



KANSAS CORPORATION COMMISSION 1065263  
OIL & GAS CONSERVATION DIVISION

Form ACO-1  
June 2009

Form Must Be Typed  
Form must be Signed  
All blanks must be Filled

**WELL COMPLETION FORM**  
**WELL HISTORY - DESCRIPTION OF WELL & LEASE**

OPERATOR: License # 33365  
Name: Layne Energy Operating, LLC  
Address 1: P O Box 160  
Address 2:  
City: Sycamore State: KS Zip: 67363 +  
Contact Person: Victor H Dyal  
Phone: ( 620 ) 627-2499  
CONTRACTOR: License # 33606  
Name: Thornton Air Rotary, LLC  
Wellsite Geologist: N/A  
Purchaser:

Designate Type of Completion:  
 New Well  Re-Entry  Workover  
 Oil  WSW  SWD  SIOW  
 Gas  D&A  ENHR  SIGW  
 OG  GSW  Temp. Abd.  
 CM (Coal Bed Methane)  
 Cathodic  Other (Core, Expl., 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  Conv. to SWD  
 Conv. to GSW  
 Plug Back: Plug Back Total Depth  
 Commingled Permit #:  
 Dual Completion Permit #:  
 SWD Permit #:  
 ENHR Permit #:  
 GSW Permit #:

04/01/2011	04/04/2011	04/27/2011
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-125-32058-00-00  
Spot Description:  
SW SW NW NW Sec. 2 Twp. 31 S. R. 14  East  West  
1149 Feet from  North /  South Line of Section  
325 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
County: Montgomery  
Lease Name: Shultz Well #: 4N-2  
Field Name:  
Producing Formation: Cattleman  
Elevation: Ground: 920 Kelly Bushing: 0  
Total Depth: 1287 Plug Back Total Depth: 1258  
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: 1258  
feet depth to: 0 w/ 130 sx cmt.

**Drilling Fluid Management Plan**  
(Data must be collected from the Reserve Pit)  
Chloride content: 0 ppm Fluid volume: 0 bbls  
Dewatering method used: Evaporated  
Location of fluid disposal if hauled offsite:  
Operator Name:  
Lease Name: License #:  
Quarter Sec. Twp. S. R.  East  West  
County: Permit #:

**AFFIDAVIT**

I am the affiant and I hereby certify that 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.

Submitted Electronically

**KCC Office Use ONLY**

Letter of Confidentiality Received  
Date: 10/13/2011  
 Confidential Release Date:  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution  
ALT  I  II  III Approved by: Deanna Garrison Date: 10/14/2011



1065263

Operator Name: Layne Energy Operating, LLC Lease Name: Shultz Well #: 4N-2  
 Sec. 2 Twp. 31 S. R. 14  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 complete copy of all Electric Wire-line Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken (Attach Additional Sheets)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Log Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Name	Top Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	See attached	
Electric Log Run	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Electric Log Submitted Electronically (If no, Submit Copy)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
List All E. Logs Run:			
Compensated Density Neutron Dual Induction			

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	# Sacks Used	Type and Percent Additives
Surface	11	8.625	24	22	Type I	4	
Production	6.75	4.5	10.5	1258	Thickset	130	

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
2	Cattleman	450 gallons 15% HCL; 11,800 lbs 16/30 & 12/20 sand; 292 bbls gelled water	1202.5' to 1211.5'

TUBING RECORD:	Size: <u>2.375</u>	Set At: <u>1240'</u>	Packer At:	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR. <u>04/27/2011</u>	Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) _____			
Estimated Production Per 24 Hours	Oil Bbls. <u>30.5</u>	Gas Mcf	Water Bbls. <u>0</u>	Gas-Oil Ratio Gravity

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input checked="" type="checkbox"/> Sold <input type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled (Submit ACO-5) (Submit ACO-4) <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: <u>1202.5' to 1211.5'</u>
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MORNING COMPLETION REPORT

Report Called in by: JM

Report taken by: KRJ

LEASE NAME & #	AFE#	DATE	DAYS	CIBP	PBTD
SHULTZ 4N-2		4/1/2011	1	DEPTH	TYPE FLUID
PRESENT OPERATION:					WT
TD, OHL, CSG, CMT.					VIS
DEEPEST CASING	LINERS OD TOP & SHOE DEPTH	REPAIR DOWN TIME HRS		CONTRACTOR	THORNTON AIR R
OD SHOE DEPTH	8 5/8" 24# J-55 --- Set 21.5'	TEST PERFS		RIG NO	BILLY
PACKER OR ANCHOR	FISHING TOOLS	OD	ID	SQUEEZED OR PLUG BACK PERFS	
				TO	TO
				TO	TO
				TO	TO
				TO	TO
HRS	BRIEF DESCRIPTION OF OPERATION				
	MIRU Thornton drilled 11" hole 21.5' deep. RIH W/1 joint 8-5/8" surface casing. Mixed 4 sx type 1 cement, dumped down the backside. SDFN.				

DAILY COST ANALYSIS

RIG \_\_\_\_\_

SUPERVISION \_\_\_\_\_

RENTALS \_\_\_\_\_

SERVICES \_\_\_\_\_

MISC \_\_\_\_\_

DETAILS OF RENTALS, SERVICES, & MISC

MOKAT DRILLING @ 6.50/r
MOKAT DAYWORK
DIRTWORKS (LOC.RD. PIT)
SURFACE CASING
LAND/LEGAL
WL
CONS.
FLOAT
CSG

DAILY TOTALS      0      PREVIOUS TCTD      0      TCTD      0



TICKET NUMBER 30400  
 LOCATION Fixera KS  
 FOREMAN Rick Ledford

PO Box 884, Chanute, KS 66720  
 620-431-9210 or 800-467-8676

FIELD TICKET & TREATMENT REPORT

CEMENT API# 15-125-32058-00-00

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
4-7-11	4758	Shultz 4N-2	2	31N	14E	MG
CUSTOMER Layne Energy			Safety meeting 3/31/11			
MAILING ADDRESS P.O. Box 1160			TRUCK #	DRIVER	TRUCK #	DRIVER
CITY Sycamore			520	John		
STATE KS			515	Chris		
ZIP CODE						

JOB TYPE logstring HOLE SIZE 6 3/4" HOLE DEPTH 1262' CASING SIZE & WEIGHT 4 1/2"  
 CASING DEPTH 1258' DRILL PIPE \_\_\_\_\_ TUBING \_\_\_\_\_ OTHER \_\_\_\_\_  
 SLURRY WEIGHT 13.4" SLURRY VOL 41 bbl WATER gal/sk 8.0 CEMENT LEFT in CASING 0'  
 DISPLACEMENT 20 bbl DISPLACEMENT PSI 700 MIX PSI 1100 RATE \_\_\_\_\_

REMARKS: Safety meeting - Rig up to 4 1/2" casing. Break circulation w/ 30 bbl fresh water. Pump 10 sk gal-flush w/ bulls, 5 bbl water spacer, 15 bbl caustic soda pre-flush, 10 bbl dp water. Mixed 130 sks thickset cement w/ 8" Kel-seal/sk, 1/2" phosson/sk + 1/4" celus @ 13.4"/gal. Washout pump & lines, release 4 1/2" top rubber plug. Displace w/ 20 bbl fresh water. Final pump pressure 700 psi. Pump plug to 1100 psi, wait 2 minutes, release pressure, float held. Good cement returns to surface @ 6 bbl slurry to pit. Job complete. Rig down.

"Thank You"

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5461	1	PUMP CHARGE	975.00	975.00
5406	40	MILEAGE	4.00	160.00
1126A	130 sks	thickset cement	18.30	2379.00
1110A	1040"	8" Kel-seal/sk	.44	457.60
1167A	16"	1/2" phosson/sk	1.22	19.52
1135A	30"	1/4" cel-us	9.95	298.50
1118B	500"	gel-flush	.20	100.00
1105	50"	bulls	.42	21.00
1103	100"	caustic soda	1.52	152.00
5407A	7.15	tax mileage bulk tax	1.26	360.36
4404	1	4 1/2" top rubber plug	42.00	42.00
			subtotal	4914.98
			SALES TAX 6.3%	218.00
			ESTIMATED TOTAL	5183.58

Rev 3737

AUTHORIZATION [Signature] TITLE Oil Farmer DATE \_\_\_\_\_

I acknowledge that the payment terms, unless specifically amended in writing on the front of the form or in the customer's account records, at our office, and conditions of service on the back of this form are in effect for services identified on this form.

Air Drilling Specialist  
Oil & Gas Wells

**THORNTON AIR ROTARY, LLC**  
Office Phone: 620-879-2073

PO Box 449  
Caney, KS 67333

Date Started	4/1/2011
Date Completed	4/4/2011

Well No.	Operator	Lease	A.P.I #	County	State
4N-2	Layne Energy Operating	Shultz	15-125-32058-00-00	Montgomery	Kansas

1/4	1/4	1/4	Sec.	Twp.	Rge.
			2	31	14

Driller	Type/Well	Cement Used	Casing Used	Depth	Size of Hole
Billy	Oil	4	21.6 8 5/8	1287	6 3/4

**Formation Record**

0-10	DIRT	928-931	BLK SHALE (LEXINGTON)	1239-1287	SHALE
10-99	LIME	931-945	SHALE	1287	TD
99-291	LMY SHALE	945-958	SAND		
291-302	SANDY SHALE	958-979	SHALE		
302-390	SAND (DAMP)	979-1005	LIME (OSWEGO)		
361	WENT TO WATER	1005-1014	BLK SHALE (SUMMIT)		
390-441	SHALE	1014-1022	LIME		
441-464	LIME	1022-1026	BLK SHALE (EXCELLO)		
464-476	SHALE	1026-1027	COAL (MULKEY)		
476-504	LIME	1027-1029	SHALE		
504-520	LMY SHALE	1029-1033	LIME		
520-540	LIME	1033-1073	SHALE		
540-545	BLACK SHALE	1073-1074	COAL (BEVIER)		
545-564	LIME	1074-1089	SHALE		
564-600	SAND	1089-1091	LIME (V-LIME)		
600-665	LIME	1091-1093	SHALE		
665-711	SHALE	1093-1094	COAL (CROWBERG)		
711-738	LMY SHALE	1094-1135	SHALE		
738-752	SANDY SHALE	1135-1136	COAL (MINERAL)		
752-763	SHALE	1136-1174	SHALE		
763-780	LIME	1162	GAS TEST-2#,1/4,MCF-12.7		
780-800	SAND	1174-1178	BLACK SHALE		
800-827	SHALE	1178-1184	SHALE		
827-848	SANDY SHALE	1184-1198	SANDY SHALE		
848-891	SHALE	1198-1206	SAND / LITE OIL ODOR		
891-892	COAL (MULBERRY)	1206-1215	BROWN SAND/BETTER ODOR		
892-894	SHALE	1215-1216	COAL (WEIR)		
894-921	LIME (PAWNEE)	1216-1224	SHALE		
921-925	BLACK SHALE	1224-1230	SAND / LITE ODOR		
925-928	LIME	1230-1239	SANDY SHALE		

Conservation Division  
Finney State Office Building  
130 S. Market, Rm. 2078  
Wichita, KS 67202-3802



Phone: 316-337-6200  
Fax: 316-337-6211  
<http://kcc.ks.gov/>

Mark Sievers, Chairman  
Ward Loyd, Commissioner  
Thomas E. Wright, Commissioner

Sam Brownback, Governor

October 13, 2011

Victor H Dyal  
Layne Energy Operating, LLC  
P O Box 160  
Sycamore, KS 67363

Re: ACO1  
API 15-125-32058-00-00  
Shultz 4N-2  
NW/4 Sec.02-31S-14E  
Montgomery County, Kansas

Dear Production Department:

We are herewith requesting that the Well Completion Form ACO-1 and attached information for the subject well be held confidential for a period of two years.

Should you have any questions or need additional information regarding subject well, please contact our office.

Respectfully,  
Victor H Dyal

Conservation Division  
Finney State Office Building  
130 S. Market, Rm. 2078  
Wichita, KS 67202-3802



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October 14, 2011

Victor H Dyal  
Layne Energy Operating, LLC  
P O Box 160  
Sycamore, KS 67363

Re: ACO-1  
API 15-125-32058-00-00  
Shultz 4N-2  
NW/4 Sec.02-31S-14E  
Montgomery County, Kansas

Dear Victor H Dyal:

K.A.R. 82-3-107 provides for all completion information to be filed within 120 days of the spud date. Subsection(e)(2) of that regulation states "All rights to confidentiality shall be lost if the filings are not timely."

The above referenced well was spudded on 04/01/2011 and the ACO-1 was received on October 13, 2011 (not within the 120 days timely requirement).

Therefore, your request for confidential treatment of data contained within the ACO-1 filing cannot be granted at this time.

If you should have any questions, please do not hesitate to contact me at (316)337-6200.

Sincerely,

Production Department