.		
<b>Lease Name:</b>	KCE 2-22		
	Sec. 22 Twp. 31S Rng. 12E, Elk County		
<b>API:</b>	15-049-22521-00-01		
<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	Croweburg 1485.5' - 1488' Bevier 1470' - 1472'	6000 lbs 20/40 sand 406 bbls water 400 gals 15% HCl acid	1470' - 1488'
4	Mulky 1418.5' - 1422' Summit 1403.5' - 1405'	10000 lbs 20/40 sand 725 bbls water 400 gals 15% HCl acid	1403.5' - 1422'
<b>Recompletion Perforations (December 2008)</b>			
2	Layton Sand 822' - 828' Layton Sand 810' - 818'	14000 lbs 20/40 sand 696 bbls water 400 gals 15% HCl acid	810' - 828'

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