

REPORT COPY

Geological Report

for



RUSSELL OIL, INC.

No. 1 Rice Trust "C"
500' FNL & 1150' FWL
Section 17-8S-22W
Graham County, Kansas

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Todd E. Morgenstern
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Sunflower Bank Building
P.O. Box 251
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17-8-22W

OPERATOR: Russell Oil, Inc.

WELL: No. 1 Rice Trust "C"
API # 15-065-22964-00-00

LOCATION: 500' from the North Line
1150' from the West Line
Section 17-8S-22W
Graham County, Kansas

FIELD: W.C.

CONTRACTOR: Shields Drilling Inc.

DRILLING COMMENCED: 3-11-2004

DRILLING COMPLETED: 3-20-2004

DRILLING TIME: One (1) foot drilling time was recorded
from 3000' to 3620' RTD.

SAMPLES: Samples were saved and examined from
3000' to 3620' RTD.

ELEVATIONS: 2098' Ground Level 2103' Kelly Bushing

MEASUREMENTS: All depths are measured from **2103' K.B.**

CASING RECORD: 8 5/8" Surface Casing set @ 217' with 175 sxs. 60/40 poz
5 1/2" Production Casing @ 3715' with sxs. ASC

FORMATION TESTING: Four (4) Tests were run by Trilobite Testing Inc.
Dan Bangle, Tester

MUD: Mud-Co. (Chemical Mud)

OPEN HOLE LOGS: Log-Tech Inc. (CNL, CDL, DIL, MEL, Sonic)
Dale Legleiter, (Engineer)

PRODUCTION: Oil (Lansing-Kansas City)

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FORMATION TOPS:

FORMATION	SAMPLE	LOG	DATUM
ANHYDRITE	1733'	1733'	+ 370'
BASE ANHYDRITE	1766'	1864'	+ 339'
TOPEKA	3107'	3104'	-1001'
HEEBNER SHALE	3321'	3318'	-1215'
TORONTO	3344'	3341'	-1238'
LANSING	3459'	3456'	-1253'
BASE KANSAS CITY	3568'	3563'	-1460'
LOG TOTAL DEPTH	xxxx'	3618'	-1515'
LOG TOTAL DEPTH	3620'	xxxx'	-1517'

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SAMPLE DESCRIPTIONS AND TEST DATA:

TOPEKA:

3268-3274 Limestone, gray, finely crystalline, fossiliferous, with good visible porosity, no shows of oil were noted.

TORONTO:

3341-3350 Limestone, white and buff, finely crystalline, dense, slightly chalky, with poor visible porosity, minor white chert, no shows of oil were noted.

LANSING:

3356-3362 Limestone, white and tan, finely crystalline, oolitic and slightly fossiliferous, trace of fair interoolitic porosity, slight spotted staining, very slight show of oil on break, no odor.

3390-3398

Limestone, tan and buff, very finely crystalline, dense, slightly vugular, with trace of staining, no show of free oil, no odor.

3404-3411

Chert, mostly tan and varied colored, no shows of oil, no odor.

3424-3430

Limestone, white, oolitic and slightly fossiliferous, with fair to good visible interoolitic porosity, fair show of free oil, good staining and saturation, light odor. (Covered by D.S.T. No. 1 and D.S.T. No. 2 – Straddle Test)

3434-3439

Limestone, white and tan, finely crystalline, oolitic and fossiliferous, slightly chalky, with fair to good visible interoolitic and pinpoint porosity, slightly vugular, fair to good show of free oil on break, dark staining and saturation, some oil appearing dead, light odor. Covered by D.S.T. No. 2)

FORMATION TEST NO. 1

Lansing-K.C. (70-90')
 Tested from 3423'-3442'

<i>Strong building to B.O.B. in 5 min</i>	30 min.	I.H.P.	1683#
<i>No blow-back</i>	45 min.	I.F.P.	115# -404#
<i>Strong building to B.O.B. in 5 min</i>	30 min.	<u>I.S.I.P.</u>	<u>965#</u>
<i>No blow-back</i>	45 min.	F.F.P.	425# -574#
		<u>F.S.I.P.</u>	<u>941#</u>
		F.H.P.	1627#

RECOVERY: 50' Clean Oil
 620' Slightly Oil and Gas Cut Muddy Water
 495' Water
 1165' Total Liquid Recovery

TEMPERATURE: 110*

CHLORIDES: 78,000 ppm (Recovery) 1,000 ppm (System)

FORMATION TEST NO. 2 (Straddle Test)

Lansing-K.C. (70' - 90')
 Tested from 3418'-3432'

<i>Weak building to 6" inches</i>	45 min.	I.H.P.	1721#
<i>Weak surface blow back</i>	45 min.	I.F.P.	16# -37#
<i>Weak building to 4" inches</i>	60 min.	<u>I.S.I.P.</u>	<u>1008#</u>
<i>Weak surface blow back</i>	60 min.	F.F.P.	42# 68#
		<u>F.S.I.P.</u>	<u>1016#</u>
		F.H.P.	1691#

RECOVERY: 170' Gas in Pipe
 130' Clean Oil
 130' Total Liquid Recovery

TEMPERATURE: 106*

CHLORIDES: N/A ppm (Recovery) 1,000 ppm (System)

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3489-3494 Limestone, tan and gray, finely crystalline, slightly oolitic and fossiliferous, with trace of slightly interoolitic and pinpoint porosity, chalky, slight spotted staining, very slight show of oil on break, no odor.

3511-3518 Limestone, tan and buff, fine to medium crystalline, fossiliferous and oolitic, with poor to fair visible intercrystalline and slight pinpoint porosity, fair spotted staining and saturation, show of free oil on break, no odor.
 (Covered by D.S.T. No. 3)

FORMATION TEST NO. 3			
Lansing-K.C. (160')			
Tested from 3502'-3523'			
<i>Weak building to 1/2" inch</i>	30 min.	I.H.P.	1753#
<i>No blow back</i>	30 min.	I.F.P.	18# -29#
<i>Weak building to 3" inches</i>	90 min.	I.S.I.P.	710#
<i>No blow back</i>	60 min.	F.F.P.	28# 46#
		F.S.I.P.	1232#
		F.H.P.	1714#
RECOVERY:	169' Gas in Pipe		
	75' Clean Oil		
	75' Total Liquid Recovery		
TEMPERATURE:	106*		
CHLORIDES:	N/A ppm (Recovery) 1,200 ppm (System)		

3522-3529 Limestone, white, oolitic and fossiliferous, with good visible oolitic and interfossiliferous porosity, good staining and saturation, show of free oil, light odor. (Covered by D.S.T, No. 4)

FORMATION TEST NO. 4			
Lansing-K.C. (180')			
Tested from 3521'-3534'			
<i>Strong B.O.B. in 45 sec.</i>	45 min.	I.H.P.	1736#
<i>No blow back</i>	60 min.	I.F.P.	367# -960#
<i>Strong B.O.B. in 3 min.</i>	30 min.	I.S.I.P.	1263#
<i>No blow back</i>	60 min.	F.F.P.	980# -1139#
		F.S.I.P.	1263#
		F.H.P.	1697#
RECOVERY:	2620' Water		
TEMPERATURE:	112*		
CHLORIDES:	68,000 ppm (Recovery) 1,500 ppm (System)		

3442-3448 Limestone, white, dense to finely crystalline, oolitic, chalky, fair visible porosity, spotted dark staining, very slight show of oil on break, no odor.

STRUCTURAL COMPARISON:

	Russell Oil No. 2 Rice Trust "C" 1680' FSL & 1770' FEL Sec. 19-8S-22W OIL	Russell Oil No. 1 Quint "G" 2140' FSL 7 330' FEL Sec. 18-8S-22W Oil
ANHYDRITE	+ 370'	+ 371'
BASE ANHYDRITE	+ 339'	+ 339'
TOPEKA	-1001'	-1002'
HEEBNER SHALE	-1215'	-1217'
TORONTO	-1238'	-1241'
LANSING	-1253'	-1259'
BASE KANSAS CITY	-1460'	-1464'

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SUMMARY:

The No. 1 Rice Trust 'C' was under geological supervision from 3100' to 3620' RTD. With the results of D.S.T. No's 2 and 3, and after reviewing the open hole logs, it was decided to run 5 ½" casing and further evaluate this well through perforations.

Recommended Perforations

Lansing- K.C. 3511'-3514'
3424'-3427'

Respectfully submitted,



Todd E. Morgenstern

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