

**CONFIDENTIAL**

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**WELL COMPLETION FORM**  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

**ORIGINAL**

Form ACO-1  
September 1999  
Form Must Be Typed

5/04/11

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 **CONFIDENTIAL**  
 Phone: ( 913 ) 748-3960  
 Contractor: Name: Thornton Drilling **MAY 4 2009**  
 License: 33606 **KCO**  
 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: \_\_\_\_\_  
 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>1/26/2009</u>                  | <u>1/29/2009</u> | <u>Pending</u>                          |
| Spud Date or<br>Recompletion Date | Date Reached TD  | Completion Date or<br>Recompletion Date |

API No. 15 - 205-27750-00-00  
 County: Wilson  
W2 NW SW Sec. 34 Twp. 29 S. R. 16  East  West  
2220 FSL feet from S / N (circle one) Line of Section  
601 FWL feet from E / W (circle one) Line of Section  
 Footages Calculated from Nearest Outside Section Corner:  
 (circle one) NE SE NW SW  
 Lease Name: Hare Well #: 12-34  
 Field Name: Cherokee Basin Coal Area  
 Producing Formation: Cherokee Coals  
 Elevation: Ground: 859' Kelly Bushing: \_\_\_\_\_  
 Total Depth: 986' Plug Back Total Depth: 973'  
 Amount of Surface Pipe Set and Cemented at 21 Feet  
 Multiple Stage Cementing Collar Used?  Yes  No  
 If yes, show depth set \_\_\_\_\_ Feet  
 If Alternate II completion, cement circulated from 973'  
 feet depth to Surface w/ 100 sx cmt.  
Alt 2-Dlg - 6/16/09

**Drilling Fluid Management Plan**  
 (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: 5/14/09  
 Subscribed and sworn to before me this 4 day of May  
 2009  
 Notary Public: MacLaughlin Darling  
 Date Commission Expires: 1-4-2013

**KCC Office Use ONLY**

Letter of Confidentiality Received  
 If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 KANSAS CORPORATION COMMISSION  
**MAY 05 2009**  
**RECEIVED**

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

Operator Name: Layne Energy Operating, LLC Lease Name: Hare Well #: 12-34  
 Sec. 34 Twp. 30 S. R. 16  East  West County: Wilson

**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<br><i>(Attach Additional Sheets)</i><br><br>Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><br>Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br><i>(Submit Copy)</i><br><br>List All E. Logs Run:<br><br>Compensated Density Neutron<br>Dual Induction | <input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample<br><br><table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Pawnee Lime</td> <td>539 GL</td> <td>363</td> </tr> <tr> <td>Excello Shale</td> <td>656 GL</td> <td>246</td> </tr> <tr> <td>V-Shale</td> <td>729 GL</td> <td>173</td> </tr> <tr> <td>Mineral Coal</td> <td>766 GL</td> <td>136</td> </tr> </table> | Name  | Top | Datum | Pawnee Lime | 539 GL | 363 | Excello Shale | 656 GL | 246 | V-Shale | 729 GL | 173 | Mineral Coal | 766 GL | 136 |
| Name                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Top                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Datum |     |       |             |        |     |               |        |     |         |        |     |              |        |     |
| Pawnee Lime                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 539 GL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 363   |     |       |             |        |     |               |        |     |         |        |     |              |        |     |
| Excello Shale                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 656 GL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 246   |     |       |             |        |     |               |        |     |         |        |     |              |        |     |
| V-Shale                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 729 GL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 173   |     |       |             |        |     |               |        |     |         |        |     |              |        |     |
| Mineral Coal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 766 GL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 136   |     |       |             |        |     |               |        |     |         |        |     |              |        |     |

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MAY 04 2009

| CASING RECORD <input 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 | # Sacks Used | Type and Percent Additives |
| Surface                                                                   | 11"               | 8.625"                    | 24                | 21'           | Class A        | 4            | Type 1 cement              |
| Casing                                                                    | 6.75"             | 4.5"                      | 10.5              | 973'          | Thick Set      | 100          | 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<br><input type="checkbox"/> Protect Casing<br><input type="checkbox"/> Plug Back TD<br><input type="checkbox"/> Plug Off Zone |                  |                |             |                            |

| Shots Per Foot | PERFORATION RECORD - Bridge Plugs Set/Type<br>Specify Footage of Each Interval Perforated | Acid, Fracture, Shot, Cement Squeeze Record<br>(Amount and Kind of Material Used) | Depth |
|----------------|-------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------|
|                |                                                                                           |                                                                                   |       |
|                |                                                                                           | KANSAS CORPORATION COMMISSION                                                     |       |
|                |                                                                                           | MAY 05 2009                                                                       |       |
|                |                                                                                           | <b>RECEIVED</b>                                                                   |       |

| TUBING RECORD                                                      |           | Size    | Set At                                                                                                                                                        | Packer At     | Liner Run                                                           |
|--------------------------------------------------------------------|-----------|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------------------------------------------------------------|
|                                                                    |           |         |                                                                                                                                                               |               | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Date of First, Resumerd Production, SWD or Enhr.<br><b>Pending</b> |           |         | Producing Method <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         |         |                                                                                                                                                               |               |                                                                     |

|                                                                                                                                            |                                                                                                                                                                                               |                     |
|--------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Disposition of Gas                                                                                                                         | METHOD OF COMPLETION                                                                                                                                                                          | Production Interval |
| <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease<br><i>(If vented, Submit ACO-18.)</i> | <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled<br><input type="checkbox"/> Other (Specify) _____ |                     |

# Layne Energy, Inc.

1900 Shawnee Mission Parkway, Mission Woods, Kansas 66205 Phone: (913) 748-3987 Fax: (913) 748-3950

May 4, 2009

Mr. Steve Bond  
Kansas Corporation Commission  
Oil & Gas Conservation Division  
130 S. Market, Room 2078  
Wichita, KS 67202

Re: Well Completion Form

CONFIDENTIAL

Dear Mr. Bond:

MAY 04 2009

I have enclosed the ACO-1 form and associated data for the following well:

KCC

API # 15-205-27750-00-00  
Hare 12-34

We respectfully request that all information submitted be kept confidential. Per provision E-4 of K.A. R. 82-3-107, we request that the term of the confidentiality be extended by one year.

If you need additional information, please contact me at (913) 748-3960.

Sincerely,

*MacLaughlin Darling*

MacLaughlin Darling  
Engineering Technician

Enclosures

KANSAS CORPORATION COMMISSION

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**CONSOLIDATED**  
OIL WELL SERVICES, L.L.C.

**ENTERED**

TICKET NUMBER 20806

LOCATION Evans

FOREMAN Troy Strickler

PO Box 884, Chanute, KS 66720  
820-431-9210 or 800-487-8876

**FIELD TICKET & TREATMENT REPORT  
CEMENT**

| DATE            | CUSTOMER # | WELL NAME & NUMBER | SECTION | TOWNSHIP | RANGE   | COUNTY |
|-----------------|------------|--------------------|---------|----------|---------|--------|
| 1-30-09         | 4758       | Hare 12-34         |         |          |         | Evans  |
| CUSTOMER        |            |                    | TRUCK # | DRIVER   | TRUCK # | DRIVER |
| Layne Energy    |            |                    | 520     | Cliff    |         |        |
| MAILING ADDRESS |            |                    | 543     | Dave     |         |        |
| P.O. Box 160    |            |                    |         |          |         |        |
| CITY            | STATE      | ZIP CODE           |         |          |         |        |
| Sycamore        | Ks         |                    |         |          |         |        |

JOB TYPE Logging HOLE SIZE 6 3/4" HOLE DEPTH 986' CASING SIZE & WEIGHT 4 1/2" 10.5"  
 CASING DEPTH 973' DRILL PIPE \_\_\_\_\_ TUBING \_\_\_\_\_ OTHER \_\_\_\_\_  
 SLURRY WEIGHT 13.4" SLURRY VOL 3181 WATER gal/sk 8" CEMENT LEFT in CASING 0'  
 DISPLACEMENT 15.5 Bbl DISPLACEMENT PSI 500 MIX PSI 1000 Pump Pkg RATE \_\_\_\_\_

REMARKS: Safety Meeting: Rig up to 4 1/2" casing. Break Circulation w/ 500 Bbl water.  
Pump 1000 Gal - Flush w/ Hulls. 2801 Water spacer, 1000 Caustic A.C. Flush,  
5 Bbl water spacer. Mixed 1000 Thick Set Cement w/ 8" Kol-Seal / sk  
1/2" Phenoxal, 1/2% FL-110, + 1/4% CAF-38 @ 13.4"/gal. Wash out Pump + line.  
Release Plug. Displace 15.5 Bbl water @ 4 Bbl/min. Final Annular Annular  
500 PSE Pump Plug to 1000 PSE. Wait 2 min. Release Pressure.  
Floater Held. Good Cement to surface = 6 Bbl Slurry to Pit.

MAY 04 2009

Job Complete

| ACCOUNT CODE                  | QUANTITY or UNITS | DESCRIPTION of SERVICES or PRODUCT | UNIT PRICE      | TOTAL    |
|-------------------------------|-------------------|------------------------------------|-----------------|----------|
| 5401                          | 1                 | PUMP CHARGE                        | 870.00          | 870.00   |
| 5406                          | 40                | MILEAGE                            | 3.45            | 138.00   |
| 1126A                         | 1000 lb           | Thick Set Cement                   | 16.00           | 16000.00 |
| 1110A                         | 800"              | Kol-Seal 8" An                     | .37             | 300.00   |
| 1107A                         | 13"               | Phenoxal 1/2" Sk                   | 1.05            | 14.00    |
| 1135                          | 47"               | FL-110 1/2%                        | 7.05            | 332.25   |
| 1146                          | 24"               | CAF 38 1/4%                        | 7.25            | 174.00   |
| KANSAS CORPORATION COMMISSION |                   |                                    |                 |          |
| MAY 05 2009                   |                   |                                    |                 |          |
| 1118A                         | 500"              | Gel-Flush                          | .16             | 80.00    |
| 1105                          | 50"               | Hulls                              | .32             | 16.00    |
| 1103                          | 100"              | Caustic Sods                       | 1.35            | 135.00   |
| 4404                          | 1                 | 4 1/2" Top Rubber Plug             | 43.00           | 43.00    |
| 5407A                         | 5.5 Ton           | Ten-Mileage                        | 1.16            | 253.20   |
| Thank You!                    |                   |                                    | Sub Total       | 3971.09  |
|                               |                   |                                    | 6.3% SALES TAX  | 170.61   |
|                               |                   |                                    | ESTIMATED TOTAL | 4141.70  |

Rev'n 3737

228609

AUTHORIZATION called by Jacob

TITLE Co-Rep

DATE \_\_\_\_\_

**GEOLOGIC REPORT**

LAYNE ENERGY  
Hare 12-34  
NW NW SW, 2,220 FSL, 601 FWL  
Section 34-T29S-R16E  
Wilson County, KS

Spud Date: 1/26/2009  
Drilling Completed: 1/29/2009  
Logged: 1/29/2009  
A.P.I. #: 15205277500000  
Ground Elevation: 902  
Depth Driller: 986  
Depth Logger: 982  
Surface Casing: 8.625 inches at 21'  
Production Casing: 4.5 inches at 973'  
Cemented Job:  
Open Hole Logs:

High Resolution Compensated Density Sidewall  
Neutron Log; Dual Induction LL3/GR Log

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KCC

**Formation**

**Tops**

|                   | <b>(below ground)</b> | <b>(subsea)</b> |
|-------------------|-----------------------|-----------------|
| Surface (Iola     |                       |                 |
| Limestone)        |                       | 902             |
| Kansas City Group |                       |                 |
| Pawnee Limestone  | 539                   | 363             |
| Excello Shale     | 656                   | 246             |
| "V" Shale         | 729                   | 173             |
| Mineral Coal      | 766                   | 136             |

KANSAS CORPORATION COMMISSION

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# Daily Well Work Report

HARE 12-34  
1/29/2009

**Well Location:**  
WILSON KS  
29S-16E-34 W2 NW SW  
2220FSL / 601FWL

**Cost Center** C01027500100  
**Lease Number** C010275  
**Property Code** KSCV29S16E3412  
**API Number** 15-205-27750

| Spud Date | RDMO Date | First Compl  | First Prod   | EFM Install | CygnetID |
|-----------|-----------|--------------|--------------|-------------|----------|
| 1/26/2009 | 1/29/2009 |              |              |             |          |
| TD        | PBTD      | Sf Csg Depth | Pr Csg Depth | Tbg Size    | Csg Size |
| 986       | 973       | 21           | 973          | 0           | 0        |

|                                            |                   |                                     |
|--------------------------------------------|-------------------|-------------------------------------|
| <b>Reported By</b> KRD                     | <b>Rig Number</b> | <b>Date</b> 1/26/2009               |
| <b>Taken By</b> KRD                        |                   | <b>Down Time</b>                    |
| <b>Present Operation</b> DRILL OUT SURFACE |                   | <b>Contractor</b> THORNTON DRILLING |

## Narrative

MIRU THORNTON DRILLING, DRILLED 11" HOLE, 21' 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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