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Coronado Oil & Gas Inc.
 Janssen #7 'A'
 SE-NE-SW; Section 2-18s-7w
 Rice County, Kansas
 Page No. 1

KCC**DEC 16 2002****CONFIDENTIAL****4 1/2" Production Casing Set**

Contractor: Duke Drilling Company (Rig #8)

Commenced: October 1, 2002

Completed: October 6, 2002

Elevation: 1702' K.B.; 1700' D.F.; 1694' G. L.

Casing Program: Surface; 8 5/8" @ 233'
 Production: 4 1/2" @ 3288'

Samples: Samples saved and examined 2400' to the Rotary Total Depth.

Drilling Time: One (1) foot drilling time recorded and kept 2400' to the Rotary Total Depth.

Measurements: All depths measured from the Kelly Bushing.

Formation Testing: There were three (3) Drill Stem Tests ran by Trilobite Testing Co.

Electric Log: By Eli Wireline Services.

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<u>Formation</u>	<u>Log Depth</u>	<u>Sub-Sea Datum</u>
Heebner	2601	-899
Toronto	2620	-918
Douglas	2640	-938
Brown Lime	2720	-1018
Lansing	2756	-054
Odessa 'M' Zone	3095	-1393
Base Kansas City	3120	-1418
Marmaton	3126	-1424
Conglomerate Sand	3213	-1511
Conglomerate Chert	3220	-1518
Kinderhook Shale	3228	-1526
Misener Sand	3285	-1583
Rotary Total Depth	3298	-1596
Log Total Depth	3298	-1596

(All tops and zones are corrected to Electric Log measurements.)

SAMPLE ANALYSIS, SHOWS OF OIL, TESTING DATA, ETC.**TOPEKA SECTION**

2511-2524' Limestone; gray and tan, fossiliferous, chalky.

2528-2548' Limestone; as above, oocastic in part, fair to good porosity, no shows.

2556-2564' Limestone; tan and gray, oocastic, fair porosity, no shows.

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TORONTO SECTION

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2628-2639' Limestone; gray, tan, fossiliferous, slightly dolomitic, trace tan, finely crystalline, sucrosic, dolomite, dense.

DOUGLAS SECTION

2654-2686' Sand; gray to grayish green and light gray, very fine grained, sub rounded to sub angular, fair sorting, micaceous in part, calcareous, friable, fair intergranular porosity, no shows.

LANSING SECTION

2756-2766' Limestone; white and cream, fine to medium crystalline, fossiliferous, chalky, no shows.

2770-2783' Limestone; tan and brown, oocastic, good oocastic porosity, (barren).

2810-2818' Limestone; tan, oocastic, fair oocastic porosity, no shows.

2823-2830' Limestone; tan, oolitic, oocastic, scattered porosity, no shows.

2832-2846' Limestone; tan and white, oolitic/fossiliferous, few oocastic, good fossil cast, oocastic type porosity, no shows.

2854-2900' Limestone; tan and brown, oocastic, good oocastic porosity, no shows.

2900-2924' Limestone; as above, chalky, no shows.

2952-2960' Limestone; tan, fossiliferous, chalky, scattered porosity, no shows.

2966-2971' Limestone; gray, finely oocastic, fair oocastic porosity, no shows.

2980-2984' Limestone; gray to tan, fossiliferous, poor visible porosity, trace tan chert.

3000-3010' Limestone; gray and white, oolitic, oocastic, good oocastic porosity, no shows.

3030-3050' Limestone; gray, slightly oolitic, chalky, poor visible porosity.

3070-3086' Limestone; tan and gray, slightly fossiliferous, chalky, no shows.

ODESSA 'M' SECTION

3095-3102' Limestone; gray and tan, fossiliferous, oolitic, fair finely fossil cast to vuggy type porosity, good 100% dark brown stain and saturation to spotty stain, show of free oil and faint odor in fresh samples. Good streaming cut.

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Drill Stem Test #1 3085-3105'

Times: 30-45-60-60
Blow: Weak
**Recovery: 20' slightly oil cut mud
(2% oil, 98% mud)**
**Pressures: ISIP 856 psi
FSIP 455 psi
IFP 30-20 psi
FFP 19-19 psi
HSH 1526-1508 psi**

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3110-3118' Limestone; gray and cream, chalky, no shows.

MARMATON SECTION

3126-3130' Limestone; gray and white, maroon tinted, fossiliferous, chalky, no shows.
3146-3164' Limestone; tan, highly oolitic, dense, trace tan chert.
3173-3180' Limestone; as above, chalky, plus highly fossiliferous, glauconitic, dense limestone, no shows.
3182-3196' Limestone; white, chalky, sandy, poorly developed.

CONGLOMERATE SECTION

3213-3220' Sand; clear to gray, medium grained, quartzitic, sub rounded to sub angular, few rounded chert inclusions, friable, green clay infill in some porosity, fair stain, show of free oil and fair odor when samples broken.
3220-3228' Chert; white and red, oolitic, boney, few weathered, semitripolitic, trace stain, trace of free and faint odor.

Drill Stem Test #2 3201-3240'

Times: 30-45-45-45
Blow: Strong
**Recovery: 490' gas in pipe
40' oil cut mud
(8% gas, 22% oil, 70% mud)
125' mud cut gassy oil
(28% gas, 42% oil, 30% mud)
125' gas cut oily water
(12% gas, 18% oil, 70% water)
120' slightly oil cut water
(3% oil, 97% water)**
**Pressures: ISIP 676 psi
FSIP 646 psi
IFP 71-85 psi
FFP 115-182 psi
HSH 1476-1466 psi**

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MISENER SAND

- 3284-3290' Sand; gray and white, fine to medium grained, sub rounded, few sub angular, fair to good sorting, friable, fair intergranular porosity, fair to good light brown to golden brown stain, show of free oil and faint odor in fresh samples.
- 3290-3298' Sand; as above, few large coarse sand grains, fair stain, show of free oil and faint odor.

Drill Stem Test #3 3286-3298'

Times: 30-45-60-60

Blow: Weak to fair

**Recovery: 20' gas in pipe
6 inches clean oil on top
210' muddy water**

**Pressures: ISIP 1009 psi
FSIP 996 psi
IFP 11-14 psi
FFP 31-48 psi
HSH 1556-1506 psi**

Rotary Total Depth 3298 (-1596)
Log Total Depth 3298 (-1596)


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Recommendations:

On the basis of the favorable Drill Stem Tests and the positive log analysis it was recommended by all parties involved to set and cement 5 1/2" production casing at 3288 (ten foot off bottom) and the following zones be tested in the Janssen #7.

- 1. Misener Sand "open hole" completion methods
- 2. Conglomerate 3215-3219' perforate
- 3. Lansing 'M' Zone 3096-3102' perforate

Respectfully submitted;


 James C. Musgrove
 Petroleum Geologist