Geological Report

Meridian Energy, Inc.
Andreson #2
330' FNL & 1320' FWL
Sec. 4 T10s R19w
Rooks County, Kansas

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Harley K. Sayles

General Data

Well Data: Meridian Energy, Inc.

Andreson #2

330' FNL & 1320' FWL Sec. 4 T10s R19w Rooks County, Kansas API # 15-163-24152-0000

Drilling Contractor: Royal Drilling Co. Rig #1

Geologist: Harley Sayles

Spud Date: September **, 2012

Completion Date: October 2, 2012

Elevation: 2204' Ground Level

2211' Kelly Bushing

Directions: Zurich KS, 1.0 mi south on 10 Rd, 0.8 mi West on Y Rd, 0.1 mi

South into location

Casing: 20# 8 5/8" surface casing set @ 223,

Samples: 30' wet and dry, 3000' to 3150'

10' wet and dry, 3150' to RTD

Drilling Time: 2500' to RTD

Electric Logs: Compensated Density Neutron, Dual Induction, Microresistivity

Drillstem Tests: One, "Brannan L."

Problems: None

Remarks: None

Formation Tops

	Meridian Energy, Inc.			
	Andreson #2			
	Sec. 4 T10s R19w			
Formation	330' FNL & 1320' FWL			
Anhydrite	1588', +623			
Base	1621', +590			
Topeka	3179', -968			
Heebner	3386', -1175			
Toronto	3406', -1195			
Lansing	3413', -1202			
Lansing A	3424', -1213			
Lansing B	3444', -1233			
Lansing C	3458', -1247			
Lansing D	3478', -1267			
Lansing E-F	3493', -1282			
Lansing G	3503', -1292			
Lansing H	3557', -1346			
Lansing I	3575', -1364			
Lansing J	3586', -1375			
Lansing K	3613', -1402			
Lansing L	3647', -1436			
Conglomerate	3664', -1453			
Simpson	3704', -1493			
Arbuckle	3729', -1518			
RTD	3810', -1599			
LTD	3810', -1599			

Sample Zone Descriptions

Topeka (lower) (3179', -968)

Ls- Tan, fine crystalline, poor inter-crystalline porosity, very poor vuggy porosity, poor oomoldic porosity, slight show of free oil, partial scattered saturation and stain, slight odor, dull yellow florescence

Toronto (3406', -1195)

Ls- Cream, sub crystalline, very poor vuggy porosity, very slight show of free oil, no odor on break

Lansing A (3424', -1213)

Ls- Tan, sub crystalline, poor to fair intra fossil vug porosity, slight show of free oil on break, weak odor

Lansing C (3458', -1247)

Ls- Tan, fine to sub crystalline, poor to fair intercrystalline porosity, scattered saturation and stain, slight show of free oil on break, weak odor

Lansing D (3478', -1267)

Ls- Cream to tan, fine to sub crystalline, poor to good intercrystalline porosity, poor inter fossil porosity, slight show of free oil, weak odor

Lansing E-F (3493', -1282)

Ls- Cream, fine crystalline, poor to fair vuggy porosity, scattered poor intercrystalline porosity, partial saturation and stain, poor intra fossil porosity, slight show of free oil on break, weak odor

Lansing H (3557', -1346)

Ls- Tan, fine to sub crystalline, scattered poor vuggy porosity, slight show of free oil on break, weak odor

Lansing I (3575', -1364)

Ls- Cream to tan, fine to sub crystalline, poor to fair inter and intra fossil porosity, partial saturation and stain, fair show of free oil, fair odor

Lansing J (3586', -1375)

Ls- Tan, fine crystalline, poor to good intercrystalline porosity, poor vuggy porosity, partial to complete saturation and stain, fair to good show of free oil, strong odor, few gas bubbles

Conglomerate (3664', -1453)

 Δ Cht- Orange yellow transparent opaque white, angular, poor vuggy porosity, dead oil stain and live oil, fair show of free oil, weak odor

Arbuckle (3729', -1518)

Ls- Tan, fine crystalline, fair to very good intercrystalline sucrosic porosity, complete saturation and stain, very good show of free oil, good odor, yellow florescence, scum of oil on top of sample cup, lots of free oil in sample

Drill Stem Tests

Trilobite Testing Inc. "Brannan L"

DST #1 Lansing D

Interval (3469' – 3500') Anchor Length 31'

IHP - 1721 #

IFP - 2" - Surface blow

ISI - 45" - No blow back

FFP - 45" - No blow

FSIP - 20" - No blow back

442 #

FHP - 1681 # BHT - 99 °F

Recovery: 2' M

Structural Comparison

	Meridian Energy, Inc.	Meridian Energy, Inc.		Stableford & K & E	
	Andreson #2	Andreson #1		Andreson #2	
	Sec. 4 T10s R19w	Sec. 4 T10s R19w		Sec. 4 T10s R19w	
Formation	330' FNL & 1320' FWL	330' FNL & 660' FWL		330' FNL & 1650' FWL	
Anhydrite	1588', +623	1595', +623	flat	1590', +616	(+7))
Base	1621', +590	1630', +588	(+2)	N/A	N/A
Topeka	3179', -968	3188', -970	(+2)	N/A	N/A
Heebner	3386', -1175	3394', -1176	(+1)	3383', -1177	(+2)
Toronto	3406', -1195	3414', -1196	(+1)	N/A	N/A
Lansing	3413', -1202	3421', -1203	(+1)	3420', -1214	(+12)
Lansing A	3424', -1213	3432', -1214	(+1)	N/A	N/A
Lansing B	3444', -1233	3452', -1234	(+1)	N/A	N/A
Lansing C	3458', -1247	3466', -1248	(+1)	N/A	N/A
Lansing D	3478', -1267	3486', -1268	(+1)	N/A	N/A
Lansing E-F	3493', -1282	3502', -1284	(+2)	N/A	N/A
Lansing G	3503', -1292	3512', -1294	(+2)	N/A	N/A
Lansing H	3557', -1346	3564', -1346	flat	N/A	N/A
Lansing I	3575', -1364	3583', -1365	(+1)	N/A	N/A
Lansing J	3586', -1375	3597', -1379	(+4)	N/A	N/A
Lansing K	3613', -1402	3622', -1404	(+2)	N/A	N/A
Lansing L	3647', -1436	3656', -1438	(+2)	N/A	N/A
Conglomerate	3664', -1453	3668', -1450	(-3)	N/A	N/A
Simpson	3704', -1493	3723', -1505	(+12)	N/A	N/A
Arbuckle	3729', -1518	3740', -1522	(+4)	3725', -1519	(+1)
RTD	3810', -1599	3502', -1294		3727', -1521	
LTD	3810', -1599	3502', -1295			

Summary

The location for the Andreson #2 well ran structurally higher than expected on the Arbuckle. One drill stem test was conducted in the Lansing D, which was negative.

After all gathered data had been examined the decision was made to run production casing to further evaluate the Andreson #2.
Respectfully Submitted,
Harley K. Sayles