

KCC

NOV 17 2005

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

CONFIDENTIAL WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

CONFIDENTIAL

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

API No. 15 - 15-205-26119-0000
County: Wilson
SE SE SW Sec. 34 Twp. 28 S. R. 14 East West
160 feet from S / N (circle one) Line of Section
2350 feet from E / W (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
Lease Name: Lambert Well #: SWD A-3
Field Name: Cherokee Basin Coal Gas

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Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SLOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

Producing Formation: Arbuckle
Elevation: Ground: 876 Kelly Bushing: _____
Total Depth: 1425' Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 44' 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/ 185 sx cmt.

CONSERVATION DIVISION
WICHITA, KS

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. _____

Drilling Fluid Management Plan SWD N997509
(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.: _____

10/25/05 10/25/05 10/25/05
Spud Date or 10/25/05 10/25/05 10/25/05
Recompletion Date Date Reached TD Completion Date or
Recompletion Date

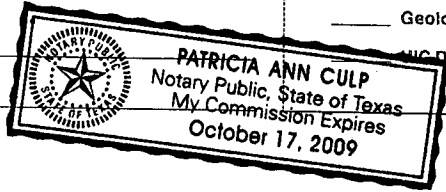
INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side 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: Mgr Date: 11-21-05
Subscribed and sworn to before me this 21 day of Nov.
20 05

KCC Office Use ONLY
 Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
_____ Distribution

Notary Public: Patricia Ann Culp
Date Commission Expires: Oct 17, 2009



CONFIDENTIAL

Side Two

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NOV 17 2005

ORIGINAL

Operator Name: Blue Jay Operating LLC

Lease Name: Lamber ~~CONFIDENTIAL~~ SWD A-3

Sec. 34 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 Yes No (Attach Additional Sheets)

Samples Sent to Geological Survey Yes No

Cores Taken Yes No

Electric Log Run Yes No (Submit Copy)

List All E. Logs Run:

Electric Logs Previously Submitted

Log Formation (Top), Depth and Datum Sample

Name Top Datum

Driller Log Enclosed

Deepening Report Enclosed

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CASING RECORD 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. Rows: Surface, Long String.

ADDITIONAL CEMENTING / SQUEEZE RECORD Table with columns: Purpose, Depth Top Bottom, Type of Cement, #Sacks Used, Type and Percent Additives. Rows: Perforate, Protect Casing, Plug Back TD, Plug Off Zone.

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. Table with columns: Shots Per Foot, PERFORATION RECORD, Acid, Fracture, Shot, Cement Squeeze Record, Depth.

TUBING RECORD Size Set At Packer At Liner Run Yes No

Date of First Resumerd Production, SWD or Entr. Producing Method Flowing Pumping Gas Lift Other (Explain) Disposal Well

Estimated Production Per 24 Hours Oil Bbls. Gas Mcf Water Bbls. Gas-Oil Ratio Gravity

Disposition of Gas METHOD OF COMPLETION Production Interval

Vented Soid Used on Lease Open Hole Perf. Dually Comp. Commingled Other (Specify)

Charlotte 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

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CONSERVATION DIVISION
 WICHITA, KS

Rig #:	CW	S 34 T 28 R 14E
API #:	15-205-26119-0000	Location:
Operator:	Blue Jay Operating LLC	County:
4916 Camp Bowie Suite 204		
Fort Worth, TX 76107		

				Gas Tests			
Well #:	A-3	Lease Name:	Lambert SWD	Depth	Pounds	Office	flow - MCF
Location:	160 ft. from S	Line					
	2350 ft. from W	Line					
Spud Date:	10/7/2005	1350					
Date Completed:	10/12/2005	TD:					
Geologist:							
Casing Record	Surface	Production					
Hole Size	11"	7 7/8"					
Casing Size	8 5/8"						
Weight	26#						
Setting Depth	44'						
Cement Type	Portland		05LJ-101205-CW-054-Lambert SWD A-3-BJO				
Sacks	8						
Feet of Casing	44'						
Rig Time	Work Performed						

Well Log

Top	Bottom	Formation	Top	Bottom	Formation	Top	Bottom	Formation
0	9	Overburden	758	761	shale	1321	1326	lime
9	147	shale	761	783	Pink lime - oil	1326	1336	shale
147	173	lime	783	819	shale	1336	1350	Arbuckle lime
173	244	shale	819	838	Oswego lime			Total Depth
244	274	lime	838	846	Summit			
274	326	sand - gas	846	853	lime			
326	444	lime	853	862	Mulberry			
444	487	sand/shale	862	865	lime			
487	491	shale	865	931	shale			
491	518	lime	931	932	coal			
518	529	oil sand	932	1024	shale			
529	541	lime	1024	1025	coal			
541	562	shale	1025	1114	sand/shale			
562	590	lime	1114	1315	Mississippi lime			
590	757	shale			oil			
757	758	coal	1315	1321	shale			

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

TICKET NUMBER 07707
 LOCATION EUREKA
 FOREMAN Kevin McCoy

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
10-13-05	1294	Lambert A3 SWD	34	285	14E	WILSON
CUSTOMER <u>Blue Jay Operating</u>		Mailing Address <u>4916 Camp Bowie Blvd. Ste 204</u>		CITY <u>FORTWORTH</u>		STATE <u>TX</u>
ZIP CODE <u>76107</u>		Go-Joe Field Service		TRUCK #	DRIVER	TRUCK #
				<u>445</u>	<u>RICK</u>	
				<u>441</u>	<u>LARRY</u>	
				<u>436</u>	<u>JASON</u>	

JOB TYPE Longstring HOLE SIZE 7 7/8 HOLE DEPTH 1350' CASING SIZE & WEIGHT 5 1/2 15.50# New
 CASING DEPTH 1345' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.2# SLURRY VOL 56 BBL WATER gal/sk 8.0 CEMENT LEFT in CASING 0'
 DISPLACEMENT 32 BBL DISPLACEMENT PSI 800 ~~NER~~ PSI 1300 Bump Plug RATE _____

REMARKS: Safety Meeting: Rig up to 5 1/2 casing. Break circulation w/ 50 BBL Fresh water. Pump 4 sks Gel flush. 20 BBL Dye water. Mixed 185 sks Thick Set Cement w/ 5" Kol-Seal per/sk 1/4" flocele per/sk @ 13.2# per/gal yield 1.69. wash out pump & lines. Shut down. Release Plug. Displace w/ 32 BBL Fresh water. FINAL Pumping Pressure 800 PSI. Bump Plug to 1300 PSI. Wait 2 minutes. Release Pressure. Float Held. Shut casing in @ 0 PSI. Good Cement Returns to Surface = 9 BBL Slurry. Job Complete. Rig Down.

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ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICE	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	765.00	765.00
5406	60	MILEAGE	3.00	180.00
1126 A	185 SKS	Thick Set Cement	13.00	2405.00
1110 A	18 SKS	Kol-Seal 5" per/sk	16.90	304.20
1107	2 SKS	Flocele 1/4" per/sk	42.75	85.50
1118 A	4 SKS	Gel flush	6.63	26.52
5407	8.69 TONS	Ton Mileage Bulk Truck	11/c	260.00
4130	2	5 1/2 x 7 7/8 Centralizers	30.00	60.00
4158	1	5 1/2 Flapper Valve float shoe	168.00	168.00
4406	1	5 1/2 Top Rubber Plug	43.00	43.00
5502 C	3 HRS	80 BBL VAC TRUCK	87.00	261.00
1123	3000 GALS	City water (Neodesha)	12.20 ^{Per 100}	36.60
			Subtotal	4594.82
			SALES TAX 6.3%	197.08
			ESTIMATED TOTAL	4791.90

AUTHORIZATION Bob McCoy TITLE _____ DATE _____

Blue Jay Oper WELL ENGINEERING DRILLING REPORT

DATE: 10-25-05
RIG: Cherokee 12445
SUPV: _____
RPT TIME: 8:00 AM

WELL NAME: LAMBERT A-3 SWD
POOL: _____ SEC. _____ TW _____ RANGE _____
PROJECT # _____ API# _____ County: _____ State: _____
AFE Cost _____ Dry Hole Cost = _____ Csg Hole Cost = _____

DEPTH _____ DAYS _____ FOOTAGE MADE _____ HRS DRLG _____
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:	_____
									Date:	<u>10-7-05</u>
									KB Elev.:	
									G.L. Elev.	<u>892</u>

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

Last Csg. Size: 8 3/8 Set@: 40 ft. Burst: _____
Next Csg. Size: 5 1/2 Set@: 1545 ft.

								COSTS				
Pipe	Size	lbs/ft	Grade	O.D.	I.D.	Type	Total Ft	Code	Items	Previous	Daily	Cum.
DP									Rig-Footage			
DC									Rig-Daywork			
									Water			
									Frac Tanks			
									Mud & Chem.			
									Rental Tools			
									Cement & Ser.			
									Open Hole Log			
									Trucking			
									Contract Sup.		<u>700</u>	
									Casing Crew			
									Miscellaneous			
									Casing Prod			
									Surf Casing			
									Cement Equip.			
									Wellhead			
									B.O.P.			

OPERATIONS		Comments			
HRS					
7:30	MIRV				
8:15	T.H.				
10:30	Dr-hq plug v 5400				
11:15	Dr-hq AT 1853				
1:45	T.D. Well AT 1425 Blow Hole				
2:00	T.O.H.				
3:15	R.D.				
4:00	M.O location				
		1" Break	1357		
		1 1/2" Break	1386		
		" "	1393		
		1 1/2" "	1399		
		2 1/2" "	1413		
		1419-25 Broken v Lat if water			
				Prev.	<u>41734</u>
				Day Total	
				Cum.:	

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 WICHITA, KS

Blue Jay Operating LLC

4230 Douglas Road
 Contractor License # 33342
 918-546-0034 TX; 620-839-5581 KS

Deepen SWD	CW-Rig	Start Date:	10/22/05	Finish Date:	10/22/05
Operator:		Blue Jay Operating LLC			
Address:		4916 Camp Bowie BLVD			
		Ft. Forth, TX 76107			
		S		T	
Lease Name Lambert					
Well # SWD A-3					
County Wilson					
Time	Work Performed				
10/25/2005	Trip in with 2 7/8" and 4 3/4" bit. Drill Rubber plug and shoe at 1346'				
	Drill Arbuckle lime at 1353'				
	1357' - 1' break - soft drilling; 1363' harder drilling				
	1386' - 1 1/2' break - picked up water				
	1393' - 1' break - mopre water; 1396' 1/2'break - more water; 1399' 1 1/2' break - a lot				
	of water; 1413' - 2 1/2' soft drilling; 1419'-1425' broken and a lot of water.				
	TD at 1425'				
Results					
Deepen SWD					
Employee on Job: Jeff Thompson, Steven Heck, Blake Rousselle					
05LJ-102505-CW-060-Lambert SWD A-3-BJO			Original well -BJO-054		