

August 30, 2000

Phoenix Kansas Energy, LLC
536 N. Highland
Chanute, KS. 66720

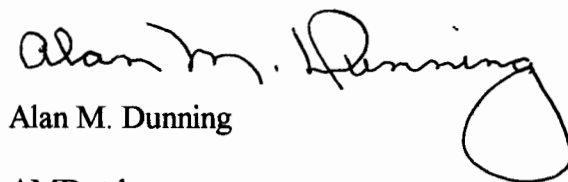
Gentlemen:

Attached hereto are the results of testing the rotary core taken from the Butler Lease, Well No. PW-37, located 2970' FSL and 1650' FEL, Section 35, T23S, R16E, Woodson County, Kansas.

The core was sampled by a representative of the client and submitted to our laboratory on August 17, 2000.

Your business is greatly appreciated.

OILFIELD RESEARCH LABORATORIES


Alan M. Dunning

AMD: td

1 c: John Bumgardner
1 c: Paul Beck

LOG

Company Phoenix Kansas Energy, LLC Lease Butler Well No. PW-37

Squirrel Sandstone

<u>Depth Interval, Feet</u>	<u>Description</u>
965.0 – 966.0	Shale, gray, with widely scattered brown, sandstone partings.
966.0 – 967.6	Sandstone, brown, with widely scattered shale and mica partings and inclusions.
967.6 – 968.0	Sandstone and shale, brown and gray, laminated.
968.0 – 968.6	Sandstone and shale, brown and gray, alternate layers.
968.6 – 968.8	Shale, gray, with scattered brown, sandstone partings.
968.8 – 969.6	Sandstone, brown, with scattered shale and mica partings.
969.6 – 970.0	Shale, gray, with scattered brown, sandstone partings.
970.0 – 970.5	Sandstone, brown, slightly shaly, with scattered shale and mica partings.
970.5 – 970.8	Shale, gray.
970.8 – 971.8	Sandstone, brown, with scattered shale and mica partings.
971.8 – 972.1	Shale, gray.
972.1 – 972.4	Sandstone, grayish brown, shaly, with scattered shale and mica partings.
972.4 – 973.3	Sandstone, brown, with scattered shale and mica partings.
973.3 – 975.0	Shale, gray, with widely scattered brown, sandstone partings.
975.0 – 975.4	Sandstone, grayish brown, shaly, with scattered shale and mica partings.

Company Phoenix Kansas Energy, LLC Lease Butler Well No. PW-37

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<u>Depth Interval, Feet</u>	<u>Description</u>
975.4 – 976.3	Shale, gray.
976.3 – 976.6	Sandstone, light grayish brown, very shaly, with scattered shale and mica partings.
976.6 – 980.0	Shale, gray, with widely scattered brown, sandstone partings.

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RESULTS OF SATURATION & PERMEABILITY TESTS

Company: **PHOENIX KANSAS ENERGY, LLC** Lease: **Butler** Well No. **PW-37**

Sample No.	Depth, Feet	Porosity, Percent	Percent Saturation			Oil Content Bbls. / A.Ft.	Perm., Md.	Feet of Sand		Total Oil Content	Permeability Capacity Ft. X Md.
			Oil	Water	Total			Ft.	Cum.Ft.		
1	966.3	20.2	47	34	81	737	26.	0.8	0.8	590	20.80
2	967.2	22.0	46	27	73	785	125.	0.8	1.6	628	100.00
3	968.5	18.6	48	28	76	693	15.	0.6	2.2	416	9.00
4	969.5	18.5	45	35	80	646	20.	0.8	3.0	517	16.00
5	970.4	18.3	45	43	88	639	7.9	0.5	3.5	320	3.95
6	971.5	18.1	44	34	78	618	17.	1.0	4.5	618	17.00
7	972.6	17.6	41	40	81	560	13.	0.9	5.4	504	11.70

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RESULTS OF LABORATORY FLOODING TESTS

Company: **PHOENIX KANSAS ENERGY, LLC** Lease: **Butler** Well No. **PW-37**

Sample No.	Depth Feet	Effective Porosity Percent	Original Oil Saturation		Oil Recovery		Residual Saturation			Effective Permeability Millidarcys*
			%	Bbls / A.Ft.	%	Bbls / A.Ft.	% Oil	% Water	Bbls / A.Ft.	
1	966.3	20.6	47	751	5	80	42	54	671	1.73
2	967.2	21.7	46	774	2	34	44	50	740	3.53
3	968.5	18.3	48	681	6	85	42	56	596	0.40
4	969.5	18.7	45	653	2	29	43	54	624	0.67
5	970.4	18.5	45	646	3	43	42	56	603	0.80
6	971.5	18.4	44	628	2	29	42	54	599	0.60
7	972.6	17.9	41	569	0	0	41	58	569	0.93

* Determined by passing water through sample which still contains residual oil.