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API:
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GEOLOGICAL REPORT FOR
C G OIL, LLC.
Victoria, Kansas

S. FARM EAST LEASE No. 1
NW SE SE NE
2240' FNL & 520' FEL
Section 31, Twp. 13 S., R 16 W
Ellis County, Kansas

August 21, 2008

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C G OIL, LLC.
P. O. Box 207
Victoria, Kansas 67671
Lic. No. 33386

GEOLOGICAL REPORT: S. FARM EAST LEASE No. 1
NW SE SE NE
2240' FNL & 520' FWL
Sec. 31, T 13 S, R 16 W
Ellis County, Kansas

CONTRACTOR: Shields Drilling Co., Inc.
Russell, Kansas
Lic. No. 5184

DRILLING COMMENCED: Aug. 13, 2008

DRILLING COMPLETED: Aug. 20, 2008

CASING RECORD: 8 5/8" surface casing set 1094'
with 450 sacks cement.
5 1/2" production casing set at
3586' and cemented with 150 sacks
common cement.

DRILLING TIME: Recorded and plotted from 2900' to
3589', RTD. A copy of the plotted
drilling time log is included with
this report.

SAMPLES: Saved and examined from 2900' to
3589', RTD. Zones of interest are
described in this report.

DRILLSTEM TESTS: 2 by Trilobite Testing, LLC. of
Hays, Kansas.

ELECTRIC LOGS: Radiation-Guard Log and Micro-
resistivity Log by Log-Tech of
Hays, Kansas.

ELEVATIONS: Kelly Bushing: 1966'
Ground Level: 1961'
Measurements From: K. B.

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FORMATIONS:	ROTARY DEPTHS:	E. LOG DEPTHS:	DATUMS:
ANHYDRITE	1084'	1086'	+ 880
TOPEKA LIME	2951	2950	- 984
HIEBNER SHALE	3175	3172	-1206
TORONTO LIME	3191	3190	-1224
LANSING-KANSAS CITY	3218	3216	-1250
BASE OF KANSAS CITY	3453	3450	-1484
CONGLOMERATE SAND	3468	3466	-1500
ARBUCKLE DOLOMITE (Picked incorrectly)	3484	3492	-1526
TOTAL DEPTH	3589	3587	-1621

LITHOLOGY: ZONES OF INTEREST & TEST DATA (Corrected to E. Log Depths)

TOPEKA LIME: Several zones of porosity but no oil shows noted.

TORONTO LIME:

3190-3200: LS-white, dense to chalky with trace of brown oil stain. No free oil or odor. Porosity 3192-94.

LANSING KANSAS CITY:

3216-3224: LS-white, fine crystalline with slight porosity and with A zone trace of light oil stain and fair oil odor. Log porosity 3216-3220.

3244-3252: LS-white, dense to slight vuggy with rare scattered light B zone oil stain in slight porosity and fair oil odor. Log porosity 3246-50.

3264-3270. LS-white, dense to slight vuggy with rare scattered oil C zone stain, trace of dead oil stain. Fair porosity and good oil odor. Log porosity 3264-67.

3290-3296: LS-white, light gray, dense to slight oolitic with trace E zone of light oil stain and faint oil odor. Log porosity 3291-94.

3302-3312: LS-white, dense to slight porous with trace of oolitic F zone lime. Rare light oil stain and fair oil odor. Log porosity 3302-3306.

3216-3220: LS-As above? Log porosity 3316-19. No oil stain. G zone

3354-3370: LS-white, dense with trace of oil stain and no porosity. H zone

3380-3390: LS-white, dense with only a trace of oil stain and quest- I zone ionable faint odor. Poor porosity.

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LITHOLOGY, cont...

3396-3413: LS-white, oolitic, porous with scattered light oil stain
J zone and fair oil odor. Log porosity 3399-3402.

3424-3440: LS-white, light gray, dense with slight fossil porosity.
K zone Very rare light oil stain and faint odor.

3443-3450: LS-white, light gray dense with no oil stain noted.
L zone

CONGLOMERATE SAND:

3470-3482: SS-fine grained, clear, rounded and unconsolidated with
abundant shales-green, brown and reddish. Some coarse
large pebbles with some oil stain (most oil probably
washed out). Some free oil noted and strong oil odor.
Tested by drillstem test No. 1. Log indicated no
reservoir characteristics. Also, various colored cherts.

Drillstem Test No. 1: 3451 to 3484:

Tool open: 30 minutes with weak blow (1/4") throughout.

Tool shut in: 45 minutes

Tool open: 25 minutes with no blow.

No final shut in:

Recovery: 10 ft. of mud with scum oil

Initial Bottom Hole Pressure: 25 psi

ARBUCKLE DOLOMITE: (Arbuckle top at 3492 (E. Log)

Circulated at 3494: DOL-white, buff, very fine crystalline and sucrosic
with rare light oil stain and fair oil odor.
Abundant extraneous material from above.

Drillstem Test No. 2: 3452 to 3494:

Tool open: 30 minutes with weak blow building to 3/4"
throughout.

Tool shut in: 45 minutes

Tool open: 30 minutes with weak surface blow.

Tool shut in: 45 minutes

Recovery: 60 ft. of oil cut mud
20% oil & 80% mud

Initial Flow Pressure: 26 psi

Final Flow Pressure: 33 psi

Initial Bottom hole Pressure: 906 psi

Initial Flow Pressure: 41 psi

Final Flow Pressure: 44 psi

Final Bottom Hole Pressure: 892 psi

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LITHOLOGY, cont...

ARBUCKLE DOLOMITE, cont...

- circulated 3505: DOL-white, some buff, very fine crystalline and some
some medium crystalline and trace of vuggy porosity.
Some white vitreous chert and some brown oolitic
chert. Rare light oil stain and poor saturation,
and faint oil odor.
- 3510-3520: DOL-as above with chert as above. Rare light oil stain and
fair odor
- 3520-3530: DOL-white, some buff, fine crystalline and sucrosic with less
oil stain. Few pieces of coarse crystalline. Fair odor.
- 3530-3540: DOL-more white and more dense with only a trace of oil stain.
- 3540-3550: DOL-as above, dense with trace of light stain and dead oil
staining. Still faint odor.
- 3550-3560: DOL-as above, still cherty with trace of light oil stain.
- 3560-3570: DOLwhite, buff, crystalline dense and sucrosic with white
vitreous chert. Trace of dead oil stain.
- 3570-3580: DOL-as above with chert as above. Increase in shales.
- 3580-3590: DOL-white, buff, dense and barren with trace of medium
crystalline dolomite. Still trace of light stain
and faint odor.
- circulate 3589: DOL-white, buff, dense sucrosic and crystalline,
still minor trace of oil stain. Still cherty.

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REMARKS & RECOMMENDATIONS:

During the drilling of the well, numerous zones of porosity and oil stain were noted. The zones of some significance are the A, B, C, E, F, and J zones of the Lansing-Kansas City and the upper Arbuckle dolomite.

With the normal sequence of rocks the top of the Arbuckle should have been found about 15 feet below the Base of the Kansas City. However, the upper part of the Arbuckle had been eroded away and replaced by the shaley, sandy and cherty unconformity. This conglomerate formation, while it did carry oil shows, is not a potential productive horizon as indicated by drillstem test No. 1.

Drillstem test No. 2, covering the top two feet of the Arbuckle, did recover oil cut mud indicating that the top of the Arbuckle should be oil productive from the depth of 3492 to 3496. There is the possibility that the Arbuckle depth of 3500 to 3504 may possibly be productive.

Base of sample evaluation, evident porosity intervals and electric log values I believe (and recommend) that the following zones be perforated and acidized for commercial oil production.

Lansing-Kansas City:	A zone	3216-20
	B zone	3246-50
	E zone	3292-95
	F zone	3302-06
Arbuckle Dolomite:	No. 1	3492-96
	No. 2	3500-02

Perhaps; at some later date consider the J zone 3400-02 and
the C zone 3266-68
and: the Toronto 3196-98

Respectfully submitted;

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