

**WILLIAM M. STOUT
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Geologist Report

**Schwatken #1-26
C NE NW Sec. 26-T31S-R14E
Montgomery County, Kansas
API# 15-125-30506**

Operator: The Trees Oil Company #8767

Contractor: Well Refined Drilling Co., Inc (Air Rig) #33072

Commenced: 05-25-04

Completed: 05-26-04

Surface Casing: 8 5/8"

Production Casing: 4 1/2"

Ground Level Elevation: 886'

**Formation Log Tops
(Open Hole)**

Lenapah	699 +187
Altamont	748 +138
Pawnee	889 -3
Lexington Shale	913 -27
Oswego	975 -89
Summit Shale	1002 -116
Mulky Shale	1022 -136
Croweburg	1076 -190
Mineral Coal	1122 - 236
Weir Coal	Absent
Rowe Coal	1343 -457
Riverton Coal	Absent
Mississippian	1396 -510
R.T.D.	1440 -554

05/25/04

Depths

Sample Descriptions

* Note: Microscopic sample examination was not available.

Lenapah 699' (+187)

Altamont 748' (+138)

Pawnee 889' (-3)

Test @ 889' 2" - 5" on 3/8" choke. Surging from 5.05 mcfg to 7.98 mcfg (water).

Lexington 913' (-27)

913 - 916 Shale - black, carbonaceous, trace coal. Sample was bagged and showed no expansion.

Test @ 914' 1" on 3/8" choke. 3.56 mcfg (1.49 mcfg to 4.42 mcfg decrease).

916 - 975 Shale - gray, green, sandy, laminated, some calcareous, with shells.

Oswego 975' (-89)

975 - 999 Limestone - gray, brown, fine crystalline, fossiliferous, dense, some cherty, no odor.

999 - 1002 Shale - medium gray, gray.

Summit Shale 1002' (-116)

1002 - 1006 Shale - black, some carbonaceous. Sample was bagged and showed no expansion.

Test @ 1014' 1" on 3/8" choke. 3.56 mcfg (no increase).

1006 - 1022 Limestone - gray, dark gray, dark brown, fine crystalline, fossiliferous, dense, no odor.

Mulky Shale 1022' (-136)

1022 - 1029 Shale - black, some carbonaceous, pyrite, 1028 - 1029 coal. Sample was bagged and showed fair to good expansion.

Test @ 1039' 2" on 1/2" choke. 8.87 mcfg (5.31 mcfg increase).

1029 - 1034 Limestone - gray, light gray, fine crystalline, dense, fossiliferous, no odor.

1034 - 1056 Shale - gray, medium gray, sandy.

Bevier Coal 1056' (-170)

1056 - 1058 Coal

Test @ 1064' 2" on 1/2" choke. 8.87 mcfg (no increase).

1058 - 1074 Shale - dark gray, gray, sandy, calcareous in part.

1074 - 1076 Limestone - brown, dark brown, fine crystalline, fossiliferous, dense, no odor.

Croweburg Shale 1076' (-190)

1076 - 1080 Shale - black, some carbonaceous, trace coal.

Test @ 1090 7" on 1/2" choke. 16.7 mcfg (7.83 mcfg increase). Surged to 7 dropped to 0.

1080 - 1122 Shale - gray, green, medium gray, sandy.

05/26/04

Mineral Coal 1122' (-236)

1122 - 1123 Coal. Sample was bagged and showed slight expansion.

Test @ 1140' 1" on 1/2" choke. 6.27 mcfg (10.43 mcfg decrease).

1123 - 1146 Shale - gray, green, sandy, some black, trace coal.
1146 - 1157 Sandstone - brown, gray, fine grain, argillaceous, faint odor.
1157 - 1196 Shale - dark gray, gray, black, some laminated, with sand as above.
1196 - 1343 Shale - gray, dark gray, green, some laminated, scattered carbonaceous material.

Rowe Coal 1343' (-457)

1343 - 1345 Coal. Sample was bagged and showed fair expansion.

Test @ 1347' 1" on 1/2" choke. 6.27 mcfg (no increase).

1345 - 1389 Shale - gray, dark gray, pyrite.
1389 - 1396 Shale - black, dark gray, very calcareous, hard, dense.

Mississippian 1396' (-510)

1396 - 1425 Chert - gray, blue, white, opaque, mostly weathered, faint odor.
1425 - 1440 Chert - as above, with limestone, brown, light brown, fine crystalline, dense, trace green shale.

Test @ 1440' 1" on 1/2" choke. 6.27 mcfg (no increase).

R.T.D. 1440 (-510)

Production casing was set to further evaluate the coal gas shows through perforations.

Respectfully Submitted,



William M. Stout
Geologist