

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

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. _____

1/21/06	1/24/06	1/27/06
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 26204-00-00
~~15-265 26204 0000~~
County: Wilson
W2 SW4 SE4 Sec. 33 Twp. 28 S. R. 14 East West
660' feet from S N (circle one) Line of Section
2310' 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-1
Field Name: Cherokee Basin Coal Gas
Producing Formation: See Perforating Records
Elevation: Ground: 901' Kelly Bushing: _____
Total Depth: 1302' Plug Back Total Depth: _____
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 bottom casing
feet depth to surface w/ 135 sx cmt.
API # NH 6-4-08

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 _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Docket No. _____

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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 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
06
Notary Public: Patricia Ann Culp
Date Commission Expires: 10-17-09

KCC Office Use ONLY
 Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
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Operator Name: Blue Jay Operating LLC Lease Name: Lisher Well #: A-1
 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 <i>(Attach Additional Sheets)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" 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	Driller's Log Enclosed	
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
List All E. Logs Run:	High Resolution Compensated Density/Neutron Log; Dual Induction Log		

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#	42'	Portland	8	
Long String	6 3/4"	4 1/2"	10.5	1290'	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				

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	939'-942' - Mulky - 12 shots total	Mav Foam carrying 13400# 16/30 Brady Sand	
4	997'-999' - Bevier; 1015'-1017' - Crowburg - 16 shots total	Mav Foam carrying 12670# 16/30 Brady Sand	
4	1113' - 1119' - Weir - 24 shots total	Mav Foam carrying 18000# 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, Resumed Production, SWD or Enhr. 1/27/06		Producing Method <input type="checkbox"/> Flowing <input checked="" 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
		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 #:	15-205-26204-00-00		Location: W2, SW4, SE4		
Operator:	Blue Jay Operating LLC		County: Wilson		
4916 Camp Bowie Suite 204					
Fort Worth, TX 76107					

				Gas Tests			
Well #:	A-1	Lease Name:	Lisher	Depth	Pounds	Orifice	flow - MCF
Location:	660	ft. from S	Line	880	1	3/8"	19
	2310	ft. from E	Line	955	3	3/8"	33.5
Spud Date:	1/21/2006			1030	Gas Check Same		
Date Completed:	1/24/2006			1070	Gas Check Same		
Driller:	Jeff Thompson			1130	2	3/8"	27
Casing Record	Surface	Production		1222	3	3/8"	33.5
Hole Size	11 1/4"	6 3/4"					
Casing Size	8 5/8"						
Weight	26#						
Setting Depth	42'						
Cement Type	Portland						
Sacks	8						
Feet of Casing	42' 7"						
Rig Time	Work Performed						

Well Log

Top	Bottom	Formation	Top	Bottom	Formation	Top	Bottom	Formation
0	7	Overburden			Oil			No Show
7	24	shale	523	527	shale	766	778	shale
24	27	lime	527	550	sand	778	842	sand/ shale
27	181	shale			No Show	842	846	coal
181	185	lime	550	563	shale	846	850	shale
185	204	shale	563	577	lime	850	871	Pink lime
204	283	lime	577	582	shale	871	907	shale
283	291	shale	582	593	lime	907	924	Oswego lime
291	308	sand	593	597	shale	924	930	Summit
		No Show	597	667	lime	930	938	lime
308	326	lime	667	714	shale	938	944	Mulky
326	339	shale	714	725	lime	944	948	lime
339	386	sand	725	737	shale	948	951	shale
		No Show	737	749	lime	951	998	sand/ shale
386	406	shale	749	754	shale	998	999	coal
406	523	lime	754	766	sand	999	1015	sand/ shale

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Operator: Blue Jay Operating LLC Lease Name: Lisher Well # A-1 page 2

Top	Bottom	Formation	Top	Bottom	Formation	Top	Bottom	Formation
1015	1018	coal						
1018	1057	sand/ shale						
1057	1059	coal						
1059	1076	shale						
1076	1077	coal						
1077	1095	shale						
1095	1096	coal						
1096	1114	sand/ shale						
1114	1119	coal						
1119	1136	shale						
1136	1144	sand						
		No Show						
1144	1200	sand/ shale						
1200	1201	coal						
1201	1210	shale						
1210	1302	Mississippi lime						
1302		Total Depth						

Notes: 06LA-012406-CW-004- Lisher A-1 - Blue Jay Operating LLC

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

January 27, 2006

Blue Jay - Lisher #A-1

Mulky (939 - 942', 4 spf), 12 shots total.

Started with a pump-in (357 gallons gelled water), followed by 500 gals of 7.5% HCl, flushed with 559 gals gelled water. Started treatment with a pad of 4200 gallons of MavFoam C70, followed by 8145 gals of MavFoam C70 carrying 13400 lbs 16/30 Brady Sand at 0.8 to 3.4 ppg down hole. The treatment was flushed to the top perforation with 626 gal gelled water, and over flushed with 84 gal gelled water. A total of 145,000 SCF of N₂ was used.

Started with a pump-in, STP-41, BH-93; pressure increased to 3947 psi, shut down and let bleed off then pumped on again. Pressure increased to 4034 psi; surged back to the pit; shut in and watched for 3 min; pressure increased from 20 psi to 533 psi before starting on pump-in again. Formation broke down at 2613 psi, and then again at 2222 psi during acid flush. Started acid @ 4.5 bpm, STP-1458, BH-1949. Started flush @ 5 to 12 bpm, STP-1387, BH-1667. Started Pad @ 15 bpm, STP-932, BH-1174; rate was increased from 16 bpm to 18 bpm due to falling pressure. Initial FQ was 61 to 74. Sand stages were as follows: Started 0.8#, STP-1263, BH-1338, FQ-72. Started 1.5#, STP-1244, BH-1328, FQ-72. Started 3.4#, STP-1225, BH-1340, FQ-72. Increased rate to 19 bpm during 1.5# and to 20 bpm on 3.4# because of declining pressure. Started Flush, STP-1243, BH-1369, FQ-72. Pad through sand stages were pumped @ 15-20 bpm downhole. Foam quality was maintained at 72Q. Max pressure was 4034 psi. Average rate was 18 bpm at 1250 psi surface (1345 psi bottomhole). ISIP - 679 psi; 5 min - 636 psi, 10 min - 617 psi, 15 min - 607 psi.

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12701 ENERGY RD · FT. MORGAN, CO. 80701 · PH (970) 887-2766 · FAX (970) 887-5922

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

January 27, 2006

Blue Jay - Lisher #A-1

Bevier (997 - 999', 4 spf), 8 shots
Crowburg (1015 - 1017', 4 spf), 8 shots, 16 shots total.

Started with a pump-in (420 gallons gelled water) followed by 500 gals of 7.5% HCl, flushed with 588 gals gelled water. Started treatment with a pad of 4275 gallons of MavFoam C70, followed by 6590 gals of MavFoam C70 carrying 12670 lbs 16/30 Brady Sand at 1.0 to 3.0 ppg down hole. The treatment was flushed to the top perforation with 668 gal gelled water, and over-flushed with 105 gal gelled water. A total of 114,000 SCF of N₂ was used.

Started with a pump-in, STP-35, BH-89; formation broke down at 2491 psi, and then again at 1943 psi on acid flush. Started acid @ 4.5 bpm, STP-1895, BH-2214. Started flush @ 4 to 12 bpm, STP-1487, BH-1704. Started Pad @ 15 bpm, STP-821, BH-1236; rate was increased to 16 bpm due to falling pressure. Initial FQ was 67. Sand stages were as follows: Started 1#, STP-1004, BH-1089, FQ-72. Started 2#, STP-1129, BH-1204, FQ-75. Increased rate to 17 bpm during 2# to counteract declining pressure. Started 3#, STP-1090, BH-1223, FQ-72. Started Flush, STP-1023, BH-1251, FQ-72. Pad through sand stages were pumped @ 15-17 bpm downhole. Foam quality was maintained at 72Q. Max pressure was 2716 psi. Average rate was 16 bpm at 1070 psi surface (1190 psi bottomhole). ISIP was 622 psi; 5 min - 555 psi, 10 min - 542 psi, 15 min - 535 psi.

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MAYERICK
STIMULATION COMPANY, LLC

12701 ENERGY RD · FT. MORGAN, CO. 80701 · PH (970) 887-2768 · FAX (970) 887-5922

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

January 27, 2006

Blue Jay - Lisher #A-1

Wier (1113'-1119', 4 spf), 24 shots total.

Started with 500 gals of 7.5% HCl flushed with 806 gallons gelled water. Started treatment with a pad of 6075 gallons of MavFoam C70, followed by 8625 gals of MavFoam C70 carrying 18000 lbs 18/30 Brady Sand at 1.0 to 4.0 ppg down hole. The treatment was flushed to the top perforation with 743 gal gelled water, and over flushed with 105 gal gelled water. A total of 171,000 SCF of N₂ was used.

Formation broke down at 1540 psi. Started acid @ 4.5 bpm, STP-0, BH-45. Started flush @ 7 to 12 bpm, STP-1242, BH-1234. Started Pad @ 15 bpm, STP-1387, BH-1836; rate was increased from 16 bpm to 18 bpm due to falling pressure. Initial FQ was 57 to 72. Sand stages were as follows: Started 1#, STP-1291, BH-1375, FQ-73. Started 2#, STP-1313, BH-1437, FQ-73. Increased rate to 19 bpm during 2# because of declining pressure. Started 3#, STP-1271, BH-1408, FQ-72. Started 4#, STP-1280, BH-1432, FQ-73. Started Flush, STP-1262, BH-1434, FQ-72. Pad through sand stages were pumped @ 15-19 bpm downhole. Foam quality was maintained at 72Q to 73Q. Max pressure was 1540 psi. Average rate was 18 bpm at 1250 psi surface (1390 psi bottomhole). ISIP was 792 psi; 5 min - 735 psi, 10 min - 722 psi, 15 min - 714 psi.

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

MAR 27 2006

TICKET NUMBER 08197

LOCATION Eureka

FOREMAN Brad Butler

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TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
1-25-06		Lisher A-1	33	28s	14E	Wilson
CUSTOMER Blue Jay Opn'ts			TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS 4916 Camp Bowie Blvd. Ste 204			446	Scott		
CITY Fort Worth			441	Larry		
STATE Tx			436	Russ		
ZIP CODE 76107			452-T63	Jim		

JOB TYPE Long String HOLE SIZE 6 3/4" HOLE DEPTH 1302' CASING SIZE & WEIGHT 4 1/2" - 10.5 lb.
 CASING DEPTH 1290' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.2 lb. SLURRY VOL 40 Bbl. WATER gal/sk 8.0 CEMENT LEFT in CASING 0'
 DISPLACEMENT 20 1/2 Bbls. DISPLACEMENT PSI 500 PSI 900 Bump Plug RATE _____

REMARKS: Safety Meeting: Risunto 4 1/2" - Break circulation with 25 Bbls water. Pumped 10 Bbl. Gel Flush.
Followed 10 Bbl water, 10 Bbl Dyewater. Mixed 135 sks. Thick set cement of 5" p/sk of KOI-SEAL of 13.2 lb p/sk.
Shut down - wash out pump & lines - Release Plug - Displace Plug with 20 1/2 Bbls water.
End pumping at 500 PSI - Pumped Plug to 900 PSI - Wait 2 min - Release Pressure
Float held - close casing in with OPST
Good cement returns to surface with 7 Bbl slurry
Job complete - Trce down

"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/c	275.00
5501 C	3 Hrs.	Water Transport	98.00	294.00
5502 C	2 Hrs.	80 Bbl VAC Truck	90.00	180.00
1123	8000 GAL.	City water	12.50	102.40
4156	1	4 1/2" Float shoe	129.00	129.00
4129	1	4 1/2" Centralizers	29.00	29.00
4404	1	4 1/2" Top Rubber Plug	40.00	40.00
			6.3%	SALES TAX
				ESTIMATED TOTAL
				152.44
				4247.09

AUTHORIZATION Bob McInerney

TITLE _____

DATE _____

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Blue Jay Oper.
WELL ENGINEERING DRILLING REPORT

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DATE: 1-25-06

RIG:

SUPV:

RPT TIME

WELL NAME: Lisher A-1

POOL: _____ SEC. 33 TW 28
PROJECT # _____ API# _____
AFE Cost _____ Dry Hole Cost = _____

RANGE 14
County: W. KS State: KS
Csg Hole Cost = _____

DEPTH _____ DAYS _____ FOOTAGE MADE _____ HRS DRLC _____

PRESENT OPERATIONS:

24 HR SUMMARY

24 FORECAST

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

AIR COMPRESSOR

SURVEYS

Stats

Make	Model	HP	CFM	RPM	Pressure	Depth	Angle	Dir.	Spud Time:
									<u>9:00 AM</u>
									Date: <u>1-21-06</u>
									KB Elev.: _____
									G.L. Elev. <u>901'</u>

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

Last Csg. Size: 8 5/8 Set@: 49 ft. Burst: _____
Next Csg. Size: 7 7/8 Set@: 1789 ft.

COSTS

Pipe	Size	lbs/ft	Grade	O.D.	I.D.	Type	Total Ft	Code	Items	Previous	Daily	Cum.
DP									Location/Roads	<u>700</u>		<u>700</u>
DC									Rig-Footage	<u>10,416</u>		<u>10,416</u>
									Rig-Daywork			
									Water			
									Frac Tanks			
									Mud & Chem.			
									Rental Tools			
									Cement & Ser.	<u>80</u>	<u>4299</u>	<u>4379</u>
									Open Hole Log	<u>1750</u>		<u>1750</u>
									Trucking			
									Contract Sup.	<u>1400</u>	<u>700</u>	<u>2100</u>
									Casing Crew		<u>1100</u>	<u>1100</u>
									Miscellaneous			
									Casing Prod		<u>8547</u>	<u>8547</u>
									Surf Casing	<u>700</u>		<u>700</u>
									Cement Equip.		<u>200</u>	<u>200</u>
									Wellhead		<u>100</u>	<u>100</u>
									B.O.P.			
									Prev.	<u>14,646</u>		
									Day Total		<u>14,894</u>	
									Cum.:			<u>29,540</u>

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