

**BEREXCO, LLC.
JOSEPH # 1
SENEENW SECTION 22 15S-18W
ELLIS COUNTY, KANSAS**

**GEOLOGIST
WILLIAM B. BYNOG**

DISCUSSION

Joseph # 1 was drilled a total depth of 3680 feet testing the Lansing Kansas City, Conglomerate and Arbuckle formations in Ellis County, Kansas. Our major objectives were the Lansing Kansas City A through F zones, Conglomerate and Arbuckle formations. This was a continuation of infield drilling in Schoenchen Field. There were many good shows in the Lansing B, C, G, H, I and J zones and the upper Arbuckle. Most of these zones were tested with favorable results.

Structurally, Joseph # 1 came in six feet high to the eastern offset Willard # 1 on the Lansing log top.

As a result of running high most of the zones mentioned earlier tested oil and gas, no water with the exception of drill stem test # 5 that tested 2580 feet of water out of the second Arbuckle bench.

Logs recorded fair to good porosity development with high resistivity in the zones of interest. A decision was made to set production pipe based on their structural relationship and all the porosity development with quality sample shows.

RESUME

OPERATOR: BEREXCO, LLC.

WELL NAME & NUMBER: JOSEPH # 1

LOCATION: SENENENW SECTION 22 15S-18W

COUNTY: RUSSELL

STATE: KANSAS

SPUD DATE: 1-31-2012 COMPLETION DATE: 2-7-2012

ELEVATIONS: GL: 2047' KB: 2058'

CONTRACTOR: BEREDCO RIG 10

LOGS: LOG TECH TYPES: RAG & MICROLOG

WELLSITE ENGINEER: NONE

MUD COMPANY: ANDY'S MUD

MUD TYPE & ENGINEER: FRESH CHEMICAL

GEOLOGIST: WILLIAM B.BYNOG

HOLE SIZE: 7 7/8

MUD LOGGING BY: NONE

DRILL STEM TEST COMPANY: TRILOBITE TESTING

DRILL STEM TEST: DST # 1 3344-70, DST#2 3440-3540,
DST#3 3538-3624, and DST #4 3624-32,
DST#5 3665-80

WELL STATUS: SET PRODUCTION CASING

JOSEPH #1 SAMPLES
BEREDCO RIG 10 DRILLING 7 7/8 HOLE

2500-74 SHALE red,green,very soft,

2574-2606 LIMESTONE gray,buff,hard,fossils,poor to fair porosity,no shows

2606-34 SHALE as above

2634-60 SHALE as above with thin LIMESTONE buff,gray,hard,fossils,granular,poor porosity,no shows

2660- 2750 SHALE as above var color,very soft,very argillaceous with thin LIMESTONE as above

2750-70 LIMESTONE LIMESTONE pale gray,hard, dense,no shows

2770-2830 SHALE gray,green,red,soft,argillaceous

2830-50 LIMESTONE buff,gray,slightly hard, dirty,poor porosity,no shows

2850-90 SHALE gray,firm,argillaceous

2890-2980 LIMESTONE gray,buff,slightly hard,fossils, dirty,poor porosity,no shows with thin SHALE as above

2980-3135 SHALE as above

3035-3092 LIMESTONE buff,gray,very hard,fossils, dense,dirty,no shows with thin bedded SHALE as above

3092-3100 SHALE gray,firm,silty, blocky

JOSEPH #1 SAMPLES

3100-40 LIMESTONE pale gray, buff, firm, argillaceous, slightly sandy, poor to fair porosity, no shows with thin SHALE as above

TOPEKA

3140-3220 LIMESTONE pale gray, light brown, hard, fossils, dense, poor porosity, no shows

3220-35 LIMESTONE buff, very hard, dense, crptoxln

3235-40 SHALE gray, green, red, var color, firm, fissile, slightly carbonaceous

3240-80 LIMESTONE buff, very hard, dense, some silty, argillaceous, poor porosity, no shows

3270-3290 LIMESTONE buff, very hard, very dense, blocky, no shows

HEEBNER

3290-14 SHALE dark gray black, black, firm, fissile, slightly carbonaceous

TORONTO

3306-14 LIMESTONE white, firm, chalky, poor porosity, no shows

3314-22 LIMESTONE buff, very hard, dense, smth texture

3322-36 SHALE red, gray, green, firm, fissile

LANSING A

3334- 44 LIMESTONE buff, very hard, dense, some chalky, firm, no shows

3346-56 SHALE as above

B SONE

JOSEPH #1 SAMPLES

3355-64 LIMESTONE white,firm,oolitic,very chalky,fair moldic porosity,abundant spotty dead black stain,poor cut, some(10%) fair to good moldic porosity,spotty brown live stain,good cut and odor,poor show free oil

3364-70 LIMESTONE buff,very hard,dense,blocky, no shows

3370-76 SHALE as above

C ZONE

3376-82 LIMESTONE buff,very hard,dense,poor pinpoint vuggy porosity,very spotty live brown stain,good cut,poor show free oil

3382-3410 LIMESTONE buff,very hard,very dense, smth texture

3410-15 SHALE as above

G ZONE

3416-24 LIMESTONE buff,firm,oolitic, fair intergranular porosity,spotty live brown stain,good cut and odor,fair show free oil

3424-28 LIMESTONE white,firm,very chalky, oolitic,fair intergranular and vuggy porosity,very spotty live black stain,good cut,trace free oil

3428-60 LIMESTONE buff,very hard,dense,crp crystalline,some Chert tan,pink,white with thin SHALE dark gray,fissile

3460-70 SHALE dark gray,firm,fissile,slightly carbonaceous

H ZONE

3468-85 LIMESTONE buff,hard,slightly oolitic,poor vuggy porosity,very spotty brown stain,good cut,no free oil

3485-88 SHALE as above

I ZONE

JOSEPH #1 SAMPLES

3488-3498 LIMESTONE buff,firm, oolitic,poor to fair intergranular porosity,spotty live brown stain,good cut,trace free oil

3498-3500 LIMESTONE white,buff,hard,blocky, dense, no shows

3500-04 SHALE as above

J ZONE

3508-10 LIMESTONE buff,very hard,dense

3510-20 LIMESTONE buff,firm,very fossils, oolitic,granular texture,poor to fair intergranular porosity,spotty live brown stain,good cut,poor show free oil,faint odor

3520-26 SHALE as above

K ZONE

3526-32 LIMESTONE white,buff,very fossils,chalky,poor porosity,trace dead black stain,very scattered live brown stain,poor cut ,no free oil

3532-45 LIMESTONE buff,very hard,bky,very dense

3545-55 SHALE gray,gray green,firm, fissile

3555-62 LIMESTONE buff,very hard,dense, crpxln

3562-3590 SHALE red,very soft,very argillaceous with trace LIMESTONE white,hard,oolitic, poor vuggy porosity,spotty live brown stain,good cut

3590-3610 LIMESTONE buff,very hard,dense, abundant Chert white,yell,orange,translucent with bedded SHALE as above

3610-16 SHALE as above very abundant Chert as above,trace dead black stain,no cut

ARBUCKLE

JOSEPH #1 SAMPLES

3616-20 CHERT white,yell,orange, very hard,fresh fractures,trace DOLOMITE white,firm,poor porosity,very spotty dead stain,poor cut

3620-30 DOLOMITE buff,firm,micsuc texture,fair to good intxln porosity,even live brown stain,very good cut and odor,good show free oil

3630-34 DOLOMITE as above,hard,poor porosity,very spotty stain,good cut

3634-38 DOLOMITE white,buff,firm,micsuc texture,fair to good intxln porosity,even live brown stain,very good cut and odor,good show free oil

3638-65 DOLOMITE white,hard,dense,poor vuggy porosity,very spotty live brown stain,good cut and odor,fair show free oil

3665-72 DOLOMITE white,firm,micsuc texture,fair to good intxln porosity,spotty to even live brown stain,very good cut and odor,good show free oil

3672-76 DOLOMITE white,very hard,dense,poor porosity,no shows

3676-80 DOLOMITE white,slightly hard,micsux texture,fair to good intxln porosity,spotty live brown stain,very good cut and odor,good show free oil

RTD 3680'

LTD 3681'