

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM

WELL HISTORY - DESCRIPTION OF WELL & LEASE

CONFIDENTIAL

ORIGINAL

Operator: License # 33342
Name: Blue Jay Operating, LLC
Address: 4916 Camp Bowie Blvd., Suite 204
City/State/Zip: Fort Worth, TX 76107
Purchaser: Cherokee Basin Pipeline LLC
Operator Contact Person: Jens Hansen
Phone: (817) 546-0034
Contractor: Name: Cherokee Wells, LLC
License: 33539
Wellsite Geologist: NA

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW Temp. Alt.
 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>7/26/05</u>	<u>7/27/05</u>	
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 205-26125-0000
County: Wilson
SE4 - SE4 - SE4 - Sec. 4 Twp. 29 S. R. 14 East West
400 feet from S / N (circle one) Line of Section
450 feet from E / W (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE (SE) NW SW
Lease Name: Pekrul Well #: A-2
Field Name: Cherokee Basin Coal Gas
Producing Formation: See Perforating Record
Elevation: Ground: 877' Kelly Bushing: _____
Total Depth: 1249' Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 43' 9" Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from bottom casing
feet depth to surface w/ 135 sx cmt.

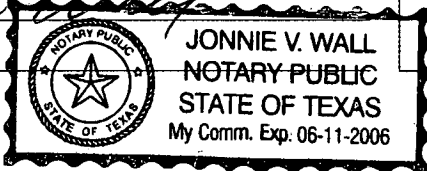
Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit) *ART II WASH 11-5-07*
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used _____
Location of fluid disposal if hauled offsite: _____
Operator Name: _____ **KCC**
Lease Name: _____ License No. _____
Quarter _____ Sec. _____ Twp. _____ S. R. 2005 East West
County: _____ Docket No. _____

CONFIDENTIAL

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: Jens Hansen
Title: Mgr. Date: 10-17-05
Subscribed and sworn to before me this 17th day of October,
2005.
Notary Public: Jonnie V. Wall
Date Commission Expires: _____



KCC Office Use ONLY

YES Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

CONFIDENTIAL

Side Two

ORIGINAL

Operator Name: Blue Jay Operating, LLC Lease Name: Pekrul Well #: A-2
Sec. 4 Twp. 29 S. R. 14 [X] East [] West County: Wilson

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 [X] No
Samples Sent to Geological Survey [] Yes [X] No
Cores Taken [] Yes [X] No
Electric Log Run [X] Yes [] No
List All E. Logs Run: Electric Logs Enclosed
[] Log Formation (Top), Depth and Datum [] Sample
Name Top Datum
Driller Log Enclosed
RECEIVED OCT 24 2005 KCC WICHITA

CASING RECORD [X] New [] Used
Report all strings set-conductor, surface, intermediate, production, etc.
Table with 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.

ADDITIONAL CEMENTING / SQUEEZE RECORD
Table with columns: Purpose, Depth Top Bottom, Type of Cement, #Sacks Used, Type and Percent Additives.

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
KCC OCT 13 2005 CONFIDENTIAL

TUBING RECORD Size Set At Packer At Liner Run [] Yes [] No
Date of First, Resumerd Production, SWD or Enhr. Producing Method [] Flowing [] Pumping [] Gas Lift [X] Other (Explain) waiting on pipeline
Estimated Production Per 24 Hours Oil Bbls. Gas Mcf Water Bbls. Gas-Oil Ratio Gravity

Disposition of Gas METHOD OF COMPLETION Production Interval
[] Vented [] Sold [] Used on Lease (If vented, Submit ACO-18.)
[] Open Hole [] Perf. [] Dually Comp. [] Commingled
[] Other (Specify)

Cherokee Wells, LLC

4916 Camp Bowie Blvd. Ste. 200 - Fort Worth, TX 76107

Contractor License # 33539

817-546-0034/ TX Office; 817-296-6541/Jens Hansen Cell; 817-624-1374/FAX

620-763-2619/ KS Office; 620-432-6170/Jeff Kephart Cell; 620-763-2065/FAX

Rig #:	CW	S 4 T 29S R 14E
API #:	15-205-26125-00-00	Location SE4, SE4, SE4
Operator:	Blue Jay Operating LLC	County: Wilson

4916 Camp Bowie Suite 204	
Fort Worth, TX 76107	

Well #:	A-2	Lease Name:	Pekrul	Depth	Pounds	Orifice	flow - MCF
Location:	400	ft. from S	Line	879	2 1/2"	1/4"	14.3
	450	ft. from E	Line	954	Gas Check Same		
Spud Date:	7/26/2005			1029	4	1/4"	18.5
Date Completed:	7/27/2005	TD:	1249	1079	5 1/2"	1/4"	21.8
Geologist:				1169	Gas Check Same		

Casing Record	Surface	Production
Hole Size	11"	6 3/4"
Casing Size	8 5/8"	
Weight	26#	
Setting Depth	43'	
Cement Type	Portland	
Sacks	8 W	
Feet of Casing	43'	

05LG-072705-R4 CW- 035- Pekrul A-2 - BJO

Rig Time	Work Performed

RECEIVED
08T 24 2005
KCC WICHITA

Well Log

Top	Bottom	Formation	Top	Bottom	Formation	Top	Bottom	Formation
0	5	Overburden	557	575	shale	865	871	lime
5	155	shale	575	593	lime	871	924	shale
155	166	lime	593	665	shale	924	925	coal
166	175	shale	665	677	lime	925	942	shale
175	191	lime	677	686	sand- No Show	942	943	coal
191	262	shale	686	715	sand/ shale	943	982	shale
262	274	lime	715	716	coal	982	983	coal
274	301	sand- No Show	716	765	sand/ shale	983	1002	shale
301	317	sand/ shale	765	768	lime	1002	1005	coal
317	322	lime	768	776	shale	1005	1092	shale
322	349	shale	776	799	Pink Lime	1092	1094	coal
349	457	lime	799	830	shale	1094	1147	sand/ shale
457	514	shale	830	847	Oswego Lime	1147	1148	coal
514	524	lime	847	854	Summit	1148	1158	shale
524	531	shale	854	860	lime	1158	1249	Mississippi Lime
531	557	lime	860	865	Mulky	1249		Total Depth

Blue Jay Oper.
WELL ENGINEERING DRILLING REPORT

DATE: 7-28-05
RIG: _____
SUPV: _____
RPT TIME _____

WELL NAME: PERKIN A-2
POOL: _____ SEC. H TW 29 RANGE 14
PROJECT # _____ API# _____ County: WILSON State: K5
AFE Cost _____ Dry Hole Cost = _____ Csg Hole Cost = _____

DEPTH _____ DAYS _____ FOOTAGE MADE _____ HRS DRLC _____
PRESENT OPERATIONS: _____
24 HR SUMMARY _____
24 FORECAST _____

Bit Wt: _____ RPM _____ Torque: _____ f/lb _____

AIR COMPRESSOR						SURVEYS			Stats	
Make	Model	HP	CFM	RPM	Pressure	Depth	Angle	Dir.	Spud Time:	_____
									Date:	<u>7-26-05</u>
							deg.		KB Elev.:	
							deg.		G.L. Elev.	<u>877'</u>

Bit No.	Size	Make	Type	Ser.No.	Jets	In	Out	FTG	Hrs.	API Grade

COSTS											
Last Csg. Size: <u>8 1/2"</u>		Set @: <u>40</u> ft.		Burst: _____		Code		Items	Previous	Daily	Cum.
Next Csg. Size: <u>11 1/2"</u>		Set @: <u>1738</u> ft.						Location/Roads	<u>1700</u>		<u>1700</u>
								Rig-Footage	<u>9992</u>		<u>9992</u>
Pipe	Size	lbs/ft	Grade	O.D.	I.D.	Type	Total Ft	Rig-Daywork			
DP								Water			
DC								Frac Tanks			

OPERATIONS											
HRS	Comments										
	MERU SUPERIOR Wire line log Weh.										
	MERU GOLFME Well Ser. PV 4 30 ft 1/2 10.5" CASING, LAND AT 1258										
	MERU CTS to Cmt. Weh. Break Circulation W/GRY Flush, MIX & PUMP 135 SPS THICK SET CMT, 13.4" 4 RPM 600 Bump Pump at 1100 OK Floot OK Circulate 9 1/2" CMT to surface, R.O.M.										
	RECEIVED										
	OCT 24 2005										
	KCC WICHT										
									Prev.	<u>13,172</u>	
									Day Total	<u>15683</u>	
									Cum.:	<u>28,855</u>	

CONSOLIDATED OIL WELL SERVICES, INC.
 211 W. 14TH STREET, CHANUTE, KS 66720
 620-431-9210 OR 800-467-8676

TICKET NUMBER 5116
 LOCATION Eureka
 FOREMAN Troy Strickler

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
7-28-05	1294	Pugwell #2				Wilson
CUSTOMER Blue Jay Operating						
MAILING ADDRESS 4916 Camp Bowie Blvd. Ste. 204			TRUCK #	DRIVER	TRUCK #	DRIVER
CITY Ft Worth			463	Alan		
STATE TX			442	Anthony		
ZIP CODE 76107			452/763	Jim		

JOB TYPE Logging HOLE SIZE 6 3/4 HOLE DEPTH 1249' CASING SIZE & WEIGHT 4 1/2 10.5"
 CASING DEPTH 1238' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.4" SLURRY VOL 40.4 Bbl WATER gal/sk 8" CEMENT LEFT in CASING 0'
 DISPLACEMENT 19.7 Bbl DISPLACEMENT PSI 600PSI ~~MIN PSI~~ Pump Plug to 1160PSI RATE _____

REMARKS: Safety Meeting: Rig up to 4 1/2" casing. Begin Circulation w/ 25.0kl Fresh water. Pump 10Bbl Gel Flush. 9 Bbl Dye water. Mixed 135sk Thickset Cement w/ 5# Red-Seal @ 1.5 1/4" Per gal Yield 1.68. Wash out Pump & Lines. Shut down. Released Plug. Displaced w/ 19.7 Bbl Fresh water. Load pump Pressure 600PSI. Pump Plug to 1160PSI wait 2mins. Released Pressure. float held. Good Cement Returns to Surface - 9 Bbl slurry to pit.
 Job Complete Rig down.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	765.00	765.00
5406	60	MILEAGE	250	150.00
1126A	135sk	Thickset Cement	13.00	1755.00
1110A	14sk	Red-Seal 5# Pink	16.90	236.60
1118A	4sk	Gel		
54107		Ten Mileage Bulk Truck	11.25	240.00
4409	1	4 1/2 Top Rubber Plug	38.00	38.00
4156	1	4 1/2 Flapper Valve float shoe	123.00	123.00
4129	1	4 1/2 Centrifugizer	28.00	28.00
5502 C	3hr	Transport	88.00/hr	264.00
1123	3000 gal	City water	12.20/gal	36.60
		Thank You!		
			6.3%	3636.20
			SALES TAX	137.38
			ESTIMATED TOTAL	3773.58

AUTHORIZATION Bob McNew TITLE _____ DATE _____