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STARR F. SCHLOBOHM OIL OPERATIONS

GEOLOGICAL REPORT

DUMLER SE No. 1

710' From South Line & 1930' From East Line of Section 16 T 14 S, R 13 W Russell County, Kansas

July 27, 2007

STARR F. SCHLOBOHM OIL OPERATIONS 10 Greenleaf Drive Wolfeboro, New Hampshire 03894-4226

GEOLOGICAL REPORT:

DUMLER SE No. 1

710' FSL & 1930' FEL Sec. 16, T 14 S, R 13 W Russell County, Kansas

CONTRACTOR:

Royal Drilling, Inc.

Russell, Kansas

DRILLING COMMENCED:

July 16, 2007

DRILLING COMPLETED:

July 23, 2007

CASING RECORD:

8 5/8" surface casing set at 803'

and cemented with 375 sacks.

5 1/2" production casing set 3368'

and cemented with 375 sacks.

SAMPLES:

Saved and examined from 2300' to

3450', RTD. Zones of interest are

described in this report.

DRILLING TIME:

Recorded and plotted from 2300' to 3450', RTD. A copy of the drilling time/lithology log is included with

this report.

DRILLSTEM TESTS:

(1) by Trilobite Testing, LLC of

Hays, Kansas.

ELECTRIC LOGS:

By Superior Well Services of

Hays, Kansas.

ELEVATIONS:

Kelly Bushing:

1857'

Ground Level:

1852'

Measurements From:

K. B.

gc
)

LITHOLOGY, ZONES OF INTEREST & TEST DATA:

1st. Tarkio Sand:

2376-2384: SS, light gray, very fine grained, both dense and soft and friable and porous. Light brown oil stain, very slight show of free oil and oily taste. No odor. Micaceous.

2nd. Tarkio Sand:

2401-2416L SS, light gray, fine grained, micaceous, pyritic, soft and friable with light oil stain, very slight show of free oil and oily taste. Faint odor.

3rd. Tarkio Sand:

2463-2474 &

2478-2484: SS, Abundant shales with small amount of light gray, fine grained, micaceous with small amount of light oil stain. No free oil or odor.

Topeka Lime:

2894-2904: LS, white, dense to chalky with some fossiliferrous porosity.

Minor trace of dark oil stain with no free oil or odor.

Toronto Lime:

2964-2970: LS, white, dense with trace of light oil stain. No free oil or odor. Log shows porosity from 2966-68.

Lansing-Kansas City:

3008-3020: LS, white, dense with minor rare oil stain in poor porosity. A zone Faint odor.

3034-3038: LS, white, fossiliferrous, porous, with rare light oil stain, B zone very slight show of free oil and odor. Some white dense lime.

LITHOLOGY, cont...

Lansing-Kansas City:

3044-3052: LS, white, fine colicastic, barren porosity with no oil stain. C zone Porosity indicated 3050-52.

3104-3107: LS, white, fossiliferrous and porous. Some colicastic porosity. F zone No oil stain.

3112-3120: IS, white, fine to coarse oolicastic, porous with no oil stain. G zone

Thin streaks of porosity in the H, I, J zones with no oil stain noted. No porosity and no oil stain in the K and L zones.

3286-3290: LS, brown, dense and nodular, very hard (called white lime on log). This lime very unrepresentive for this interval.

Quartzite Sand:

3094-3300: SS, samples circulated at 3295 and 3300 showed abundant quartzitic sand; coarse grained, dense, few sand inclusions and some medium to coarse sand clusters. Light brown oil stain and quick faint odor. No free oil noted. Some milky white to clear medium to coarse grained, sub angular and some friable and porous. Light brown oil stain and quick odor. E. log shows minor porosity 3297-99.

3300-3310: SS, samples circulated at 3310 showed abundant white quartz sand withmedium to coarse grained sand clusters, soft and porous with increase of light brown oil stain. Slight show of free oil and good odor. Bottom sample showed some white, fine crystalline dolomite withsand inclusions.

DRILLSTEM TEST No. 1: 3270 to 3310. Tool open 5 min. with strong blow. Blew off bottom of bucket in 1 1/2 min.

> Tool Shut In 45 minutes Tool open 30 minutes with strong blow throughout open period. Tool Shut In 45 minutes.

Recovery:

165' of oil & gas cut muddy water 5% gas, 10% oil, 55% water, 30% mud 360' of oil & gas cut muddy water 5% gas, 10% oil, 65% wtr, 20% mud 600' of oil & gas cut water 5% gas, 12% oil, 83% water

180' slight oil cut water

1% oil and 99% water

Initial Flow Pressure: 116-181 psi Initial shut in Press. 1090 psi Final Flow Pressure: 227-618 psi Final Shut in Press. 1076 psi

LITHOLOGY, cont...

Arbuckle Dolomite:

- 3304-3310: DOL; E. Log indicates the top of the Arbuckle @ 3304 with white fine to medium crystalline dolomite with sand inclusions. Spotty dark oil stain with show of free oil and good oil odor. Fair saturation. The interval covering the Quartz sand and the upper Arbuckle were included in the drillstem test interval. Positive results.
 - E. log shows good porosity from 3305-09.
- 3310-3320: DOL: as above with fine to coarse sand inclusions. Fine to coarse crystalline with increase in oil staining. Fair saturation show of free oil and good oil odor. Good porosity.
- 3320-3330: DOL: white, fine to coarse crystalline withsand inclusions. Scattered dark spotty oil stain, dark show of free oil and good oil odor. Good porosity.
- 3330-3350: DOL & QUARTZ SD. 50/50 with spotty dark oil stain, fair saturation; slight show of free oil and good oil odor. With medium sand clusters. Fair to good porosity.
- 3350-3368: DOL: as above with sand as above. Still sand clusters, spotty oil stain-saturation, slight show of free oil and odor.
- 3368-3380: DOL: white, very fine dense with trace of oil stain. Still some sand clusters. Slight to fair porosity.
- 3380-3398: DOL: as above and SS as above with trace of dark oil stain.

 Dolomite mostly dense.
- 3398-3434: DOL: as above with ss clusters and trace of dark oil stain.
- 3434-3450: DOL: Fine crystalline dense to medium crystalline porous with abundant coarse, rounded qyartz grains, rounded and unconsolidated. Some fine to medium grained sand clusters. Definite increase in coarse unconsolidate sand grains and sand clusters. Only trace of oil stain noted.

REMARKS & RECOMMENDATIONS:

Based on sample analysis and E. log porosities, I recommend the following completion:

First: Perforate and test the Quartzite Sand 3297-99

Then: Perforate the upper Arbuckle from 3305-09

3rd. Perforate the B zone from 3034-37 4th. Perforate the Toronto from 2966-68

Respectfully submitted;

Transit L. Affire

Francis C. Whisler