

F. W. MORGAN

Geologist

BOX 8162 MUNGER STATION

WICHITA, KANSAS 67208

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July 17, 1971

Premier Petroleum Inc.
5900 E. Central
Wichita, Kansas

Re: Your No. 1 Ferguson
Sec. 35-33S-2E
Sumner County, Kansas

Gentlemen:

Please find herewith my geological log on the No. 1 Ferguson well. The log includes geological tops, drilling time, lithology descriptions, porosity zones, and shows of oil.

The first prospective zone, Layton "A" sand carried no shows of oil because of poor sand development and a lack of porosity in the top part. There was a very slight show of oil in the Kansas City, but it was not commercial.

The best show in the well was in the Bartlesville Sand and in the Mississippian Chert just below it. A part of both of these formations was cored and analyzed and an electric log was run for additional evaluation. My opinion after studying all these tools is that the sand and the chert are not commercial reservoirs. The permeability, water saturation, and thickness are not what they should be for oil production that will give you a return on your investment and a reasonable chance for a profit.

Sincerely,



F. W. Morgan