OILFIELD RESEARCH LABORATORIES

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

September 8, 1982

Goldale Investment Corporation
Attn: Bill Martindale, Pres.
One Preston Centre
8222 Douglas Avenue #360
Dallas, Texas 75225

Gentlemen:

Fesler 'A' #2

Enclosed herewith are the results of tests run on the rotary cores taken from the Fesler Lease, Well No. 2, located in Chautauqua County, Kansas.

The cores were sampled and sealed in plastic bags by a representative of Oilfield Research Laboratories and was submitted to our laboratory on September 3, 1982.

Your business is greatly appreciated.

Very truly yours,

OILFIELD RESEARCH LABORATORIES

Sanford A. Michel

SAM/rmc

5 c to Dallas, Texas

Oilfield Research Laboratories

GENERAL INFORMATION & SUMMARY

Company Goldale Investment Corporation Lease Fesler Well No. 2

Location Approximately 1150' FNL and 990' FWL, NW¼

Section 17 Twp. 35S Rge. 10E County Chautauqua State Kansas

Elevation, Feet		
Name of Sand	Redd	Wayside (Peru)
Top of Core	1231.0	1435.0
Bottom of Core	1234.7	1452.6
Top of Sand	1231.0	1435.0
Bottom of Sand	1234.7	1452.6
Total Feet of Permeable Sand	3.7	16.5

Distribution of Permeable Sand: Permeability Range Millidarcys	Feet	Cum. Ft.		
Redd Sandstone				
10 - 30	3.7	3.7		
Wayside (Peru) Sandstone				
0 - 1.0	3.6	3.6		
1.0 - 2.0	6.9	10.5		
2.0 - 6.0	4.0	14.5		
12.0 - 15.0	2.0	16.5		
Average Permeability Millidarcys			18.1	3.4
Average Percent Porosity			18.0	15.6
Average Percent Oil Saturation			15.8	14.2
Average Percent Water Saturation			65.7	75.2
Average Oil Content, Bbls./A. Ft.			222.	176.
Total Oil Content, Bbls./Acre			822.	3,104.

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LOG

Company Goldale Investment Corporation Lease Fesler Well No. 2

Depth Interval, Feet	Description
	REDD SANDSTONE
1231.0 - 1234.7	Grayish light brown sandstone.
	WAYSIDE (PERU) SANDSTONE
1435.0 - 1435.9	Gray very shaly sandstone.
1435.9 - 1438.0	Grayish brown very shaly sandstone.
1438.0 - 1441.0	Grayish brown shaly sandstone.
1441.0 - 1443.0	Light brown sandstone.
1443.0 - 1446.0	Grayish brown shaly sandstone.
1446.0 - 1447.0	Gray very shaly sandstone.
1447.0 - 1451.0	Grayish brown shaly sandstone.
1451.0 - 1451.7	Gray very shaly sandstone.
1451.7 - 1452.6	Gray shaly sandstone.

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RESULTS OF SATURATION & PERMEABILITY TESTS

TABLE 1-B

Company Goldale Investment Corporation Lease Fesler Well No. 2

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.		
					REDD SANDSTONE						
1	1231.5	17.7	14	65	79	192	20.	1.0	1.0	192	20.00
2	1232.4	17.8	9	75	84	124	11.	1.0	2.0	124	11.00
3	1233.5	18.5	27	57	84	388	27.	1.0	3.0	388	27.00
4	1234.3	18.2	12	66	78	169	13.	0.7	3.7	118	9.10
					WAYSIDE (PERU) SANDSTONE						
5	1435.6	14.6	2	94	96	23	0.39	0.9	0.9	21	0.35
6	1436.5	12.8	19	67	86	189	Imp.	1.1	2.0	208	0.00
7	1437.6	13.8	8	79	87	86	0.28	1.0	3.0	86	0.28
8	1438.5	13.9	11	76	87	119	1.0	1.0	4.0	119	1.00
9	1439.5	14.2	5	81	86	55	1.2	1.0	5.0	55	1.20
10	1440.6	15.7	26	70	96	317	1.3	1.0	6.0	317	1.30
11	1441.6	17.8	30	56	86	414	14.	1.0	7.0	414	14.00
12	1442.3	18.4	23	62	85	328	12.	1.0	8.0	328	12.00
13	1443.6	15.4	17	65	82	203	1.8	1.0	9.0	203	1.80
14	1444.6	17.1	10	83	93	133	1.9	1.0	10.0	133	1.90
15	1445.7	16.3	15	70	85	190	5.8	1.0	11.0	190	5.80
16	1446.5	14.8	7	83	90	80	0.78	1.0	12.0	80	0.78
17	1447.5	16.9	18	80	98	236	1.7	1.0	13.0	236	1.70
18	1448.5	15.5	21	73	94	253	5.0	1.0	14.0	253	5.00
19	1449.5	16.7	18	74	92	233	2.5	1.0	15.0	233	2.50
20	1450.5	15.5	14	77	91	168	3.7	1.0	16.0	168	3.70
21	1451.6	16.0	3	84	87	37	0.89	0.7	16.7	26	0.62
22	1452.5	16.2	3	86	89	38	1.8	0.9	17.6	34	1.62

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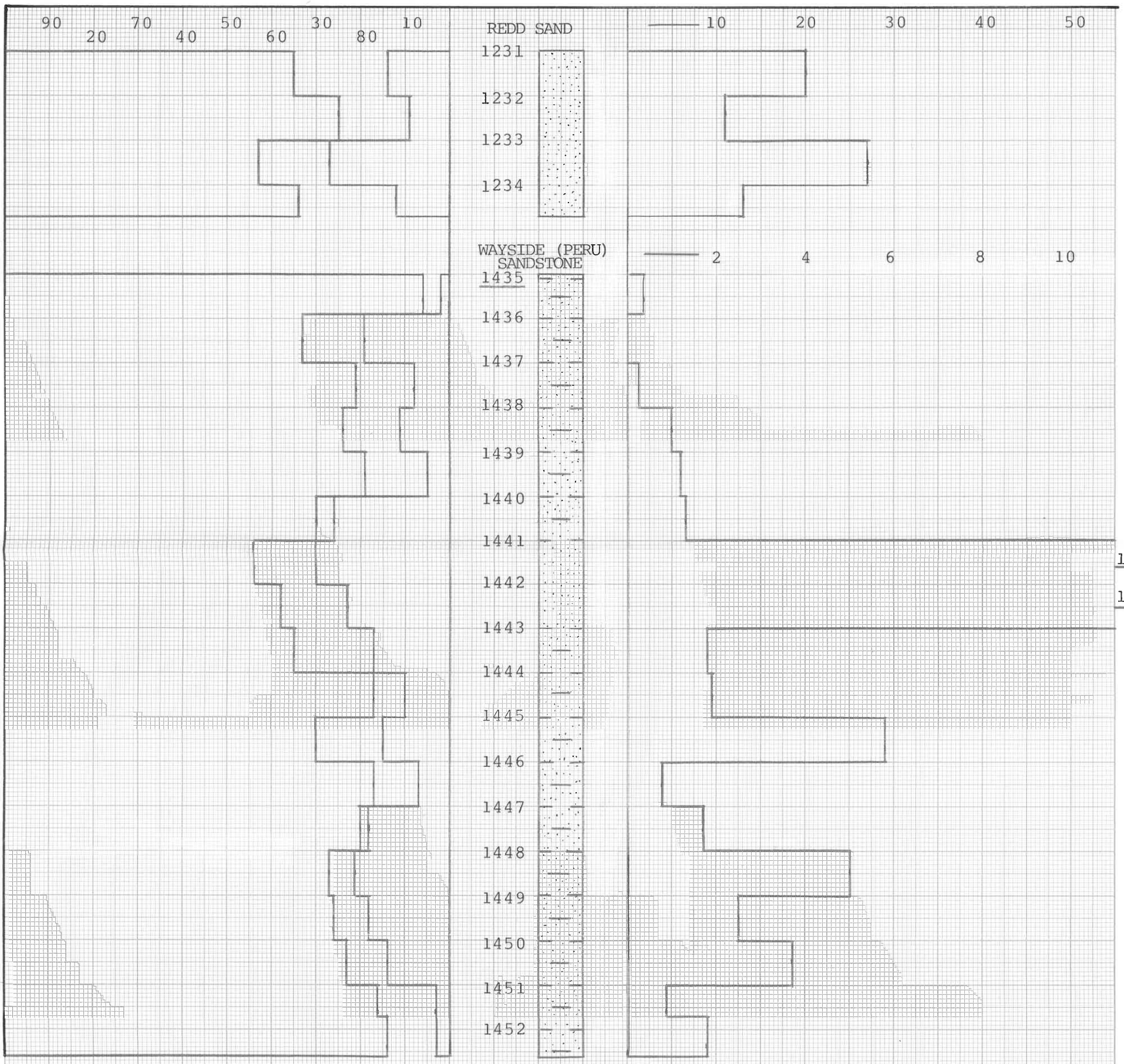
SUMMARY OF PERMEABILITY & SATURATION TESTS

TABLE III

Company Goldale Investment Corporation Lease Fesler Well No. 2

Depth Interval, Feet	Feet of Core Analyzed	Average Permeability, Millidarcys	Permeability Capacity Ft. x Md.
	Redd Sandstone		
1231.0 - 1234.7	3.7	18.1	67.10
	Wayside (Peru) Sandstone		
1435.0 - 1452.6	16.5	3.4	55.55

Depth Interval, Feet	Feet of Core Analyzed	Average Percent Porosity	Average Percent Oil Saturation	Average Percent Water Saturation	Average Oil Content Bbl./A. Ft.	Total Oil Content Bbls./Acre
			Redd Sandstone			
1231.0 - 1234.7	3.7	18.0	15.8	65.7	222	822
			Wayside (Peru) Sandstone			
1435.0 - 1452.6	17.6	15.6	14.2	75.2	176	3,104



GOLDALE INVESTMENT CORPORATION

FESLER LEASE — WELL NO. 2

CHAUTAUQUA COUNTY, KANSAS

DEPTH INTERVAL, FEET	FEET OF CORE ANALYZED	AVERAGE PERCENT POROSITY	AVG. OIL SATURATION PERCENT	AVG. WATER SATURATION PERCENT	AVERAGE PERMEABILITY, MILLIDARCYS
		REDD SANDSTONE			
1231.0 - 1234.7	3.7	18.0	15.8	65.7	18.1
		WAYSIDE (PERU) SANDSTONE			
1435.0 - 1452.6	17.6	15.6	14.2	75.2	3.4

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CHANUTE, KANSAS
SEPTEMBER, 1982 PDC