

Geological Report

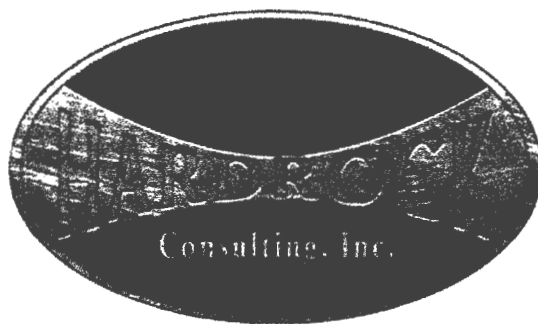
DK Operating, Inc.

Dink #2

2570' FSL & 335' FEL

Sec. 17 T21s R22w

Hodgeman County, Kansas



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DK Operating, Inc.

014812-580-51

M22-12-L1

General Data

Well Data:	DK Operating, Inc. Dink #2 2570' FSL & 335' FEL Sec. 17 T21s R22w Hodgeman County, Kansas API # 15-083-21840-0000
Drilling Contractor:	Pickrell Drilling Co. Inc. Rig #1
Geologist:	Jason T Alm
Spud Date:	September 6, 2012
Completion Date:	September 15, 2012
Elevation:	2275' Ground Level 2285' Kelly Bushing
Directions:	Hanston KS, 6 Mi. North on NE 228 Rd. to V Rd. 2 mi. West to NE 226 Rd. ½ mi. North, West into location.
Casing:	223' 8 5/8" surface casing 4396' 5 1/2" production casing
Samples:	10' wet and dry, 4000' to RTD
Drilling Time:	3600' to RTD
Electric Logs:	None
Drillstem Tests:	Two, Trilobite Testing, Inc. "Dustin Rash"
Problems:	None
Remarks:	Bar was dropped on fluid for DST #2, circulated into reserve pit.

Formation Tops

	DK Operating, Inc.
	Dink #2
	Sec. 17 T21s R22w
Formation	2570' FSL & 335' FEL
Anhydrite	1450', +835
Base	1475', +810
Heebner	3749', -1464
Lansing	3801', -1516
Stark	4043', -1758
BKc	4146', -1861
Pawnee	4234', -1949
Fort Scott	4306', -2021
Cherokee	4331', -2046
Mississippian	4378', -2093
Osage	4390', -2105
RTD	4397', -2112

Sample Zone Descriptions

Fort Scott	(4306', -2021): Covered in DST #1 Ls – Fine crystalline with poor to fair inter-crystalline porosity, light spotted oil stain in porosity, slight show of free oil when broken, light odor, 20 units hotwire.
Miss. Osage	(4390', -2105): Covered in DST #2 Δ – Dolo – Fine sucrosic crystalline with good inter-crystalline and vuggy porosity, very heavy triptolic chert with good scattered vuggy porosity, light to heavy oil stain in porosity, good show of free oil, good odor, bright yellow fluorescents, 45 units hotwire.

Drill Stem Tests
Trilobite Testing Inc.
"Dustin Rash"

DST #1

Fort Scott

Interval (4290' – 4345') Anchor Length 55'

IHP	– 2106 #	
IFP	– 30" – Built to 5 in.	40-33 #
ISI	– 30" – Dead	186 #
FFP	– 30" – B.O.B. 27 min.	39-45 #
FSI	– 45" – Dead	374 #
FHP	– 2101 #	
BHT	– 119°F	

Recovery:	268' GIP	
	10' GOCM	10% Oil
	30' OCM	5% Oil

DST #2

Mississippian Osage

Interval (4391' – 4397') Anchor Length 6'

IHP	– 2158 #	
IFP	– 5" – B.O.B. 30 sec.	251-422 #
ISI	– 30" – Built to 6 in.	1372 #
FFP	– 5" – B.O.B. 30 sec.	471-617 #
FSI	– 30" – Built to 3 in.	1365 #
FHP	– 2071 #	
BHT	– 130°F	

Recovery:	126' GIP	
	1143' GCO	Gravity 38° API
	180' GWCMO	60% Oil, 15% Water

Structural Comparison

	DK Operating, Inc. Dink #2 Sec. 17 T21s R22w 2570' FSL & 335' FEL	Pickrell Drilling, Inc. Antrim A #3 Sec. 17 T21s R22w C SE NE		DK Operating, Inc. Antrim Unit #1-17 Sec. 17 T21s R22w 70' FNL & 450' FEL	
Formation					
Anhydrite	1450', +835	1455', +840	(-5)	1432', +850	(-15)
Base	1475', +810	NA	NA	NA	NA
Heebner	3749', -1464	3750', -1455	(-9)	3708', -1426	(-38)
Lansing	3801', -1516	3801', -1506	(-10)	3758', -1476	(-40)
Stark	4043', -1758	NA	NA	4008', -1726	(-32)
BKc	4146', -1861	NA	NA	4108', -1826	(-35)
Pawnee	4234', -1949	NA	NA	4190', -1908	(-41)
Fort Scott	4306', -2021	4316', -2021	FL	4262', -1980	(-41)
Cherokee	4331', -2046	NA	NA	4284', -2002	(-44)
Mississippian	4378', -2093	4391', -2096	(+3)	4332', -2050	(-43)
Osage	4390', -2105	NA	NA	NA	NA

Summary

The location for the Dink #2 well was found via 3-D seismic survey. The new well ran slightly lower than expected via the survey. Two drill stem tests were conducted one of which recovered commercial amounts of oil from the Mississippian Osage Formation. After all gathered data had been examined the decision was made to run 5 1/2 inch production casing to further evaluate the Dink #2 well.

Recommended Perforations

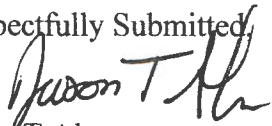
Primary:

Mississippian Osage	(4390' – 4395')	DST #2
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Before Abandonment:

Fort Scott	(4323' – 4329')	DST #1
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Respectfully Submitted,



Jason T Alm
Hard Rock Consulting, Inc.