G3 Operating, LLC

Huff No. 29-8, Lester Field

Section 29, T1S, R26W
Decatur County, Kansas
July, 2007

Well Summary

The G3 Operating, LLC Huff No. 29-8 was drilled as development well in the Lester Field to a total depth of 3670' in Granite Wash without any major problems. Minor lost circulation and slow returns occurred at 1147', 1210 and 2640' and necessitated running a 2 lbs/bbl LCM mud system.

Formation tops ran 9' and 4' high on the Toronto and Lansing, relative to the Abercrombie, Kelly "C" No. 1 – 40 acres to the SW. The Pallnow Zone and Lansing Lower B came in 5' and 3' high.

Excellent hydrocarbon shows were documented throughout the Lansing. The Lansing A consists of a Limestone - Light to medium brown, biomicrite, microcrystalline, microsucrosic to sucrosic, brittle, clean, very fossiliferous and oolitic with moldic and intergranular porosity, intercrystalline porosity, medium mottle brown to even brown matrix oil staining, abundant live oil, ornangegold hydrocarbon fluorescence, excellent streaming cut. A 40 Unit gas increase occurred on the hotwire. This interval was drillstem tested(3304'-3325') and recovered 300' of water and slightly mud cut water with a trace of oil specs.

The Pollnow Zone consists of a Limestone – Medium to light mottled brown, microsucrosic to sucrosic, clean, subchalky in part, brittle, very fossiliferous, fair intercrustalline porosity, occasional vuggy and moldic porosity, good even brown matrix oil staining and live oil, orangegold hydrocarbon fluorescence, excellent streaming cut, slight odor, with heavy black dead oil stain. A 98 Unit gas kick occurred. Attempts to isolate this zone with DST No. 3(3330'-3341') resulted in a packer failure. DST No. 4(3318'-3341') recoverd 2' of free oil and 238' of slightly mud cut water. This interval also included part of the Lower Lansing A, consequently the water recovery.

The Lansing F(3472'-3482') consists of a Biomircrite, mottled brown, brittle, very fossiliferous with moldic and interparticle porosity, good brown oil staining and traces of live oil when crushed, good fluorescence and cut, slight oil odor. A 110 Unit gas increase occured. This interval tested tight (3458'-3483') and recovered 2' of free oil and 3' of slightly oil cut mud.

The Lansing Lower B(3348'-3354') conists of a Limestone – Light mottled brown to gray, biomicrite, microcrystalline, microsucrosic in part, occasionally very siliceous and tight, trace moldic and intercrystalline porosity, spotty bown oil stain and live oil, dark goldbrown hydrocarbon fluorescence and excellent streaming cut, slight odor. A 25 Unit gas increase was documented. This interval was straddle tested after logs(3335'-3354') and recovered 272' of oil(26 API@70 deg.) and 393' of oil cut mud and with good flowing and excellent shut in pressures(ISI 1102 PSI, FSI 1079 PSI).

4 ½" production casing was run on the G3 Operating, LLC, Huff No. 29-8 on 8/1/07 for Lansing Lower B oil production.

Appreciation to Murfin Rig No. 3 hands for there efficient manor of operation during the drilling of this test.

Respectfully Submitted,

Peter Debenham

WELL DATA

Operator:	G3 Operating, LLC: 475 17th St., Suite 1210, Denver, CO 80202 Geologist Daryl Stewart, Land Jim Glenn
Well:	Huff No. 29-8, Lester Field
Prospect Geologist:	Richad J. Hall – Golden, CO
Location:	1546' FNL & 703' FEL, Sec. 29, T1S, R26W, Decatur Co., Kansas – 13 miles NW of Norcatur
API No.:	039-20994-00
Elevation:	Ground Level 2531', Kelly Bushing 2536'
Contractor:	Murfin Drilling Rig No. 3, Toolpusher Keith VanPelt, Drillers: Charlie VanPelt, Roy VanPelt, Dwaine Dickinson, Klint Farr, Type: Double stand, double jacknife
Spud Date:	7/25/07
Total Depth:	7/31/07, Driller 3670', Logger 3670', Granite Wash
Casing Program:	5 joints of 8 5/8" set at 210' & cemented with 160 sack Common(3%cc, 2% gel). 4 ½" production casing
Mud Program:	Morgan Mud, Dave Lines – McCook, NE, Type: Chemical Gel/LCM mud up 2950'.
Wellsite Consultant:	Peter Debenham, Petrolific Consulting Services. P. O. Box 350, Drake, CO, 80515, 720/220-4860. petrolific@gmail.com.
Drillstem Testing:	Trilobite Testing, Engineer Shane McBride, DST No. 1(3266'-3325') – M.R., DST No. 2(3304'-3325'), DST No. 3(3330'-3341') – M.R., DST No. 4 (3318'-3341'), DST No. 5(3458'-3483'), DST No. 6(3335'-3354').
Samples:	20' to 3000', 10' to TD. One set dry cut saved.
Electric Logs:	Log-Tech, engineer Jason Wellbrock – 1) CNL/CDL, 2) MEL/BHCS
Status:	4 ½" production casing run 8/1/07 for Lansing Lower B.

WELL CHRONOLOGY

DATE	6AM DEPTH	FOOTAGE	RIG ACTIVITY
7/25	210'	210'	Load out rig and move to location and rig up rotary tools. Mix spud mud. Drill rathole and mousehole. Spud in 12 ¼" surface hole and drill to 210' and circulate. Drop survey(.21 deg.) and trip. Run 5 joints of 8 5/8" set to 210' and cement(3% cc, 2% gel). Wait on cement.
7/26	1800'	1590'	Wait on cement. Nipple up. Drill plug and cement. Set in sample box. Drill to 1800'. Lost circulation at 1147' and 1210'. Mix mud and LCM.
7/27	2870'	1070'	Run survey(1/4 deg.). Jet pits and replace Totco line. Slow returns at 2640' – mix mud and LCM.
7/28	3325'	455'	Displaced mud system at 2950'. Drill to 3325' and circulate for samples. Short trip 28 stands and circulate. Drop survey(1/4 deg.) and strap out(no depth correction) for DST No.1(3266'-3325'), Lansing A – misrun, packer failure. Trip out and dump fluid, remake tool and trip in for DST No.2(3304'-3325').
7/29	3341'	16'	Run test and trip out and break down tool. Trip in, circulate hole clean and drill to 3341' and circulate. Trip for DST No.3(3330'-3341'), Pollnow Zone – misrun. Trip out, dump mud, remake up tool and trip in and run DST No.4(3318'-3341'). Trip out, break down tool and trip in.
7/30	3525'	184'	Trip in and circulate and drill to 3483'. Circulate for samples at 3362', 3393' and 3483'. Trip for DST No.5(3458'-3483'), Lansing F and run test. Trip tool, trip in and drill to 3525' and circulate for samples.
7/31	3670'TD	145'	Drill to 3670'TD and circulate. Short trip 10 stands and circulate. Trip for logs and run elogs. Make up test tool for DST No.6(3335'-3354'), Pollnow Zone & Lansing Lower B and Run test.
8/1	TD		Pull and load out tool. Trip in and circulate. Trip out laying down and run and cement 4 ½" production casing. Rig down.

MUD PROPERTIES

DATE	DEPTH	WT	VIS	PV	YP	pH	WL	CL	LCM %
7/26	1475'	water							
7/27	2500'	water							
7/28	3135'	8.7	50	16	16	11.5	7.2	600	2
7/29	3325'	8.8	50	15	16	11.5	6.8	700	1.5
7/30	3421'	9.1	52	17	18	11.0	6.4	1100	2
7/31	3670'	9.1	69	22	24	11.0	6.4	1500	3

BIT RECORD

NO.	MAKE	TYPE	SIZE	OUT	FOOTAGE	HOURS
1	HTC	RR	12 ¼"	210	210	1 3/4
2	SM	FHI20	7 7/8"	3670'	3460'	67 3/4
				Total Rotating Hours:		69 1/2
				Average:		52.8 Ft/hr

DIRECTIONAL SURVEYS – degrees

210' .32, 1022' 1.21, 1609' .98, 2038' .24, 3329' .36, 3670' 1.34

DRILLSTEM TESTING

DST NO.1: (3266'-3325'), Toronto, Lansing A
Type: Conventional Bottom Hole Test, Misrun – packer failure

DST NO.2: (3304'-3325'), Toronto, Lansing A
Type: Conventional Bottom Hole Test Times: 10-30-90-180

PERIOD	TIME	PSI
IH		1581
IF	10	16 - 36
ISI	30	906
FF	90	39 - 157
FSI	180	902
FH		1544

BHT: 96 deg. F.
BLOWS: IF – ¼" and built to 1 ¾" at end of period. FF – Built to 7". ISI & FSI – no blowback.
RECOVERY: 60' water cut mud with oil specs on top(30% water) and 240' of slightly mud cut water (90% water) – Rw .21 Ohms at 67 deg. F – 37,500 ppm CL.

DST NO.3: (3330'-3341'), Pollnow Zone
Type: Conventional Bottom Hole Test, Misrun – packer failure

DST NO.4: (3318'-3341'), Pollnow Zone
Type: Conventional Bottom Hole Test Times: 10-45-90-180

PERIOD	TIME	PSI
IH		1579
IF	10	17 - 29
ISI	45	899
FF	90	32 - 108
FSI	180	891
FH		1539

BHT: 95 deg. F.
BLOWS: IF - Weak surface blow. FF – built to 1 ¼". ISI & FSI – no blowback.
RECOVERY: 2' free oil and 338' of slightly mud cut water(5% mud) – Rw .073 Ohms at 77 deg. F – 100,000 ppm CL.

DST NO.5: (3458'-3483'), Lansing F
Type: Conventional Bottom Hole Test Times: 5-45-45-120

PERIOD	TIME	PSI
IH		1736
IF	5	18 - 14
ISI	45	129
FF	45	15 - 21
FSI	120	135
FH		1670

BHT: 97 deg. F.
BLOWS: Weak surface.
RECOVERY: 2' oil, 3' slightly oil cut mud.

DST NO.6: (3335'-3354'), Pollnow Zone, Lansing Lower B
Type: Straddle after logs Times: 5-45-90-210

PERIOD	TIME	PSI
IH		1699
IF	5	45 - 75
ISI	45	1102
FF	90	91 - 268
FSI	210	1079
FH		1625

BHT: 97 deg. F.
BLOWS: IF – Steadily increased to 4 ½". FF – Steadily increased to bottom of bucket in 40 minutes. Shut ins – no blowback.
RECOVERY: 665' total fluid, 272' of oil, trace gas, 213' oil cut mud(30% oil), 180' slightly oil cut mud(10% oil), Gravity oil 26 API @ 70 deg. F.

ELECTRIC LOG FORMATION TOPS – KB ELEVATION 2536'

FORMATION	DEPTH	DATUM	STRUCTUAL CONSIDERATION *DATUM	POSITION
Casing	209'			
Stone Corral	1984'	+552'		
Heebner	3267'	-731'	-729'	-2'
Toronto	3300'	-764'	-773'	+9'
Lansing	3310'	-774'	-778'	+4'
Pallnow Zone	3334'	-798'	-803'	+5'
Lansing B	3347'	-811'	-814'	+3'
C	3384'	-848'	-851'	+3'
D	3412'	-876'	-880'	+4'
E	3456'	-920'	-917'	-3'
F	3472'	-936'	-941'	+5'
G	3502'	-966		
Base KC	3513'	-977'		
Marmaton	3557'	-1021'		
Granite Wash	3616'	-1080'		
TD	3670'	-1134'		

*Abercrombie, Kelly "C" No. 1, SE SW NE, Section 29 – 40 acres to the SW, KB Elev. 2545'

SAMPLE DESCRIPTIONS

Corrected E-log Formation Tops

* - Hydrocarbon Show
Samples are lagged

3000-3034 SHALE: Med gray gygn redbrn to brown occasional black firm blocky earthy calcareous interbed with LIMESTONE: Med to light mottled brown gray tan to buff mottled yellow micr fine crystalline sbchky in part clean to argillaceous marly in part fossils pyrite tight no show

3034-3070 LIMESTONE: Lt brown buff light to medium gray to brown micr crpxln hard dense argillaceous to marly fossils tight no show interbed with SHALE: Red to orange brown gray gygn tan blocky firm calcareous

3070-3104 LIMESTONE: Lt bn buff tan white firm to soft brittle clean sbchky fossils with moldic porosity predominant tight no fluorescence no stain or cut interbed with shale: as above

3104-3120 LIMESTONE: Lt to medium brown redbrn mottled micr fine crystalline hard dense clean to artg fossils tight no show with SHALE

3120-3140 LIMESTONE: Lt brown buff white firm brittle sbchky clean fossils oolites moldic porosity trace intxln porosity no show

3140-3156 SHALE: Red to orngbrn blocky earthy trace marly LIMESTONE: tight no show

3156-3192 LIMESTONE: Wh light brown buff micxln micsuc hard dense clean sbchky in part tight no show

3194-3200SHALE: Redbrn occasional black to dark brown firm sbfis to blocky with LIMESTONE: as above

3200-3220 SHALE: Redbrn to orngbrn gray gygn medium gray earthy blocky sndy with LIMESTONE: Mot brown biomicr fine crystalline sbchky argillaceous fossils trace crystalline and moldic porosity no show

3220-3250 SHALE: Redbrn to orngbrn gray gygn medium gray earthy blocky sndy with LIMESTONE: Mot brown biomicr fine crystalline sbchky argillaceous fossils trace crystalline and moldic porosity no show

3250-3268 LIMESTONE: Lt brown buff white micxln micsuc brittle clean sbchky pyrite fossils with trace moldic porosity trace intxln porosity no fluorescence no stain or cut

Heebner 3267
3268-3276 Tr SHALE: Blk dark brown gygn LIMESTONE: Mot brown to gray crpxln hard dense tight no show

3276-3300 SHALE: Red to orngbrn to brown gray earthy firm blocky trace marly LIMESTONE: Red to orngbrn mottled brown to gray crpxln hard dense tight no show

Toronto 3300'

3300-3316 LIMESTONE: Lt to medium brown biomicr micxln micsuc to sucrosic in part brittle clean very fossils and oolites with moldic porosity intgran and occasional intxln porosity trace vug porosity medium mottled brown oil stain occasional eveb brown matrix oil stain abt live oil dull mottled ornggold hydrocarbon fluorescence(10% sample) exc strmg cut slightly odor gd show with interbed SHALE LIMESTONE: Lt brown buff occasional red and mottled yellow crpxln hard dense trace oomoldic porosity with trace live oil and stain

Lansing 3310'
3316-3333 LIMESTONE: Lt brown tan buff fine crystalline dense sbchky in part clean fossils tight/fossils well/ moldic porosity no show with SHALE: Red/orngbrn gray gygn blocky firm earthy

Pallnow Zone 3334'
3333-3340 LIMESTONE: Med to light mottled brown biomicr micxln micsuc/sucrosic clean sbchky in part brittle fossils fair intxln porosity occasional vug and moldic porosity gd even brown matrix oil stain and trace live oil ornggold hydrocarbon fluorescence exc strmg cut slightly odor trace heavy black dead oil stain

Lansing B 3347'
3340-3366 Abt CHRT: Blk dark mlky brown hard crystalline LIMESTONE: Lt mottled brown gray biomicr crp/micxln hard dense silica occasional trace moldic and intxln porosity predominant silica and tight spotty brown oil stain and live oil dark brngold hydrocarbon fluorescence exc strmg cut interbed with SHALE: Redbrn gray gygn earthy blocky

3366-3376 SHALE: Redbrn earthy blocky

3376-3384 LIMESTONE: Wh tan micr crpxln hard dense sbchky in part clean oolites and fossils trace moldic porosity spotty live oil show

Lansing C 3384'
3384-3402 LIMESTONE: Wh light brown tan biomicr fine crystalline very oolites well/intpart porosity trace intxln porosity mottled brown oil stain and live oil dull hydrocarbon fluorescence exc strmg cut with LIMESTONE: Gy brown tan crpxln hard dense silica clean tight no show trace Chrt

3402-3414 SHALE: medium/dark gray gygn hard dense silica

Lansing D 3412'
3414-3436 LIMESTONE: Lt brown tan light gray gygn crpxln hard silica clean/argillaceous fossils trace moldic porosity with spotty oil show exc cut predominant very tight and silica trace CHRT: Mlky gray dh crystalline

3436-3454 SHALE: Med brown to redbrn hard calcareous fossils in part abt unconsl fossils(oolites crinoid foram)

Lansing E 3456'
3454-3468 LIMESTONE: Lt mottled brown gray gygn tan crp/micxln sbchky in part predominant very silica and tight tight/occasional trace spotty oil show with pinpoint porosity CHRT with SHALE: Red/orngbrn gray gygn firm blocky earthy

Lansing F 3472'
3468-3482 LIMESTONE: Lt/m mottled brown biomicr very brittle in part clean very fossils well/moldic and intpart porosity predominant crpxln and tight oc trace intxln porosity brown oil stain

and live oil goldbrn hydrocarbon fluorescence gd strmg cut slightly odor with LIMESTONE: Med brown crpxln hard dense silica tight no show

3482-3496 LIMESTONE: Wh tan buff crpxln hard dense clean tight no show

3496-3502 SHALE: Med redbrn to brown gygn firm earthy blocky

Lansing G 3502'
3502-3512 LIMESTONE: Wh light brown to tan mottled redbrn micr fine crystalline dense argillaceous fossils tight no show

Base KC 3513'
3512-3530 SHALE: Mot redbrn medium brown earthy blocky interbed with LIMESTONE: Lt to medium brown mottled redbrn gray micr fine crystalline hard dense argillaceous to marly in part fossils tight no show

3530-3556 SHALE: Med to bright red to orngbrn firm blocky earthy sndy

3556-3564 LIMESTONE: Med to light brown micr micro/crpxln hard dense sndy tight no fluorescence no stain or cut

Marmaton 3557'
3564-3588 SHALE: Dk redbrn to brown firm blocky earthy occasional interbed with LIMESTONE: Lt brown to gray buff gygn fine crystalline hard dense sndy clean to argillaceous tight no show

3588-3600 LIMESTONE: Lt brown to gray buff gygn fine crystalline hard dense sndy clean to argillaceous tight no show interbed with SHALE: as above

3600-3616 SHALE: Red to orngbrn to brown very soft earthy blocky waxy to sndy

Granite Wash 3616'
3616-3632 Granite Wash: Bri mottled orange to red clear white speck black pink varic fldspr quartz biotite horn mafic minls occasional trace black residue oil stain(gilsonite) slow weak cut no fluorescence with SHALE: Bri mottled red to orange varic blocky waxy

3632-3670 Granit Wash: Bri mottled orange to red clear white speck black pink varic fldspr quartz biotite horn mafic minls with SHALE: Bri mottled red to orange varic blocky waxy