

Geological Report

DK Operating, Inc.
Whitley #3-13
1092' FSL & 523' FEL
Sec. 13 T20s R23w
Ness County, Kansas



DK Operating, Inc.

General Data

Well Data: DK Operating, Inc.
Whitley #3-13
1092' FSL & 523' FEL
Sec. 13 T20s R23w
Ness County, Kansas
API # 15-135-25781-0000

Drilling Contractor: Pickrell Drilling Rig #1

Geologist: Jason T Alm

Spud Date: May 29, 2014

Completion Date: June 5, 2014

Elevation: 2210' Ground Level
2220' Kelly Bushing

Directions: Bazine KS, South 6 mi. to 70 Rd. West 6 mi. to Y
Rd. South 2 ½ mi. West into location.

Casing: 260' 8 5/8" surface casing

Samples: 10' wet and dry, 3900' to RTD

Drilling Time: 3500' to RTD

Electric Logs: None

Drillstem Tests: Three, Trilobite Testing, Inc. "Jim Svaty"

Problems: None

Remarks: None

Formation Tops

| | |
|------------------|------------------------------------------------------------------------------------------------------------------|
| | DK Operating, Inc. Whitley #3-13 Sec. 13 T20s R23w 1092' FSL & 523' FEL |
| Formation | |
| Anhydrite | 1417', +803 |
| Base | 1453', +767 |
| Heebner | 3661', -1441 |
| Lansing | 3710', -1490 |
| BKc | 4028', -1808 |
| Pawnee | 4154', -1934 |
| Fort Scott | 4222', -2002 |
| Cherokee | 4246', -2026 |
| Mississippian | 4314', -2094 |
| Osage | 4326', -2106 |
| RTD | 4351', -2131 |

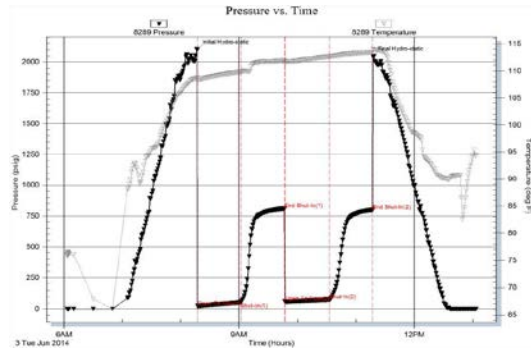
Sample Zone Descriptions

- Fort Scott (4222', -2002): Covered in DST #1**
 Ls – Fine to sub-crystalline with poor inter-crystalline and slight vuggy porosity, very light spotted oil stain in porosity, slight show of free oil when broken, no odor, fair yellow fluorescents.
- Mississippian Osage (4326', -2106): Covered in DST #2,3**
 Δ – Dolo – Fine sucrosic crystalline with poor scattered inter-crystalline and vuggy porosity, chert, triptolic, weathered with good vuggy porosity, light to fair oil stain in porosity, fair show of free oil, good odor, light spotted yellow fluorescents.

Drill Stem Tests
 Trilobite Testing, Inc.
 "Jim Svaty"

DST #1 Fort Scott

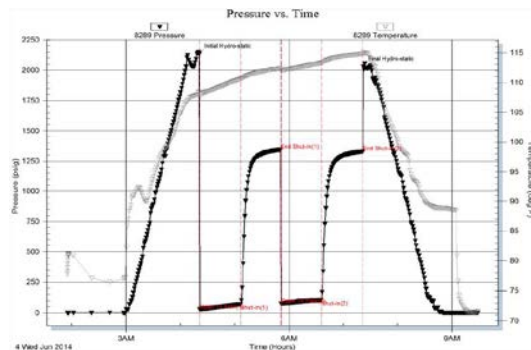
Interval (4188' – 4250') Anchor Length 62'
 IHP – 2097 #
 IFP – 45" – Built to 3 in. 22-54 #
 ISI – 45" – Dead 809 #
 FFP – 45" – Built to 2 in. 60-76 #
 FSI – 45" – Dead 798 #
 FHP – 2042 #
 BHT – 113°F



Recovery: 118' OCM 5% Oil

DST #2 Mississippian Osage

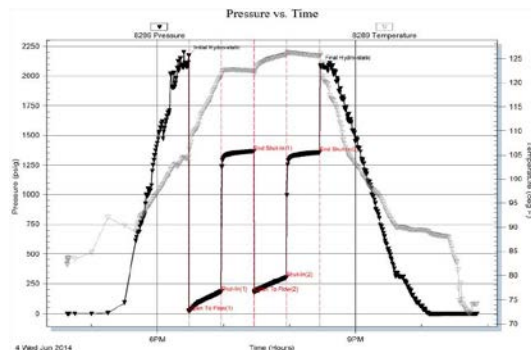
Interval (4265' – 4345') Anchor Length 80'
 IHP – 2134 #
 IFP – 45" – Built to 4 3/4 in. 26-70 #
 ISI – 45" – Dead 1343 #
 FFP – 45" – Built to 3 in. 74-105 #
 FSI – 45" – Dead 1329 #
 FHP – 2028 #
 BHT – 115°F



Recovery: 1' Clean Oil
 6' OCM 30% Oil
 174' WOCM 20% Oil, 10% Water

DST #3 Mississippian Osage

Interval (4345' – 4351') Anchor Length 6'
 IHP – 2127 #
 IFP – 30" – B.O.B. 12 min. 22-182 #
 ISI – 30" – W.S.B. 1367 #
 FFP – 30" – B.O.B. 12 min. 177-300 #
 FSI – 30" – Dead 1357 #
 FHP – 2086 #
 BHT – 125°F



Recovery: 15' Clean Oil
 68' OSWCM 1% Oil, 29% Water
 552' MCW 95% Water

Structural Comparison

| Formation | DK Operating, Inc. Whitley #3-13 Sec. 13 T20s R23w 1092' FSL & 523' FEL | Mull Drilling Whitley #1 Sec. 13 T20s R23w C NE SE | | Pickrell Drilling Stairrett A #1 Sec. 18 T20s R22w C NW SW | |
|------------------|------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|-------------|-------------------------------------------------------------------------------|-------------|
| Anhydrite | 1417', +803 | 1416', +806 | (-3) | 1418', +805 | (-2) |
| Base | 1453', +767 | 4151', +771 | (-5) | NA | NA |
| Heebner | 3661', -1441 | 3658', -1436 | (-5) | 3665', -1442 | (+1) |
| Lansing | 3710', -1490 | 3706', -1484 | (-6) | 3711', -1488 | (-2) |
| BKc | 4028', -1808 | NA | NA | NA | NA |
| Pawnee | 4154', -1934 | NA | NA | 4154', -1931 | (-3) |
| Fort Scott | 4222', -2002 | 4223', -2001 | (-1) | 4223', -2000 | (-2) |
| Cherokee | 4246', -2026 | NA | NA | NA | NA |
| Mississippian | 4314', -2094 | 4309', -2087 | (-7) | 4313', -2090 | (-4) |
| Osage | 4326', -2106 | 4327', -2105 | (-1) | 4325', -2102 | (-4) |

Summary

The location for the Whitley #3-13 was found via 3-D seismic survey. The new well ran structurally as expected via the survey. Three Drill Stem Tests were conducted all of which were negative. After all gathered data had been examined the decision was made to plug and abandon the Whitley #3-13 well.

Respectfully Submitted,

Jason T Alm
Hard Rock Consulting, Inc.