GEOLOGICAL REPORT

RUSSELL OIL, INC.

FERGUSON "A" NO. 1-19

Approximately in the SE SW NW

True Location: 2200' FNL & 770' FWL

19-10S-30W

SHERIDAN COUNTY, KANSAS

Commenced: April 19, 2007

Completed: April 28, 2007

Russell Oil, Inc.
P.O. Box 1469
Plainfield, Illinois 60544

Re: Russell Oil, Inc.
Ferguson "A" 1-19
SE SW NW 19-10S-30W
2200'FNL & 770'FWL
Sheridan County, Kansas

Dear Sir:

The following is a Geological Report with a time log attached on the above captioned well.

All formation tops, zones of porosity and staining are based on rotary bushing measurements. Any correction in measurements during the drilling of this well have been incorporated into this report.

Drilling was supervised from 3600' to 4530', rotary total depth. Samples were examined from 3600' to 4530', rotary total depth.

Elevation	2874 GL --	2885 KB
Anhydrite Top	2449	+ 436
Anhydrite Base	2478	+ 407
Topeka	3679	- 794
Heebner Shale	3902	-1017
Toronto	3922	-1037
Lansing/Kansas City	3936	-1051
Base/Kansas City	4215	-1330
Marmaton	4247	-1362
Pawnee	4332	-1447
Fort Scott	4405	-1520
Cherokee	4432	-1547
Mississippi	4496	-1611
Rotary Total Depth	4530	-1645
Log Depth	4527	-1642
5-1/2 Casing	4524	-1639

Structurally, on top of the Lansing/Kansas City, the Russell Oil, Inc. Ferguson "A" 1-19 ran 6' high to the Russell Oil, Inc. Ferguson "B" 1-19, the control well, a Kansas City and Pawnee oil producer located 1120' to the southwest.

On top of the Pawnee, the Ferguson "A" No. 1-19 ran 4' high to the Ferguson "B" No. 1-19.

ZONES OF INTEREST

TOPEKA (TOP 3679) 3679-3710	Light grey crystalline to sandy limes. No No show of oil and no odor.
3826 to 3834	Tan dense silty limes. One piece of white crystalline lime with a small show of black tar oil. No odor.
3842 to 3852	Light green shale, scattered tan fossiliferous limes, fine crystalline lines. No show of oil. No odor.
3860 to 3870	Scattered white crystalline, slightly fractured lime with a small show of black free oil and dead oil. No odor.
3970 to 3978	White crystalline lime with a fair show of free dead oil. No odor.
3882 to 3890	A few pieces of white crystalline lime with a fair show of free dead oil. No odor.
HEEBNER (Top 3902)	Jet black shale.
TORONTO (Top 3922) 3922-3939	Brownish, sandy lime.
LANSING/KANSAS CITY (Top 3936) 3936-3950	White cherty oolitic limes. No show of oil. No odor.
3977 to 3986	Tan crystalline limes and scattered oolitic limes.
3993 to 4004	Tan fine crystalline limes and tan loose oolitic limes.
4012 to 4020	White crystalline limes.
4031 to 4039	Tan dense and tan, slightly oolitic limes.
4040 to 4049	Tan sandy to slightly chalky limes with a small show of free dead oil. No odor.
4054 to 4062	Tan and white dense crystalline limes.
4067 to 4071	Tan, slightly vuggy lime with small show of oil and dead oil. No odor.

4073 to 4079	Cherty, crystalline, tan lime with a small show of light free oil. No odor.
4089 4094	Scattered light tan with fairly vuggy porosity, a show of free oil and a very faint odor.
4110 to 4116	Light tan fossiliferous lime with a small to fair show of free oil, slightly vuggy porosity. No odor.
4134 to 4144	Tan and grey crystalline lime with slightly vuggy porosity. Small to fair show of free oil and a fair odor.
4147 to 4160	White and grey cherty, vuggy lime with a fair show of free oil and a good odor.
DRILL STEM TEST NO. 1 4131 to 4162	TEST: 45-60-10-15. A strong blow off bottom of bucket in 30 seconds, decreasing to a 6" fair blow. SI 60 minutes. No blow on second opening. SI 15 minutes. Recovered: 3090' of total fluid: 150' of slightly water cut mud, 180' of mud cut water, 2960' of water. Pressures: 972-1356, 1356-1356, 1356-1356, BHPS. HSP: 2163-2051. Max temp: 122 F.
4163 to 4174	Tan dense lime and scattered white crystalline limes with a small to fair show of free oil. No odor.
4180 to 4186	Grey crystalline, fossiliferous limes with a small show of free oil and a good odor.
4188 to 4193	Grey fossiliferous, slightly vuggy, fine oolicastic to pinpoint porosity with a fair to good show of free oil and a good odor.
4195 to 4200	Grey fossiliferous with a small vugular porosity with a fair show of free oil and a good odor.
4204 to 4208	Few scattered tan fossiliferous lime with a small show of free oil and a fair odor.
DRILL STEM TEST NO. 2 4163 to 4220	TEST: 60-30-30-30. Fair blow decreasing to 5" blow then increasing to a 7" blow

DRILL STEM TEST NO. 2 (cont) 4163 to 4220	on second opening. Flushed tool twice. Tool appeared to be open. SI 30 minutes. Recovered: 40' of slightly gas cut mud, 190' of gassy, slightly oil cut mud and 90' of gassy oil cut mud. Some plugging action and perfs had blockage. Pressures: 130-183, 863-806, 336-641 Bhps. HSP: 2198-2090. Max Temp: 125 F.
BASE/KANSAS CITY (Top 4215)	
DRILL STEM TEST NO. 3 (rerun) 4162 to 4220	TEST: 60-60-60-90. Fair blow increasing to good blow (6-1/2") in 60 minutes. SI 60 minutes. Very weak blow increasing to fair blow (4-1/2"). SI 60 minutes. Recovered: 85' of slightly gassy mud and 280' of gassy oil cut mud. Pressures: 154-179, 183-190, 340-352 Bhps. HSP: 2161-2108. Max Temp. 123 F.
4228 to 4234	Few light tan crystalline lime with scattered small vugginess. Small show of free oil and a faint odor.
MARMATON (Top 4247) 4247 to 4254	Tan silty crystalline limes. Few scattered, pinpoint porosity with a small show of oil and a faint odor.
CFS @ 4260	
4268 to 4276	Tan to light grey dense crystalline to slightly cherty limes with a small show of oil and a faint odor.
Slightly rough drilling @ 4300	
4298 to 4305	Tan fossiliferous and white crystalline limes.
4310 to 4315	One piece of white crystalline lime with a trace show of oil with a very faint odor.
PAWNEE (Top 4332) 4332 to 4340	Scattered crystalline limes with a small show of free oil and a good odor.

4346 to 4351	Tan and white crystalline limes. Scattered white vuggy limes with a small show of oil and a faint odor.
4354 to 4358	Scattered white crystalline cherty limes with a small show of oil and a fair odor.
CFS @ 4358	
DRILL STEM TEST NO. 4 4220 to 4358	TEST: 45-60-30-60. Strong blow in 10 minutes. throughout. SI 60 minutes. Open with a good blow (7"in bucket). Recovered: 490' of total fluid: 400' of slightly oil cut mud and 90' of gassy oil cut mud. Pressures: 88-216, 221-242, 414-415 Bhps. HSP: 2071-2005. Max Temp. 120 F.
4376 to 4383	White crystalline, slightly vuggy with a small show of oil and a good odor.
4386 to 4400	White crystalline limes and fossiliferous cherty limes with a small show of free oil and a good odor.
FORT SCOTT (Top 4405) 4405 to 4415	Light tan and grey fresh cherts and white crystalline limes with a trace of oil and a fair odor.
4420 to 4426	Scattered grey cherts and large crystalline limes, dense lime with a show of oil and faint odor.
CHEROKEE (Top 4432) 4432-4440	Scattered tan cherty limes with vuggy porosity. A show of oil and a faint odor.
4442 to 4450	One sand cluster with poorly sorted angular to sub-angular sand grains with specks of black tar. No odor.
Slightly rough drilling @ 4456	
4454 to 4460	One piece of tan cherty, slightly vuggy lime with a small show of oil and a faint odor.

MISSISSIPPI (Top 4496) 4496 to 4501	Tan and white crystalline limes.
4509 to 4505	Tan, brown, yellowish, slightly crystalline limes.
4521 to 4530	Tan to yellowish, crystalline limes.
CFS @ 4530	
ROTARY TOTAL DEPTH @ 4530	
DRILL STEM TEST NO. 5 (straddle) 4130 to 4176	TEST: 60-60-60-60. Strong blow in 9 minutes (off bottom of bucket). SI 60 minutes. Strong blow in 14 minutes (off bottom of bucket). SI 60 minutes. Recovered 450' of gas in pipe and 560' of gassy oil cut mud. Pressures: 114-201, 211-265, 1128-994 Bhps. HSP: 2076-1936. Max Temp. 121 F.

A LOG-TECH Radiation Guard and Micro open hole logs were run.

New 5-1/2" 15.5# casing was set @ 4524', 3' off log total depth and 28' into the Mississippi formation with 125 sx of AA-2 Cement w/4% friction reducer, .8% FLA-320, 10% salt, .75% Gas Blok, .25 lb. sx of cellflake and 5 lbs. of gilsonite.

A DV tool with a turbo centralizer below collar was set @ 2480', 2 feet below the Base of the Anhydrite and basket was placed approximately 35' below and clamp held. This second stage was then cemented with 325 sx of A-Con with 3% c.c. and 25 lbs of cellflake.

Cement did circulate to surface.

A centralizer was put on each of the first 10 joints of 5-1/2" casing run into the hole. Scraper bars intervals were calculated and then welded to cover zones: 4326-4331, 4254-4274, 4219-4224, 4192-4202, 4166-4177, 4143-4148, 4131-4136.

The casing was rotated during the cementing process.

The shoe joint is 42.75' in length and zero point is 11' above ground level.

Sincerely,

Steven D. Angle

DRILLING INFORMATION ON THE FERGUSON "A" 1-19

Drilling Contractor: H-2, Rig No. 1

Drillers: W. Pfaff
K. Cliff
J. Coleman

Tool Pusher: Gary Fisher

Spud Date: April 19, 2007

Date Of RTD: April 27, 2007

Surface Pipe: New 8-5/8", 23#, set @ 268' w/200 sx comm plus 3% cc. Cement did circulate.

Casing: New 5-1/2", 15.5# set @ 4524 w/125 sx. DV w/ 325 sx. Cement did circulate.

TOTAL FOOTAGE DRILLED PER DAY

Spud		At	2:45 P.M.	On	4-19-07
860	Feet	At	7:00 A.M.	On	4-20-07
2830	"	"	"	"	4-21-07
3485	"	"	"	"	4-22-07
4162	"	"	"	"	4-23-07
4220	"	"	"	"	4-24-07
4275	"	"	"	"	4-25-07
4358	"	"	"	"	4-26-07
4530	Feet	At	4:08 A.M.	On	4-27-07

MUD RECORD

Surface - 75 sx gel, 33 sx hulls.
3750 - 50 sx gel, 5 sx hulls, 1/2 sx drispac, 2 sx soda ash, 3 sx caustic, 1/2 sx lignite.
4162 - 50 sx gel, 5 sx hulls, 1/2 sx drispac, 2 sx soda ash, 2 sx caustic, 1/2 sx lignite.
4220 - 60 sx gel, 1/2 sx drispac, 2 sx soda ash, 2 sx caustic, 1/2 sx lignite.
4358 - 50 sx gel, 1/2 sx drispac, 3 sx soda ash, 2 sx caustic, 1/2 sx lignite.
4385 - 1 sx caustic, 1 sx lime.
4530 - 35 sx gel, 2 sx soda ash, 1 sx caustic, 1 sx drispac.

DRILLERS TIME LOG

RUSSELL OIL, INC. (SE SW NW) 2200' FNL & 770' FWL 19-10S-30W ELEVATION: 2874 GL
FERGUSON "A" NO. 1-19 2885 KB

DEPTH	MINUTES	REMARKS
3600 to 3610	2½-2½-3-2-1½-1½-3-3-2½-2½	
3620	3-3-3-2-2-2-2-2-1-1½	
3630	½-1-1-2-2-2-2-1-1½-1½	
3640	1-1-1-1-1-1-1½-½-1-2	
3650	1-½-½-1-2½-1-2½-2-2½-1	
3660	2-1-2-1-1-1½-1½-1½-1-1½	
3670	2½-3-2-1½-2½-2-1½-1½-2-1½	
3680	1½-1½-½-1-1-1-1-1-1-1½	
3690	1½-2-1-1½-1½-1-1½-½-1-1	
3700	1-1-1½-2-1½-1½-1½-2-3-2	
3700 to 3710	1½-½-1-1-1-1-1-1½-1½-2	
3720	2½-1½-3-1½-1½-1-1-½-1½-½	
3730	½-½-1-1-½-½-½-1-1-1½	
3740	2-2-2-1½-1½-2-2-1½-1½-2	
3750	1½-1½-2-1-1-2-2-1-1-½	
3760	½-1-1-1-1-1-½-½-½-½	
3770	½-½-½-½-½-½-1-1-1-1	
3780	1-1-½-½-½-½-½-½-½-½	
3790	½-1-1-1-1-1-3-2-2-3	
3800	1-1-2-½-½-½-½-½-½-2	
3800 to 3810	1-1-1-1-1½-½-½-½-½-½	
3820	½-½-½-½-½-½-½-½-½-½	
3830	1-1-1-2-2-2-1-1½-1½-½	
3840	½-½-½-½-1-1½-2-2½-2-2	
3850	2-1-2-2-1-2-1-1-1½-1	
3860	1-2-2-2-2-2-3-2-2-1	
3870	2-2-2-2-1-1-1-½-½-1	
3880	1-1-1-1-1-2-2-2-2-1½	
3890	1½-2-2-1½-1½-2-2-1-½-½	
3900	½-½-1-2-½-½-½-½-½-1	

3900 to 3910	½-½-½-½-½-½-1-1-1½-1	
3920	1½-1-2-2-3-1-3½-1½-2-2	
3930	2-2-2-2-3½-½-2-1-1-½	
3940	½-1-1-½-1½-2-3-2-2-2	
3950	2-1½-1-½-½-1-½-½-½-½	
3960	½-½-1-1-2-1-2-2-1-2	
3970	1-1-1-1-1-½-1½-1-1-2	
3980	3-2-2-1-3-1-1½-2-2-2	
3900	2-1½-2-1½-1-2-1-1-1-2	
4000	1-2-3-2-2-2-½-½-½-2	
4000 to 4010	1-3-2-3-3-2-2-3-2-2	
4020	2-3-1-1-1-1-2-2-1-2	
4030	1-3-2-2-2-2-1-2-2-3	
4040	4-1-1-1-2-2-1-1-1-1	
4050	1-1-1-1-1-2-2-1½-2½-3	
4060	3-2½-2½-1½-1-1-1-1-1-1	
4070	1-1-1½-1½-2½-3-3-2½-2½-2½	
4080	2½-2-2½-2½-3-2-3-3-3½-3	
4090	2-1½-1-2½-2½-2½-2½-2½-2½-2½-2	
4000	2½-2-1½-2-2-2-2-3-3-2	
4100 to 4110	2-3-3-2½-2½-3-2½-2½-3-3	
4120	3½-2½-2-2-3½-3-2½-2½-2½-2	
4130	2½-2-2½-2-2½-2-2½-3-3-2	
4140	3-3-2½-2½-2-2-2-1½-1½-2	
4150	2½-2-1½-2-2-2½-2½-2-2½-2½	
4160	2-2-2-2-2-2-2-2-2-2½	CFS @ 4162. DST #1 4031-4163.
4170	1½-1½-3-3-5-3-2-2-2-4	
4180	3-2-2-4-4-3-2-3-2-2	
4190	3-3-3-2-3-2-1-2-2-3	
4200	3-4-3-3-3-3-3-3-3-2	
4200 to 4210	2-2-3-3-4-3-3-3-3-3	
4220	2-3-2-1-2-2-2-3-4-3	CFS @ 4220. DST #2 4163-4220 & DST #3 4163-4220.
4230	3-5-4-4-3-4-4-4-4-4	
4240	4-2-2-4-4-4-3-2-2-2	
4250	2-2-2-2-3-3-2-2-3-3	
4260	2-5-4-5-4-5-4-4-5-4	
4270	4-3-3-3-5-3-4-3-4-4	
4280	2-2-3-4-3-2-2-2-2-3	
4290	4-4-3-4-4-4-2-3-2-3	
4300	2-3-2½-2½-4-4-4-5-4-5	Slightly rough drilling @ 4292 & 4300.

4300 to 4310	5-3-3-5-3-4-5-3½-4-3½	
4320	4-3-3-4-5-5-5-5-4-2	
4330	3-4-3½-4-3-3½-3½-3½-3½-2½	
4340	2½-3-2½-4-3-2½-2½-3-2-3	
4350	1-2½-2½-3½-2½-2-2-2-2-2	
4360	2-3-1-2-2½-3½-3½-2½-2-2	CFS @ 4358. DST #4 4220-4358.
4370	4-3-3-4-4-3-4-4-3-4	
4380	4-3-3-3-3-2-4-2-3-2½	
4390	3-2½-2-4-3½-2½-3-4-2½-3½	
4400	2-3-2-2-3½-2½-4-4-3½-2½	
4400 to 4410	3-2-3-2-2½-2½-2½-2½-2½-3	
4420	2-4-3-3½-3½-2½-2½-4-3-4	
4430	3-3-4-2-2-4-3-3-4-3	
4440	3-3-3-4-4-3-5-2-3-3	CFS @ 4434.
4450	4-3-3½-3½-4-2½-3-1½-2½-4	Slightly rough drilling @ 4556.
4460	3-3-3-4-3-3-3-3½-3½-4	
4470	3-3-3-4-3-3-3-4-4-3	CFS @ 4462.
4480	3-3-3-3-3-4-5-4-3-3	
4490	3-3-4-4-5-4-4-4-4-4	
4500	5-4-2-3-3-3-2-3-2-3	
4500 to 4510	4-4-3-4-4-4-6-2-4-3	
4520	4-4-4-4-3-4-4-4-5-4	
4530	4-5-4-4-5-5-5-5-4-5	CFS & RTD @ 4530. DST #5 4130-- 4176 (straddle test).

GEOCERTIFIED, LLC

PO Box 860287
Shawnee, KS 66286
913 544 7527
KEVIN BAILEY

RECEIVED
KANSAS CORPORATION COMMISSION
SEP 1 7 2007
CONSERVATION DIVISION
WICHITA, KS

COMPANY: RUSSELL OIL, Inc. LeRoy Holt WELL: Ferguson 1-19
FIELD: Zelda COUNTY: Sheridan STATE: Kansas
LOCATION: SE-SW-NW Sec.19, Twp.10S, Rng.30W
2200ft from North line of section and 770ft from West line of section 19
Interval Logged: 3570' To: 4530' LTD G.L.: 2874.0' K.B: 2885.0'
Date Logged: 04/21/2007 To: 4/27/07 Spud Date: 04/18/2007
Rig: H2 Drilling, LLC TP-G. Fisher Unit No.: Rig#1
Loggers: Log-Tech/Hays, KS- Hydrocarbon Detector PBI2006 by
Api No.: 15-179-21170-0000
Filename: Russell_1_19_Ferguson.mlw
Geologist: Steve Angle

Abbreviations:

NB...New Bit
CO...Circ Out
NR...No Returns
TG...Trip Gas
WOB...Wt on Bit
RPM...Rev/Min
SG...Survey Gas
DST...Drill Stem Test
DS...Directional Survey
CG...Connection gas
LAT...Logged After Trip
PP...Pump Pressure
SPM...Strokes/Min
DTG...Down Time Gas

Mud Data

WT..Weight
PH..Acidity
CHL..Chlorides
V..Viscosity
F..Filtrate
SC..Solids Content

Lithology Symbols:

Anhydrite, Salt, Granite, Siltstone, Chert, Sandstone, Dolomite, Conglomerate, Limestone, Coal, Shale, Bentonite, Carb Shale, Granite Wash, Quartz Wash

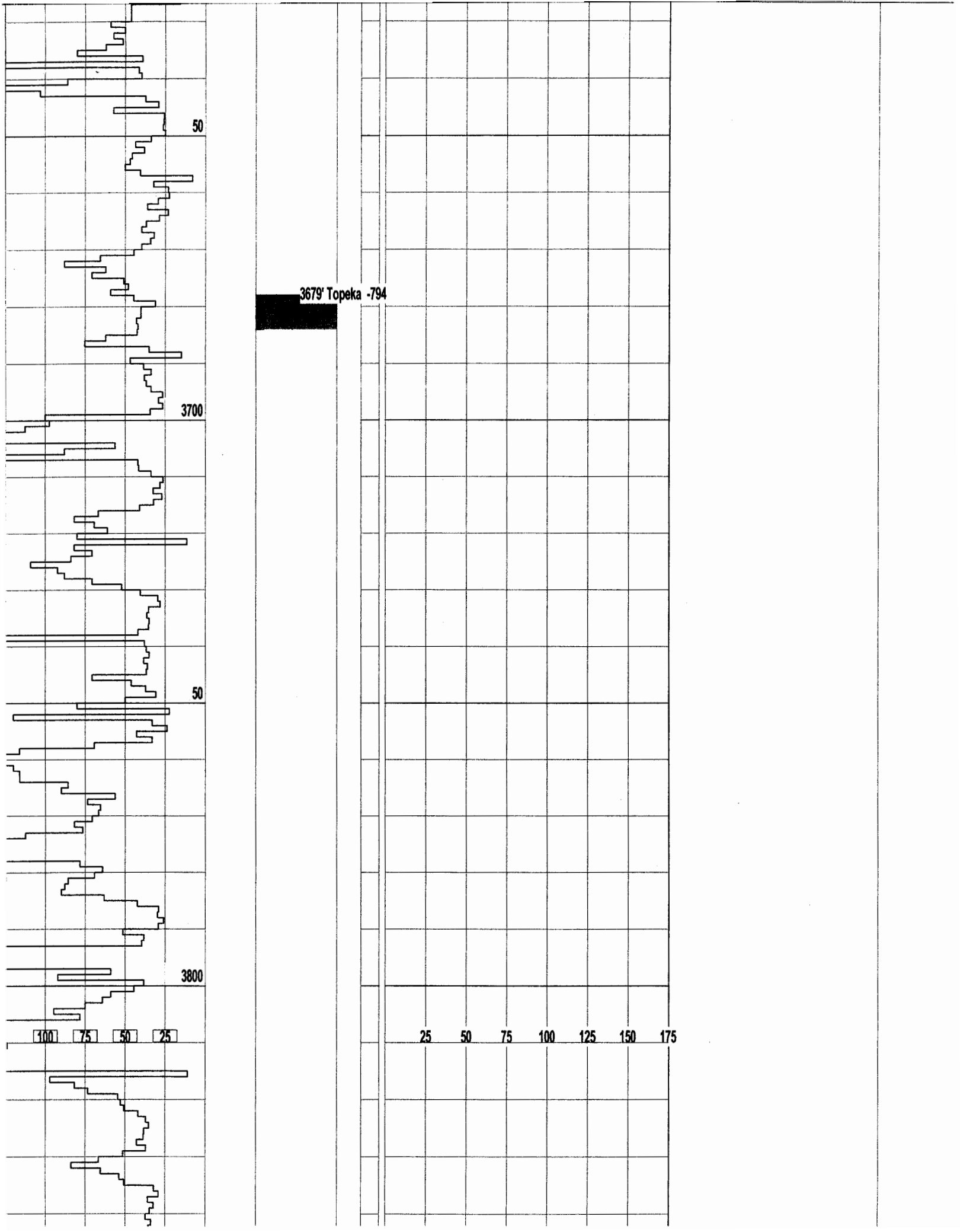
Accessories

Glauconite, Pyrite, Fossils, Oolites, Fractures, Cement

Gas Chromatograph Analysis:

HW
C1
C2
C3
IC4
NC4

Drilling Rate FT/HR	Vis Por Tr / p f g	Lithology	% Oil Flu Tr / p f g	Cut Tr / pfg	Total Gas/Chromatograph	Descriptions/Remarks
3600						
100 75 50 25					25 50 75 100 125 150 175	
Set up gas detector and depth recorder						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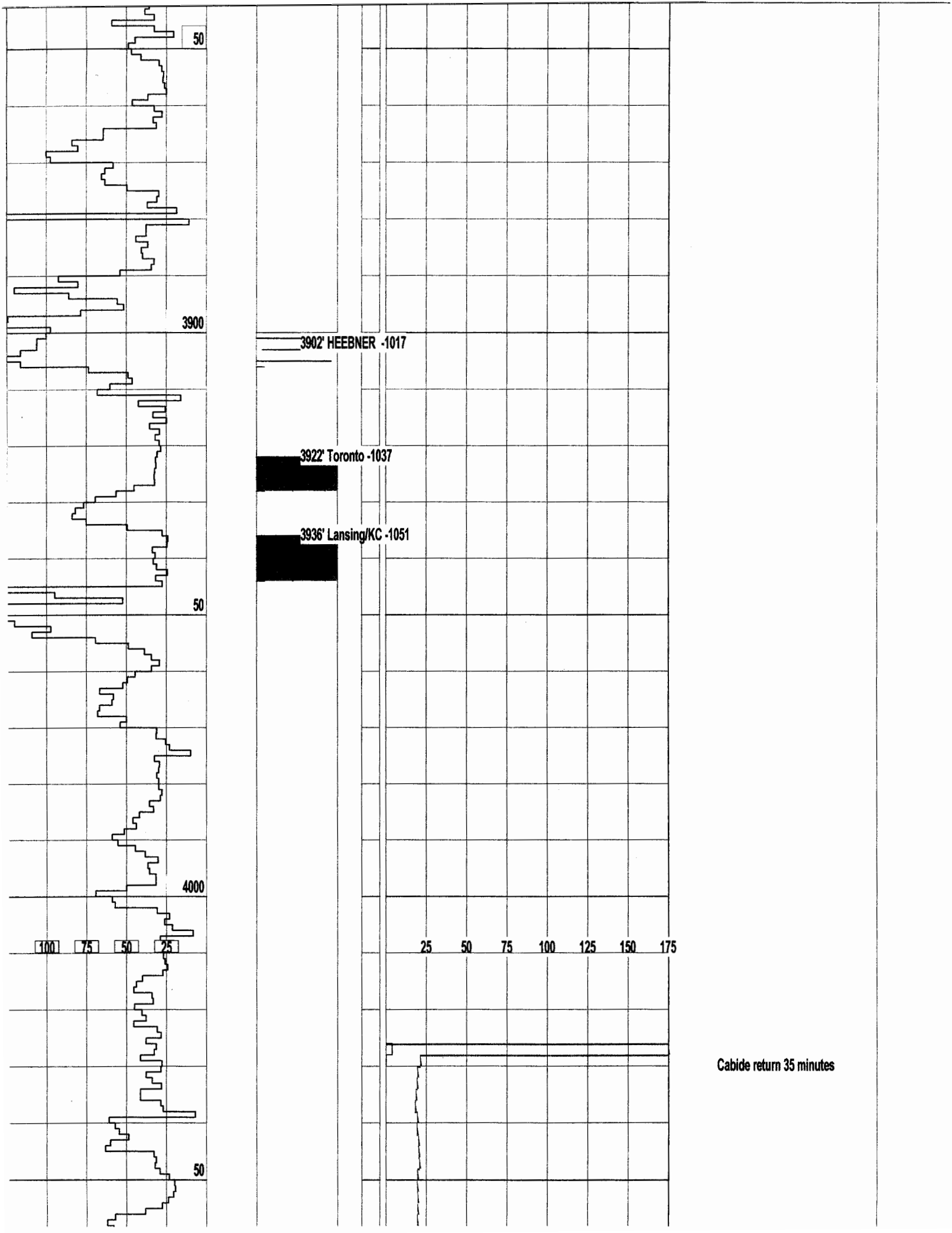
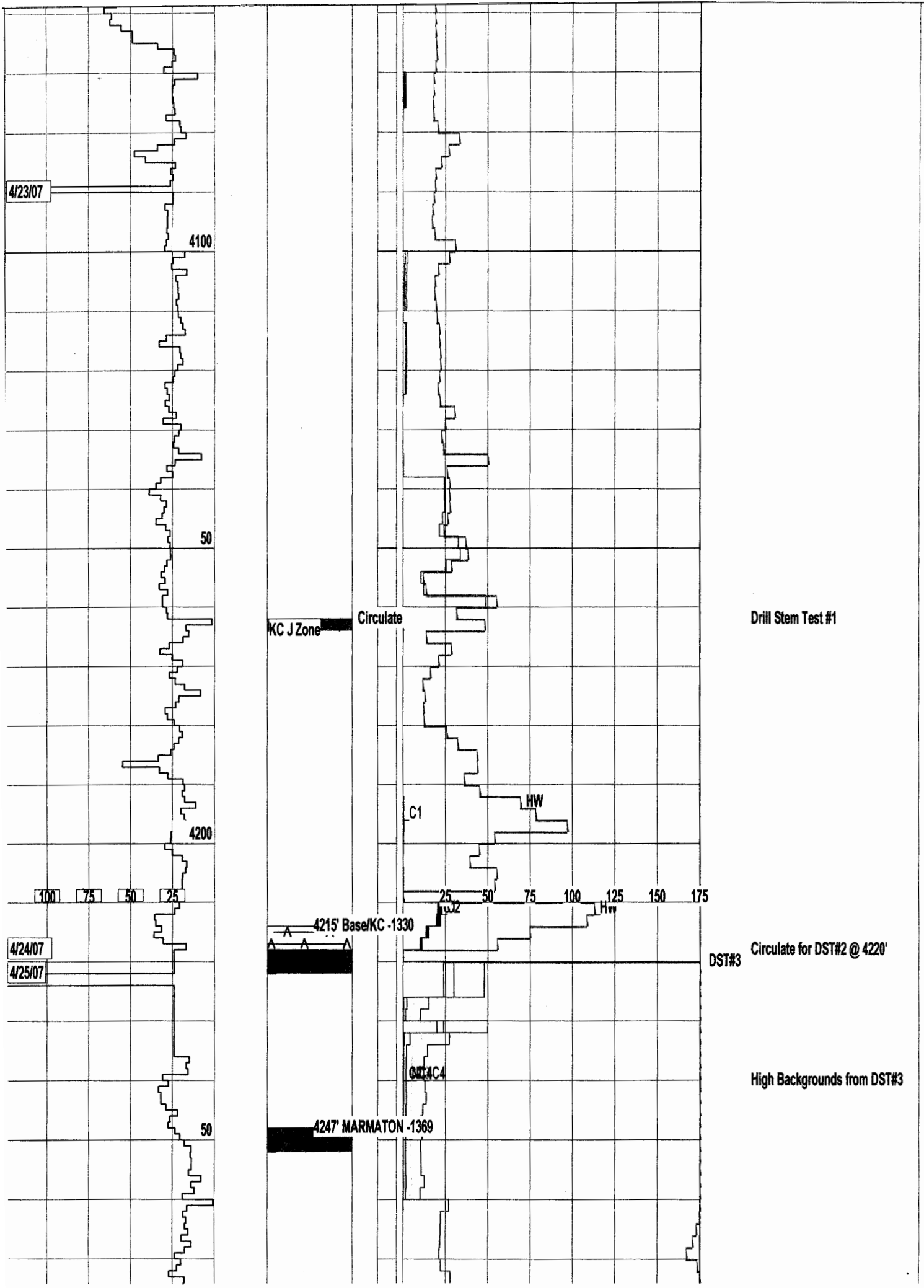
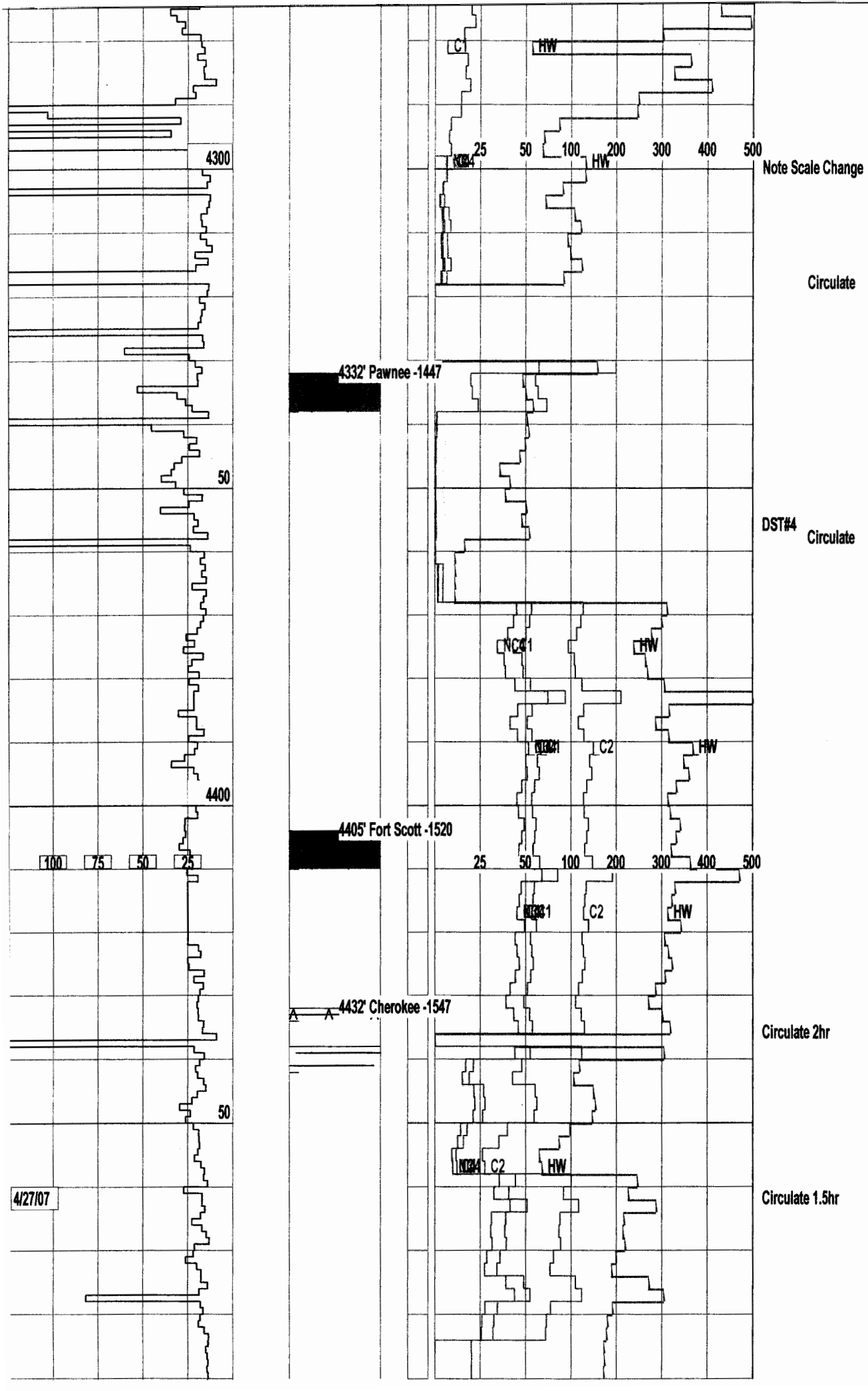
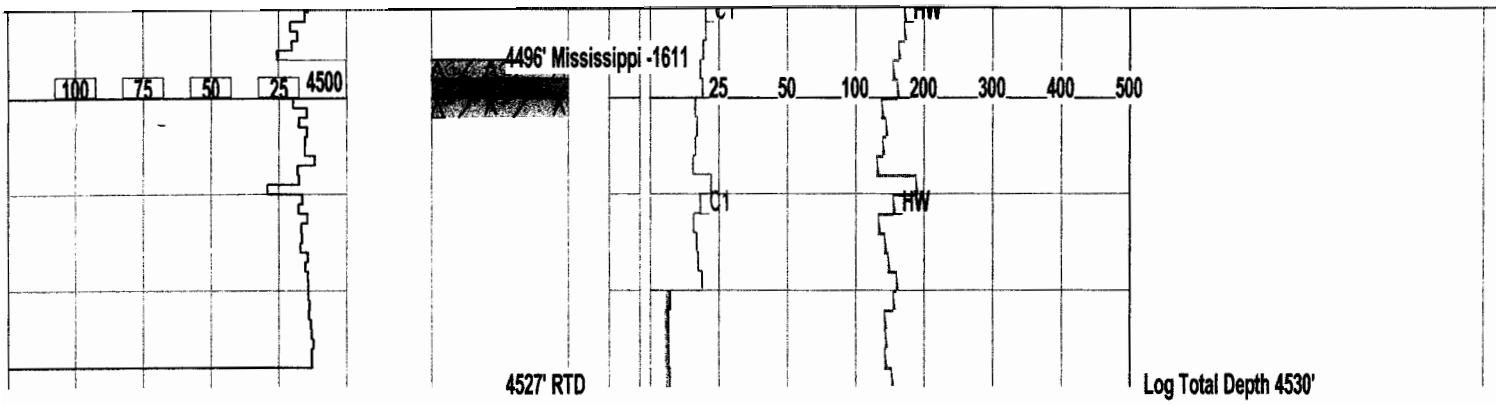
3679' Topeka -794
3700
50
3800
100
75
50
25
25
50
75
100
125
150
175


50
3900
3902' HEEBNER -1017
3922' Toronto -1037
3936' Lansing/KC -1051
50
4000
100
75
50
25
25
50
75
100
125
150
175
50
Cabide return 35 minutes


4/23/07
4100
50
KC J Zone
Circulate
Drill Stem Test #1
C1
HW
4200
100
75
50
25
25
50
75
100
125
150
175
4215' Base/KC -1330
4/24/07
4/25/07
DST#3
Circulate for DST#2 @ 4220'
High Backgrounds from DST#3
50
4247' MARMATON -1369


C1
HW
25 50 100 200 300 400 500
HW
Note Scale Change
4300
Circulate
4332' Pawnee -1447
50
DST#4
Circulate
HW
C2
HW
4400
4405' Fort Scott -1520
100 75 50 25
25 50 100 200 300 400 500
C2
HW
4432' Cherokee -1547
Circulate 2hr
50
C2
HW
4/27/07
Circulate 1.5hr


100
75
50
25
4500
4496' Mississippi -1611
C1
HW
25
50
100
200
300
400
500
C1
HW
4527' RTD
Log Total Depth 4530'