

WILLIAM M. STOUT
101 SOUTH STAR STREET
EL DORADO, KANSAS 66042
316 321-1270

KCC
AUG 02 2004
CONFIDENTIAL

Geologist Report

H. McDaniel D #1
82' N & 128' E of C NE NE Sec. 28-T31S-R15E
Montgomery County, Kansas
API# 15-125-30519

Operator: Jones Gas Corporation #32654

Contractor: Well Refined Drilling Co., Inc (Air Rig) #32871

Commenced: 05-12-04

Completed: 05-14-04

Surface Casing: 8 5/8"

Production Casing: 4 1/2"

Ground Level Elevation: 835

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WICHITA, KS

Formation Log Tops
(Open Hole)

Lenapah	497 +338
Altamont	539 +296
Pawnee	686 +149
Lexington Shale	705 +130
Oswego	772 +63
Summit Shale	804 +31
Mulky Shale	828 +7
Bevier Coal	854 -19
Crowburg Coal	876 -41
Mineral Coal	917 -82
Weir Coal	Absent
Rowe Coal	Absent
Riverton Coal	Absent
Mississippian	1195 -360
R.T.D.	1224 -389

05/14/04

Depths

Sample Descriptions

Lenapah 497' (+338)
Altamont 539' (+296)
Lexington 705' (+130)

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705 - 708 Shale - black, carbonaceous, 1' coal (707'-708').

Test @ 724' no blow.

Oswego 772' (+63)

772 - 801 Limestone - brown, gray, fine crystalline, fossiliferous, dense, faint to fair odor, scattered brown stain, show free oil, poor intercrystalline porosity.

801 - 804 Shale - gray to dark gray.

Summit Shale 804' (+31)

804 - 808 Shale - black, some carbonaceous, slightly popping gas.

Test @ 804' no blow.

808 - 828 Limestone - gray, dark gray, dark brown, fine crystalline, dense, argillaceous, fossiliferous, faint odor, scattered stain, slight show free oil, trace poor intercrystalline porosity.

Mulky Shale 828' (+7)

828 - 834 Shale - black, some carbonaceous, 1' coal 833 - 834, popping gas.

Test @ 844' weak blow TSTM.

834 - 840 Limestone - brown, dark gray, fine crystalline, dense, fossiliferous, argillaceous, no show, no visible porosity.

840 - 854 Shale - gray, dark gray.

Bevier Coal 854' (-19)

854 - 856 Coal - slightly popping gas.

Test @ 864' weak blow TSTM.

856 - 874 Shale - gray, light gray, slightly sandy, some dark gray.

874 - 876 Limestone - brown, dark brown, fine crystalline, fossiliferous, dense, no show, no visible porosity.

Crowburg Shale 876' (-41)

876 - 880 Shale - black, some carbonaceous, popping gas, 879' - 880' coal, good popping gas.

Test @ 884' weak blow TSTM.

880 - 903 Sandstone - light gray, green, fine grain, argillaceous, no show no visible porosity.

903 - 917 Shale - dark gray, medium gray, some sandy.

Mineral Coal 917' (-82)

917 - 919 Coal - popping gas.

Test @ 917' 10" on 3/8" choke. 11.3 mcfg

05/14/04

- 919 - 935 Shale - gray, sandy in part, trace limestone, brown, fine crystalline, fossiliferous, dense, no show, no visible porosity.
- 935 - 947 Sandstone - brown, fine grain, micaceous, fair odor, brown stain, show free oil - brown, with gas bubbles, scattered poor porosity.
- 947 - 951 Shale - gray, dark gray.
- 951 - 962 Sandstone - brown, fine grain, micaceous, argillaceous in part, good odor, good stain, bleeding oil and gas, good fluorescence, poor to fair porosity.

Test @ 964' 4" on 3/8" choke. 7.41 mcfg (4.16 mcfg decrease).

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- 962 - 984 Shale - gray, dark gray, calcareous.
- 984 - 986 Coal - popping gas.

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Test @ 984' 2" on 3/4" choke. 20.0 mcfg (12.86 mcfg increase).

- 986 - 993 Sandstone - brown, fine grain, micaceous, some calcareous, fair odor, dark stain, bleeding oil and gas, poor porosity.
- 993 - 1014 Shale - dark gray, medium gray, some black.

Test @ 1004' 4" on 3/4" choke. 28.3 mcfg (8.3 mcfg increase).

- 1014 - 1024 Shale - gray, dark gray, some laminated with sandstone gray, light gray, fine grain, argillaceous, no show, no visible porosity.
- 1024 - 1025 Coal - popping gas.

Test @ 1024' 4" on 3/4" choke. 28.3 mcfg (no increase).

- 1025 - 1044 Sandstone - light gray, fine grain, argillaceous, calcareous nodules, faint odor, black stain, slight show free oil, trace gas bubbles, very poor porosity.

Test @ 1044' 3" on 3/8" choke 24.5 mcfg (3.8 mcfg decrease).

- 1044 - 1081 Shale - gray, dark gray, some laminated with sandstone.
- 1081 - 1137 Sandstone - gray, fine grain, micaceous, some argillaceous, scattered carbonaceous material, faint odor, brown stain, show free oil, with gas bubbles, poor porosity, with interbedded gray shale.
- 1137 - 1193 Sandstone - white, light gray, fine grain, hard, some argillaceous, abundant pyrite, traces coal, no show, no visible porosity.
- 1193 - 1195 Shale - dark gray.

Mississippian 1195' (-360)

- 1195 - 1212 Chert - white, off white, opaque, mostly weathered, faint odor, black - brown stain, show free oil, popping gas, scattered vugular porosity.

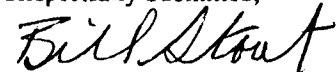
Test @ 1204' 2" on 3/4" choke 20.0 mcfg (4.5 mcfg decrease).

- 1212 - 1224 Chert - white, light gray, blue, some fresh, translucent to opaque, no odor, scattered dark brown - black stain, no show free oil, scattered vugular porosity.

R.T.D. 1224 (-389)

Production casing was run to total depth to further evaluate the gas shows.

Respectfully Submitted,



William M. Stout
Geologist