

OPERATOR

Company: Falcon Exploration, Inc.
 Address: 125 N. Market
 Suite 1252
 Wichita, KS 67202

Contact Geologist: Brian Fisher
 Contact Phone Nbr: 316-262-1378
 Well Name: Michael Esau #1-22 (SE)
 Location: Sec. 22 - T28S - R30W

API: 15-069-20369-0000
 Field: Wildcat
 Country: USA

Scale 1:240 Imperial

Well Name: Michael Esau #1-22 (SE)
 Surface Location: Sec. 22 - T28S - R30W
 Bottom Location:
 API: 15-069-20369-0000
 License Number: 5316
 Spud Date: 4/9/2012 Time: 00:00
 Region: Gray County
 Drilling Completed: 4/16/2012 Time: 16:35
 Surface Coordinates: 977' FSL & 1857' FEL
 Bottom Hole Coordinates:
 Ground Elevation: 2772.00ft
 K.B. Elevation: 2785.00ft
 Logged Interval: 2600.00ft To: 4325.00ft
 Total Depth: 4325.00ft
 Formation: Stotler - Lansing
 Drilling Fluid Type: Chemical/Fresh Water Gel

SURFACE CO-ORDINATES

Well Type: Vertical
 Longitude: Latitude:
 N/S Co-ord: 977' FSL
 E/W Co-ord: 1857' FEL

LOGGED BY

Keith Reavis
 Consulting Geologist

Company: Keith Reavis, Inc.
 Address: 3420 22nd Street
 Great Bend, KS 67530

Phone Nbr: 620-617-4091
 Logged By: KLG #136 Name: Keith Reavis

CONTRACTOR

Contractor: Sterling Drilling Company
 Rig #: 5
 Rig Type: mud rotary
 Spud Date: 4/9/2012 Time: 00:00
 TD Date: 4/16/2012 Time: 16:35
 Rig Release: Time:

ELEVATIONS

K.B. Elevation: 2785.00ft Ground Elevation: 2772.00ft
 K.B. to Ground: 13.00ft

NOTES

A Tooke Daq gas detection system owned by Sterling Drilling Company was employed on this well. ROP and gas data were imported into this geological report.

Due to positive results of DST #1 and electrical log analysis, it was determined that 5 1/2" production casing be set and the Stotler be further tested through perforations and stimulation.

Samples were saved and will be available for review at the Kansas Geological Survey Well Sample Library located in Wichita, KS.

Respectfully submitted,
 Keith Reavis

Falcon Exploration, Inc.**DAILY DRILLING REPORT**

DATE	7:00 AM DEPTH	REMARKS
4/12/2012		Geologist Keith Reavis on location @ 2005 hrs, 2491 ft. drilling ahead permian redbeds
4/13/2012	2808	drilling ahead, Chase Group, Fort Riley, Cottonwood, Neva
4/14/2012	3439	drilling ahead, Foraker, Stotler, gas kick and show warrant DST, short trip, TOH w/bit and in with tools, conducting DST #1
4/15/2012	3614	complete DST #1, successful test, back on bottom with bit, drilling ahead Tarkio, Bern, Topeka, Lecompton
4/16/2012	4165	drilling ahead, Lecompton, Heebner, Toronto, Douglas, Lansing, TD @ 4325 short trip, TOH, conduct logging operations
4/17/2012	4325	complete logging operations, geologist released and off location 0400 hrs

Falcon Exploration, Inc.**WELL COMPARISON SHEET**

DRILLING WELL					COMPARISON WELL			
Esau #1-22					Fry #1-23			
977' FSL & 1857' FEL					850' FNL & 1850' FWL			
Sec. 22 T28S R30W					Sec. 23 T28S R30W			
2785 KB					2801 KB		Structural Relationship	
Formation	Sample	Sub-Sea	Log	Sub-Sea	Log	Sub-Sea	Sample	Log
Chase	2639	146	2634	151	2633	168	-22	-17
Winfield	2710	75	2707	78	2707	94	-19	-16
Towanda	2760	25	2755	30	2754	47	-22	-17
Ft. Riley	2809	-24	2807	-22	2802	-1	-23	-21
Cottonwood	3079	-294	3075	-290	3063	-262	-32	-28
Neva	3135	-350	3130	-345	3122	-321	-29	-24
Foraker	3247	-462	3241	-456	3234	-433	-29	-23
Stotler	3483	-698	3480	-695	3466	-665	-33	-30
Topeka	3752	-967	3751	-966	3739	-938	-29	-28
Lecompton	3950	-1165	3947	-1162	3920	-1119	-46	-43
Heebner	4109	-1324	4106	-1321	4086	-1285	-39	-36
Lansing	4215	-1430	4216	-1431	4185	-1384	-46	-47
Stark	np				4538	-1737		
Marmaton	np				4691	-1890		
Pawnee	np				4778	-1977		
Cherokee	np				4823	-2022		
Morrow	np				5018	-2217		
Miss St. Gen.	np				5074	-2273		
St. Louis A por	np				5196	-2395		
Warsaw	np				5542	-2741		
Osage	np				5830	-3029		
Viola	np				6074	-3273		
Total Depth	4325	-1540	4324	-1539	6151	-3350	1810	1811



DIAMOND TESTING
 P.O. Box 157
 HOISINGTON, KANSAS 67544
 (800) 542-7313

TIME ON: 14:52 4-14-12
 TIME OFF: 00:20 4-15-12

DRILL-STEM TEST TICKET
 FILE: MICHAELSAU122SEDST1

Company FALCON EXPLORATION, INC. Lease & Well No. MICHAEL ESAU #1-22 (SE)
 Contractor STERLING DRILLING CO. RIG #5 Charge to FALCON EXPLORATION, INC.
 Elevation 2785 KB Formation STOTLER Effective Pay _____ Ft. Ticket No. T041
 Date 4-14-12 Sec. 22 Twp. 28 S Range 30 W County GRAY State KANSAS
 Test Approved By KEITH REAVIS Diamond Representative TIMOTHY T. VENTERS

Formation Test No. 1 Interval Tested from 3453 ft. to 3521 ft. Total Depth 3521 ft.
 Packer Depth 3448 ft. Size 6 3/4 in. Packer depth _____ ft. Size 6 3/4 in.
 Packer Depth 3453 ft. Size 6 3/4 in. Packer depth _____ ft. Size 6 3/4 in.

Depth of Selective Zone Set _____

Top Recorder Depth (Inside) _____ 3434 ft. Recorder Number 8457 Cap. 10,000 P.S.I.
 Bottom Recorder Depth (Outside) _____ 3518 ft. Recorder Number 11029 Cap. 5,025 P.S.I.
 Below Straddle Recorder Depth _____ ft. Recorder Number _____ Cap. _____ P.S.I.

Mud Type CHEMICAL Viscosity 50 Drill Collar Length 331 ft. I.D. 2 1/4 in.
 Weight 8.95 Water Loss 8.8 cc. Weight Pipe Length 0 ft. I.D. 2 7/8 in.
 Chlorides 2,100 P.P.M. Drill Pipe Length 3089 ft. I.D. 3 1/2 in.

Jars: Make STERLING Serial Number 4 Test Tool Length 33 ft. Tool Size 3 1/2-IF in.
 Did Well Flow? NO Reversed Out NO Anchor Length 36 ft. Size 4 1/2-FH in.
 Main Hole Size 7 7/8 Tool Joint Size 4 1/2 XH in. ^{32" DP IN ANCHOR} Surface Choke Size 1 in. Bottom Choke Size 5/8 in.

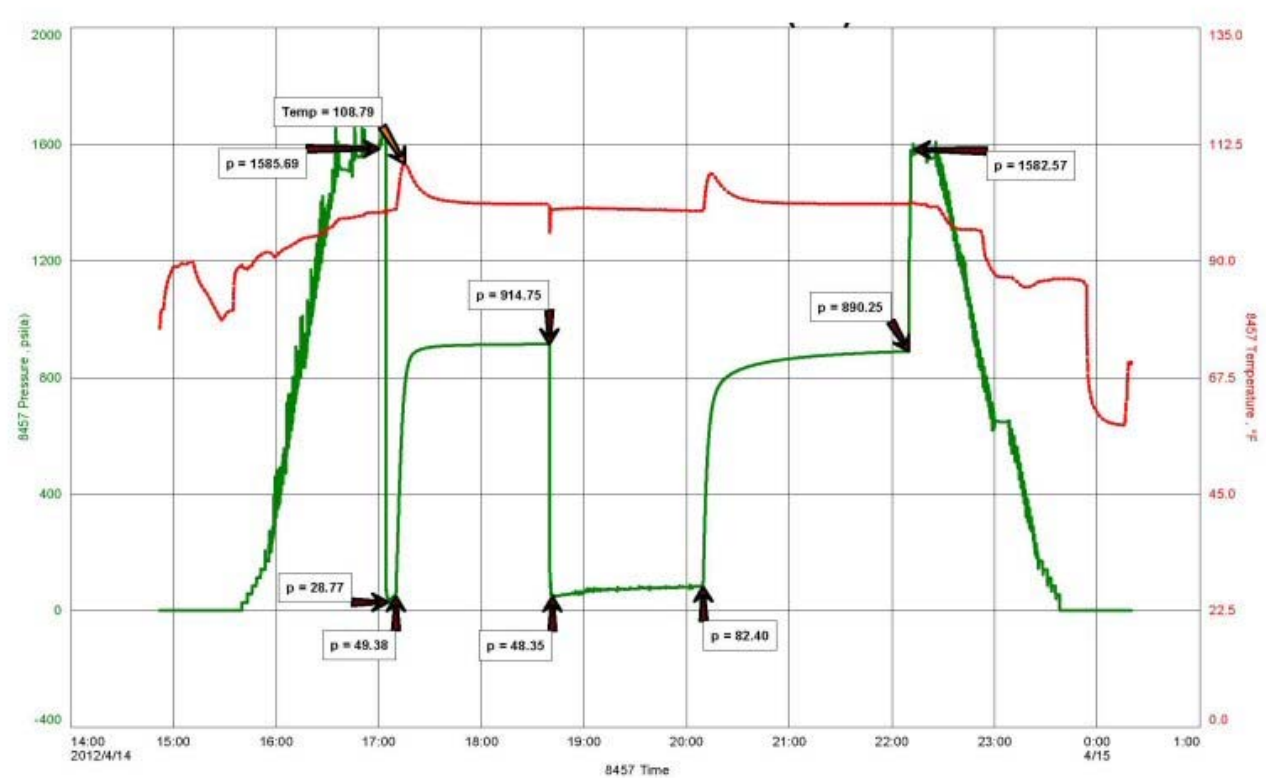
Blow: 1st Open: GOOD 2 1/2 INCH BLOW, BUILDING, REACHING BOB 45 SEC. (NOBB)
 2nd Open: VERY STRONG BLOW HITTING BOB INSTANTANEOUSLY. (NOBB)

Recovered 3310 ft. of GAS IN PIPE
 Recovered 210 ft. of MUD

Recovered _____ ft. of _____
 Recovered _____ ft. of _____

Recovered _____ ft. of _____ Price Job _____
 Recovered _____ ft. of _____ Other Charges _____

Remarks:				Insurance
TOOL SAMPLE: 4% OIL, 96% MUD				Total
Time Set Packer(s)	5:04 PM	A.M. P.M.	Time Started Off Bottom	10:09 PM
				A.M. P.M.
Initial Hydrostatic Pressure.....	(A)	1586 P.S.I.		Maximum Temperature
Initial Flow Period.....	Minutes	5	(B)	29 P.S.I. to (C)
Initial Closed In Period.....	Minutes	90	(D)	915 P.S.I.
Final Flow Period.....	Minutes	90	(E)	48 P.S.I. to (F)
Final Closed In Period.....	Minutes	120	(G)	890 P.S.I.
Final Hydrostatic Pressure.....	(H)	1583 P.S.I.		



INITIAL FLOW

Time O'Clock	Orifice Size	Gauge	CF/D
	in.	in.	
	in.	in.	
	in.	in.	
	in.	in.	
	in.	in.	
	in.	in.	
	in.	in.	
	in.	in.	
	in.	in.	
	in.	in.	

FINAL FLOW PSI

Time O'Clock	Orifice Size	Gauge	CF/D
10	1/2 in.	5.5 in.	81,800
20	1/2 in.	8 in.	101,000
30	1/2 in.	9.5 in.	112,000
40	1/2 in.	10.5 in.	118,500
*50	1/2 in.	11.5 in.	125,000
60	1/2 in.	12 in.	129,000
70	1/2 in.	12.5 in.	131,500
80	1/2 in.	13 in.	134,000
90	1/2 in.	13 in.	134,000
	in.	in.	

*TOOK SAMPLE

ROCK TYPES

Anhy vert	Dolsec	Lmst fw7>	shale, gry	shale, red
Dolprim	Lmst fw<7	shale, grn	Carbon Sh	

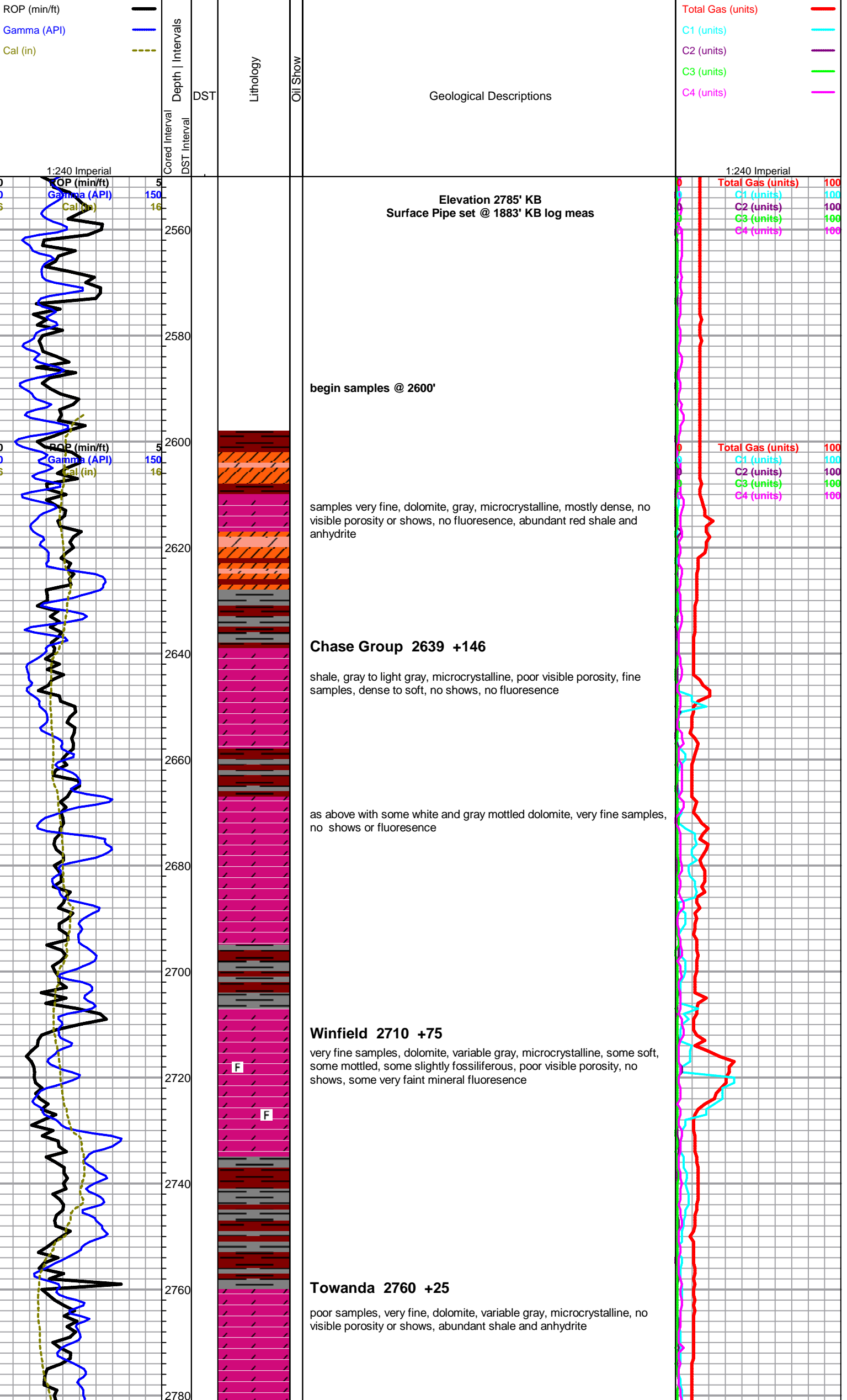
ACCESSORIES

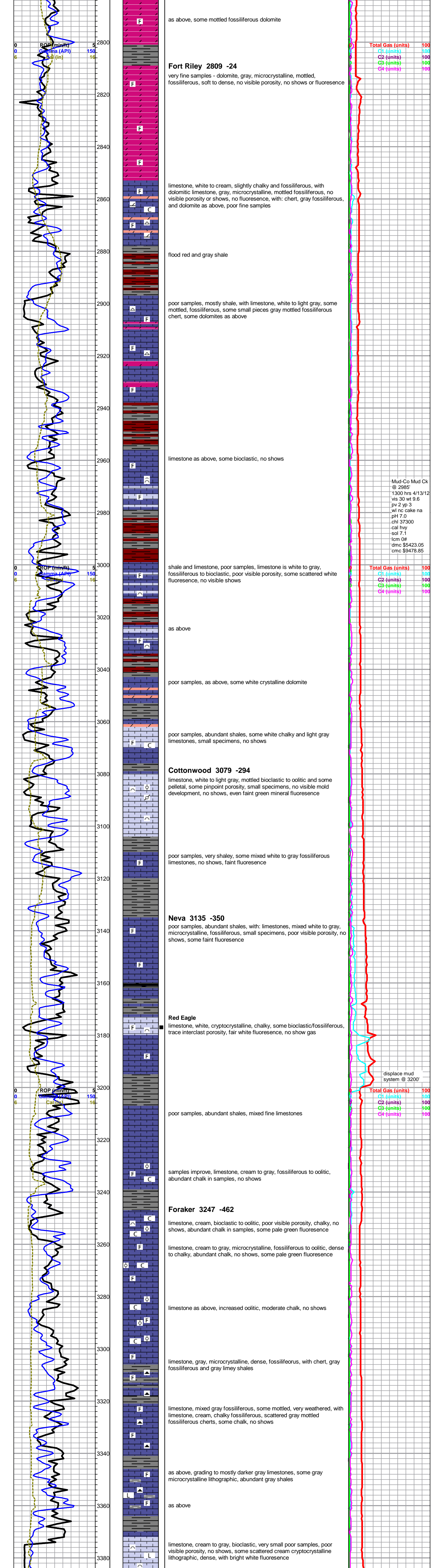
MINERAL	FOSSIL	STRINGER	TEXTURE
— Argillaceous	∩ Bioclastic or Fragmental	— Shale	C Chalky
▲ Chert, dark	F Fossils < 20%	— green shale	L Lithogr
∟ Dolomitic	∅ Oolite	— red shale	
∩ Glauconite	∅ Pellets	— carb shale	
× Mineral Crystals	∅ Oomoldic		
P Pyrite			
△ Chert White			

OTHER SYMBOLS

MISC	DST
DR Daily Report	DST Int
Digital Photo	DST alt
Document	Core
Folder	tail pipe
Link	
Vertical Log File	
Horizontal Log File	
Core Log File	
Drill Cuttings Rpt	

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as above, some mottled fossiliferous dolomite

Fort Riley 2809 -24

very fine samples - dolomite, gray, microcrystalline, mottled, fossiliferous, soft to dense, no visible porosity, no shows or fluorescence

limestone, white to cream, slightly chalky and fossiliferous, with dolomitic limestone, gray, microcrystalline, mottled fossiliferous, no visible porosity or shows, no fluorescence, with: chert, gray fossiliferous, and dolomite as above, poor fine samples

flood red and gray shale

poor samples, mostly shale, with limestone, white to light gray, some mottled, fossiliferous, some small pieces gray mottled fossiliferous chert, some dolomites as above

limestone as above, some bioclastic, no shows

Total Gas (units)	100
C1 (units)	100
C2 (units)	100
C3 (units)	100
C4 (units)	100

Mud-Co Mud Ck @ 2985'
 1300 hrs 4/13/12
 vis 30 wt 9.6
 pv 2 yp 3
 wl nc cake na
 pH 7.0
 chl 37300
 cal hwy
 sol 7.1
 lcm 0#
 dmc \$5423.05
 cmc \$9478.85

shale and limestone, poor samples, limestone is white to gray, fossiliferous to bioclastic, poor visible porosity, some scattered white fluorescence, no visible shows

Total Gas (units)	100
C1 (units)	100
C2 (units)	100
C3 (units)	100
C4 (units)	100

as above

poor samples, as above, some white crystalline dolomite

poor samples, abundant shales, some white chalky and light gray limestones, small specimens, no shows

Cottonwood 3079 -294

limestone, white to light gray, mottled bioclastic to oolitic and some pelletal, some pinpoint porosity, small specimens, no visible mold development, no shows, even faint green mineral fluorescence

poor samples, very shaley, some mixed white to gray fossiliferous limestones, no shows, faint fluorescence

Neva 3135 -350

poor samples, abundant shales, with: limestones, mixed white to gray, microcrystalline, fossiliferous, small specimens, poor visible porosity, no shows, some faint fluorescence

Red Eagle

limestone, white, cryptocrystalline, chalky, some bioclastic/fossiliferous, trace interclast porosity, fair white fluorescence, no show gas

displace mud system @ 3200'

Total Gas (units)	100
C1 (units)	100
C2 (units)	100
C3 (units)	100
C4 (units)	100

poor samples, abundant shales, mixed fine limestones

samples improve, limestone, cream to gray, fossiliferous to oolitic, abundant chalk in samples, no shows

Foraker 3247 -462

limestone, cream, bioclastic to oolitic, poor visible porosity, chalky, no shows, abundant chalk in samples, some pale green fluorescence

limestone, cream to gray, microcrystalline, fossiliferous to oolitic, dense to chalky, abundant chalk, no shows, some pale green fluorescence

limestone as above, increased oolitic, moderate chalk, no shows

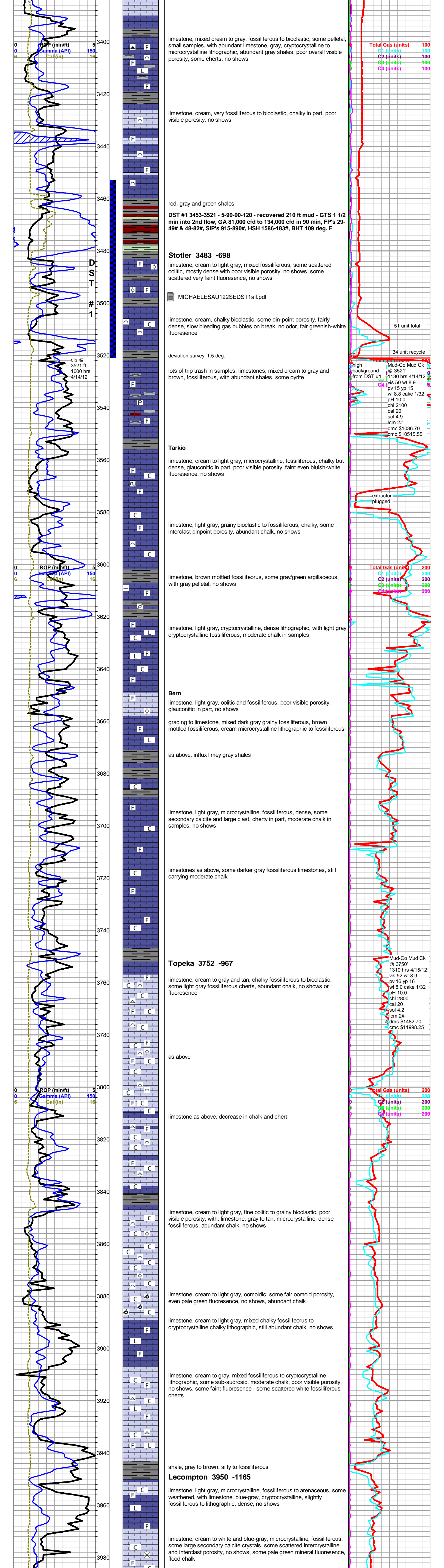
limestone, gray, microcrystalline, dense, fossiliferous, with chert, gray fossiliferous and gray limy shales

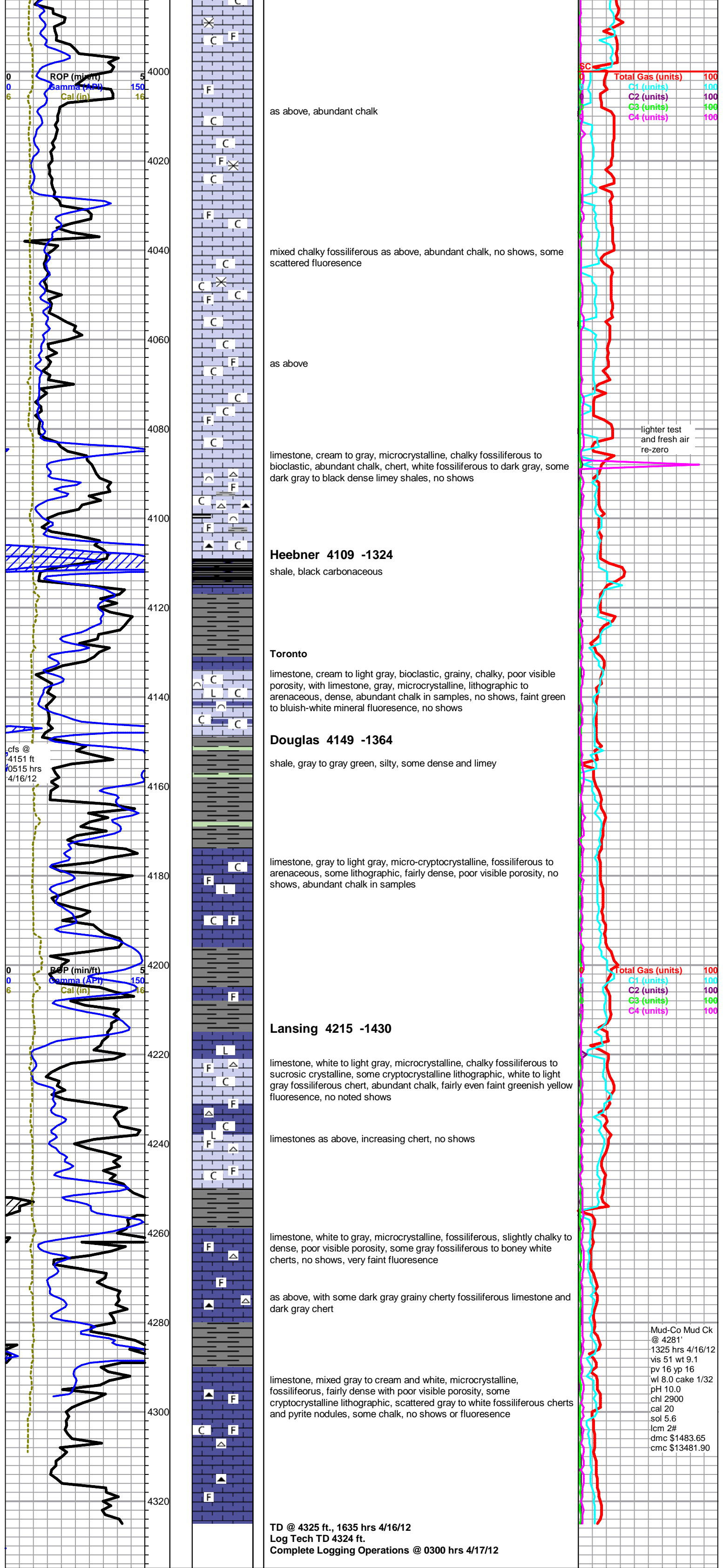
limestone, mixed gray fossiliferous, some mottled, very weathered, with limestone, cream, chalky fossiliferous, scattered gray mottled fossiliferous cherts, some chalk, no shows

as above, grading to mostly darker gray limestones, some gray microcrystalline lithographic, abundant gray shales

as above

limestone, cream to gray, bioclastic, very small poor samples, poor visible porosity, no shows, some scattered cream cryptocrystalline lithographic, dense, with bright white fluorescence





as above, abundant chalk

mixed chalky fossiliferous as above, abundant chalk, no shows, some scattered fluorescence

as above

limestone, cream to gray, microcrystalline, chalky fossiliferous to bioclastic, abundant chalk, chert, white fossiliferous to dark gray, some dark gray to black dense limey shales, no shows

Heebner 4109 -1324

shale, black carbonaceous

Toronto

limestone, cream to light gray, bioclastic, grainy, chalky, poor visible porosity, with limestone, gray, microcrystalline, lithographic to arenaceous, dense, abundant chalk in samples, no shows, faint green to bluish-white mineral fluorescence, no shows

Douglas 4149 -1364

shale, gray to gray green, silty, some dense and limey

limestone, gray to light gray, micro-cryptocrystalline, fossiliferous to arenaceous, some lithographic, fairly dense, poor visible porosity, no shows, abundant chalk in samples

Lansing 4215 -1430

limestone, white to light gray, microcrystalline, chalky fossiliferous to sucrosic crystalline, some cryptocrystalline lithographic, white to light gray fossiliferous chert, abundant chalk, fairly even faint greenish yellow fluorescence, no noted shows

limestones as above, increasing chert, no shows

limestone, white to gray, microcrystalline, fossiliferous, slightly chalky to dense, poor visible porosity, some gray fossiliferous to boney white cherts, no shows, very faint fluorescence

as above, with some dark gray grainy cherty fossiliferous limestone and dark gray chert

limestone, mixed gray to cream and white, microcrystalline, fossiliferous, fairly dense with poor visible porosity, some cryptocrystalline lithographic, scattered gray to white fossiliferous cherts and pyrite nodules, some chalk, no shows or fluorescence

lighter test and fresh air re-zero

Total Gas (units) 100
C1 (units) 100
C2 (units) 100
C3 (units) 100
C4 (units) 100

Total Gas (units) 100
C1 (units) 100
C2 (units) 100
C3 (units) 100
C4 (units) 100

Mud-Co Mud Ck @ 4281'
1325 hrs 4/16/12
vis 51 wt 9.1
pv 16 yp 16
wl 8.0 cake 1/32
pH 10.0
chl 2900
cal 20
sol 5.6
lcm 2#
dmc \$1483.65
cmc \$13481.90

TD @ 4325 ft., 1635 hrs 4/16/12
Log Tech TD 4324 ft.
Complete Logging Operations @ 0300 hrs 4/17/12