

Continued:

Rig down CT unit. Pump 30 bbl 2% KCL water down csg. to prepare well for plug setting and perforating tomorrow. SWI.

PERFORATING REPORT

July 11, 2006 Move in and rig up Brand X Wireline. Rig up crane and grease unit. Thread wireline through lubricator. Pick up lubricator. Attach wireline to CCL, 3 1/8" slick gun, and 4 1/2" composite frac plug. Pick up assembly, guide inside lubricator. Nipple up lubricator to 4 1/2" frac valve. Fire up grease unit and pressure up lubricator. Open 4 1/2" frac valve and RIH to 6750' KB. Found FL at 4800'. Locate collars one jt below and one jt above marker jt which is from 6676' KB to 6700' KB. Run strip log. Correlate to Nue-X GR, CB, and VDL log dated 7-23-01 to get on depth. Top of frac plug is 22' below CCL. Lower CCL to 6868' KB which puts plug @ 6890' KB. Shoot plug off, pick up 4', and lower back down to verify plug set. Pull up to 6822 1/2' KB as top shot is 2 1/2' below CCL. Perforate Niobrara "C" from 6825' KB to 6835' KB. Pull gun from well up into lubricator. Shut 4 1/2" frac valve, bleed pressure off lubricator. Break lubricator union, pick lubricator up until gun can be laid down. Lay down gun and verify all shots fired. Pick up 3 1/8" slick gun for second run. Repeat lubricator and grease unit drill and RIH. Repeat depth control drill. Top shot on first select fire is 12 1/2' below CCL. Set CCL at 6747 1/2' KB and perforate Niobrara "B" from 6760' KB to 6774' KB. Second select fire shot is 2 1/2' below CCL, so no movement was necessary to perforate Niobrara "B" from 6750' KB to 6756' KB. Pull gun from well. Pick up gun for third run. RIH, run strip log to get on depth. Top shot on first select fire is 25' below CCL, so set CCL at 6688' KB to perforate Niobrara "B" from 6713' KB to 6718' KB. Pull up hole for second select fire. Top shot is 17' below CCL. Set CCL at 6652' KB and perforate Niobrara "A" from 6669' KB to 6673' KB. Pull up hole for third select fire. Top shot is 2 1/2' below CCL. Set CCL at 6631 1/2' KB and perforate Niobrara "A" from 6634' KB to 6646' KB. Pull gun from well. Verify all shots fired. All shots were 3 spf, 120 degree phasing, .23 gr, .38", 20.96 pen. SWI. Rig down Brand-X Wireline.

NIOBRARA FRAC REPORT

July 14, 2006 A&W Water Service previously had set nine frac tanks and filled with Greeley City water. Moved Halliburton Energy Services onto location and rigged up to frac the Niobrara formation. Held safety meeting and pre-job meeting. Pressure tested HES lines to 6140 psig. Fraced Niobrara as follows:

STAGE	VOLUME (GAL)	TREATING PRESSURE (PSIG)	TREATING RATE (BPM)	REMARKS
1	1000	786	4.8	Start acid
2	1119	445	5.5	Start FR pad stage
3	2000	1684	5.1	Well loaded with 50 bbl
4	4636	3206	0	Drop ball-acid soak
5		3867	5.0	Break formation
6	12000	4757	50.2	Increase rate to job design
7	71195	4661	50.5	Start X-link pad
8	77272	4548	50.6	Start 1 ppg sand
9	84670	4502	50.4	Start 2 ppg sand
10	117105	4397	50.4	Start 3 ppg sand
11	151891	4441	50.3	Start 4 ppg sand
12	166851	4328	49.8	Start SB Exel 12/20 sand
13	170110	4306	49.8	Start flush
14	174318	3738	0	End flush

The job was pumped to completion. ISIP=3738 psig 5 minute = 3603 psig. Average treating pressure was 4517 psig at an average rate of 50.4 bpm. A total of 174,318 gal. of fluid and 250,240 lbs sand were pumped. After the 5 minute pressure reading, Halliburton iron was broke off and Exco's flowback system installed. Well was opened up to flowback on 12/64 choke at 3640 psig.

FLOWBACK REPORT

DATE	HRS	PRESSURE	BBL RCV'D	LOAD RCV'D	BPH	%OIL	CHK
7-15-06	21	525	766	18.4%	36	trace	12/64
7-16-06	27	580	972	23.4%	7.6	10%	12/64
7-17-06	21.5	460	1085	26.1%	5.2	18%	12/64
7-18-06	24	340	1146	27.6%	2.5	40 %	12/64
7-19-06	24	330	1180	28.4%	1.9	65%	12/64
7-20-06	BLEW DOWN TO TUBE UP						

FRAC PLUG REMOVAL AND TUBE UP

July 19, 2006 Move in rig up Eastern Colorado Well Service. SDFN.

July 20, 2006 Well pressure 530 psig. Blow well down to flowback tank. Have 160 bbl 2% KCL water delivered. Lay out and hook up hard lines and hoses. Well pressure still 180 psig. Pump 80 bbl 2% KCL water for well control. Remove 4 1/2" frac valve. Install 4 1/2" X 2 3/8" tbg head. Nipple up BOP. Rig up tbg equipment and floor. ECWS delivered tbg string that had been stored in their yard to avoid theft. HS Testing on location. Rig up hydrotester. Pick up Exco's 3 7/8" tri-cone bit and bit sub. Tally and test tbg in hole. All good. Tag sand with jt.# 208 six foot in @ 6820.33' KB. This puts 70' of sand on top of frac plug. Rig down tester. Strip on JU head. Pick up power swivel and attach to jt. # 208. Load hole and establish circulation. Clean out to top of frac plug, drill up plug and push to fill @ 7018' KB with 214 jts. This provides 73' of rathole below Codell perfs. Roll hole clean. Lay down power swivel, strip off JU head. Lay down 4 jts. TOO and rack back remaining 210 jts. Lay down bit sub and bit. SWI SDFN.

July 21, 2006 ECWS on location. Well pressure 160 psig. Blow well down to flat tank. TIH with production string as follows:

Notched collar & seating nipple	1.50'
210 jts. J-55, 4.7#, 8rd, eue tbg	6898.72'
Stretch	3.00'
KB	13.00'
Above ground	3.00'
Bottom of string	6913.22' KB

Land tbg in head 21.78' above top Codell perfs. Strip off BOP, pack off tbg head and install 2 3/8" master valve. Rig up swab equipment, broach tbg to seating nipple. Had a little trouble with broach run. May have been chasing a chunk of rubber down hole. RDMO.

July 22, 2006 Move in Action Services swab rig. Pressures are blow/1100 psig. IFL= 900'. Made 2 runs, well kicked off flowing. Swabbed and flowed back 73 bbl.

July 23, 2006 Pressures are 490/900 psig. Flowed back 56 bbl oil and 67 bbl water to flow back tank on 14/64 chk.

July 24, 2006 Pressures are 400/850 psig. Flowed back 30 bbl oil and 39 bbl water to flow back tank on 14/64 chk. Built wellhead and put well on line @ 4:30 p.m. Opening pressures are 1120/1300 psig.

July 25, 2006 Pressures are 440/760 psig. Made 190 Mcf gas, 29 bbl oil, 25 bbl water on 14/64 chk in 14 1/2 hrs.