

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

RECEIVED ORIGINAL
JUL 27 2010

Form ACO-1
June 2009

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

KCC WICHITA

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 33365

Name: Layne Energy Operating, LLC

Address 1: 1900 Shawnee Mission Parkway

Address 2:

City: Mission Woods State: KS Zip: 66205 + 2001

Contact Person: Victor H. Dyal

Phone: (913) 748-3960

CONTRACTOR: License # 33606

Name: Thornton Air Rotary, LLC

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:

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 #:

4/13/2010	4/15/2010	5/5/2010
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 125-31951-00-00

Spot Description:

NE NW NE NE Sec. 3 Twp. 31 S. R. 14 East West

185 Feet from North / South Line of Section

821 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

NE NW SE SW

County: Montgomery

Lease Name: Zook Well #: 1C-3

Field Name: Unnamed

Producing Formation: Cattleman Sands

Elevation: Ground: 920 Kelly Bushing: N/A

Total Depth: 1275 Plug Back Total Depth: 1263

Amount of Surface Pipe Set and Cemented at: 21 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set: N/A Feet

If Alternate II completion, cement circulated from: 1263

feet depth to: Surface w/ 135 sx cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)

Chloride content: N/A ppm Fluid volume: N/A bbls

Dewatering method used: N/A - Air Drilled

Location of fluid disposal if hauled offsite:

Operator Name: N/A

Lease Name: N/A License #: N/A

Quarter N/A Sec. N/A Twp. N/A S. R. N/A East West

County: N/A Permit #: N/A

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.

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: *Victor H. Dyal*

Title: Manager of Engineering Date: July 26, 2010

KCC Office Use ONLY

- Letter of Confidentiality Received Date: 7/26/10 - 7/26/12
- Confidential Release Date:
- Wireline Log Received
- Geologist Report Received
- UIC Distribution
- ALT I II III Approved by: *ND* Date: 7-29-10

Operator Name: Layne Energy Operating, LLC Lease Name: Zook Well #: 1C-3 JUL 28 2010
Sec. 3 Twp. 31 S. R. 14 [X] East [] West County: Montgomery

CONFIDENTIAL

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 [] Yes [X] No (Attach Additional Sheets)
Samples Sent to Geological Survey [] Yes [X] No
Cores Taken [] Yes [X] No
Electric Log Run [] Yes [X] No
Electric Log Submitted Electronically [X] Yes [] No (If no, Submit Copy)

[X] Log Formation (Top), Depth and Datum [] Sample
Name Top Datum
See Driller's Log

RECEIVED
JUL 27 2010
KCC WICHITA

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

CASING RECORD [] New [] Used

Report all strings set-conductor, surface, intermediate, production, etc.

Table with 8 columns: 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. Rows include Surface and Production data.

ADDITIONAL CEMENTING / SQUEEZE RECORD

Table with 5 columns: Purpose (Perforate, Protect Casing, Plug Back TD, Plug Off Zone), Depth Top Bottom, Type of Cement, # Sacks Used, Type and Percent Additives.

Table with 4 columns: 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. Includes 'See Attached Page' entry.

TUBING RECORD: Size: 2-3/8" Set At: 1187' Packer At: Liner Run: [] Yes [X] No

Date of First, Resumed Production, SWD or ENHR: 5/7/2010 Producing Method: [] Flowing [X] Pumping [] Gas Lift [] Other (Explain)

Table with 8 columns: Estimated Production Per 24 Hours, Oil Bbls., Gas Mcf, Water Bbls., Gas-Oil Ratio, Gravity. Values: Oil 5, Gas 20, Water 0.

DISPOSITION OF GAS: [] Vented [X] Sold [] Used on Lease (If vented, Submit ACO-18.)
METHOD OF COMPLETION: [] Open Hole [X] Perf. [] Dually Comp. (Submit ACO-5) [] Commingled (Submit ACO-4) [] Other (Specify)
PRODUCTION INTERVAL:

Layne Energy Operating, LLC #33365



ZOOK 1C-3

NE NW NE NE 3 - 31S - 14E MONTGOMERY COUNTY, KANSAS

15-125-31951-00-00

<i>Stage #</i>	<i>Perforation Record</i>	<i>Acid, Fracture, Shot, Cement Squeeze Record</i>
Stage 1 5/5/2010	<u>Cattleman Sand 1157' - 1165'</u>	245 Water (bbls)
Stage 1 5/5/2010		3000 Sand (20/40) (lbs)
Stage 1 5/5/2010		5000 Sand (12/20) Brown
Stage 1 5/5/2010		300 HCl (15%) (gal)

KCC

JUL 26 2010

CONFIDENTIAL

RECEIVED

JUL 27 2010

KCC WICHITA

Air Drilling Specialist
Oil & Gas Wells

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

PO Box 449
Caney, KS 67333 **KCC**

JUL 26 2010

CONFIDENTIAL

Date Started	4/13/2010
Date Completed	4/15/2010

Well No.	Operator	Lease	A.P.I.#	County	State
1C-3	Layne Energy Operating	Zook	125 31951	Montgomery	Kansas

1/4	1/4	1/4	Sec.	Twp.	Rge.
			3	31	14

Driller	Type/Well	Cement Used	Casing Used	Depth	Size of Hole
Billy	Oil	4	20 8 5/8	1275	6 3/4

Formation Record

0-6	DIRT	683-696	SHALE	980-989	BLK SHALE (SUMMIT)
6-76	LIME	696-697	COAL	987	GAS TEST-7 1/2", 1/4, MCF-26.1
76-176	SHALE	697-700	SHALE	989-1000	LIME
176-188	LIME	700-706	LIME	1000-1004	BLK SHALE (MULKEY)
188-294	SHALE	706-712	LMY SHALE	1004-1005	COAL
294-295	COAL	712-724	LIME	1005-1009	LIME
295-306	SHALE	724-739	SHALE	1009-1014	SAND
306-391	SAND (WET)	739-741	LIME	1012	GAS TEST- SAME
361	WENT TO WATER	741-743	SHALE	1014-1056	SHALE
391-410	SHALE	743-753	LIME	1056-1057	COAL
410-424	SAND	753-754	COAL	1057-1065	SHALE
424-430	LIME	754-765	LIME	1062	GAS TEST-9 1/2", 1/4, MCF-29.9
430-435	SHALE	761	GAS TEST - SAME	1065-1067	LIME
435-451	LIME	765-787	SAND	1067-1068	SHALE
451-459	SHALE	787-813	SANDY SHALE	1068-1069	COAL (CROWBERG)
459-530	LIME	811	GAS TEST-1#, 1/4, MCF-8.95	1069-1073	SANDY SHALE
511	GAS TEST-SLIGHT BLOW	813-869	SHALE	1073-1080	SAND
530-537	BLK SHALE	837	GAS TEST-11.5", 1/4, MCF-32.4	1080-1110	SHALE
536	GAS TEST-SLIGHT BLOW	869-870	COAL (MULBERRY)	1087	GAST TEST- SAME
537-546	LMY SHALE	870-900	LIME (PAWNEE)	1110-1112	COAL (MINERAL)
546-557	LIME	900-902	BLACK SHALE	1112-1147	SHALE
557-563	SANDY SHALE	902-906	LIME	1147-1148	BLK SHALE, COAL
563-580	SAND	906-914	BLK SHALE (LEXINGTON)	1148-1160	SHALE
580-604	LIME	912	GAS TEST-4#, 1/4, MCF-18.5	1160-1180	SANDY SHALE
586	GAS TEST - SAME	914-922	SHALE	1160	CORE POINT
604-609	SHALE	922-930	SAND	1160-1180	CORE, OILY
609-644	LIME	930-952	SANDY SHALE	1180-1196	BLACK SHALE
644-658	SHALE	952-954	LIME (OSWEGO)	1196-1197	COAL
658-661	BLACK SHALE	954-956	SHALE	1197-1200	SANDY SHALE
661-683	LMY SHALE	956-980	LIME	1200-1206	SAND

RECEIVED

JUL 27 2010

KCC WICHITA

Daily Well Work Report

ZOOK 1C-3
4/13/2010

Well Location:
MONTGOMERY KS
31S-14E-3 NE NW NE NE
185FNL / 821FEL

Cost Center G01020800400
Lease Number G010208
Property Code KSSY31S14E0301C
API Number 15-125-31951

Spud Date	RDMO Date	First Compl	First Prod	EFM Install	CygnnetID
4/13/2010	4/15/2010	5/5/2010	5/7/2010		

TD	PBTD	Sf Csg Depth	Pr Csg Depth	Tbg Size	Csg Size
1275	1263	21	1263	0	0

Reported By JM	Rig Number	Date 4/13/2010
Taken By KRD		Down Time
Present Operation SET SURFACE		Contractor THORNTON DRILLING

Narrative

MIRU Thornton, drilled 11" hole 21' deep, RIH W/1 joint 8-5/8" surface casing. Mixed 8 sx type 1 cement, dumped down the backside. SDFN.

KCC
JUL 26 2010
CONFIDENTIAL

RECEIVED
JUL 27 2010
KCC WICHITA



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

ENTERED

TICKET NUMBER 24317
LOCATION Eureka
FOREMAN Troy Strickler

FIELD TICKET & TREATMENT REPORT
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
4-15-10	4758	ZOOK IC-3				MG
CUSTOMER Layne Energy			TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS P.O. Box 160			520	Cliff		
CITY Sycamore			491	Korn		
STATE Ks		ZIP CODE				

JOB TYPE L/S HOLE SIZE 6 3/4" HOLE DEPTH 1235' CASING SIZE & WEIGHT 4 1/2"
 CASING DEPTH 1265' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.4" SLURRY VOL 40.2 BBL WATER gal/sk 8" CEMENT LEFT IN CASING 0'
 DISPLACEMENT 20.1 BBL DISPLACEMENT PSI 500 MIX PSI 1000 b.p.M. RATE _____

REMARKS: Safety Meeting. Rig up to 4 1/2" casing. Break Circulation w/ 25 BBL water
 Pump 100k Gel-Flush w/ Hulls, 5 BBL water spacer, 10 BBL Caustic Soda
 Pre-Flush, 11 BBL Dye water. Mixed 1300k Thick Set Cement w/ 2"
 Kol-Seal w/ 1/2" Phenoxal sk, 1/2" CFL-110, 1/2" CAF-38, @ 13.4"/gal
 Wash out Pump + lines. Release Plug. Displace w/ 20.1 BBL water. Final
 Pumping Pressure 500 PSI. Pump Plug to 1000 PSI. wait 2 min.
 Release Pressure- Float Held. Good Cement to surface = 8 BBL
 Shown to pit.

Job Complete

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	900.00	900.00
5406	40	MILEAGE	3.55	142.00
1126A	135 SK	Thick Set Cement	16.50	2227.50
1110A	1080 #	5" Kol-Seal sk	.40	432.00
1107A	17 #	1/2" Phenoxal sk	1.12	19.04
1135	68 #	1/2" CFL-110	7.26	493.68
1146	34 #	1/2" CAF-38	7.50	255.00
		RECEIVED JUL 27 2010		
1118A	500 #	Gel-Flush	.17	85.00
1105	50 #	Hulls	.38	19.00
1103	100 #	Caustic Soda	1.40	140.00
5407A	743	Ton-Mileage	1.20	356.64
4404	1	4 1/2" Top Rubber Plug	44.00	44.00
		Sub Total		5113.86
		SALES TAX		196.93
		ESTIMATED TOTAL		5310.79

Rev'n 3737

[Signature]

233199

AUTHORIZATION estimated by muser

TITLE Co-Op.

DATE _____