



KANSAS CORPORATION COMMISSION 1065361
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 SLOW
 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 #: _____
03/30/2011 03/31/2011 04/28/2011
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 15-125-32055-00-00
Spot Description: _____
NW NW NW NW Sec. 2 Twp. 31 S. R. 14 East West
171 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 #: 4D-2
Field Name: _____
Producing Formation: N/A
Elevation: Ground: 919 Kelly Bushing: 0
Total Depth: 1262 Plug Back Total Depth: _____
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: _____
feet depth to: _____ w/ _____ 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: 10/14/2011
 Confidential Release Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
ALT I II III Approved by: Deanna Garrison Date: 10/17/2011



1065361

Operator Name: Layne Energy Operating, LLC Lease Name: Shultz Well #: 4D-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 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Submitted Electronically <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run: Compentated Density Neutron Dual Induction	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum See attached
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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 1	4	

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 <i>(Amount and Kind of Material Used)</i>	Depth

TUBING RECORD: Size: _____ Set At: _____ Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. _____		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

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

Report Called in by: JM

Report taken by:

KRD

LEASE NAME & #		AFE#	DATE	DAYS	CIBP DEPTH TYPE	PBTD TYPE FLUID
SHULTZ 4D-2			3/30/2011	1		
PRESENT OPERATION:						WT
TD, OHL, CSG, CMT.						VIS
DEEPEST CASING OO SHOE DEPTH	LINERS OD TOP & SHOE DEPTH		REPAIR DOWN TIME HRS		CONTRACTOR MOKAT RIG NO BILLY	
	8 5/8" 24# J-55 --- Set 21.5'		TEST PERFS		SQUEEZED OR PLUG BACK PERFS	
PACKER OR ANCHOR	FISHING TOOLS	OD	ID	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 @ 8.50/m
MOKAT DAYWORK
DIRTWORKS (LOC,RD, PIT)
SURFACE CASING
LAND/ LEGAL
WL
CONS.
FLOAT
CSG

DAILY TOTALS 0 PREVIOUS TCTD 0 TCTD 0

Air Drilling Specialist
Oil & Gas Wells

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

PO Box 449
Caney, KS 67333

Date Started	3/30/2011
Date Completed	3/31/2011

Well No.	Operator	Lease	A.P.I.#	County	State
4D-2	Layne Energy Operating	Shultz	15-125-32055-00-00	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	1262	6 3/4

Formation Record

0-4	DIRT	972-997	LIME (OSWEGO)		
4-76	LIME	997-1006	BLK SHALE (SUMMIT)		
76-290	LMY SHALE	1006-1014	LIME		
290-293	LIME	1014-1019	BLK SHALE (EXCELLO)		
293-300	SANDY SHALE	1019-1020	COAL (MULKEY)		
300-360	SAND (WET)	1020-1025	LIME		
336	WENT TO WATER	1025-1074	SHALE		
360-441	SANDY SHALE	1074-1075	COAL		
441-460	LIME	1075-1084	SHALE		
460-463	SHALE	1084-1086	LIME (V-LIME)		
463-534	LIME	1086-1088	SHALE		
534-541	LMY SHALE	1088-1089	COAL (CROWBERG)		
541-572	LIME	1089-1132	SHALE		
572-598	SHALE	1132-1134	COAL (MINERAL)		
598-617	LIME	1134-1177	SHALE		
617-653	SHALE	1177-1182	BLACK SHALE		
653-667	LIME	1182-1193	SANDY SHALE		
667-714	SHALE	1193-1206	SAND		
714-730	LIME	1198-1202	OIL ODOR		
730-757	SANDY SHALE	1206-1209	COAL		
757-778	LIME	1209-1225	SANDY SHALE		
778-790	SAND	1212	GAS TEST-SLIGHT BLOW		
790-808	SANDY SHALE	1225-1237	SAND		
808-828	SHALE	1237-1262	SHALE		
828-833	SAND	1262	TD		
833-885	SHALE				
885-887	COAL (MULBERRY)				
887-920	LIME (PAWNEE)				
920-926	BLACK SHALE				
926-972	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 14, 2011

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

Re: ACO1
API 15-125-32055-00-00
Shultz 4D-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



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 17, 2011

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

Re: ACO-1
API 15-125-32055-00-00
Shultz 4D-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 03/30/2011 and the ACO-1 was received on October 14, 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