

BEREXCO, INC.
SHEARER # 7
50'S OF SENESW SECTION 23 T17S-R25W
NESS COUNTY, KANSAS

GEOLOGIST
WILLIAM B. BYNOG

RESUME

OPERATOR: BEREXCO, INC.

WELL NAME & NUMBER: SHEARER# 7

LOCATION: 50' S SENESW SECTION 23 T17S-R25W

COUNTY: NESS

STATE: KANSAS

SPUD DATE: 4-1-2008 COMPLETION DATE: 4-10-2008

ELEVATIONS: GL: 2483' KB: 2494'

CONTRACTOR: BEREDCO RIG 10

LOGS: LOG TECH TYPES: DIL, RAG & MICROLOG
ENGINEER: MIKE GARRISON

WELLSITE ENGINEER: NONE

MUD COMPANY: ANDY'S MUD

MUD TYPE & ENGINEER: FRESH CHEMICAL: KURT WERTH

GEOLOGIST: WILLIAM B. BYNOG

HOLE SIZE: 7 7/8

MUD LOGGING BY: NONE

DRILL STEM TEST COMPANY: TRILOBITE TESTING

DRILL STEM TEST: DST#1 4270-4340, DST#2 4354-4412,
DST#3 4410-16

WELL STATUS: RAN PRODUCTION PIPE

SUMMARY AND CONCLUSION

Shearer # 7 was a Mississippian Test drilled a total depth of 4450 feet testing the Lansing Kansas City, Pawnee, Fort Scott and Mississippi Formations. Our primary objectives were the Fort Scott and Mississippian, secondary the Lansing Kansas City.

There were no sample shows in the upper Lansing Kansas City and Pawnee Formations.

The first sample shows were in the Fort Scott at 4308 feet. Samples through this interval were fossiliferous microcrystalline limestone with poor to fair vuggy porosity, spotty stain and good cuts. Drill stem test # 1 yielded 530 feet of gas in pipe and 90 feet of gassy mud with a scum of oil.

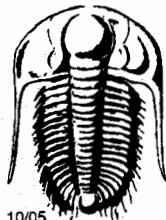
The Mississippi Formation at 4404 feet was a microsucrosic dolomite with fair porosity, even stain and good cuts. Drill stem test # 2 tested the top eight feet recovering 120 feet of gas in pipe, 240 feet of gas and oil cut mud and 240 feet of gas, water and oil cut mud. Drill stem test # 3 tested 14 feet from top and recovered 180 feet of gas in pipe, 60 feet of gas, mud and water cut oil (70% oil) and 360 feet of mud cut water with a scum of oil.

Logs agreed with sample evaluation recording tight Lansing Kansas City zones, fair porosity development in the Fort Scott and good porosity development in the Mississippian with high resistivity in the first sixteen feet. There is a possible additional zone in the Mississippian at 4428-30 feet with good sample shows.

A decision was made to run production pipe on the fair Mississippian drill stem test results.

FORMATION TOPS

FORMATION	DEPTH (LOGS)
STONE CORRAL	1730(+764)
TOPEKA	
35' ZONE	
PLATTSMOUTH	
HEEBNER	3768(-1274)
TORONTO	3790(-1296)
LANSING A	3808(-1314)
B ZONE	
C ZONE	
D ZONE	
E ZONE	
F ZONE	
G ZONE	
H ZONE	
I ZONE	
J ZONE	
K ZONE	
L ZONE	
BKC	4104(-1610)
MARMATON	4140(-1646)
PAWNEE	4230(-1736)
FORT SCOTT	
CHEROKEE	
MISSISSIPPI	4404(-1910)
CONGLOMERATE	
ARBUCKLE	



TRILOBITE TESTING INC.

P.O. Box 362 • Hays, Kansas 67601

31854

Test Ticket

Well Name & No. Shearer #7 Test No. 1 Date 4-8-08
 Company Berexco Zone Tested Ft. Scott
 Address POB 20380 Wichita, KS 67208 Elevation 2494 KB 2483 GL
 Co. Rep / Geo. Bryan Bynog Rig Bredco #10
 Location: Sec. 23 Twp. 17E Rge. 25W Co. Ness State KS
 Comment: _____ Release date / time: _____

Interval Tested 4270 to 4340 Initial Str Wt./Lbs. 42,000 Unseated Str Wt./Lbs. 43,000
 Anchor Length 70 Wt. Set Lbs. 28,000 Wt. Pulled Loose/Lbs. 62,000
 Top Packer Depth 4266 Tool Weight 2500
 Bottom Packer Depth 4270 Hole Size 7 7/8" X Rubber Size 6 3/4" X
 Total Depth 4340 Wt. Pipe Run - Drill Collar Run 200
 Mud Wt. 9.3 LCM 1 Vis. 53 WL 10.2 Drill Pipe Size 4 Ft. Run 4,055
 Blow Description IF: 9'6" blow
ISF: No return.
FF: B.O.B. @ 13 min.
FSI: Weak surface return died @ 10 min.

Recovery - Total Feet 90 GIP 530 Ft. in DC 90 Ft. in DP 0
 Rec. 90 Feet of EM w/sum of oil %gas 5 %oil _____ %water 95 %mud _____
 Rec. _____ Feet of _____ %gas _____ %oil _____ %water _____ %mud _____
 Rec. _____ Feet of _____ %gas _____ %oil _____ %water _____ %mud _____
 Rec. _____ Feet of _____ %gas _____ %oil _____ %water _____ %mud _____
 Rec. _____ Feet of _____ %gas _____ %oil _____ %water _____ %mud _____
 BHT 115 °F Gravity _____ °API D @ _____ °F Corrected Gravity _____ °API
 RW _____ @ _____ °F Chlorides _____ ppm Recovery _____ Chlorides 5,000 ppm System

	AK-1	Alpine	Recorder No.	Test X
(A) Initial Hydrostatic Mud		<u>2176</u> PSI	<u>8017</u>	<u>1,200'</u>
(B) First Initial Flow Pressure		<u>82</u> PSI	(depth) <u>4273</u>	Jars X <u>250'</u>
(C) First Final Flow Pressure		<u>38</u> PSI	Recorder No. <u>8351</u>	Safety Jt. X <u>75'</u>
(D) Initial Shut-In Pressure		<u>234</u> PSI	(depth) <u>4273</u>	Circ Sub X _____
(E) Second Initial Flow Pressure		<u>39</u> PSI	Recorder No. _____	Sampler _____
(F) Second Final Flow Pressure		<u>66</u> PSI	(depth) _____	Straddle _____
(G) Final Shut-In Pressure		<u>348</u> PSI	Initial Opening <u>15</u>	Ext. Packer _____
(Q) Final Hydrostatic Mud		<u>2,110</u> PSI	Initial Shut-In <u>30</u>	Shale Packer _____
			Final Flow <u>60</u>	Ruined Packer _____
			Final Shut-In <u>90</u>	Mileage <u>115 RT 143⁷⁵</u>
			T-On Location <u>8:50</u>	Sub Total: _____
			T-Started <u>10:17</u>	Std. By _____
			T-Open <u>12:35</u>	Acc. Chg: _____
			T-Pulled <u>15:51</u>	Other: _____
			T-Out <u>17:38</u>	Total: _____

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Approved By [Signature]
 Our Representative Chuck Smith



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

Berexco
 POB 20380
 Wichita, KS 67208
 ATTN: Bryan Bynog

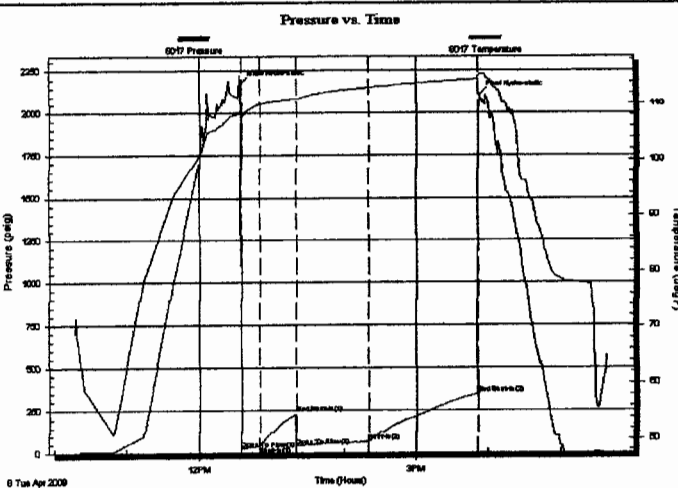
Shearer #7
 Sec.23 17s-25w Ness
 Job Ticket: 31854 DST#: 1
 Test Start: 2008.04.08 @ 10:17:00

GENERAL INFORMATION:

Formation: Ft. Scott
 Deviated: No Whipstock: ft (KB)
 Time Tool Opened: 12:35:20
 Time Test Ended: 17:37:50
 Interval: 4270.00 ft (KB) To 4340.00 ft (KB) (TVD)
 Total Depth: 4340.00 ft (KB) (TVD)
 Hole Diameter: 7.88 inches Hole Condition: Good
 Test Type: Conventional Bottom Hole
 Tester: Chuck Smith
 Unit No: 37
 Reference Elevations: 2494.00 ft (KB)
 2483.00 ft (CF)
 KB to GR/CF: 11.00 ft

Serial #: 8017 Inside
 Press@RunDepth: 65.62 psig @ 4273.00 ft (KB) Capacity: 7000.00 psig
 Start Date: 2008.04.08 End Date: 2008.04.08 Last Calib.: 2008.04.08
 Start Time: 10:17:01 End Time: 17:37:50 Time On Btm: 2008.04.08 @ 12:34:40
 Time Off Btm: 2008.04.08 @ 15:53:00

TEST COMMENT: IF: 9 1/2" blow
 IS: No return.
 FF: B.O.B. @ 13 min.
 FS: Weak surface return died @ 10 min.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2176.09	108.68	Initial Hydro-static
1	21.58	107.64	Open To Flow (1)
16	37.53	110.02	Shut-In(1)
46	233.93	111.05	End Shut-In(1)
46	38.66	111.01	Open To Flow (2)
106	65.62	113.00	Shut-In(2)
197	347.96	114.51	End Shut-In(2)
199	2109.66	115.40	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
90.00	GM5%G 95%M With scum of oil.	0.44
0.00	530 Feet of G.I.P.	0.00

Gas Rates

Choke (inches)	Pressure (psig)	Gas Rate (Mct/d)

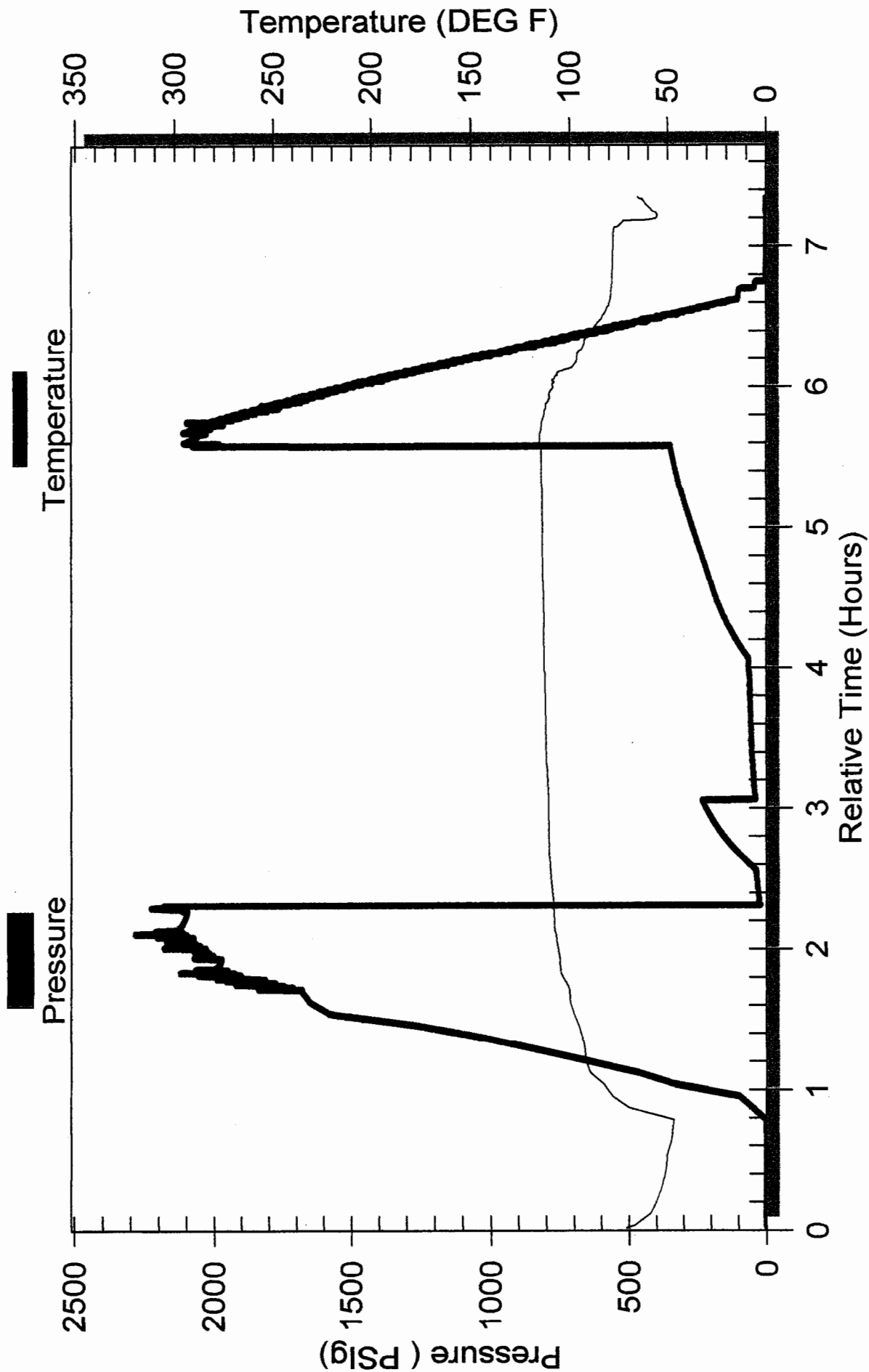
Pressure & Temperature: Recorder# 8017

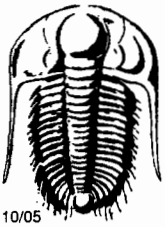
Every 1 Points are Plotted.

Run ID: dst#1

Start Time: Tue Apr 08 10:17:00 2008

File: C:\testdata\40881017.017





TRILOBITE TESTING INC.

31855

P.O. Box 362 • Hays, Kansas 67601

Test Ticket

Well Name & No. Shearer #7 Test No. 2 Date 4-9-08
 Company Berexco Zone Tested Mississippian
 Address POB 20380 Wichita, KS 67208 Elevation 2494 KB 2483 GL
 Co. Rep / Geo. Bryan Bynog Rig Berexco #10
 Location: Sec. 23 Twp. 17N Rge. 25W Co. Ness State KS
 Comment: _____ Release date / time: _____

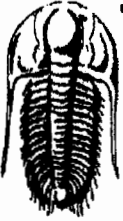
Interval Tested 4354 to 4412 Initial Str Wt./Lbs. 43,000 Unseated Str Wt./Lbs. 45,000
 Anchor Length 58 Wt. Set Lbs. 28,000 Wt. Pulled Loose/Lbs. 55,000
 Top Packer Depth 4350 Tool Weight 2,000
 Bottom Packer Depth 4354 Hole Size 7 7/8" X Rubber Size 6 3/4" X
 Total Depth 4412 Wt. Pipe Run - Drill Collar Run 200
 Mud Wt. 9.4 LCM 1 1/2 Vis. 51 WL 8.8 Drill Pipe Size 4 Ft. Run 4152
 Blow Description IF: B.O.B. @ 5 min.
ISZ: Weak surface return.
FF: B.O.B. @ 30 min
FSI: Surface return died @ 18 min.

Recovery - Total Feet	GIP	Ft. in DC	Ft. in DP
<u>480</u>	<u>120</u>	<u>200</u>	<u>280</u>
Rec. <u>120</u>	Feet of <u>GOCM</u>	<u>12</u> %gas <u>8</u> %oil	%water <u>80</u> %mud
Rec. <u>120</u>	Feet of <u>GOCM</u>	<u>30</u> %gas <u>15</u> %oil	%water <u>55</u> %mud
Rec. <u>180</u>	Feet of <u>GWOCM</u>	<u>32</u> %gas <u>15</u> %oil	<u>8</u> %water <u>45</u> %mud
Rec. <u>60</u>	Feet of <u>GWOCM</u>	<u>15</u> %gas <u>12</u> %oil	<u>3</u> %water <u>70</u> %mud
Rec. _____	Feet of _____	%gas _____ %oil _____	%water _____ %mud _____
BHT <u>117</u>	*F Gravity _____	*API D @ _____	*F Corrected Gravity _____ *API _____
RW <u>1286 @ 70</u>	*F Chlorides <u>23,000</u> ppm	Recovery <u>23,000</u>	Chlorides <u>4,000</u> ppm System

	AK-1	Alpine	PSI	Recorder No.	Test X
(A) Initial Hydrostatic Mud		<u>2187</u>		<u>8017</u>	<u>1,200</u>
(B) First Initial Flow Pressure		<u>117</u>		(depth) <u>4356</u>	Jars _____
(C) First Final Flow Pressure		<u>172</u>		Recorder No. <u>8351</u>	Safety Jt. _____
(D) Initial Shut-In Pressure		<u>420</u>		(depth) <u>4356</u>	Circ Sub <u>X</u> <u>NIC</u>
(E) Second Initial Flow Pressure		<u>176</u>		Recorder No. _____	Sampler _____
(F) Second Final Flow Pressure		<u>216</u>		(depth) _____	Straddle _____
(G) Final Shut-In Pressure		<u>490</u>		Initial Opening <u>15</u>	Ext. Packer _____
(Q) Final Hydrostatic Mud		<u>2129</u>		Initial Shut-In <u>30</u>	Shale Packer _____
				Final Flow <u>45</u>	Ruined Packer _____
				Final Shut-In <u>96</u>	Mileage <u>115RT 14325</u>
				T-On Location <u>6:03</u>	Sub Total: _____
				T-Started <u>6:39</u>	Std. By _____
				T-Open <u>8:59</u>	Acc. Chg: _____
				T-Pulled <u>12:07</u>	Other: _____
				T-Out <u>15:10</u>	Total: _____

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Approved By [Signature]
 Our Representative Chuck Smith



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Berexco
POB 20380
Wichita, KS 67208
ATTN: Bryan Bynog

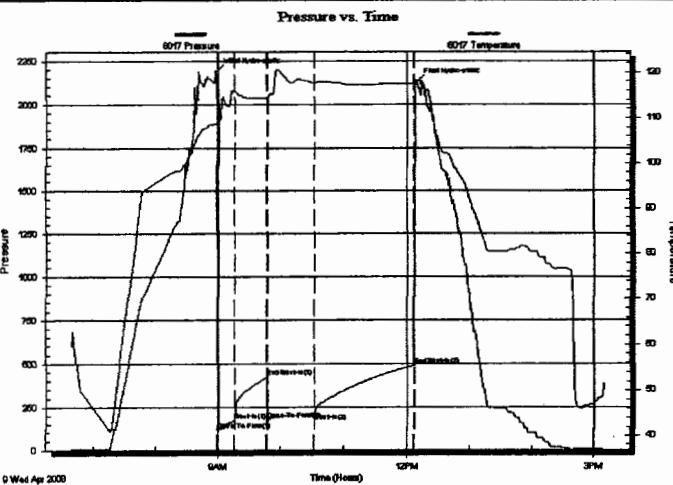
Shearer #7
Sec.23 17s-25w Ness
Job Ticket: 31855 DST#: 2
Test Start: 2008.04.09 @ 06:39:00

GENERAL INFORMATION:

Formation: **Mississippian**
 Deviated: **No Whipstock** ft (KB)
 Test Type: **Conventional Bottom Hole**
 Time Tool Opened: **08:59:30**
 Tester: **Chuck Smith**
 Time Test Ended: **15:09:30**
 Unit No: **37**
 Interval: **4354.00 ft (KB) To 4412.00 ft (KB) (TVD)**
 Reference Elevations: **2494.00 ft (KB)**
 Total Depth: **4412.00 ft (KB) (TVD)**
2483.00 ft (CF)
 Hole Diameter: **7.88 inches** Hole Condition: **Good**
 KB to GR/CF: **11.00 ft**

Serial #: **8017** Inside
 Press@RunDepth: **215.57 psig @ 4356.00 ft (KB)** Capacity: **7000.00 psig**
 Start Date: **2008.04.09** End Date: **2008.04.09** Last Calib.: **2008.04.09**
 Start Time: **06:39:00** End Time: **15:09:30** Time On Btm: **2008.04.09 @ 08:58:20**
 Time Off Btm: **2008.04.09 @ 12:09:09**

TEST COMMENT: IF: B.O.B. @ 5 min.
 IS: Weak surface return.
 FF: B.O.B. @ 30 min.
 FSI: Surface return died @ 18 min.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2187.37	108.88	Initial Hydro-static
2	116.77	108.70	Open To Flow (1)
18	172.32	115.82	Shut-in(1)
49	420.44	114.30	End Shut-in(1)
49	175.69	114.10	Open To Flow (2)
95	215.57	117.68	Shut-in(2)
189	489.66	117.43	End Shut-in(2)
191	2129.32	118.11	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
60.00	GWOCM 15%G 3%W 12%O 70%M	0.30
180.00	GWOCM 32%G 8%W 15%O 45%M	1.04
120.00	GOCM 30%G 15%O 55%M	1.05
120.00	GOCM 12%G 8%O 80%M	1.05
0.00	120 Feet of G.I.P.	0.00

Gas Rates

	Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)

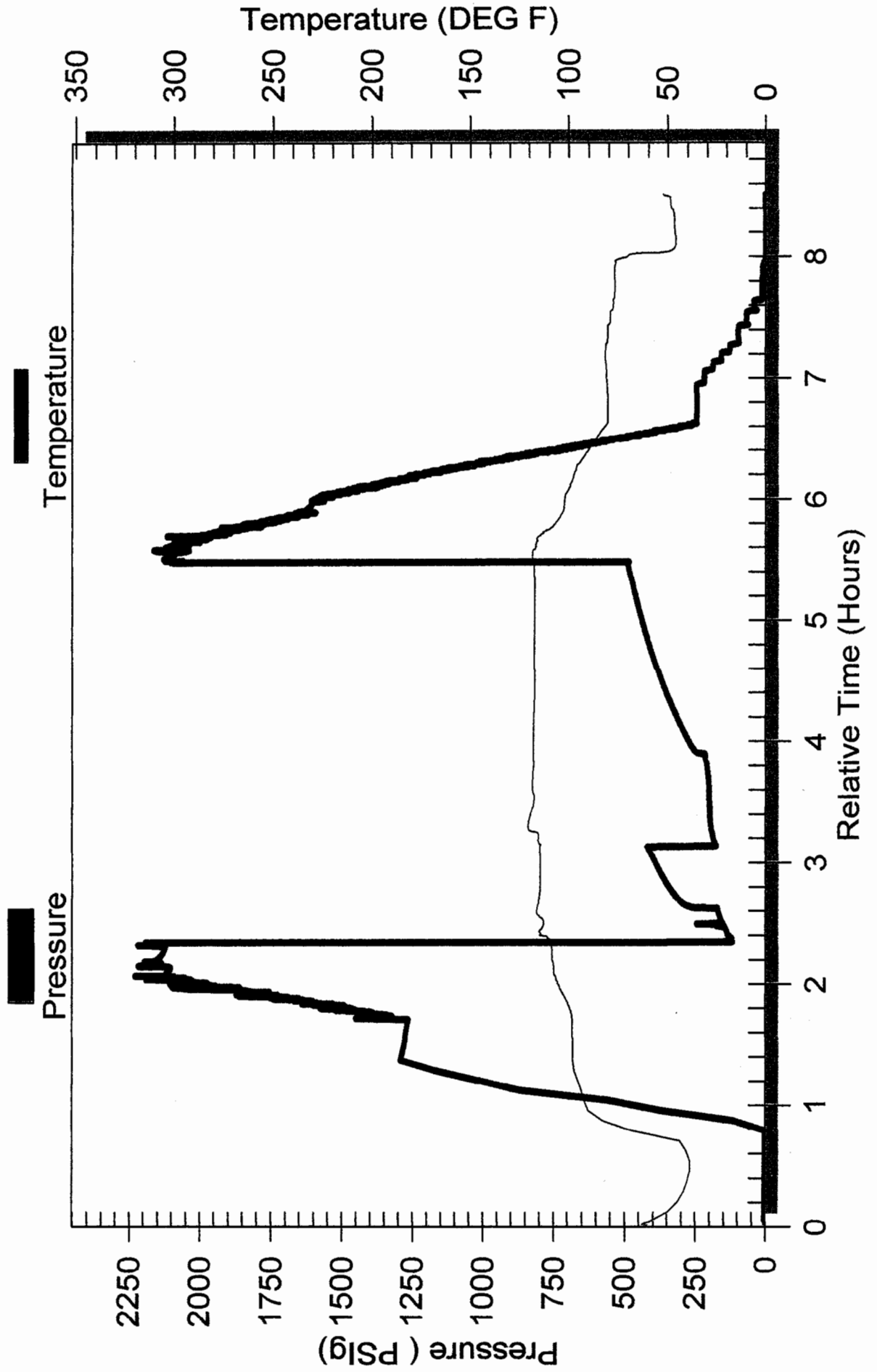
Pressure & Temperature: Recorder# 8017

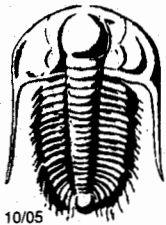
Every 1 Points are Plotted.

Run ID: dst#2

Start Time: Wed Apr 09 06:39:00 2008

File: C:\testdata\40980639.017





TRILOBITE TESTING INC.

31856

P.O. Box 362 • Hays, Kansas 67601

Test Ticket

Well Name & No. Shearer #7 Test No. 3 Date 4-10-08
 Company Berexco Zone Tested Mississippian
 Address POB 20380 Wichita, KS 67208 Elevation 2494 KB 2483 GL
 Co. Rep / Geo. Bryan Bynog Rig Berexco 10
 Location: Sec. 23 Twp. 17b Rge. 25w Co. Ness State KS
 Comment: _____ Release date / time: _____

Interval Tested 4410 to 4416 Initial Str Wt./Lbs. 46000 Unseated Str Wt./Lbs. 47000
 Anchor Length 6 Wt. Set Lbs. 29000 Wt. Pulled Loose/Lbs. 55000
 Top Packer Depth 4404 Tool Weight 2000
 Bottom Packer Depth 4410 Hole Size 7 7/8" X Rubber Size 6 3/4" X
 Total Depth 4416 Wt. Pipe Run - Drill Collar Run 260
 Mud Wt. 9.3 LCM 1 1/2 Vis. 51 WL 8.8 Drill Pipe Size 4 Ft. Run 4207
 Blow Description IF: BOB @ 5 min.
ISI: 1" return.
FF: B.O.B. @ 24 min.
FSL: 1/2" return.

Recovery - Total Feet 480 GIP 180 Ft. in DC 260 Ft. in DP 220
 Rec. 60 Feet of GMWCO 10 %gas 70 %oil 10 %water 10 %mud
 Rec. 60 Feet of GOMCW 10 %gas 10 %oil 60 %water 20 %mud
 Rec. 360 Feet of MCW w/scum of oil %gas %oil 85 %water 15 %mud
 Rec. _____ Feet of _____ %gas %oil %water %mud
 Rec. _____ Feet of _____ %gas %oil %water %mud
 BHT 124 °F Gravity 33 °API D @ 50 °F Corrected Gravity 34 °API
 RW .380 @ 60 °F Chlorides 22000 ppm Recovery 22000 Chlorides 4000 ppm System

	AK-1	Alpine	PSI	Recorder No.	Test
(A) Initial Hydrostatic Mud		<u>2320</u>		<u>8017</u>	<u>X 1200-</u>
(B) First Initial Flow Pressure		<u>84</u>		<u>4411</u>	Jars _____
(C) First Final Flow Pressure		<u>164</u>		<u>8351</u>	Safety Jt. _____
(D) Initial Shut-In Pressure		<u>409</u>		<u>4411</u>	Circ Sub <u>X N/C</u>
(E) Second Initial Flow Pressure		<u>170</u>			Sampler _____
(F) Second Final Flow Pressure		<u>224</u>			Straddle _____
(G) Final Shut-In Pressure		<u>482</u>			Ext. Packer _____
(Q) Final Hydrostatic Mud		<u>2205</u>			Shale Packer _____
				Final Flow <u>45</u>	Ruined Packer <u>1 260-</u>
				Final Shut-In <u>90</u>	Mileage <u>41 RT motel</u>
				T-On Location <u>11:06 pm</u>	Sub Total: _____
				T-Started <u>12:21 am</u>	Std. By <u>X</u>
				T-Open <u>3:03</u>	Acc. Chg: _____
				T-Pulled <u>6:06</u>	Other: _____
				T-Out <u>9:17</u>	Total: _____

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Approved By W. Bynog
 Our Representative Chuck Smith



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

Berexco
POB 20380
Wichita, KS 67208
ATTN: Bryan Bynog

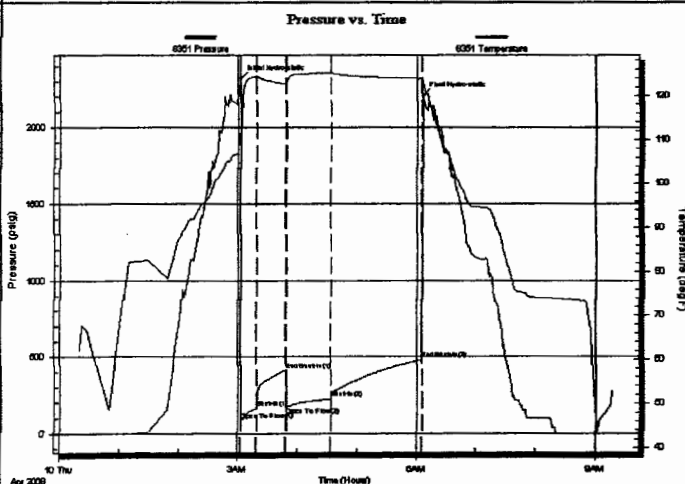
Shearer #7
Sec.23 17s-25w Ness
Job Ticket: 31856 DST#: 3
Test Start: 2008.04.09 @ 12:21:06

GENERAL INFORMATION:

Formation: **Mississippian**
 Deviated: **No Whipstock** ft (KB)
 Test Type: **Conventional Bottom Hole**
 Time Tool Opened: **15:03:06**
 Tester: **Chuck Smith**
 Time Test Ended: **21:16:21**
 Unit No: **37**
 Interval: **4410.00 ft (KB) To 4416.00 ft (KB) (TVD)**
 Reference Elevations: **2494.00 ft (KB)**
 Total Depth: **4416.00 ft (KB) (TVD)**
2483.00 ft (CF)
 Hole Diameter: **7.88 inches** Hole Condition: **Good**
 KB to GR/CF: **11.00 ft**

Serial #: **8351** Inside
 Press@RunDepth: **224.24 psig @ 4411.00 ft (KB)**
 Capacity: **7000.00 psig**
 Start Date: **2008.04.10** End Date: **2008.04.10**
 Last Calib.: **2008.04.10**
 Start Time: **00:21:06** End Time: **09:16:21**
 Time On Btm: **2008.04.10 @ 03:02:51**
 Time Off Btm: **2008.04.10 @ 06:06:21**

TEST COMMENT: IF: B.O.B. @ 5 min.
 IS: 1" return.
 FF: B.O.B. @ 24 min.
 FS: 1/2" return.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2319.71	111.94	Initial Hydro-static
1	84.33	110.71	Open To Flow (1)
16	164.59	124.42	Shut-In(1)
46	409.21	122.72	End Shut-In(1)
46	169.78	122.70	Open To Flow (2)
91	224.24	125.14	Shut-In(2)
183	482.15	123.94	End Shut-In(2)
184	2204.98	123.23	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
360.00	MCW 15%M 85%W w lith scum of oil.	2.38
60.00	GOMCW 10%G 10%O 20%M 60%W	0.52
60.00	GMVCO 10%G 10%M 10%W 70%O	0.52
0.00	180 Feet of G.I.P.	0.00

Gas Rates

	Choke (Inches)	Pressure (psig)	Gas Rate (M.cfd)

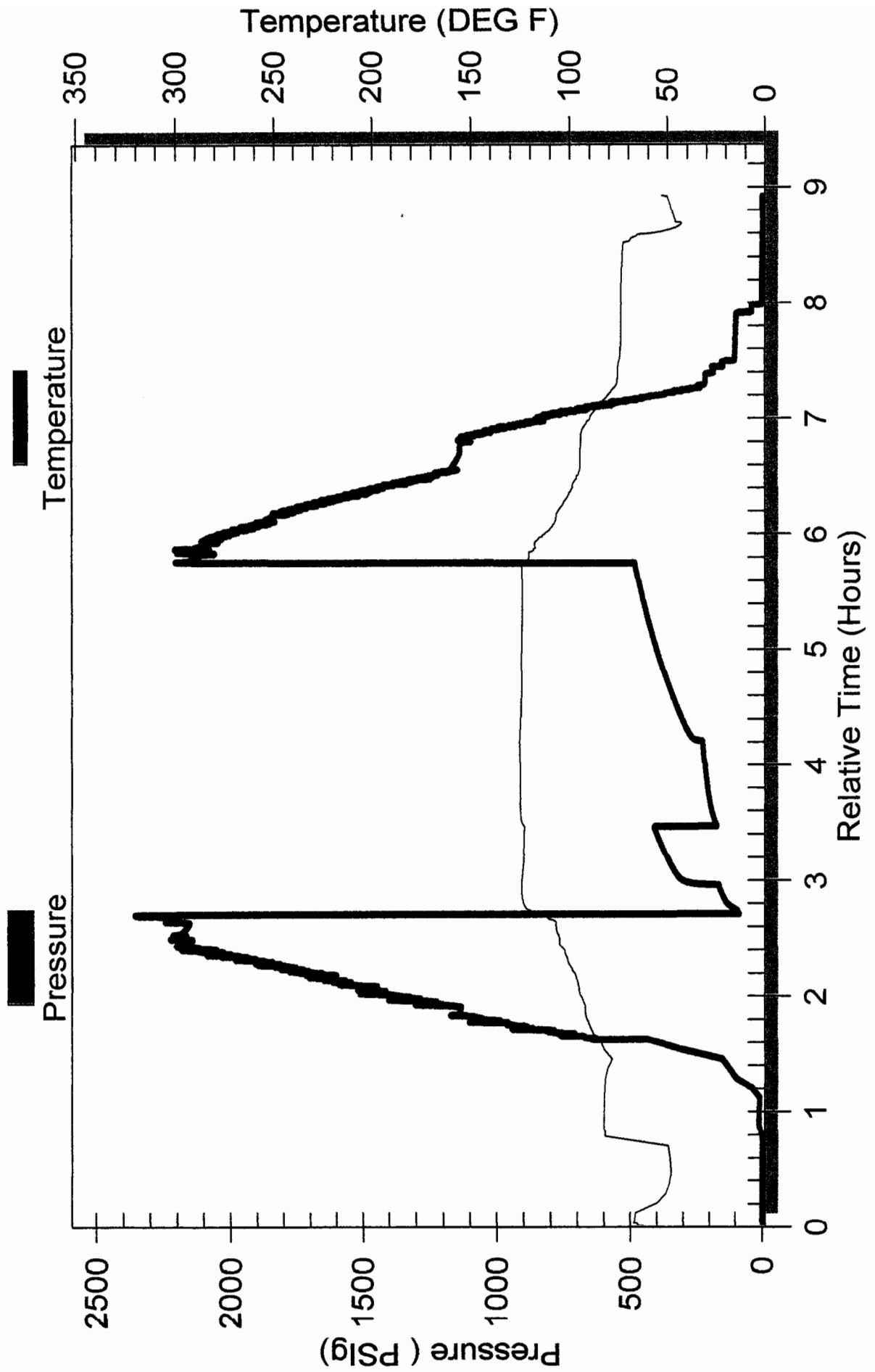
Pressure & Temperature: Recorder# 8351

Every 1 Points are Plotted.

Run ID: dst#3

Start Time: Wed Apr 09 12:21:06 2008

File: C:\testdata\40981221.351



BIT RECORD

Bit #	SIZE	MAKE	TYPE	DEPTH OUT	FOOTAGE	HOURS
1	12 ¼	VARREL	CH20	267	267	
2	7 7/8	VARREL	CH20MS	4450	4183	115.5

DEVIATION RECORD

DEPTH	ANGLE
4340	1.25

DAILY CHRONOLOGY

DATE	DEPTH AT 7:00	FOOTAGE	REMARKS
4-2-2008	267	267	Spud well
4-3-2008	267	0	Set surface, W.O.C.
4-4-2008	1500	1273	Drilling
4-5-2008	3100	1600	Drilling
4-6-2008	3744	644	Drilling
4-7-2008	4100	256	Drilling
4-8-2008	4340	240	DST# 1
4-9-2008	4412	72	DST# 2
4-10-2008	4416	4	DST# 3
4-11-2008	4450	34	Logging

LITHOLOGY

HEEBNER

3768-75 Shale black, firm, carbonaceous

3775-90 SHALE green, soft

TORONTO

3790-3800 Limestone cream, hard, microcrystalline, poor porosity

3800-10 Shale as above

LANSING

3810-40 Limestone white-cream, very hard, dense

3840-50 Shale gray, green, firm, fissile

B ZONE

3850-65 Limestone buff, very hard, dense, chalky, some Chert white, smoky

3865-70 Shale green, firm, fissile with interbedded Limestone as above

C ZONE

3870-80 Limestone cream, hard, dense

D ZONE

38080-90 Limestone white, very hard, dense

3890-95 Shale as above

F ZONE

3895-3930 Limestone white, firm, chalky, abundant Chert as above

G ZONE

3930-40 Limestone cream, firm, oolitic, good moldic porosity, no show

3940-50 Shale gray green, as above

H ZONE

3950-70 Limestone cream-white, hard, dense

3970-4000 Shale as above

I ZONE

4000-25 Limestone cream tan, hard, dense, abundant Chert white

4025-30 Shale gray, green, firm, fissile, waxy

J ZONE

4030-40 Limestone cream, firm, oocastic, fair-good moldic porosity, no show

4040-50 Limestone cream buff, very hard, dense, Chert as above

4050-60 Shale black, green, firm, fissile

K ZONE

4060-80 Limestone cream, hard, dense, Chert as above

4080-90 Shale as above

L ZONE

4090-4110 Limestone white cream, hard, dense, chalky

BKC

4110-40 Shale green, red, firm, waxy

MARMATON

4140-70 Limestone white gray, hard, dense

4170-80 Shale green, firm

4180-4230 Limestone gray, very hard, dense

PAWNEE

4230-90 Limestone gray tan, hard, dense, shaly

4290-4310 Shale black, green, red, firm, fissile

FORT SCOTT

4310-30 Limestone tan, hard, microcrystalline, fossiliferous, poor vuggy porosity, spotty stain, fair cut with interbedded Limestone tan, very hard, dense

4330-60 Limestone white, hard, dense with thin Shale black, carbonaceous

4360-80 Limestone gray cream, hard, some rare poor pin point porosity with very spotty stain, fair cut & odor

4380-4404 Shale green, red, firm with thin interbedded SS white, yellow, very fine grain, shaly, poor porosity, no show

MISSISSIPIAN

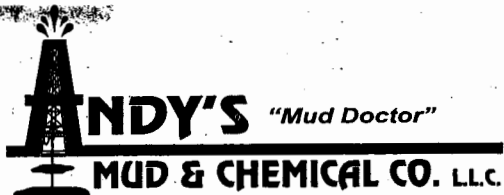
4404-20 Dolomite buff, firm-hard, microsucrosic, fair to good intercrystalline and vuggy porosity, even stain, good cut & odor, good show free oil

4420-25 Dolomite buff, hard, microcrystalline, fair porosity, spotty stain, good cut

4425-30 Dolomite buff, firm, microsucrosic, good porosity, spotty to even stain, good cut & odor, good show free oil

4430-40 Dolomite cream, hard, dense, no show

4440-50 Dolomite white, hard, crystalline, chalky, fair porosity, spotty stain, fair cut & odor



785-625-3531
HAYS, KANSAS 67601



DRILLING MUD REPORT

REPORT NO. 1

DATE	4-1	20	08	DEPTH	spud
APT WELL NO.		STATE	COUNTY	WELL	S/T

OPERATOR	Berardo Inc.	CONTRACTOR	Berardo Drilling	RIG NO.	# 10
ADDRESS		ADDRESS	Rig	SPUD DATE	4-1-08
REPORT FOR MR.	Bryan Bynag (Mud)	REPORT FOR MR.	Marvin Julian	SECTION, TOWNSHIP, RANGE	23-175-25w
WELL NAME AND NO.	Shearers #7	FIELD OR BLOCK NO.		COUNTY AREA	Nass
				STATE	Ks

Drilling Assembly			Casing		Mud Volume (BBL)		Circulation Data		
Bit Size	7 7/8	No. Bits	Jet Size	Surface 8 3/8 @ Ft.	Hole	Pits 400	Pump Size x in.	10 X 14	Annular Vel (Ft/Min) DP 197 DC 356
Drill Pipe Size	4 1/2	Type XH	Length	Intermediate	Total Circulating Volume		Pump Make, Model	Assumed Eff 90	Circulation Pressure (PSI) 800+
Drill Collar Size	6 1/4	Length	No. Pits	Production of Liner	Mud Up Depth	approx	Bbl/Stroke	Stroke/Min. 60	Bottoms Up (Min.)
Bit RPM		Weight on Bit	30000	Mud Type	Native mud		Bbl/Min. 8.0	Gal/Min. 336	Total Circ Time (Min.)
Last Bit No.		Present Activity	(Sig-up)				Elevation	2483 GL	

Sample from <input type="checkbox"/> Flowline () Pit		MUD PROPERTIES		
Flowing Temperature		F		
Time Sample Taken		3pm		
Depth (ft.)				
Weight <input type="checkbox"/> (ppg) <input type="checkbox"/> (lb./cu. ft.)		R		
Mud Gradient (psi/ft.)		1		
Funnel Viscosity (sec./qt.) API at °F		9		
Plastic Viscosity cp at / °F				
Yield Point (lb./100 sq. ft.)				
Gel Strength (lb./100 sq. ft.) 10 sec./10 min.		11	1	1
pH <input type="checkbox"/> Strip <input type="checkbox"/> Meter		p		
Filtrate API (ml./30 min.)				
API HP-HT Filtrate (ml/30 min.) °F				
Cake Thickness 32nd in. API <input type="checkbox"/> HP - HT <input type="checkbox"/>				
Alkalinity, Mud (Pm)				
Alkalinity, Filtrate (Pf / Mf)			1	1
Salt <input type="checkbox"/> ppm <input type="checkbox"/> Chloride <input type="checkbox"/> ppm				
Calcium <input type="checkbox"/> ppm <input type="checkbox"/> Gyp (ppb)				
Sand Content (% by Vol.)				
Solids Content (% by Vol.)				
Oil Content (% by Vol.)				
Water Content (% by Vol.)				
LCM, #/bbl				
Methylene Blue Capacity <input type="checkbox"/> (ml/ml mud) <input type="checkbox"/> (equiv. #/bbl. bent.)				

Mud Used:

Daily Cost

Cumulative Cost

MUD PROPERTIES SPECIFICATIONS		
WEIGHT	9.0-9.4	FILTRATE NC
VISCOSITY	27-32	

BY AUTHORITY: OPERATOR'S WRITTEN DRILLING CONTRACTOR
 OPERATOR'S REPRESENTATIVE OTHER

- RECOMMENDED TREATMENT
- Under surface to approx 3600
 - use suitable mud; plenty of fresh water; jet often. Keep wt. low as possible.
 - Suggest preflush w/ premix at 2000-2200 w/ following: 18-20 gal 100lb ash 3-10 hulls
 - 2000-2200 w/ following: 18-20 gal 100lb ash 15 hulls for LCM

REMARKS:

Also run 80-100 lbs of fresh water ahead of free mud.

Always keep hole full & pipe moving.

LCM as needed.

Again @ 3000 preflush w/ premix and mix: 18-20 gal 100lb ash 15 hulls for LCM

* Begin filling free tank w/ premix until full and also no. 2 pit; premix on hand to be ready to displace @ 3600

24 gal 1 lignite
2 100lb ash 1/4 frigee



DRILLING MUD REPORT

REPORT NO. 2

DATE	<u>4-4</u>	<u>2008</u>	DEPTH	<u>2806</u>
APT WELL NO.		STATE	COUNTY	WELL
				S/T

OPERATOR <u>Beredco, Inc</u>	CONTRACTOR <u>Beredco Drilling</u>	RIG NO. <u>*10</u>
ADDRESS <u>Co</u>	ADDRESS <u>Rig</u>	SPUD DATE <u>4-1-08</u>
REPORT FOR MR. <u>Bryan Bynog (Geo)</u>	REPORT FOR MR. <u>Marvin Julian</u>	SECTION, TOWNSHIP, RANGE <u>23-175-25W</u>
WELL NAME AND NO. <u>Shearer #7</u>	FIELD OR BLOCK NO.	COUNTY AREA <u>Kess</u>
		STATE <u>Ko</u>

Drilling Assembly			Casing		Mud Volume (BBL)		Circulation Data		
Bit Size <u>7 7/8</u>	No. Bits	Jet Size	Surface <u>8 3/8 @ 267 Ft.</u>	Hole <u>227</u>	Pits <u>400</u>	Pump Size x in. <u>6 x 14</u>	Annular Vel (FV/Min) DP <u>197</u> DC <u>356</u>		
Drill Pipe Size <u>4 1/2</u>	Type <u>XH</u>	Length	Intermediate <u>9</u>	Total Circulating Volume <u>627</u>		Pump Make, Model	Assumed Eff.	Circulation Pressure (PSI) <u>800</u>	
Drill Collar Size <u>6 1/4</u>	Length	No. Pits	Production Liner <u>9</u>	Mud Up Depth <u>approx 3400</u>		Bbl/Stroke <u>.139</u>	Stroke/Min. <u>60</u>	Bottoms Up (Min.) <u>28</u>	
Bit RPM	Weight on Bit <u>30000</u>		Mud Type <u>Native mud</u>			Bbl/Min. <u>8.0</u>	Gal/Min. <u>336</u>	Total Circ Time (Min.) <u>78</u>	
Last Bit No.	Present Activity <u>Drilling</u>					Elevation <u>2483</u>	<u>62</u>		

Sample from <input checked="" type="checkbox"/> Flowline () Pit		MUD PROPERTIES	
Flowing Temperature F			
Time Sample Taken	<u>2:30pm</u>		
Depth (ft.)	<u>2806</u>		
Weight <input checked="" type="checkbox"/> (ppg) <input type="checkbox"/> (lb./cu. ft.)	<u>9.2</u>		
Mud Gradient (psi/ft.)	<u>.478</u>		
Funnel Viscosity (sec./qt.) API at °F	<u>28</u>		
Plastic Viscosity cp at / °F	<u>7</u>		
Yield Point (lb./100 sq. ft.)	<u>7</u>		
Gel Strength (lb./100 sq. ft.) 10 sec./10 min.	<u>4</u>	<u>1</u>	<u>1</u>
pH <input checked="" type="checkbox"/> Strip <input type="checkbox"/> Meter	<u>7.0</u>		
Filtrate API (ml./30 min.)	<u>7</u>		
API HP-HT Filtrate (ml/30 min.) °F	<u>7</u>		
Cake Thickness 32nd in. API <input type="checkbox"/> HP - HT <input type="checkbox"/>	<u>7</u>		
Alkalinity, Mud (Pm)	<u>7</u>		
Alkalinity, Filtrate (Pf / Mf)	<u>4</u>	<u>1</u>	<u>1</u>
Salt <input type="checkbox"/> ppm <input type="checkbox"/> Chloride <input type="checkbox"/> ppm	<u>62,000</u>		
Calcium <input type="checkbox"/> ppm <input type="checkbox"/> Gyp (ppb)	<u>None</u>		
Sand Content (% by Vol.)	<u>Trace</u>		
Solids Content (% by Vol.)	<u>2.6</u>		
Oil Content (% by Vol.)	<u>---</u>		
Water Content (% by Vol.)	<u>97.4</u>		
LCM, #/bbl	<u>---</u>		
Methylene Blue Capacity <input type="checkbox"/> (ml/ml mud) <input type="checkbox"/> (equiv. #/bbl. bent.)	<u>---</u>		

Mud Used:	
<u>144 Gal</u>	<u>1596.80</u>
<u>7 Sods ash</u>	<u>146.65</u>
<u>3 Carbit</u>	<u>152.05</u>
<u>3 Lignite</u>	<u>65.85</u>
<u>17 Halls</u>	<u>327.25</u>
<u>1 Driepac</u>	<u>320.00</u>
<u>6 Lime</u>	<u>65.70</u>
Daily Cost	<u>\$2654.50</u>
Cumulative Cost	<u>\$2654.50</u>

MUD PROPERTIES SPECIFICATIONS		
WEIGHT <u>9.0 - 9.4</u>	VISCOSITY <u>27-32</u>	FILTRATE <u>Nc</u>
BY AUTHORITY: <input type="checkbox"/> OPERATOR'S WRITER <input type="checkbox"/> DRILLING CONTRACTOR		<input type="checkbox"/> OPERATOR'S REPRESENTATIVE <input type="checkbox"/> OTHER

- RECOMMENDED TREATMENT**
- Suggest try 3000 in. premix w/ fresh water & try following to preflush hole. 18-20 gal
 - 1 soda ash
 - 15 Halls for LCM (Available lost circulation @ 3000)

REMARKS:

Begin filling free tank w/ premix until full & Dashed. 2 get and premix on hand to be ready to displace @ 3400

24 gal 1 Lignite
2 Sods ash 1/4 Driepac
1 Carbit 4 Halls

At approx 3400 get & wash down pits well and add free mud. Also run 80-100 bbls of fresh water ahead of free mud.

Always be on hand with air mix...

Thank you!



DRILLING MUD REPORT

REPORT NO. **3**

DATE **4-5** 20 **08** DEPTH **3365**

APT WELL NO.	STATE	COUNTY	WELL	S/T

OPERATOR Beredco, Inc	CONTRACTOR Beredco Drly	RIG NO. #10
ADDRESS Co	ADDRESS Rig	SPUD DATE 4-1-08
REPORT FOR MR. Bryan Byrnes (Geo)	REPORT FOR MR. Maxim Julian	SECTION, TOWNSHIP, RANGE 23-175-25W
WELL NAME AND NO. Shearer #7	FIELD OR BLOCK NO.	COUNTY AREA Wass
		STATE Ko

Drilling Assembly			Casing	Mud Volume (BBL)		Circulation Data		
Bit Size 7 7/8	No. Bits	Jet Size	Surface 8 7/8 267 FL	Hole 262	Pits 400	Pump Size x in. 6 x 14	Annular Vel (F/Min) DP 197 DC 356	
Drill Pipe Size 4 1/2	Type XH	Length	Intermediate 267 FL	Total Circulating Volume 1662		Pump Make, Model	Assumed Eff.	Circulation Pressure (PSI) 800+
Drill Collar Size 6 1/4	Length	No. Pits	Production of Liner 267 FL	Mud Up Depth 3400		Bbl/Stroke .139	Stroke/Min. 60	Bottoms Up (Min.) 33
Bit RPM	Weight on Bit 30000					Bbl/Min. 8.0	Gal/Min. 336	Total Circ Time (Min.) 83
Last Bit No.	Present Activity Drly		Mud Type Nature mud			Elevation 2483 GL		

Sample from Flowline () Pit
 Flowing Temperature **F**

MUD PROPERTIES			
Time Sample Taken 2pm			
Depth (ft.) 3365			
Weight <input checked="" type="checkbox"/> (ppg) <input type="checkbox"/> (lb./cu. ft.) 9.3			
Mud Gradient (psi/ft.) .484			
Funnel Viscosity (sec./qt.) API at 28 °F			
Plastic Viscosity cp at / 7 °F			
Yield Point (lb./100 sq. ft.) 4			
Gel Strength (lb./100 sq. ft.) 10 sec./10 min. 4			
pH <input checked="" type="checkbox"/> Strip <input type="checkbox"/> Meter 7.0			
Filtrate API (ml/30 min.) nc			
API HP-HT Filtrate (ml/30 min.) °F 7			
Cake Thickness 32nd in. API <input type="checkbox"/> HP - HT <input type="checkbox"/> 7			
Alkalinity, Mud (Pm) 4			
Alkalinity, Filtrate (Pf / Mf) 4			
Salt <input type="checkbox"/> ppm <input type="checkbox"/> Chloride <input type="checkbox"/> ppm 30000			
Calcium <input type="checkbox"/> ppm <input type="checkbox"/> Gyp (ppb) log			
Sand Content (% by Vol.) Trace			
Solids Content (% by Vol.) 5.4			
Oil Content (% by Vol.) ---			
Water Content (% by Vol.) 94.6			
LCM, #/bbl ---			
Methylene Blue Capacity <input type="checkbox"/> (ml/ml mud) <input type="checkbox"/> (equiv. #/bbl bent.) ---			

Mud Used:	
79 Gal	865.05
7 Adash	146.65
2 Cement	101.50
2 Lignite	43.90
24 Hulls	462.00
1 Disper	320.00

Daily Cost **\$1939.10** Cumulative Cost **\$4593.60**

MUD PROPERTIES SPECIFICATIONS

WEIGHT 9.0-9.4	VISCOSITY 27-32	FILTRATE nc
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BY AUTHORITY: OPERATOR'S WRITTEN DRILLING CONTRACTOR
 OPERATOR'S REPRESENTATIVE OTHER

- RECOMMENDED TREATMENT**
- Make sure free tank full & premix
 - on hand w/ following to be ready
 - to displace @ approx 3400
 - 24 gal 1 cement 1/4 disper
 - 2 adash 1 lignite 4 hulls
 -
 - At approx 3400 jet & wash down pits well & add free tank to system

REMARKS:
 Maintain viscosity @ 50-55 sec/qt after displace w/ jet as needed.
 Also run 80-100 bbls of fresh water ahead of free mud.
 After displace cut in mud 2 pit by mixing same as above to wash into system.
 Always keep hole full & pipe moving LCM as needed.

ANDY'S "Mud Doctor"

MUD & CHEMICAL CO.

(785) 625-3531
HAYS, KANSAS 67601



DRILLING MUD REPORT

REPORT NO. 4

DATE <u>4-6</u>	<u>20 08</u>	DEPTH <u>3833</u>		
APT WELL NO.	STATE	COUNTY	WELL	S/T

OPERATOR <u>Berco, Inc</u>	CONTRACTOR <u>Berco Drly</u>	RIG NO. <u>#10</u>	
ADDRESS <u>Co</u>	ADDRESS <u>Rig</u>	SPUD DATE <u>4-1-08</u>	
REPORT FOR MR. <u>Bryan Bynag (Geo)</u>	REPORT FOR MR. <u>Martin Julian</u>	SECTION, TOWNSHIP, RANGE <u>23-175-254</u>	
WELL NAME AND NO. <u>Shearer #7</u>	FIELD OR BLOCK NO.	COUNTY AREA <u>Miss</u>	STATE <u>Ks</u>

Drilling Assembly			Casing		Mud Volume (BBL)		Circulation Data		
Bit Size <u>7 7/8</u>	No. Bits	Jet Size	Surface <u>8 5/8 @ 267 Ft.</u>	Hole <u>291</u>	Pits <u>400</u>	Pump Size x in. <u>6 x 14</u>	Annular Vel (FV/Min) DP <u>197</u> DC <u>356</u>		
Drill Pipe Size <u>4 1/2</u>	Type <u>XH</u>	Length	Intermediate <u>X</u>	Total Circulating Volume <u>691</u>		Pump Make, Model	Assumed Eff.	Circulation Pressure (PSI) <u>800+</u>	
Drill Collar Size <u>6 1/4</u>	Length	No. Pits	Production of Casing <u>X</u>	Mud Up Depth <u>3400</u>		Bbl/Stroke <u>.139</u>	Stroke/Min. <u>60</u>	Bottoms Up (Min.) <u>36</u>	
Bit RPM	Weight on Bit <u>30000</u>		Mud Type <u>Chemical mud</u>		Bbl/Min. <u>8.0</u>	Gal/Min. <u>336</u>	Total Circ Time (Min.) <u>86</u>		
Last Bit No.	Present Activity <u>Drly</u>				Elevation <u>2483 SL</u>				

MUD PROPERTIES	
Time Sample Taken	<u>12:30pm</u>
Depth (ft.)	<u>3833</u>
Weight <input checked="" type="checkbox"/> (ppg) <input type="checkbox"/> (lb./cu. ft.)	<u>9.0</u>
Mud Gradient (psi/ft.)	<u>.468</u>
Funnel Viscosity (sec./qt.) API at °F	<u>48</u>
Plastic Viscosity cp at / °F	<u>20</u>
Yield Point (lb./100 sq. ft.)	<u>16</u>
Gel Strength (lb./100 sq. ft.) 10 sec./10 min.	<u>12/15 1 1</u>
pH <input checked="" type="checkbox"/> Strip <input type="checkbox"/> Meter	<u>10.5</u>
Filtrate API (ml/30 min.)	<u>10.4</u>
API HP-HT Filtrate (ml/30 min.) °F	<u>---</u>
Cake Thickness 32nd in. API <input checked="" type="checkbox"/> HP-HT <input type="checkbox"/>	<u>X₂</u>
Alkalinity, Mud (Pm)	<u>.7</u>
Alkalinity, Filtrate (Pf / Mf)	<u>.31- 1 1</u>
Salt <input type="checkbox"/> ppm <input type="checkbox"/> Gyp (ppb) Chloride <input type="checkbox"/> ppm <input type="checkbox"/> Gyp	<u>4800</u>
Calcium <input checked="" type="checkbox"/> ppm <input type="checkbox"/> Gyp (ppb)	<u>20</u>
Sand Content (% by Vol.)	<u>Trace</u>
Solids Content (% by Vol.)	<u>4.7</u>
Oil Content (% by Vol.)	<u>---</u>
Water Content (% by Vol.)	<u>95.3</u>
LCM, #/bbl	<u>2*</u>
Methylene Blue Capacity <input type="checkbox"/> (ml/ml mud) <input type="checkbox"/> (equiv. #Bbl. bent.)	<u>---</u>

Mud Used:	
<u>79 Gal</u>	<u>865.05</u>
<u>8 Adrenal</u>	<u>117.60</u>
<u>3 Curative</u>	<u>152.25</u>
<u>3 Lignite</u>	<u>65.85</u>
<u>10 Nails</u>	<u>192.50</u>
<u>1 Drispan</u>	<u>320.00</u>

Daily Cost <u>\$1763.25</u>	Cumulative Cost <u>\$6356.85</u>
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MUD PROPERTIES SPECIFICATIONS		
WEIGHT <u>9.0-9.4</u>	VISCOSITY <u>48-52</u>	FILTRATE <u>10-12cc</u>
BY AUTHORITY: <input type="checkbox"/> OPERATOR'S WRITTEN <input type="checkbox"/> OPERATOR'S REPRESENTATIVE		<input type="checkbox"/> DRILLING CONTRACTOR <input type="checkbox"/> OTHER

- RECOMMENDED TREATMENT**
- Suggest add premix on hand
 - as needed for viscosity or add
 - prior to testing to maintain
 - viscosity @ 48-52 sec/qt
 -
 - Pre-stream water at flowline
 - to control wt 9.0-9.4#/gal

REMARKS:

LCM as needed

Always keep hole full & pipe moving.

Short trip pipe circulate to condition hole prior to testing.

Thank you!



DRILLING MUD REPORT

REPORT NO. 5

DATE	<u>4-7</u>	20	<u>08</u>	DEPTH	<u>4157</u>
APT WELL NO.		STATE	COUNTY	WELL	S/T

OPERATOR <u>Beredco, Inc</u>	CONTRACTOR <u>Beredco Drilling</u>	RIG NO. <u>#10</u>
ADDRESS <u>Co.</u>	ADDRESS <u>Drilling</u>	SPUD DATE <u>4-1-08</u>
REPORT FOR MR. <u>Bryan Bynog (Mud)</u>	REPORT FOR MR. <u>Marvin Julian</u>	SECTION, TOWNSHIP, RANGE <u>23-175-25W</u>
WELL NAME AND NO. <u>Shearers #7</u>	FIELD OR BLOCK NO.	COUNTY AREA <u>Neosho</u>
		STATE <u>K</u>

Drilling Assembly			Casing		Mud Volume (BBL)		Circulation Data		
Bit Size <u>7 7/8</u>	No. Bits	Jet Size	Surface <u>8518 @ 267 Ft.</u>	Hole <u>312</u>	Pits <u>400</u>	Pump Size x in. <u>6X14</u>	Annular Vel (Ft/Min) DP <u>197</u> DC <u>356</u>		
Drill Pipe Size <u>4 1/2</u>	Type <u>XH</u>	Length	Intermediate <u>X</u>	Total Circulating Volume <u>712</u>		Pump Make, Model	Assumed Eff.	Circulation Pressure (PSI) <u>800+</u>	
Drill Collar Size <u>6 1/4</u>	Length	No. Pits	Production or Liner <u>0</u>	Mud Up Depth <u>3400</u>	Bbl/Stroke <u>.139</u>	Stroke/Min. <u>60</u>	Bottoms Up (Min.) <u>39</u>		
Bit RPM	Weight on Bit <u>30000</u>		Mud Type <u>Chemical mud</u>		Bbl/Min. <u>8.0</u>	Gal/Min. <u>336</u>	Total Circ Time (Min.) <u>89</u>		
Last Bit No.	Present Activity <u>Drilling</u>				Elevation <u>2483 GL</u>				

Sample from <input checked="" type="checkbox"/> Flowline () Pit		MUD PROPERTIES	
Flowing Temperature		F	
Time Sample Taken	<u>12:30pm</u>		
Depth (ft.)	<u>4157</u>		
Weight <input checked="" type="checkbox"/> (ppg) <input type="checkbox"/> (lb./cu. ft.)	<u>9.5</u>		
Mud Gradient (psi/ft.)	<u>.484</u>		
Funnel Viscosity (sec./qt.) API at °F	<u>49</u>		
Plastic Viscosity cp at / °F	<u>18</u>		
Yield Point (lb./100 sq. ft.)	<u>14</u>		
Gel Strength (lb./100 sq. ft.) 10 sec./10 min.	<u>11/16</u>	<u>1</u>	<u>1</u>
pH <input checked="" type="checkbox"/> Strip <input type="checkbox"/> Meter	<u>10.0</u>		
Filtrate API (ml./30 min.)	<u>10.2</u>		
API HP-HT Filtrate (ml./30 min.) °F			
Cake Thickness 32nd in. API <input checked="" type="checkbox"/> HP-HT <input type="checkbox"/>	<u>1/32</u>		
Alkalinity, Mud (Pm)	<u>.5</u>		
Alkalinity, Filtrate (Pf / Mf)	<u>.21-</u>	<u>1</u>	<u>1</u>
Salt <input type="checkbox"/> ppm <input type="checkbox"/> Chloride <input type="checkbox"/> ppm	<u>5000</u>		
Calcium <input checked="" type="checkbox"/> ppm <input type="checkbox"/> Gyp (ppb)	<u>40</u>		
Sand Content (% by Vol.)	<u>Trace</u>		
Solids Content (% by Vol.)	<u>6.8</u>		
Oil Content (% by Vol.)	<u>---</u>		
Water Content (% by Vol.)	<u>93.2</u>		
LCM, #/bbl	<u>1#</u>		
Methylene Blue Capacity <input type="checkbox"/> (ml/ml mud) <input type="checkbox"/> (equiv. #/bbl. bent.)	<u>---</u>		

Mud Used:	<u>Gal</u>
	<u>Solacok</u>
	<u>Caustic</u>
	<u>Lignite</u>
	<u>Shells</u>
	<u>Driscopac</u>
Daily Cost	<u>NA</u>
Cumulative Cost	<u>\$6356.85</u>

MUD PROPERTIES SPECIFICATIONS		
WEIGHT <u>9.0-9.4</u>	VISCOSITY <u>48-52</u>	FILTRATE <u>10-12cc</u>
BY AUTHORITY: <input type="checkbox"/> OPERATOR'S WRITTEN <input type="checkbox"/> DRILLING CONTRACTOR		<input type="checkbox"/> OPERATOR'S REPRESENTATIVE <input type="checkbox"/> OTHER

- RECOMMENDED TREATMENT**
- Maintain viscosity @ 48-52 sec/qt
 - while dril. If need viscosity
 - use mud in premix on hand.
 -
 - Run stream of water at flowline
 - to control wt 9.0-9.4 ppgal
 -

REMARKS:

n cm as needed

Always keep hole full? pipe moving.

Short trip pipe, circulate to condition hole prior to coming out.

Watch wt & use premix when necessary prior to testing.

Thank You!

ANDY'S "Mud Doctor"

MUD & CHEMICAL CO.

(785) 625-3531
HAYS, KANSAS 67601



DRILLING MUD REPORT

REPORT NO. 6

DATE	<u>4-8</u>	<u>20</u>	<u>08</u>	DEPTH	<u>4340</u>
APT WELL NO.	STATE	COUNTY	WELL		S/T

OPERATOR <u>Bereco, Inc</u>	CONTRACTOR <u>Bereco Only</u>	RIG NO. <u>#10</u>
ADDRESS <u>Co</u>	ADDRESS <u>Rig</u>	SPUD DATE <u>4-1-08</u>
REPORT FOR MR. <u>Bryan Bynag (Geo)</u>	REPORT FOR MR. <u>Marvin Julian</u>	SECTION, TOWNSHIP, RANGE <u>23-17S-25W</u>
WELL NAME AND NO. <u>Shears #7</u>	FIELD OR BLOCK NO.	COUNTY AREA <u>Neos</u>
		STATE <u>Ks</u>

Drilling Assembly			Casing		Mud Volume (BBL)		Circulation Data		
Bit Size <u>7 7/8</u>	No. Bits	Jet Size	Surface <u>8 7/8 @ 267</u> Ft.	Hole <u>323</u>	Pits <u>400</u>	Pump Size x in. <u>6 x 14</u>	Pump Make, Model	Assumed Eff.	Annular Vel (Ft/Min) DP <u>197</u> DC <u>356</u>
Drill Pipe Size <u>4 1/2</u>	Type <u>XH</u>	Length	Intermediate <u>X</u> Ft.	Total Circulating Volume <u>723</u>		Circulation Pressure (PSI) <u>800+</u>			
Drill Collar Size <u>6 1/4</u>	Length	No. Pits	Production <u>X</u> Ft.	Mud Up Depth <u>3400</u>		Bbl/Stroke <u>.139</u>	Stroke/Min. <u>60</u>	Bottoms Up (Min.) <u>40</u>	
Bit RPM	Weight on Bit <u>30000</u>		Mud Type <u>Chemical mud</u>		Bbl/Min. <u>8.0</u>	Gal/Min. <u>336</u>	Total Circ Time (Min.) <u>90</u>		
Last Bit No.	Present Activity <u>DST #1</u>				Elevation <u>2483</u>	<u>62</u>			

MUD PROPERTIES	
Time Sample Taken	<u>2:30 pm</u>
Depth (ft.)	<u>4340</u>
Weight <input checked="" type="checkbox"/> (ppg) <input type="checkbox"/> (lb./cu. ft.)	<u>9.3+</u>
Mud Gradient (psi/ft.)	<u>.484</u>
Funnel Viscosity (sec./qt.) API at °F	<u>49</u>
Plastic Viscosity cp at / °F	<u>20</u>
Yield Point (lb./100 sq. ft.)	<u>14</u>
Gel Strength (lb./100 sq. ft.) 10 sec./10 min.	<u>12/18</u>
pH <input checked="" type="checkbox"/> Strip <input type="checkbox"/> Meter	<u>10.0</u>
Filtrate API (ml./30 min.)	<u>11.2</u>
API HP-HT Filtrate (ml./30 min.) °F	<u>—</u>
Cake Thickness 32nd in. API <input checked="" type="checkbox"/> HP-HT <input type="checkbox"/>	<u>Y32</u>
Alkalinity, Mud (Pm)	<u>.2</u>
Alkalinity, Filtrate (Pf / Mf)	<u>.11</u>
Salt <input type="checkbox"/> ppm <input type="checkbox"/> Chloride <input type="checkbox"/> ppm	<u>5000</u>
Calcium <input checked="" type="checkbox"/> ppm <input type="checkbox"/> Gyp (ppb)	<u>60</u>
Sand Content (% by Vol.)	<u>Trace</u>
Solids Content (% by Vol.)	<u>6.8</u>
Oil Content (% by Vol.)	<u>—</u>
Water Content (% by Vol.)	<u>93.2</u>
LCM, #/bbl	<u>1 1/2</u>
Methylene Blue Capacity <input type="checkbox"/> (ml/ml mud) <input type="checkbox"/> (equiv. #Bbl. bent.)	<u>—</u>

Mud Used:
Mel
Asphalt
1 Caustic
Lignite
Hell
Drispar

Daily Cost \$50.75 Cumulative Cost \$6407.60

MUD PROPERTIES SPECIFICATIONS		
WEIGHT <u>9.0-9.4</u>	VISCOSITY <u>48-52</u>	FILTRATE <u>10-12cc</u>

BY AUTHORITY: OPERATOR'S WRITTEN DRILLING CONTRACTOR
 OPERATOR'S REPRESENTATIVE OTHER

- RECOMMENDED TREATMENT
- Suggest after DST #1, jet hole in pits
 - & add premix on hand to run fresh
 - mud to system. Maintain
 - viscosity @ 48-52 sec/qt while delg
 - or testing.

REMARKS: Run stream of water at flowline to control wt 9.0-9.4/gal.

LCM as needed

Prior to delg into arborholes, suggest mix 15-20 #/bbl shells for LCM 3-4 #/bbl

Always keep hole full & pipe moving.

Shut trip pipe, circulate to condition hole prior to casing out.



DATE	4-9-2008	DEPTH	4412
APT WELL NO.		STATE	
		COUNTY	
		WELL	
			S/T

OPERATOR Beredco, Inc	CONTRACTOR Beredco Oreg	RIG NO. 410
ADDRESS Co	ADDRESS Rig	SPUD DATE 4-1-08
REPORT FOR MR. Bryan Byrnes (Geo)	REPORT FOR MR. Marvin Julian	SECTION, TOWNSHIP, RANGE 23-17S-25W
WELL NAME AND NO. Shearers #7	FIELD OR BLOCK NO.	COUNTY AREA Dess
		STATE Ks

Drilling Assembly			Casing		Mud Volume (BBL)		Circulation Data		
Bit Size 7 7/8	No. Bits 1	Jet Size	Surface 8 5/8 @ 267 Ft.	Hole 328	Pits 400	Pump Size x in. 16x14	Annular Vel (Ft/Min) DP 197 DC 356		
Drill Pipe Size 4 1/2	Type XH	Length	Intermediate 9	Total Circulating Volume 728		Pump Make, Model Assumed Eff.	Circulation Pressure (PSI) 800+		
Drill Collar Size 6 1/4	Length	No. Pits	Production of Liner 0	Mud Up Depth 3400		Bbl/Stroke .139	Stroke/Min. 60	Bottoms Up (Min.) 41	
Bit RPM	Weight on Bit 33000					Bbl/Min. 8.0	Gal/Min. 336	Total Circ Time (Min.)	
Last Bit No.	Present Activity DST #2	Mud Type Chemical mud				Elevation 2483 GL		91	

MUD PROPERTIES	
Sample from <input checked="" type="checkbox"/> Flowline () Pit	
Flowing Temperature F	
Time Sample Taken	11:55 AM
Depth (ft.)	4412
Weight <input checked="" type="checkbox"/> (ppg) <input type="checkbox"/> (lb./cu. ft.)	9.4
Mud Gradient (psi/ft.)	.489
Funnel Viscosity (sec./qt.) API at °F	51
Plastic Viscosity cp at °F	22
Yield Point (lb./100 sq. ft.)	16
Gel Strength (lb./100 sq. ft.) 10 sec./10 min.	12/15
pH <input checked="" type="checkbox"/> Strip <input type="checkbox"/> Meter	10.0
Filtrate API (ml./30 min.)	8.8
API HP-HT Filtrate (ml/30 min.) °F	—
Cake Thickness 32nd in. API <input checked="" type="checkbox"/> HP-HT <input type="checkbox"/>	1/2
Alkalinity, Mud (Pm)	.8
Alkalinity, Filtrate (Pf / Mf)	.4/—
Salt <input type="checkbox"/> ppm <input type="checkbox"/> Chloride <input type="checkbox"/> ppm <input type="checkbox"/> Gyp (ppb)	4000
Calcium <input checked="" type="checkbox"/> ppm <input type="checkbox"/> Gyp (ppb)	40
Sand Content (% by Vol.)	Trace
Solids Content (% by Vol.)	9.7
Oil Content (% by Vol.)	—
Water Content (% by Vol.)	92.3
LCM, #/bbl	1 1/2*
Methylene Blue Capacity <input type="checkbox"/> (ml/ml mud) <input type="checkbox"/> (equiv. #/bbl. bent.)	—

Mud Used:	Del Schosh Canti Lynite Null Dusque
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Daily Cost	NA	Cumulative Cost	\$6407.60
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MUD PROPERTIES SPECIFICATIONS					
WEIGHT	9.0-9.4	VISCOSITY	48-52	FILTRATE	10-12 cc
BY AUTHORITY: <input type="checkbox"/> OPERATOR'S WRITTEN <input type="checkbox"/> DRILLING CONTRACTOR			<input type="checkbox"/> OPERATOR'S REPRESENTATIVE <input type="checkbox"/> OTHER		

- RECOMMENDED TREATMENT**
- (After DST #2, maintain viscosity @ 50-55 sec/qt for testing or logging)
 -
 - (Control wt 9.0-9.4 w/ gal w/ stream)
 - of water at flowline as needed
 -
 - LCM as needed

REMARKS:

Always keep hole full & pipe moving

Short trip pipe, circulate to condition hole prior to coming out.

Suggest if decide to drill 100ft or more, mix 15-20 gal hells for LCM 3-4 w/ bbl.

*Maintain every 24 hr treatment: Del for viscosity 1 signite

Thank you!



DRILLING MUD REPORT

REPORT NO. **8**

DATE	4-10-2008	DEPTH	4416
APT WELL NO.		STATE	
		COUNTY	
		WELL	
		S/T	

OPERATOR Beredco, Inc	CONTRACTOR Beredco Drly	RIG NO. 410
ADDRESS Co	ADDRESS Rig	SPUD DATE 4-1-08
REPORT FOR MR. Bryan Byrnes (Geo)	REPORT FOR MR. Marvin Julian	SECTION, TOWNSHIP, RANGE 23-17S-25W
WELL NAME AND NO. Shearers #7	FIELD OR BLOCK NO.	COUNTY AREA Neos
		STATE K

Drilling Assembly			Casing		Mud Volume (BBL)		Circulation Data		
Bit Size 7 7/8	No. Bits	Jet Size	Surface 8 7/8 @ 267 Ft.	Hole 328	Pits 400	Pump Size x in. 10 x 14	Pump Make, Model	Assumed Eff.	Annular Vel (Ft/Min) DP 197 DC 356
Drill Pipe Size 4 1/2	Type XH	Length	Intermediate X	Ft.	Total Circulating Volume 728				Circulation Pressure (PSI) 800+
Drill Collar Size 6 1/4	Length	No. Pits	Production X	Liner 0	Ft.	Mud Up Depth 3400	Bbl/Stroke .139	Stroke/Min. 60	Bottoms Up (Min.) 41
Bit RPM	Weight on Bit 30000	Present Activity DST-3	Mud Type Chemical mud			Bbl/Min. 8.0	Gal/Min. 336	Total Circ Time (Min.) 91	
Last Bit No.						Elevation 2483 GL			

Sample from <input checked="" type="checkbox"/> Flowline () Pit		MUD PROPERTIES	
Flowing Temperature	F		
Time Sample Taken	11:30AM		
Depth (ft.)	4416		
Weight <input checked="" type="checkbox"/> (ppg) <input type="checkbox"/> (lb./cu. ft.)	9.35		
Mud Gradient (psi/ft.)	.484		
Funnel Viscosity (sec./qt.) API at °F	48		
Plastic Viscosity cp at °F	15		
Yield Point (lb./100 sq. ft.)	15		
Gel Strength (lb./100 sq. ft.) 10 sec./10 min.	8/12	1	1
pH <input checked="" type="checkbox"/> Strip <input type="checkbox"/> Meter	9.5		
Filtrate API (ml./30 min.)	10.8		
API HP-HT Filtrate (ml./30 min.) °F	—		
Cake Thickness 32nd in. API <input checked="" type="checkbox"/> HP-HT <input type="checkbox"/>	1/32		
Alkalinity, Mud (Pm)	.5		
Alkalinity, Filtrate (Pf / Mf)	.2/—	1	1
Salt <input type="checkbox"/> ppm <input type="checkbox"/> Chloride <input type="checkbox"/> ppm <input type="checkbox"/> Gyp (ppb)	5000		
Calcium <input checked="" type="checkbox"/> ppm <input type="checkbox"/> Gyp (ppb)	40		
Sand Content (% by Vol.)	None		
Solids Content (% by Vol.)	7.0		
Oil Content (% by Vol.)	—		
Water Content (% by Vol.)	93.0		
LCM, #/bbl	1#		
Methylene Blue Capacity <input type="checkbox"/> (ml/ml mud) <input type="checkbox"/> (equiv. #/bbl. bent.)	—		
Reserve Pit - chl content ppm	36000 / 900 bbls		

Mud Used:	
Daily Cost	NA
Cumulative Cost	\$6407.60

MUD PROPERTIES SPECIFICATIONS		
WEIGHT 9.0-9.4	VISCOSITY 48-52	FILTRATE 10-12cc
BY AUTHORITY: <input type="checkbox"/> OPERATOR'S WRITTEN <input type="checkbox"/> OPERATOR'S REPRESENTATIVE		<input type="checkbox"/> DRILLING CONTRACTOR <input type="checkbox"/> OTHER

RECOMMENDED TREATMENT
<input checked="" type="checkbox"/> Suggest in premix w/ pit mud
<input type="checkbox"/> and mix following to raise viscosity to 50-55 sec/qt for logging
<input type="checkbox"/> 20-25 gal 2 count 1/2 drisper
<input type="checkbox"/> 2 sacks 1 lignite @ 100 lbs
<input type="checkbox"/> Roll in premix & add back to system over 1 1/2 hr period.

REMARKS:

LCM as needed

Always keep hole full & pipe moving.

Short trip pipe circulate to condition hole prior to coming out for logging.

Thank You!