

GEOLOGICAL REPORT

Dan A. Nixon, Petroleum Geologist - Licensed & Certified

Well Name: #3 P. Schmeidler

Location: 170' South & 130 East of SW NW SW
Section 21, T12S-R17W
Ellis County, Kansas

Operator: R.P. Nixon Oper., Inc.
207 West 12th Street
Hays, KS 67601-3898

Contractor: Shields Drilling Co.
326 Main Street
Russell, KS 67665

Elevation: Central Kansas Surveying and Mapping
2344 Washington
Great Bend, Kansas 67530
Rotary Bushing: 2153'
Ground Level: 2148'

Samples: Ten foot samples from 3100'
to 3350' and five foot samples
from 3350' to 3785' RTD.

Time Log: One foot intervals from 3100'
to 3785' RTD. A copy of the
time log is included in this report.

Surface Casing: 8 5/8" @ 213' w/160 sacks

Production Casing: 5 1/2" @ 3783' cemented w/100 sacks

Port Collar or DV Tool: DV tool @ 1411' cemented w/350 sacks

Spud Date: 7.20.06

Completion Date: 7.26.06

API #: 15-051-25495-00-00

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FORMATION TOPS:	SAMPLE DEPTH	LOG DEPTH	MINUS DATUM
Anhydrite (driller's)	1373'	1374'	+779
Anhydrite Base (driller's)	1411'	1410'	+743
Topeka	3138'	3139'	-986
Heebner Shale	3372'	3371'	-1218
Toronto Lime	3395'	3392'	-1239
Lansing	3414'	3414'	-1261
Base of the Kansas City	3645'	3645'	-1492
Arbuckle	3691'	3690'	-1537
Total Depth	3785'	3786'	-1633

SAMPLE ANALYSIS OF ZONES OF INTEREST: (corrected to the electric log)

Lansing	3442'-46'	Slightly fossiliferous, brown, white, fine crystalline limestone, poor fossil porosity with rare spotty stain. No show of free oil or odor in the wet samples. Calculated 6-7% porosity and 76-100% water saturation on the electric log. Microlog indicated permeability. Not worthy of testing.
	3461'-63'	Limestone as above. No shows in the wet samples. No permeability on the Microlog. Not worthy of testing.
	3498'-3504'	Fossiliferous, white, fine crystalline limestone, fair fossil porosity with spotty stain and trace of saturated stain. Had a show of free oil and odor in the wet samples. Microlog indicated permeability and porosity calculated 4-12% with a water saturation of 72-100%. Should be considered for testing prior to abandoning well despite high water saturations.
	3549'-56'	Fossilefrous, white, fine crystalline limestone with poor fossil porosity. Rare to trace of spotty stain and a slight show of free oil and no odor in the wet samples. Microlog indicated no permeability and tight. Not worthy of testing.
	3596'-3601'	Did not observe any representative samples of this zone. Microlog did not indicate any permeability and calculated tight on the electric log. Not worthy of testing.
Arbuckle Dolomite	3690'-3704'	Sucrosic, fine and medium crystalline buff dolomite, fair to good interecrystalline porosity with spotty to mostly saturated stain. Had a good show of free oil and good odor in the wet samples. Good permeability indicated on the Microlog. Calculated 11-19% porosity and 31-54% water saturation on the electric log. Test this entire upper section.

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- 3704'-12' Dolomite as above with spotty to saturated stain, good show of free oil and odor. Microlog indicated permeability in this portion of the zone. Log calculations indicated higher water saturations. No separation from upper portion from a permeability standpoint. Not worthy of testing.
- 3712'-86' Dolomite as above, but stain decreased as depth increased. Majority barren of stain. Fair to good intercrystalline porosity. Microlog indicated permeability throughout. Calculated high water saturation on log. Not worthy of testing.

REMARKS:

Structurally, the Lansing top on the #3 P. Schmeidler ran 1' high to the TA'd Arbuckle well to the north just under ¼ mile, the #1 Schmeidler (N-B Co.) and 4' high to the dry hole to the south about ¼ mile, the #3 Schmeidler (VD Sidey).

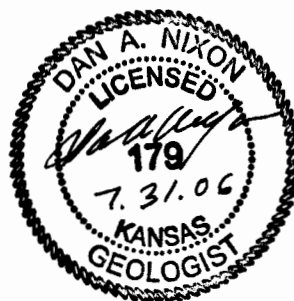
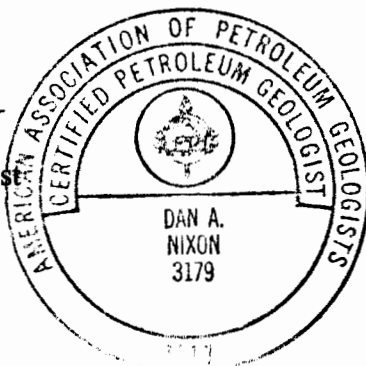
The Arbuckle top on the #3 P. Schmeidler 1' high to the same #1 Schmeidler to the north. The #3 Schmeidler to the south did not encounter the Arbuckle. It's total depth was -1576, 39' below to Arbuckle top on the #3 P. Schmeidler.

Based on its structural position to nearby production and good show in the upper Arbuckle formation, 5½" casing was cemented at 3783' with 100 sacks for further testing.

Respectfully Submitted,



Dan A. Nixon, Petroleum Geologist
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AAPG Certification #3179



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DRILLING TIME LOG

3100'-3125'	1-1-1-1-1	1-1-1-1-1	1-1-1-1-1	1-1-1-1-3	2-3-2-2-3
3125'-3150'	2-3-3-3-3	2-3-4-1-2	1-1-1-3-3	3-4-3-3-3	4-2-2-3-2
3150'-3175'	4-3-2-3-3	3-3-3-3-4	3-3-4-3-4	4-3-3-4-2	3-4-4-4-4
3175'-3200'	4-4-4-3-4	2-3-3-4-4	5-4-3-3-2	4-3-3-3-3	3-3-4-5-4
3200'-3225'	4-4-4-3-3	3-4-3-3-3	4-2-3-3-4	3-3-3-4-3	4-2-3-4-4
3225'-3250'	4-4-4-3-4	3-4-4-3-3	4-3-4-3-3	4-3-2-4-3	3-3-4-3-3
3250'-3275'	3-3-4-3-2	3-2-3-3-4	3-3-4-4-3	4-4-4-3-3	4-3-4-3-3
3275'-3300'	3-3-4-3-4	3-4-3-4-3	4-3-3-3-3	3-4-5-3-3	3-4-4-3-3
3300'-3325'	2-2-3-3-3	4-4-3-3-3	4-4-3-3-3	3-4-4-3-4	4-3-4-3-3
3325'-3350'	5-3-4-4-4	4-4-4-4-3	3-3-2-3-3	2-2-2-2-3	2-3-2-3-2
3350'-3375'	2-4-3-3-4	3-3-4-3-2	3-3-3-3-3	3-4-4-4-4	4-4-3-2-3
3375'-3400'	5-5-4-4-4	4-3-3-3-4	3-4-4-4-4	3-4-4-4-4	5-5-3-5-4
3400'-3425'	3-3-3-4-4	4-4-4-4-4	5-4-4-4-3	3-4-3-4-4	4-2-1-1-1
3425'-3450'	1-1-3-4-4	4-4-3-3-3	4-4-3-3-4	3-2-4-3-3	2-4-3-3-3
3450'-3475'	3-3-4-4-4	4-5-5-4-4	4-4-4-3-5	4-3-4-4-4	3-5-4-5-3
3475'-3500'	4-4-5-3-4	5-4-3-3-4	5-3-5-4-4	5-5-4-4-3	3-5-4-2-2
3500'-3525'	3-3-5-5-4	4-2-5-5-5	5-5-5-4-4	5-4-6-3-4	4-5-4-6-4
3525'-3550'	5-4-4-4-4	5-5-5-5-4	5-5-4-5-5	5-5-4-5-4	4-4-5-4-4
3550'-3575'	5-5-6-4-4	5-5-5-4-4	5-5-4-4-5	6-5-5-4-5	5-4-4-4-5
3575'-3600'	5-5-5-4-4	4-4-5-4-5	5-3-3-4-4	2-4-5-4-5	5-3-3-4-5
3600'-3625'	4-4-5-4-4	5-5-4-5-5	3-3-5-4-4	4-4-5-4-5	4-5-5-4-5
3625'-3650'	4-5-5-4-4	5-4-5-4-5	5-4-5-5-4	4-5-5-5-5	3-5-4-5-5
3650'-3675'	5-5-4-5-6	5-3-2-3-2	3-3-5-5-5	5-4-3-3-4	5-3-6-5-3
3675'-3700'	5-4-4-5-4	3-2-3-4-4	4-3-4-4-3	3-2-2-2-2	2-2-2-2-2
3700'-3725'	2-2-2-2-2	2-3-2-2-2	2-3-3-2-1	1-2-1-1-2	3-2-2-3-1
3725'-3750'	2-2-1-2-1	1-1-1-2-1	3-1-2-2-1	1-2-1-2-2	2-2-2-1-3
3750'-3775'	2-2-2-2-3	1-2-2-1-2	1-1-2-2-3	1-2-3-2-3	2-2-2-2-2
3775'-3785'	2-2-3-2-2	2-3-2-2-2	3785' RTD		

CFS @ 3695' CFS @ 3785'

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