

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

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 SLOW Temp. Abd.
 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. _____

1/27/06	1/30/06	3/1/06
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-205-26194-0000
County: Wilson
N2 SE4 SE4 Sec. 33 Twp. 28 S. R. 14 East West
1100' feet from S N (circle one) Line of Section
560' feet from E W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Lisher Well #: A-4
Field Name: Cherokee Basin Coal Gas

Producing Formation: See Perforating Records
Elevation: Ground: 889' Kelly Bushing: _____
Total Depth: 1257' Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 43' 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 135 sx cmt.
Alt II NH 0-4-06

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used _____
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter APR 2 4 2006 Twp. _____ S. R. _____ East West
County: KCC WICHITA Docket No.: _____

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: [Signature]
Title: _____ Date: 3-30-06
Subscribed and sworn to before me this 30 day of March
20 06
Notary Public: Patricia Ann Culp
Date Commission Expires: 10-17-09

KCC Office Use ONLY
 Letter of Confidentiality Received
If Denied, Yes Date: _____ **KCC**
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
MAR 27 2006
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PATRICIA ANN CULP
Notary Public, State of Texas
My Commission Expires
October 17, 2009

Operator Name: Blue Jay Operating LLC Lease Name: Lisher Well #: A-4
 Sec. 33 Twp. 28 S. R. 14 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 <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 <i>(Submit Copy)</i> List All E. Logs Run: High Resolution Compensated Density/Neutron Log; Dual Induction Log	<input checked="" type="checkbox"/> Log . Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum Driller's Log Enclosed <div style="text-align: center; font-weight: bold; font-size: 1.2em;"> KCC MAR 27 2006 CONFIDENTIAL </div>
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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 1/4"	8 5/8"	26#	43'	Portland	8	
Long String	6 3/4"	4 1/2"	10.5	1245'	Thick Set Cement	135	See Attached

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

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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
4	888'-892' - Mulky - 16 shots total	Mav Foam carrying 6850# 16/30 Brady Sand	
4	944'-947' - Bevier; 962'-964' - Crowburg - 20 shots total	Mav Foam carrying 15000# 16/30 Brady Sand	
4	1056'-1061' - Weir - 20 shots total	Mav Foam carrying 15000# 16/30 Brady Sand	
		See Attached	

TUBING RECORD		Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. 3/1/06		Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other <i>(Explain)</i>			
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
		20	50-75		

Disposition of Gas Vented Sold Used on Lease *(If vented, Submit ACO-18.)*

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other *(Specify)*

Production Interval _____

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

620-839-5581/ KS Office; 620-432-6170/Jeff Kephart Cell; 620-839-5582/FAX

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Rig #:	CW	Lic: 33342	S 33	T 28S	R 14E	
API #:	15-205-26194-00-00		Location: N2, SE4, SE4			
Operator:	Blue Jay Operating LLC		County: Wilson			
4916 Camp Bowie Suite 204			Gas Tests			
Fort Worth, TX 76107						
Well #:	A-4	Lease Name: Lisher	Depth	Pounds	Orifice	flow - MCF
Location:	1100	ft. from S Line	830	2 1/2	1/4"	14.3
	560	ft. from E Line	905	1	3/8"	19
Spud Date:	1/27/2006		1055	Gas Check Same		
Date Completed:	1/30/2006	TD: 1257	1080	Gas Check Same		
Driller:	Jeff Thompson		1155	1 1/2	3/8"	23.3
Casing Record	Surface	Production				
Hole Size	11 1/4"	6 3/4"				
Casing Size	8 5/8"					
Weight	26#					
Setting Depth	43'					
Cement Type	Portland					
Sacks	8					
Feet of Casing	43' 5"					
			06LA-013006-CW-007-Lisher A-4 - BJO			
Rig Time	Work Performed					

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Well Log

Top	Bottom	Formation	Top	Bottom	Formation	Top	Bottom	Formation
0	7	OB	536	614	lime	886	894	Mulky
7	167	shale			Oil	894	898	lime
167	214	lime	614	687	shale	898	957	shale
214	269	shale	687	698	lime	957	958	coal
269	283	lime	698	705	shale	958	1015	shale
283	314	sand	705	728	sand/ shale	1015	1016	coal
		No Show	728	737	sand	1016	1039	shale
314	315	coal			No Show	1039	1042	coal
315	326	sand	737	795	sand/ shale	1042	1055	shale
		No Show	795	798	lime	1055	1061	coal
326	364	shale	798	799	coal	1061	1140	shale
364	471	lime	799	824	Pink lime	1140	1141	coal
		Oil			Oil	1141	1148	shale
471	515	shale	824	855	shale	1148	1257	Mississippi lime
480		Inject Water	855	872	Oswego- lime	1257		Total Depth
515	527	lime	872	879	Summit			
527	536	shale	879	886	lime			



MAVERICK
STIMULATION COMPANY, LLC

12701 ENERGY RD · FT. MORGAN, CO. 80701 · PH (970) 887-2786 · FAX (970) 887-5922

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BLUE JAY OPERATING - FORT WORTH, TEXAS
Coal Seam Frac Project

March 1, 2006

Blue Jay - Lisher #A-4

Mulky (888 - 892', 4 spf), 16 shots total.

Started with a pump-in (420 gallons gelled water), followed by 500 gals of 7.5% HCl, flushed with 592 gals gelled water. Started treatment with a pad of 4800 gallons of MavFoam C70, followed by 7750 gals of MavFoam C70 carrying 6850 lbs 16/30 Brady Sand at 1.0 to 2.0 ppg down hole and 9150 lbs 16/30 Arizona Sand at 2.0 to 3.0 ppg downhole. The treatment was flushed to the top perforation with 592 gal gelled water. A total of 142,000 SCF of N₂ was used.

Started with a pump-in, STP-39, BH-76; pressure increased to 5000 psi, shut down and let bleed down to 1000 psi then pumped on again. Pressure increased to 4101 psi then to 4297 psi; surged back to the pit; shut in and watched for 3 min. Started with pump-in again; pressure increased to 4210 psi, shut down, pumped on again with pressure increase to 4217 psi then surged back to the pit. Got back on it; pressure increased to 4261 psi; shut down to dump bail acid with 15% HCl. Pumped on; pressure increased to 4286 psi; shut down then pumped on again; pressure increased to 4316 psi and then dropped. Shut down and then started pumping on again; pressure was low (1240 psi) so started acid @ 4.5 bpm, STP-1208, BH-1506. The formation broke down at 1975 psi after acid hit bottom. Started flush @ 5 to 10 bpm, STP-1140, BH-1406. Started Pad @ 15 bpm, STP-947, BH-1115; rate was increased from 16 bpm to 17 bpm due to falling pressure. Initial FQ was 70. Sand stages were as follows: Started 1#, STP-1168, BH-1239, FQ-73. Started 2#, STP-1211, BH-1293, FQ-75. Increased rate to 18 bpm and then 19 bpm during 2# because of declining pressure. Started 3#, STP-1150, BH-1262, FQ-72. Started Flush, STP-1140, BH-1265, FQ-71. Pad through sand stages were pumped @ 15-19 bpm downhole. Foam quality was maintained at 72Q. Max pressure was 5059 psi. Average rate was 18 bpm at 1200 psi surface (1285 psi bottomhole). ISIP - 743 psi; 5 min - 662 psi, 10 min - 655 psi, 15 min - 632 psi.

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STIMULATION COMPANY, LLC

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BLUE JAY OPERATING - FORT WORTH, TEXAS
Coal Seam Frac Project

March 1, 2006

Blue Jay - Lisher #A-4

Bevier (944 - 947', 4 spf), 12 shots.
Crowburg (962 - 964', 4 spf), 8 shots; 20 shots total.

Started with a pump-in (756 gallons gelled water), followed by 500 gals of 7.5% HCl, flushed with 626 gals gelled water. Started treatment with a pad of 4340 gallons of MavFoam C70, followed by 7500 gals of MavFoam C70 carrying 15000 lbs 16/30 Brady Sand at 1.0 to 3.0 ppg down hole. The treatment was flushed to the top perforation with 630 gal gelled water, and over flushed with 84 gal gelled water. A total of 144,000 SCF of N₂ was used.

Started with a pump-in, STP-68, BH-62; pressure increased to 4246 psi, shut down and let bleed down to 2500 psi then pumped on again. Pressure increased to 4404 psi; surged back to the pit; shut in and watched for 3 min. Started with pump-in again; pressure increased to 4050 psi, shut down, pumped on again with pressure increase to 4249 psi then surged back to the pit. Got right back on again; pressure increased to 4041 psi; shut down to dump bail acid with 15% HCl. Pumped on; pressure increased to 3838 psi and then broke over; increased rate and then started acid @ 4.5 bpm, STP-2887, BH-3172. Started flush @ 2 to 3 bpm, STP-2220, BH-2504. Started Pad @ 15 bpm, STP-868, BH-1119; rate was increased from 16 bpm to 17 bpm due to falling pressure. Initial FQ was 66. Sand stages were as follows: Started 1#, STP-1131, BH-1211, FQ-72. Increased rate to 18 bpm during 2#, because of declining pressure. Started 2#, STP-1136, BH-1233, FQ-74. Started 3#, STP-1117, BH-1244, FQ-72. Started Flush, STP-1105, BH-1238, FQ-72. Pad through sand stages were pumped @ 15-18 bpm downhole. Foam quality was maintained at 72 to 73Q. Max pressure was 4404 psi. Average rate was 17 bpm at 1115 psi surface (1225 psi bottomhole). ISIP - 762 psi; 5 min - 638 psi, 10 min - 622 psi, 15 min - 613 psi.

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BLUE JAY OPERATING - FORT WORTH, TEXAS
Coal Seam Frac Project

March 1, 2006

Blue Jay - Lisher #A-4

Weir (1056 - 1061', 4 spf), 20 shots total.

Started with 500 gals of 7.5% HCl flushed with 613 gallons gelled water. Started treatment with a pad of 4735 gallons of MavFoam C70, followed by 7187 gals of MavFoam C70 carrying 15000 lbs 16/30 Brady Sand at 1.0 to 4.0 ppg down hole. The treatment was flushed to the top perforation with 706 gal gelled water, and over flushed with 84 gal gelled water. A total of 165,000 SCF of N₂ was used.

Formation broke down at 1773 psi. Started acid @ 4.5 bpm, STP-6, BH-46. Started flush @ 7 to 12 bpm, STP-1320, BH-1564. Started Pad @ 15 bpm, STP-1066, BH-1476; rate was increased from 16 bpm to 19 bpm due to falling pressure. Initial FQ was 50 to 69. Sand stages were as follows: Started 1#, STP-1336, BH-1409, FQ-73. Started 2#, STP-1389, BH-1463, FQ-75. Started 3#, STP-1324, BH-1444, FQ-72. Increased rate to 20 bpm during 3# because of declining pressure. Started 4#, STP-1323, BH-1456, FQ-72. Started Flush, STP-1318, BH-1475, FQ-72. Pad through sand stages were pumped @ 15-20 bpm downhole. Foam quality was maintained at 72Q to 73Q. Max pressure was 1773 psi. Average rate was 19 bpm at 1370 psi surface (1445 psi bottomhole). ISIP - 890 psi; 5 min - 737 psi, 10 min - 720 psi, 15 min - 710 psi.

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CONSOLIDATED OIL WELL SERVICES, INC.
 P.O. BOX 884, CHANUTE, KS 66720
 620-431-9210 OR 800-467-8676

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MAR 27 2006

TICKET NUMBER 08259

LOCATION Eureka

FOREMAN Brad Butler

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TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
1-31-06		Leaswe A-4				Wilson
CUSTOMER <u>Blue Jay Operating</u>			TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS <u>4916 Camp Bowie Blvd Ste 204</u>			<u>446</u>	<u>Scott</u>		
CITY <u>Ft Worth</u>			<u>439</u>	<u>Calin</u>		
STATE <u>Tx</u>		ZIP CODE <u>76107</u>				

JOB TYPE Leasstring HOLE SIZE 6 3/4" HOLE DEPTH 1257' CASING SIZE & WEIGHT 4 1/2" 10.5 lb
 CASING DEPTH 1245' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.2 lb SLURRY VOL 40 Bbl WATER gal/sk 8.0 CEMENT LEFT in CASING 0'
 DISPLACEMENT 19 3/4 Bbls DISPLACEMENT PSI 600 PSI 1000 Bump Plug RATE _____

REMARKS: Safety Meetings: Rig up to 4 1/2" casing. Break circulation with 15 Bbls water.
Pumped 10 Bbl. Gel Flush 15 Bbl water, 10 Bbl. Dr water.
Mixed 135 sks Thick Set Cement w/ 5# P/SK of KOI-SEAL at 13.2 lb P/GAL (yield 1.68)
Shut down - wash out pump lines - Release Plug - Displace Plug with 19 3/4 Bbls water.
Final pumping at 600 PSI - Bumped Plug to 1000 PSI - wait 2 minutes - Release Pressure
Float Held - close casing in with 0 PSI - Good cement returned to surface with 9 Bbl slurry.

"Thank you"

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	800.00	800.00
5406	40	MILEAGE	3.15	126.00
1126 A	135 SKS	Thick Set Cement	13.65	1842.75
1110 A	14 SKS	KOI-SEAL 5# P/SK	17.75	248.50
1118 A	4 SKS	Gel Flush	7.00	28.00
5407	TON	mileage - Bulk Truck	m/l	275.00
4161	1	4 1/2" AFU Float Shoe	146.00	146.00
4129	1	4 1/2" Centralizer	29.00	29.00
4404	1	4 1/2" Top Rubber Plug	40.00	40.00
		6.3%	SALES TAX	147.06
			ESTIMATED TOTAL	3682.31

AUTHORIZATION Called by Bob McNew

TITLE _____

DATE _____

KCC

MAR 27 2006

Blue Jay Oper.
WELL ENGINEERING DRILLING REPORT

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DATE: 1-31-06
RIG: Cherokee Well,
SUPV:

WELL NAME: Asher A-4

RPT TIME 8:00 AM

POOL: _____ SEC. 23 TW 28
PROJECT # _____ API# _____
AFE Cost _____ Dry Hole Cost = _____

RANGE 14
County: WAGON State: KS
Csg Hole Cost = _____

DEPTH 1257 DAYS 3 FOOTAGE MADE _____ HRS DRLC _____

PRESENT OPERATIONS:

24 HR SUMMARY

24 FORECAST

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

AIR COMPRESSOR

SURVEYS

Make	Model	HP	CFM	RPM	Pressure	Depth	Angle	Dir.	Spud Time:	Stats
Sullivan			1150						4:30 PM	
Sullivan			900						1-27-06	
									KB Elev.:	
									G.L. Elev.	889'

Bit No.	Size	Make	Type	Ser.No.	Jets	In	Out	FTG	Hrs.	API Grade
1	4"	CONC				0	40			
2	6 3/4"	HAMMER				40	1257			

Last Csg. Size: 8 3/8 Set@: 40 ft. Burst: _____
Next Csg. Size: _____ Set@: _____ ft.

COSTS

Pipe	Size	lbs/ft	Grade	O.D.	LD.	Type	Total Ft	Code	Items	Previous	Daily	Cum.
DP	4 1/2"			4 1/2"	2 1/2"				Location/Roads	200		200
DC									Rig-Footage	10,056		10,056
									Rig-Daywork			
									Water		600	600
									Frac Tanks			
									Mud & Chem.			
									Rental Tools			
									Cement & Ser.	80	2682	2762
									Open Hole Log		1750	1750
									Trucking			
									Contract Sup.	700	700	1400
									Casing Crew		1100	1100
									Miscellaneous			
									Casing Prod		8276	8276
									Surf Casing	700		700
									Cement Equip.			
									Wellhead		200	200
									B.O.P.		100	100

OPERATIONS

HRS	Comments
	lay HAMMER NH
	RDMD
9:00	MTRK Usage wire line
9:15	log well
10:45	MTRK G/Tae Well Ser. RUN 29 JTS.
	4 1/2" 10.5" CASING, LAND AT 1245'
	MTRK CTS To Cont. Well Break
	Circulate with push mix pump
	135 sks thick set cont. 13.2" 4RPM
	600# bump plug at 1000' CK PLAT
	OK. Circulate 9 BPHs slurry to
	surface, RDMD

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Prev.	21,836
Day Total	16,378
Cum.:	28,214

SUMMARY OF COMPLETION OPERATION

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Well: <u>Lisher A-4</u>		Date: <u>3-1-06</u>	KCC		
Operator: <u>Blue Jay</u>		MAR 27 2006			
Workover Day:		CONFIDENTIAL			
Description of Operations				Daily Cost	Cum. Cost
MIRU Maverick to Frac					3,376
Well: MIRU Superior Wireline Frac Well # of					
16/30 SAND J.L.H. set plug at 1040. Perforate CB 962-964 4/8" 9 shots. Perforate Beaver 11944-947 4/8" 13 shots CB & Beaver wouldn't break DN. Run dump barrel, dump Acid. Frac. CB & Beaver W/ # of 16/30 SAND, J.L.H. set plug at 930' Perforate Mulky 888-892 4/8" 17 shots. Mulky wouldn't break DN. Run dump barrel. Dump Acid. Frac Mulky W/ # of 16/30 SAND SWE PD110					
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Superior Wireline Maverick				4054	38,326
Tank Truck					
Rental Tank					
Supervision				700	
Workover rig (estimate cost hrs. @ \$)					
Daily Total				33,120	64,496