HESS OIL COMPANY

225 N. Market, Suite 300 Wichita, Kansas 67202

(316) 263-2243

GEOLOGICAL REPORT

JOYCE #1

2165' FSL, 1950' FEL of

SECTION 4 - 14S - 22W

TREGO COUNTY, KANSAS

Commenced: 3-15-07

Elevations: 2327' GR, 2332' KB

Completed:

3-21-07

Surface Pipe: 8-5/8" @ 204' KB

Contractor: Mallard J.V.

Production Pipe:

none

One foot drilling time was kept from 1760' to 1860' KB and from 3600' to RTD. Ten foot drilling samples (wet & dry) were kept from 4100' to rotary total depth.

Following are sample tops, descriptions of zones of interest (including all shows of oil & gas), and the results of all drill stem tests.

ANHYDRITE

17.76 (+556)

BASE ANHYDRITE

1818 (+514)

HEEBNER

3719 (-1387)

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Joyce #1 Page 2

 LANSING
 3754
 (-1422)

 BASE KANSAS CITY
 3998
 (-1666)

 PAWNEE
 4112
 (-1780)

 FORT SCOTT
 4169
 (-1837)

4215-20' KB

Clear, medium grainned, fairly rounded, fairly sorted, sandstone clusters & loose grains. Some various colored sharp & weathered cherts (few with sandstone clusters attached!?!) Fair show of free oil in fair intergranular porosity, no odor, good stain, and a strong cut.

DRILL STEM TEST #1

4160 - 4220' KB

60' Anchor

Blow: bottom of bucket in 10min. 2nd - BOB in

15 min.

& weathered chert 4232-40' KB

Times: Open 30, Closed 45, Open 30, Closed 45

Recovered: 216' Gas 528' Slightly mud cut gassy OIL

Pressures: IH 2125# IF 37 - 161# ISIP 1056# FH 2049# FF 174 - 217# FSIP 968#

Note: drilled ahead to next zone - lots of various colored, sharp,

DRILL STEM TEST #2 4159 - 4233' KB 74' Anchor

-- Straddle Test -- 7' of untested hole 4233-40' KB --- Good test all packers held.

Blow: bottom of bucket in 14 min. 2nd - BOB in 15 min.

Times: Open 45, Closed 45, Open 45, REPENED 45.

NO SHOW !

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Joyce #1 Page 3

DRILL STEM TEST #2

(cont.

Recovered:

154' Gas

591' slightly mud cut gassy OIL

Pressures:

IH 2122#

IF 33 - 169#

ISIP 944#

FH 2028#

FF 179 - 236# FSIP

FSIP 878#

ROTARY TOTAL DEPTH

4240 (-1908)

)

Drill stem test # 1 recovered 5.15 bbls oil at a rate of 124 bbls/d and had a 8.3% pressure drop. DST #2 of the same zone had a recovery of 6.03 bbls at a rate of 96 bbls/d. #2's pressure drop was 7%.

Due to the pressure drops on both tests of the same zone -- it was decided to plug the Joyce #1. The only show in the well was covered in both tests, so, no logs were needed or run.

Only one more location is left in this prospect. Therefore, even though the seismic did not work for the Joyce #1 is was decided NOT to spend money on a sonic log.

James C. Hess

Geologist

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