Geological Report

Palmer Oil, Inc.

Cory #1-1

1330' FSL & 1022' FEL

Sec 1, T35s, R36w

Stevens County, Kansas



Palmer Oil, Inc.

General Data

| Well Data: | Palmer Oil, Inc. Cory #1-1 1330' FSL & 1022' FEL Sec. 1, T35s, R36w Stevens County, Kansas API # 15-189-22845-00-00 | | | |
|----------------------|---|--|--|--|
| Drilling Contractor: | Duke Drilling Co. Rig #5 | | | |
| Geologist: | Luke Thompson | | | |
| Spud Date: | March 9, 2017 | | | |
| Completion Date: | March 20, 2017 | | | |
| Elevation | 3021' G.L. 3032' K.B. | | | |
| Directions: | From the SW side of Liberal, KS at the intersection of 2nd St Rd & S Western Ave – Now go 5 miles West on 2nd St Rd – Now go 1 mile North on 2nd St Rd – Now go 8 miles West on 2nd St Rd - Now go 0.75 miles South on Rd 22 to stake into – Now go 1022' West into | | | |
| Casing: | 1782' 8 5/8" 23# Surface Casing | | | |
| Samples: | Surface to RTD 30' Dry; 4200' to RTD 30' wet & dry | | | |
| Drilling Time: | 4200' to RTD | | | |
| Electric Logs: | Halliburton "Whitlock" Full Sweep | | | |
| Drillstem Tests: | None | | | |
| Problems: | Pulled Tight on all pipe trips Gained mud weight through upper Morrow Shale | | | |

Formation Tops

Cory #1-1 Sec. 1, T35s, R36w 1330' FSL & 1022' FEL

| Heebner | 4316' -1284 |
|--------------|-------------|
| Toronto | 4334' -1302 |
| Lansing | 4453' -1421 |
| BKC | 5112' -2080 |
| Marmaton | 5212' -2180 |
| Pawnee | 5465' -2433 |
| Cherokee | 5580' -2548 |
| Atoka Lime | 5908' -2876 |
| Morrow | 5948' -2916 |
| Chester Lime | 6400' -3368 |
| St. Gen | 6620' -3588 |
| RTD | 6800' -3768 |
| LTD | 6801' -3769 |
| | |

Sample Zone Descriptions

Chester Sand (6538', -3506):

Sandstone, clear to white, fine grained, sub-round, semi spherical, fair sorting, fair-poor cementation, good inter-crystalline porosity, no odor, poor stain and saturation, fair green fluorescence, fair slow stream cut. Gas 275 units hotwire.

Structural Comparison

| Formation | Palmer Oil, Inc. Cory #1-1 Sec. 1, T35s, R36w 1330' FSL & 1022' FEL | | Oxy USA Inc. Wiggains #12-7 Sec. 12, T35s, R36w 330' FNL & 330' FEL | | EOG Resources Hittle Trust Sec. 1, T35s, R36w 400' FSL & 2310' FEL |
|------------|--|-----|---|-----|--|
| Heebner | 4316' -1284 | +10 | 4310' -1294 | -3 | 4318' -1281 |
| Toronto | 4334' -1302 | +11 | 4329' -1313 | -3 | 4336' -1299 |
| Lansing | 4453' -1421 | +9 | 4446' -1430 | -3 | 4456' -1419 |
| ВКС | 5112' -2080 | +10 | 5106' -2090 | -11 | 5106' -2069 |
| Marmaton | 5212' -2180 | +12 | 5208' -2192 | -11 | 5206' -2169 |
| Pawnee | 5465' -2433 | +7 | 5456' -2440 | -6 | 5464' -2427 |
| Cherokee | 5580' -2548 | +10 | 5574' -2558 | -5 | 5580' -2543 |
| Atoka Lime | 5908' -2876 | +2 | 5894' -2878 | -11 | 5902' -2865 |
| Morrow | 5948' -2916 | 0 | 5932' -2916 | -13 | 5940' -2903 |
| Chester Lm | 6400' -3368 | +7 | 6391' -3375 | +7 | 6412' -3375 |
| St. Gen | 6620' -3588 | +26 | 6630' -3614 | -3 | 6622' -3585 |
| | | | | | |
| | | | | | |

Summary

The location for the Cory #1-1 well was found via 3-D seismic survey. The new well ran structurally as expected. No sufficient pay zone was encountered while drilling and no drill stem tests were conducted. After all the gathered data had been examined, the decision was made to plug and abandon the Cory #1-1 well.

Respectfully Submitted,

Lukas Thompson Palmer Oil, Inc.