

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

ORIGINAL

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: Michael J Murphy  
Phone: (620) 627-2499  
CONTRACTOR: License # 33606  
Name: Thornton Air Rotary  
Wellsite Geologist: \_\_\_\_\_  
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: Layne Energy Operating, LLC  
Well Name: Osburn 3-10

Original Comp. Date: 1/14/09 Original Total Depth: 1411'  
 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 #: \_\_\_\_\_

10-04-2010 \_\_\_\_\_ 10/04/2010 \_\_\_\_\_  
Spud Date or \_\_\_\_\_ Date Reached TD \_\_\_\_\_ Completion Date or \_\_\_\_\_  
Recompletion Date \_\_\_\_\_ Recompletion Date \_\_\_\_\_

API No. 15 - 019-26938-00-0001  
Spot Description: \_\_\_\_\_  
S2 NE NW Sec. 10 Twp. 32 S. R. 13  East  West  
821 Feet from  North /  South Line of Section  
1,992 Feet from  East /  West Line of Section

Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
County: Chautauqua  
Lease Name: Osburn Well #: 3-10  
Field Name: Cherokee Basin Coal Area  
Producing Formation: Cherokee Coals  
Elevation: Ground: 851' Kelly Bushing: \_\_\_\_\_  
Total Depth: 1411' Plug Back Total Depth: 1388'  
Amount of Surface Pipe Set and Cemented at: 42 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set: \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from: 1388  
feet depth to: Surface w/ 150 sx cmt.

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 #: \_\_\_\_\_  
Quarter \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West  
County: \_\_\_\_\_ Permit #: \_\_\_\_\_

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INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2000, 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.

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.

Signature: [Signature]  
Title: Engineer Date: 2/23/2012

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Letter of Confidentiality Received  
Date: \_\_\_\_\_  
 Confidential Release Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution  
ALT  I  II  III Approved by: Dg Date: 3/13/12

Operator Name: Layne Energy Operating, LLC Lease Name: Osburn Well #: 3-10  
 Sec. 10 Twp. 32 S. R. 13  East  West County: Chautauqua

**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 Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <i>(Attach Additional Sheets)</i>	<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			
Electric Log Run	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Electric Log Submitted Electronically <i>(If no. Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

List All E. Logs Run:  
 Compensated Density Neutron-Sent Previously  
 Dual Induction-Sent Previously

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

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
	Open Hole--Burgess 1388'-1411'		
	CIBP set at 1360' on 10-4-2010		
4	Mineral	2,400 lbs sand, 300 gallons 15% HCL, 208 bbls water	1189.5' to 1191'
4	V-Shale/Croweburg	2,400 lbs sand, 300 gallons 15% HCL, 259 bbls water	1149' to 1151'
4	Excello	3,600 lbs sand, 300 gallons 15% HCL, 225 bbls water	1096.5' to 1099.5'

TUBING RECORD: Size: 2.375 Set At: 1212' Packer At:   Liner Run:  Yes  No

Date of First, Resumed Production, SWD or ENHR. 10/06/2010 Producing Method:  Flowing  Pumping  Gas Lift  Other (Explain)  

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
		<u>8</u>			

DISPOSITION OF GAS: Vented <input checked="" type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <input type="checkbox"/> <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> <i>(Submit ACO-5) (Submit ACO-4)</i>	PRODUCTION INTERVAL: <u>1096.5' to 1191'</u>
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