

CONFIDENTIAL

*W
in
4/20/09*

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

4/21/11
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 SLOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

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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>1/7/2009</u>	<u>1/8/2009</u>	<u>2/16/2009</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-31734-00-00
County: Montgomery
SW NE SE Sec. 4 Twp. 34 S. R. 16 East West
1650 feet from N (circle one) Line of Section
920 feet from W (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE NW SW
Lease Name: Nesvold Well #: 9-4
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 802' Kelly Bushing: _____
Total Depth: 1211' Plug Back Total Depth: 1200'
Amount of Surface Pipe Set and Cemented at 22 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1200
feet depth to Surface w/ 125 sx cmt.

Drilling Fluid Management Plan *APR 15 7-909*
(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: 4/20/09
Subscribed and sworn to before me this 20 day of April
09.
Notary Public: *MacLaughlin Darling*
Date Commission Expires: 1-4-2013

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

KCC Office Use ONLY
 Letter of Confidentiality Attached
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 IC Distribution
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Operator Name: Layne Energy Operating, LLC Lease Name: Nesvold Well #: 9-4
 Sec. 4 Twp. 34 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 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	481 GL	321
Excello Shale	662 GL	140
V-Shale	717 GL	85
Mineral Coal	767 GL	35
Mississippian	1125 GL	-323

CASING RECORD New 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	1200'	Thick Set	125	8 lbs KOL seal

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 2-3/8" Set At 1154' Packer At _____ Liner Run Yes No

Date of First, Resumerd Production, SWD or Enhr. 3/2/2009 Producing Method Flowing Pumping Gas Lift Other (Explain)

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	0	5	0		

Disposition of Gas _____ **METHOD OF COMPLETION** _____ Production Interval _____

Vented Sold Used on Lease (If vented, Submit ACO-18.) Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

Operator Name: Layne Energy Operating, LLC. #33365

Lease Name: NESVOLD 9-4

Lease Location: NE SE 4 - 34S - 16E MONTGOMERY, KS

API: 15-125-31734-00-00



Shots per Foot	Perforation Record	Acid, Fracture, Shot, Cement Squeeze Record	Depth
Initial Perforations (January 2009)			
4	Riverton 1109.5' - 1112'	559 Water (bbls) 660 HCl (15%) (gal) 3500 Sand (20/40) (lbs)	1109.5' - 1112'
4	Rowe 1049.5' - 1051'	2400 Sand (20/40) (lbs) 169 Water (bbls) 150 HCl (15%) (gal)	1049.5' - 1051'
4	Mineral 767' - 768.5'	250 Water (bbls)	767' - 768.5'
4	Mineral 766.5' - 768'	450 HCl (15%) (gal) 2400 Sand (20/40) (lbs) 247 Water (bbls)	766.5' - 768'
4	Croweburg 717.5' - 720'	444 Water (bbls) 380 HCl (15%) (gal) 3100 Sand (20/40) (lbs)	717.5' - 720'
4	Summit 627' - 629.5' Mulky Coal 662' - 664.5'	460 HCl (15%) (gal) 6200 Sand (20/40) (lbs) 405 Water (bbls)	627' - 664.5'

Handwritten signature or initials

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GEOLOGIC REPORT

LAYNE ENERGY
Nesvold 9-4
NE SE, 1650 FSL, 920 FEL
Section 4-T34S-R16E
Montgomery County, KS

Spud Date: 1/7/2009
Drilling Completed: 1/0/1900
Logged: 1/9/2009
A.P.I. #: 15125317340000
Ground Elevation: 802'
Depth Driller: 1211'
Depth Logger: 1201'
Surface Casing: 8.625 inches at 22'
Production Casing: 4.5 inches at 1200'
Cemented Job: Consolidated
Open Hole Logs: Dual Induction SFL/GR, Litho Density /
Neutron Logs

Formation	Tops	
	(below ground)	(subsea)
Quaternary	Surface (Alluvium)	802
Pawnee Limestone	481	321
Excello Shale	662	140
"V" Shale	717	85
Mineral Coal	767	35
Mississippian	1,125	-323

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Daily Well Work Report

NESVOLD 9-4
1/8/2009

Well Location:
MONTGOMERY KS
34S-16E-4 NE SE
1650FSL / 920FEL

Cost Center G01064200100
Lease Number G010642
Property Code KSDC34S16E0409
API Number 15-125-31734

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnetiD
1/7/2009	1/8/2009	2/16/2009	3/2/2009	3/2/2009	NESVOLD_9_4

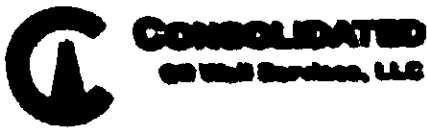
TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1211	1200	22	1200	0	0

Reported By krd	Rig Number	Date 1/7/2009
Taken By krd		Down Time
Present Operation DRILL OUT SURFACE		Contractor THORNTON

Narrative

MIRU THORNTON 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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ENTERED

TICKET NUMBER 20765
 LOCATION FIENA
 FOREMAN Rick Ledford

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
1-9-09	4758	Dispute 9-4 Nesvold				000
CUSTOMER Layne Energy			TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS P.O. Box 1100			4103	Shannon		
CITY Sycamore			543	David		
STATE KS						
ZIP CODE						

JOB TYPE longstring HOLE SIZE 6 3/4" HOLE DEPTH 1211' CASING SIZE & WEIGHT 4 1/2" 42.5"
 CASING DEPTH 1200' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.4" SLURRY VOL 38 Bbl WATER gal/sk 8.0 CEMENT LEFT in CASING 0'
 DISPLACEMENT 19 Bbl DISPLACEMENT PSI 400 ~~800~~ PSI 900 RATE _____

REMARKS: Safety meeting. Rig up to 4 1/2" casing. Break circulation w/ 40 Bbl fresh water. Pump 10 sacks gel-flush w/ bulls. 2 Bbl water spacer mixed 125 sacks thicket cement w/ 8" Nat-sol, 1/2" phos-sol, 1/2" FT-110 & 1/4" CAT-38 @ 15.9" / min. yield 1.25. Washed pump & lines shut down, release plug. Displace w/ 19 Bbl fresh water. Equal pump pressure 500 PSI. Pump plug to 900 PSI. wait 2 minutes, release pressure. float held. Good cement returns to surface = 8 bbl slurry to pt. To 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
1126A	125 sacks	thicket cement	12.00	2100.00
1100A	1000"	8" Nat-sol ¹²⁵	.42	420.00
1102A	15"	1/2" phos-sol ¹²⁵	1.15	17.25
1135	62"	1/2" FT-110	7.50	465.00
1146	31"	1/4" CAT-38	7.20	223.20
1118A	500"	gel-flush	.12	60.00
1105	50"	bulls	.38	19.00
5407A	10.88	top-mileage bull to	1.26	13.73
4404	1	4 1/2" top rubber plug	45.00	45.00
5605A	4 hrs	welder	85.00	340.00
			5.37	5156.69
			SALES TAX	181.00
			ESTIMATED	
			TOTAL	5337.70

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228366

AUTHORIZATION _____

TITLE _____

DATE _____