

OILFIELD RESEARCH LABORATORIES

536 NORTH HIGHLAND - CHANUTE, KANSAS 66720 - PHONE (316) 431-2650

June 2, 1982

Pancana Resources, Ltd.
Kanalta Resources, Ltd.
Mr. Ralph Atkinson
Box 112
Bronson, Kansas 66716

Gentlemen:

Enclosed herewith are the results of tests run on the rotary core taken from the Stockebrand Lease, Well No. 1, located in Woodson County, Kansas.

The core was sampled and sealed in plastic bags by a representative of the client and was submitted to our laboratory on May 28, 1982.

Your business is greatly appreciated.

Very truly yours,

OILFIELD RESEARCH LABORATORIES

Sanford A. Michel

SAM/kas

- 1 c to Bronson, Kansas
- 2 c to Calgary, Alberta, Canada
- 2 c to Topeka, Kansas
- 1 c to Chanute, Kansas

- REGISTERED ENGINEERS -

CORE ANALYSIS - WATER ANALYSIS - REPRESSURING ENGINEERING - SURVEYING & MAPPING - PROPERTY EVALUATION & OPERATION

Oilfield Research Laboratories

GENERAL INFORMATION & SUMMARY

Company Pancana Resources, Ltd. Lease Stockebrand Well No. 1
 Location _____
 Section 28 Twp. 24S Rge. 16E County Woodson State Kansas

Elevation, Feet

Name of Sand.....

Upper Squirrel

Top of Core

945.0

Bottom of Core

954.1

Top of Sand (Tested)

947.1

Bottom of Sand

954.1

Total Feet of Permeable Sand

6.0

Distribution of Permeable Sand: Permeability Range Millidarcys	Feet	Cum. Ft.
0 - 4	0.9	0.9
23 - 55	5.1	6.0

Average Permeability Millidarcys

34.6

Average Percent Porosity

17.7

Average Percent Oil Saturation

51.6

Average Percent Water Saturation.....

27.5

Average Oil Content, Bbls./A. Ft.

713.

Total Oil Content, Bbls./Acre.....

4,276.

OILFIELD RESEARCH LABORATORIES

LOG

Name Pancana Resources, Ltd. Lease Stockebrand Well No. 1

<u>Depth Interval, Feet</u>	<u>Description</u>
945.0 - 946.0	Grayish very light brown shaly sandstone.
946.0 - 947.1	Grayish very light brown calcareous shaly sandstone.
947.1 - 948.0	Grayish brown shaly sandstone.
948.0 - 949.6	Dark brown slightly calcareous sandstone.
949.6 - 950.0	Light gray shale.
950.0 - 951.2	Dark brown sandstone.
951.2 - 951.8	Gray slightly sandy shale.
951.8 - 954.1	Dark brown sandstone.

Oilfield Research Laboratories

RESULTS OF SATURATION & PERMEABILITY TESTS

TABLE 1-B

Company Pancana Resources, Ltd. Lease Stockebrand Well No. 1

Sample No.	Depth, Feet	Effective Porosity Percent	Percent Saturation		Oil Content Bbls. / A Ft.	Perm., Mill.	Feet of Sand		Total Oil Content	Perm. Capacity Ft. X md.
			Oil	Water	Total		Ft.	Cum. Ft.		
1	947.5	15.9	47	36	83	3.6	0.9	0.9	522	3.24
2	948.6	17.8	56	24	80	27.	1.0	1.9	773	27.00
3	949.5	18.0	60	29	89	50.	0.6	2.5	503	30.00
4	950.6	19.2	56	20	76	54.	1.2	3.7	1001	64.80
5	951.9	16.6	47	26	73	24.	0.6	4.3	363	14.40
6	952.5	17.7	53	29	82	23.	0.7	5.0	510	16.10
7	953.5	18.1	43	31	74	52.	1.0	6.0	604	52.00

Oilfield Research Laboratories

SUMMARY OF PERMEABILITY & SATURATION TESTS

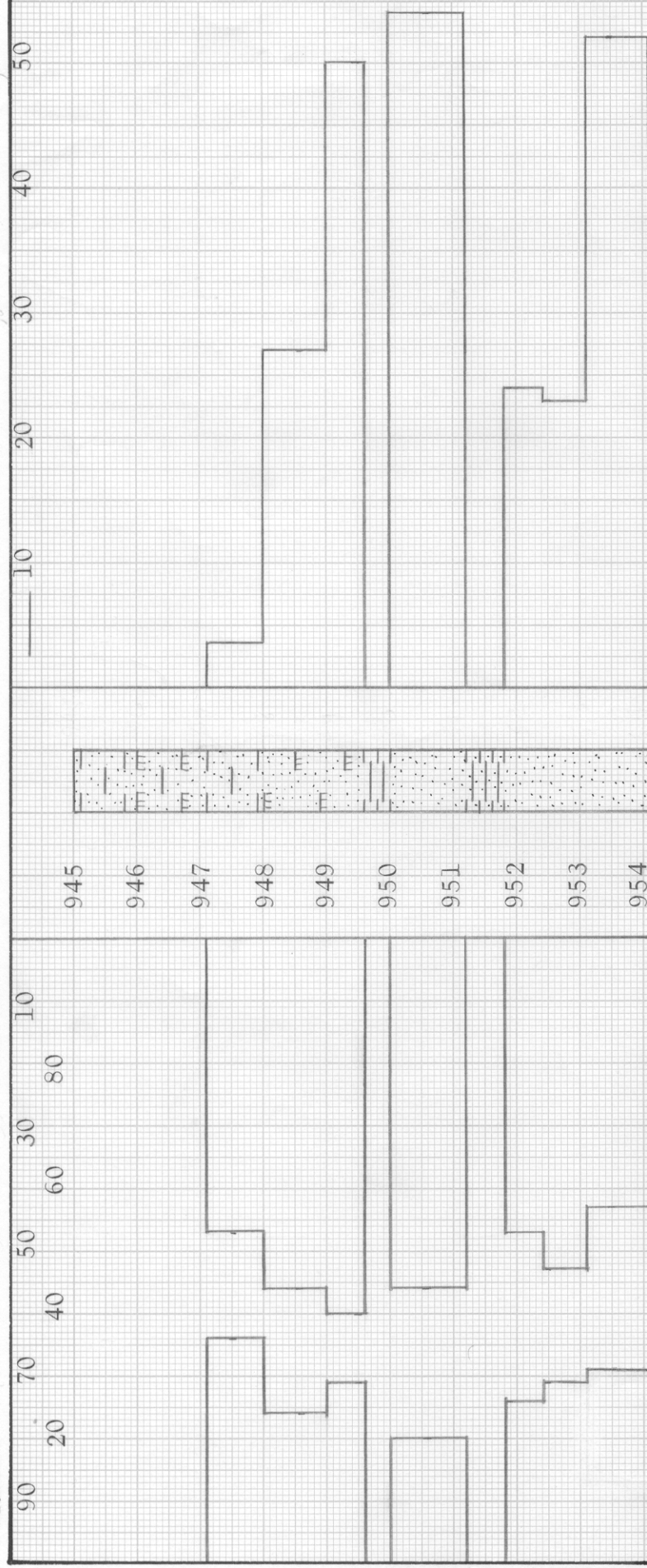
TABLE III

Company	Pancana Resources, Ltd.	Lease	Stockebrand	Well No.	1
Depth Interval, Feet	Feet of Core Analyzed	Average Permeability, Millidarcys	Permeability Capacity Ft. x Md.		
947.1 - 954.1	6.0	34.6	207.54		
Depth Interval, Feet	Feet of Core Analyzed	Average Percent Porosity	Average Percent Water Saturation	Average Oil Content Bbl./A. Ft.	Total Oil Content Bbls./Acre
947.1 - 954.1	6.0	17.7	51.6	27.5	4,276

WATER SAT., PERCENT

OIL SAT., PERCENT

PERMEABILITY, IN MILLIDARCYS



KEY:



SANDSTONE



SHALE



SANDY SHALE

CALCAREOUS SANDSTONE

SHALY SANDSTONE

SHALY CALCAREOUS SANDSTONE

PANCANA RESOURCES, LTD.

STOCKEBRAND LEASE

WOODSON COUNTY, KANSAS

WELL NO. 1

DEPTH INTERVAL,

FEET OF CORE

AVERAGE

AVG. OIL

AVG. WATER

AVERAGE

SANDY GRADE

PANCANA RESOURCES, LTD.

STOCKEBRAND LEASE

WELL NO. 1

WOODSON COUNTY, KANSAS

DEPTH INTERVAL, FEET	FEET OF CORE ANALYZED	AVERAGE	AVG. OIL		AVG. WATER		AVERAGE PERMEABILITY, MILLIDARCS
		PERCENT	SATURATION	SATURATION	SATURATION		
		POROSITY	PERCENT	PERCENT	PERCENT		

947.1 - 954.1	6.0	17.7	51.6	27.5	34.6
---------------	-----	------	------	------	------

OILFIELD RESEARCH LABORATORIES
CHANUTE, KANSAS
JUNE, 1982 PDC