

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

CONFIDENTIAL

Geologist Report

H. McDaniel A #1
NW NW SW Sec. 33-T31S-R15E
Montgomery County, Kansas
API# 15-125-30512

Operator: Jones Gas Corporation #32654

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

Commenced: 05-04-04

Completed: 05-06-04

Surface Casing: 8 5/8"

Production Casing: 4 1/2"

Ground Level Elevation: 960

**Formation Log Tops
(Open Hole)**

Lenapah	669 +291
Altamont	712 +248
Pawnee	854 +106
Lexington Shale	876 +84
Oswego	945 +15
Summit Shale	979 -18
Mulky Shale	1003 -41
Croweburg	1051 -91
Weir Coal	1176 -130
Rowe Coal	Absent
Riverton Coal	1354 -394
Mississippian	1372 -414
R.T.D.	1405 -445

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<u>Depths</u>	<u>Sample Descriptions</u>
Lexington 876' (+84)	
876 - 879	Shale - black, carbonaceous, trace coal.
Test @ 885' no blow.	
Oswego 945' (+15)	
Summit Shale 978' (-18)	
978 - 984	Shale - black, some carbonaceous.
Test @ 985' no blow.	
Shut down overnight 985'.	
05/06/04	
984 - 1003	Limestone - gray, brown, light brown, fine crystalline, dense, fossiliferous, fair odor, scattered dark stain, show free oil, few gas bubbles, scattered poor intercrystalline porosity.
Mulky Shale 1003' (-43)	
1003 - 1009	Shale - black, carbonaceous, some dark gray, 1' coal 1008 - 9, good popping gas.
Test @ 1005' 8" on 3/8" choke. 10.1 mcfg.	
1009 - 1017	Limestone - gray, dark gray, fine crystalline, dense, fossiliferous, no show, no visible porosity.
1017 - 1029	Shale - gray, dark gray, pyrite.
Bevier Coal 1029' (-69)	
1029 - 1031	Coal - popping gas.
1031 - 1048	Shale - gray, dark gray.
1048 - 1051	Limestone - brown, fine crystalline, fossiliferous, dense, no show, no visible porosity.
Croweburg Shale 1051' (-91)	
1051 - 1055	Shale - black, carbonaceous, 1053' - 1054' coal, popping gas.
Test @ 1065' 8" on 3/8" choke. 10.1 mcfg. (no increase)	
1055 - 1067	Sandstone - light gray, fine grain, argillaceous, hard, no show, very poor porosity, some calcareous, with no visible porosity.
1067 - 1091	Shale - gray, dark gray, some sandy.
Mineral Coal 1091' (-131)	
1091 - 1093	Coal - with pyrite, popping gas.
Test @ 1105' 2" on 3/8" choke. 5.05 mcfg. (5.05 mcfg decrease)	
1093 - 1118	Shale - dark gray, gray, some sandy.
1118 - 1124	Sandstone - brown, gray, fine grain, argillaceous, fair odor, scattered dark stain, show free oil - brown, with gas bubbles, scattered porosity.

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1124 - 1140 Shale - gray, medium gray, dark gray, trace coal.
1140 - 1160 Sandstone - light brown, brown, fine grain, micaceous, calcareous in part, fair odor, scattered dark stain, show free oil, with gas bubbles, scattered porosity.

Test @ 1145' 13" on 1" choke. 93.6 mcfg. (88.55 mcfg increase)

Test @ 1165' 7" on 1" choke. 68.3 mcfg. (25.3 mcfg decrease)

1160 - 1176 Shale - dark gray, medium gray, some sandy, laminated in part.

Weir Coal 1176' (-216)

1176 - 1181 Coal - good sizzling gas.

Test @ 1185' 4" on 1" choke. 51.6 mcfg. (16.7 mcfg decrease)

1181 - 1209 Shale - gray, medium gray laminated with sandstone - brown fine grain, argillaceous, faint odor, brown stain, slight show free oil, popping gas, scattered poor porosity.

1209 - 1210 Coal - slightly popping gas.

Test @ 1225' 4" on 1" choke. 51.6 mcfg. (same blow)

1210 - 1242 Shale - dark gray, gray.

1242 - 1249 Shale - black, some carbonaceous.

1249 - 1267 Sandstone - brown, dark brown, fine grain, micaceous, argillaceous, calcareous in part, faint odor, brown stain, show free oil, gas bubbles, scattered porosity.

Test @ 1265' 4" on 1" choke. 51.6 mcfg. (same blow)

1267 - 1282 Shale - gray, with some sandstone a.a.

Test @ 1285' 2" on 1" choke. 36.5 mcfg. (15.1 mcfg decrease)

1282 - 1312 Sandstone - brown, gray, fine grain, micaceous, some argillaceous, no odor, slight show free oil, scattered stain, poor to fair porosity.

1312 - 1337 Shale - gray, laminated with sandstone - light gray, fine grain, argillaceous, no show, no visible porosity.

1337 - 1343 Sandstone - white, light gray, fine grain, micaceous, hard, some friable, no show, poor porosity.

1343 - 1354 Shale - dark gray.

Riverton 1354' (-394)

1354 - 1356 Coal - good show gas.

Test @ 1365' 6" on 1" choke. 63.3 mcfg. (26.8 mcfg increase)

1356 - 1374 Shale - gray, dark gray, shells.

Mississippian 1374' (-414)

1374 - 1397 Chert - white, off white, opaque, mostly weathered, faint odor, scattered brown to black stain, trace gas bubbles, slight show free oil, scattered pin point and vugular porosity.

Test @ 1385' 4" on 1" choke. 51.6 mcfg. (11.7 mcfg decrease)

1397 - 1400 Chert - gray, blue, mostly fresh, some with scattered brown stain, trace free oil, poor porosity.

1400 - 1405 Dolomite - dark brown, fine crystalline, dense, chert a.a., no show.

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R.T.D. 1405 (-445)

The decision was made to run casing to further evaluate the open flow gas shows in the Mulky Shale, Mineral Coal, Weir Coal and Riverton Coal through perforations.

Respectfully Submitted,



William M. Stout
Geologist

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