

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

6/02/09
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

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Wellsite Geologist: _____
Designate Type of Completion: JUN 02 2009
 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>2/17/2009</u>	<u>2/23/2009</u>	<u>Pending</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-31852-00-00
County: Montgomery
N2 SW NW Sec. 3 Twp. 34 S. R. 16 East West
1650 feet from S / (circle one) Line of Section
680 feet from E / (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Downing Well #: 5-3
Field Name: Cherokee Basin Coal Area
Producing Formation: Cherokee Coals
Elevation: Ground: 800' Kelly Bushing: _____
Total Depth: 1211' Plug Back Total Depth: 1206'
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 1206
feet depth to Surface w/ 125 sx cmt.

Drilling Fluid Management Plan AH INS 7-7-09
(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: Project Engineer Date: 6/2/09
Subscribed and sworn to before me this 2 day of June
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
RECEIVED
JUN 03 2009
VIC Distribution

KCC WICHITA

Operator Name: Layne Energy Operating, LLC Lease Name: Downing Well #: 5-3
 Sec. 3 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 501 GL 299
 Excello Shale 668 GL 132
 V-Shale 726 GL 74
 Mineral Coal 777 GL 23
 Mississippian **COMPENSATED** 133 GL -333

JUN 03 2009

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	21'	Class A	4	Type 1 cement
Casing	6.75"	4.5"	10.5	1206'	Thick Set	125	8 lbs KOL seal

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		Acid, Fracture, Shot, Cement Squeeze Record	
	Specify Footage of Each Interval Perforated		(Amount and Kind of Material Used)	

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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.			Producing Method				
Pending			<input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)				
Estimated Production Per 24 Hours	Oil Bbts.	Gas Mcf	Water Bbts.	Gas-Oil Ratio	Gravity		
	0						

Disposition of Gas METHOD OF COMPLETION Production Interval

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

GEOLOGIC REPORT

LAYNE ENERGY
Downing 5-3
SW NW, 1,650 FNL, 680 FWL
Section 3-T34S-R16E
Montgomery County, KS

Spud Date: 2/17/2009
Drilling Completed: 2/23/2009
Logged: 2/23/2009
A.P.I. #: 15125318520000
Ground Elevation: 800
Depth Driller: 1,211
Depth Logger: 1,213
Surface Casing: 8.625 inches at 210'
Production Casing: 4.5 inches at 1,206'
Cemented Job:
Open Hole Logs: High Resolution Compensated Density Sidewall
Neutron Log; Dual Induction LL3/GR Log

Formation	Tops	
	(below ground)	(subsea)
	Surface (Drum	
Kansas City Group	Limestone)	800
Pawnee Limestone	501	299
Excello Shale	668	132
"V" Shale	726	74
Mineral Coal	777	23
Mississippian	1,133	-333

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Daily Well Work Report

DOWNING 5-3
2/23/2009

Well Location:
MONTGOMERY KS
34S-16E-3 N2 SW NW
1650FNL / 680FWL

Cost Center G01066400200
Lease Number G010664
Property Code KSDC34S16E0305
API Number 15-125-31852

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JUN 23 2009
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Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnelID
2/17/2009	2/23/2009				

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1211	1206	21	1206	0	0

Reported By krd	Rig Number	Date 2/17/2009
Taken By krd		Down Time
Present Operation DRILL OUT SURFACE		Contractor THORNTON ROTARY

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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CONSOLIDATED
ENERGY SERVICES, LLC



ENTERED

TICKET NUMBER 20887
LOCATION Eureka
FOREMAN C. P. Strickler

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																
2-24-09	4758	Downing 5-3				MG																
CUSTOMER <u>Layne Energy</u>			<table border="1"> <thead> <tr> <th>TRUCK #</th> <th>DRIVER</th> <th>TRUCK #</th> <th>DRIVER</th> </tr> </thead> <tbody> <tr> <td>520</td> <td>Troy</td> <td></td> <td></td> </tr> <tr> <td>515</td> <td>J.P.</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				TRUCK #	DRIVER	TRUCK #	DRIVER	520	Troy			515	J.P.						
TRUCK #	DRIVER	TRUCK #					DRIVER															
520	Troy																					
515	J.P.																					
MAILING ADDRESS <u>P.O. Box 1160</u>																						
CITY <u>Sycamore</u>																						
STATE <u>Ks</u>		ZIP CODE																				

JOB TYPE longstring HOLE SIZE 6 3/4" HOLE DEPTH 1211' CASING SIZE & WEIGHT 4 1/2" 16.5"
 CASING DEPTH 1206' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.4 # SLURRY VOL 37 Bbl WATER gal/sk 2.0 CEMENT LEFT in CASING 0'
 DISPLACEMENT 19.2 Bbl DISPLACEMENT PSI 500 BUMP PSI 1000 RATE 4 BPM

REMARKS: Safety Meeting. Rig up to 4 1/2" casing. Break circulation w/ 50 bbl fresh water. Pump 10 sks gel flush w/hulls. 2 Bbl water spacer 10 Bbl caustic soda pre-flush 5 Bbl water spacer. Mix 125 sks thickset cement w/ 1/8" phenoseal 1 1/2% FL-110, 1/4% CAF-38, 8# Kol-Seal per/sk @ 13.4 # per gal. Washout pump and lines. Shut down. Release plug. Displace w/ 19.2 bbl Fresh water. Final pump pressure 500 PSI. Bump plug to 1000 PSI. wait 2 mins. release pressure. float held. Good cement returns to surface 9 Bbl slurry to pt. Job Complete Rig Down

JUN 13 2009

"Thank You"

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	125 sks	thickset cement	16.00	2,000.00
1110A	1000 #	8# Kol-Seal per/sk	.39	390.00
1107A	16 #	1/8" phenoseal per/sk	1.08	17.28
1135	60 #	1/2% FL-110	7.05	423.00
1146	30 #	1/4% CAF-38	7.25	217.50
1118A	500 #	gel-flush	.16	80.00
1105	50 #	hulls	.37	18.50
1103	100 #	caustic soda	.85	85.00
4404	1	4 1/2" Top rubber plug	43.00	43.00
5407A	6.88	ton-mileage Bulk Truck	1.16	319.23
			subtotal	4601.51
			SALES TAX	115.25
			ESTIMATE	
			TOTAL	4716.76

Ravin 3737

208875

AUTHORIZATION _____ TITLE _____ DATE _____

4775.06