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GEOLOGICAL REPORT



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JUN 04 2004
KCC WICHITA

RUSSELL OIL, INC.

No. 1 WHITE TRUST
2310' FNL & 2310' FEL
Section 20-8S-22W
Graham County, Kansas

Todd E. Morgenstern
Petroleum Geologist
Sunflower Bank Building
P.O. Box 251
Ellinwood, Kansas 67526

OPERATOR: Russell Oil, Inc.

WELL: No. 1 White Trust
API # 15-065-22,949-00-00

LOCATION: 2310' from the North Line
2310' from the East Line
Section 20-8S-22W
Graham County, Kansas

FIELD: Highland North Field

CONTRACTOR: Shields Drilling Inc.

DRILLING COMMENCED: 1-30-2004

DRILLING COMPLETED: 2-06-2004

DRILLING TIME: One (1) foot drilling time was recorded
from 3050' to 3700' RTD.

SAMPLES: Samples were saved and examined from 3050'
to 3700' RTD.

ELEVATIONS: 2184' Ground Level 2189' Kelly Bushing

MEASUREMENTS: All depths are measured from 2189' K.B.

CASING RECORD: 8 5/8" Surface Casing set @ 206' with 160 sxs. common
5 1/2" Production Casing @ 3686' with 25 sxs. 60/40 poz and
85 sxs. AA2 cement
Port Collar @ 1834'

FORMATION TESTING: Two (2) tests were run by Trilobite Testing Inc.
Jason McLemore, Tester

MUD: Mud-Co. (Chemical Mud)

OPEN HOLE LOGS: Log-Tech Inc. (CNL/CDL, DIL, & Sonic)

PRODUCTION: Oil (Lansing-Kansas City 50' Zone)

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FORMATION TOPS:

FORMATION	SAMPLE	LOG	DATUM
ANHYDRITE	1789'	1788'	+ 401'
BASE ANHYDRITE	1823'	1822'	+ 367'
TOPEKA	3185'	3188'	- 999'
HEEBNER SHALE	3403'	3404'	-1215'
TORONTO	3426'	3427'	-1238'
LANSING	3441'	3443'	-1254'
STARK SHALE	3616'	3617'	-1428'
BASE KANSAS CITY	3572'	3654'	-1465'
LOG TOTAL DEPTH	3700'	*****	-1511'
ROTARY TOTAL DEPTH	*****	3702'	-1513'

SAMPLE DESCRIPTIONS AND TEST DATA:

TOPEKA:

3222-3227 Limestone, tan and buff, dense, finely crystalline, no shows of oil were noted.

3360-3365 Limestone, gray and tan, dense, very finely crystalline, slightly fossiliferous, poor visible interfossiliferous porosity, slightly chalky, no shows of oil were noted.

TORONTO:

3427-3436 Limestone, white and cream, finely crystalline, mostly dense, slightly oolitic and fossiliferous, poor intercrystalline porosity, slightly chalky, white chert, no shows of oil were noted.

LANSING:

3444-3452 Limestone, white and tan, dense to finely crystalline, slightly fossiliferous, poor visible intercrystalline porosity, minor white chert, no shows of oil were noted.

3473-3478 Limestone, tan and cream, finely crystalline, slightly chalky, poor visible intercrystalline porosity, trace of scattered staining, very slight show of free oil on break, no odor.

3488-3494 Limestone, tan and buff, finely crystalline, slightly oolitic and fossiliferous, scattered interoolitic porosity, slightly chalky, abundant white chert, slight show of free oil on break, no odor. (Covered by D.S.T. No. 2, Straddle Test)

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FORMATION TEST NO. 2

Lansing-K.C. (50') Straddle Test
Tested from 3481'-3499'

Blow building to B.O.B. in 38 min.	45 min.	I.H.P.	1789#
1/8" blow-back	45 min.	I.F.P.	18# -102#
Blow building to 8 1/2"	45 min.	I.S.I.P.	1084#
Weak surface blow-back	60 min.	F.F.P.	108# -144#
		F.S.I.P.	1075#
		F.H.P.	1751#

(SEE PRESSURE CHARTS AT END OF REPORT)

RECOVERY: 85' Gas in Pipe
45' Clean Oil
60' Oil Cut Muddy Water
180' Muddy Water
285' Total Liquid Recovery

TEMPERATURE: 107*

CHLORIDES: 30,000 ppm (Recovery) 2,000 ppm (System)

- 3502-3511 Limestone, cream and tan, finely crystalline, oolitic, slightly chalky, scattered interoolitic and interparticle porosity, fair staining, slight show of free oil on break, no odor.
- 3514-3522 Limestone, white and tan, finely crystalline, chalky, slightly oolitic and fossiliferous, poor to fair visible porosity, very slight show of oil on break, no odor.
- 3571-3580 Limestone, white and tan, finely crystalline, oolitic, trace of interoolitic porosity, scattered staining, very slight show of oil on break, no odor.
- 3592-3598 Limestone, tan and white, very dense, slightly cherty with poor porosity, trace of dead dark staining, slightly chalky, no show of free oil, no odor. (Covered by D.S.T. No. 1)
- 3608-3615 Limestone, white and tan, mostly dense to finely crystalline, slightly oolitic, poor visible porosity, trace of light staining, chalky in part, no show of free oil, no odor. (Covered by D.S.T. No. 1)

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FORMATION TEST NO. 1

Lansing-K.C ("I" & "J")
Tested from 3578'-3615'

<i>Weak surface blow, died in 15 min.</i>	30 min.	I.H.P.	1831#
<i>No blow-back</i>	30 min.	I.F.P.	11# -12#
<i>No blow</i>	30 min.	<u>I.S.I.P.</u>	<u>18#</u>
<i>No blow-back</i>	30 min.	F.F.P.	12# -13#
		F.S.I.P.	<u>16#</u>
		F.H.P.	1822#

(SEE PRESSURE CHARTS AT END OF REPORT)

RECOVERY: 2' Mud, oil spots in tool

TEMPERATURE: 99*

CHLORIDES: N/A ppm (Recovery) 1,500 ppm (System)

3627-3634 Limestone, white and tan, finely crystalline, oolitic and slightly fossiliferous, poor visible porosity, slightly chalky, fair dark staining, very slight show of free oil on break, no odor.

3644-3654 Limestone, white and gray, dense, finely crystalline, poor visible porosity, no shows of oil were noted.

DRILLING RECORD:

Date Daily Drilling Record

1/30/04 Moved in and rigged up. Spud well. Set 8 5/8" surface casing @ 206' w/ 160 sxs.

1/31/04 W.O.C. Drilled out from under surface.

2/01/04 Drilling @ 1115'.

2/02/04 Drilling @ 2291'.

2/03/04 Drilling @ 2979',

2/04/04 Drilled @ 3445', Drilled to 3615', Ran DST #1

2/05/04 Drilled to 3700' RTD, Ran Open Hole Logs

2/06/04 RTD 3700', Ran DST #2 (Straddle Test), preparing to run 5 1/2" production casing

2/07/04 Finished running production casing and cement, plug down @ 7:00 a.m.

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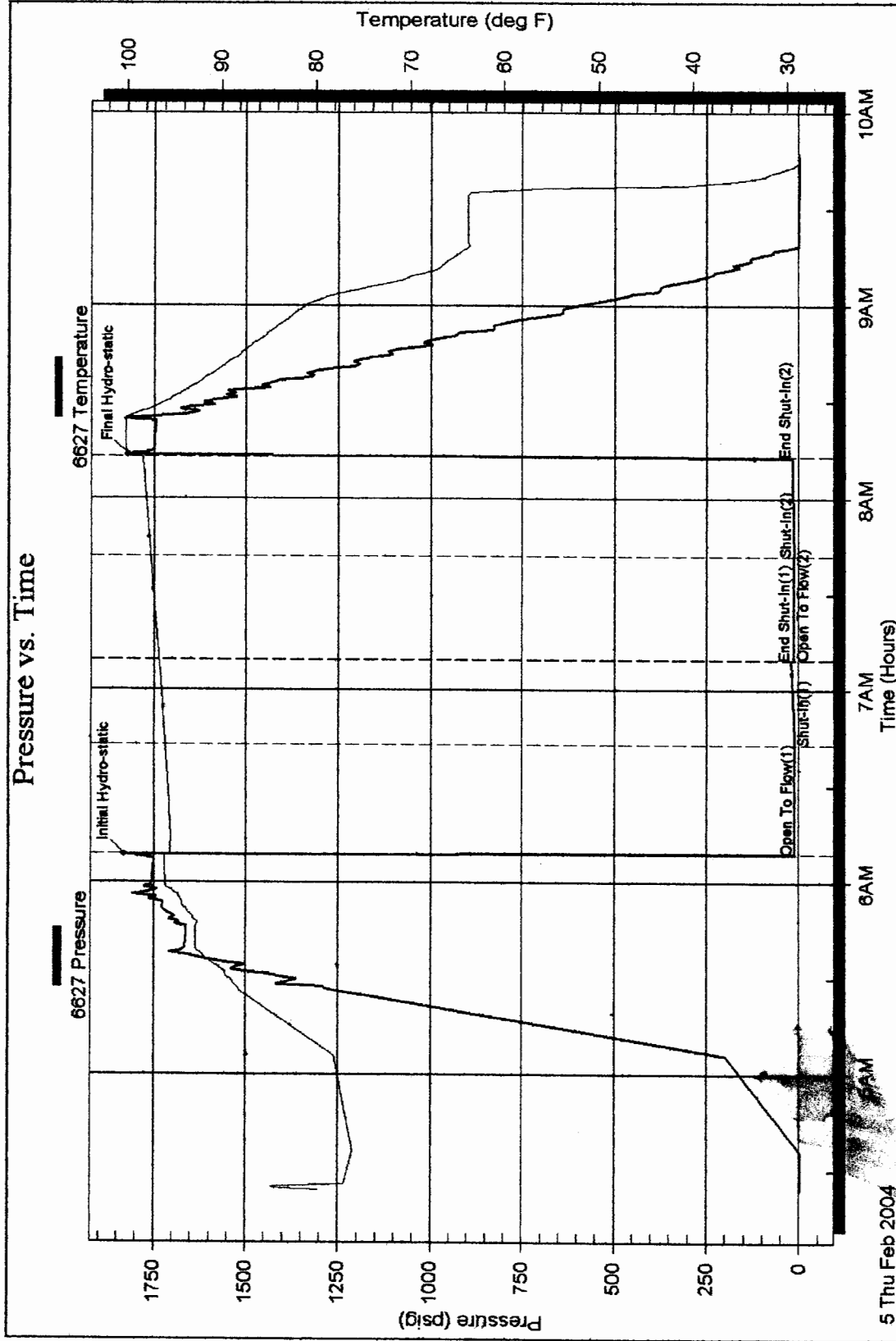
Serial #: 6627

Inside

Russell Oil, Inc.

20-8s-22w-Graham

DST Test Number: 1



Trilobite Testing, Inc.

Ref. No: 18368

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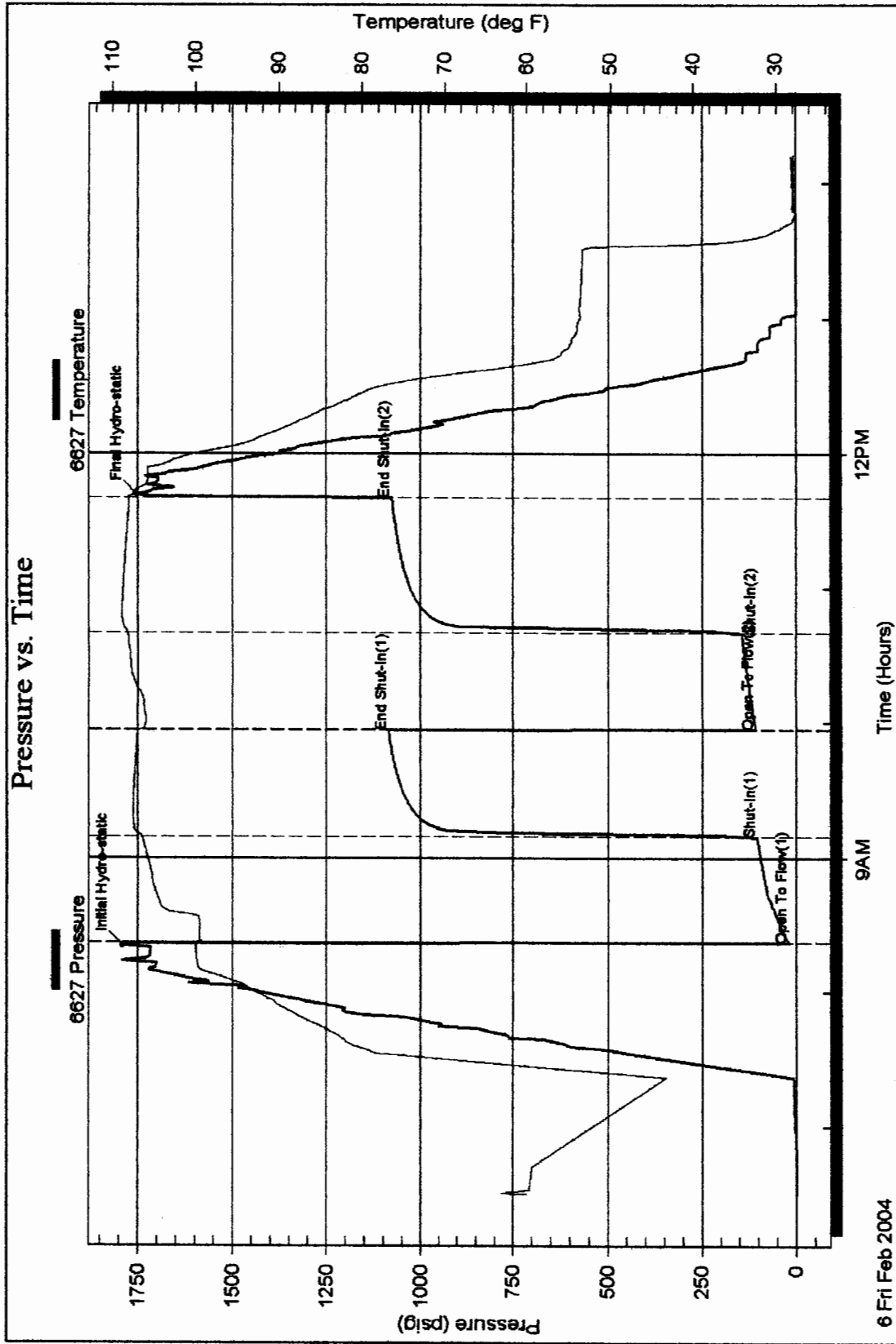
Serial #: 6627

Inside

Russell Oil, Inc.

20-8s-22w-Graham

DST Test Number: 2



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Trilobite Testing, Inc

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STRUCTURAL COMPARISON:

	Russell Oil White Trust #1 2310' FNL & 2310' FEL Sec. 20-8S-22W OIL	Russell Oil Inc. Quint "B" #1 W/2 SE NW Sec. 20-8S-22W OIL	Russell Oil Inc. Quint "B" #2 1660' FNL & 2310' FWL Sec. 20-8S-22W OIL
ANHYDRITE	+ 401'	+381'	+ 390'
BASE ANHYDRITE	+ 367'	+354'	+ 358'
TOPEKA	- 999'	-1004'	- 994'
HEEBNER SHALE	-1215'	-1222'	-1210'
TORONTO	-1238'	-1244'	-1232'
LANSING	-1254'	-1259'	-1247'
BASE KANSAS CITY	-1465'	-1473'	-1469'

SUMMARY:

The No. 1 White Trust was under geological supervision from 3100' to 3700' RTD. In reviewing the open hole logs, it was decided to run a Straddle test on the 50' Lansing zone, which ended up having marginal results. The decision was made to run 5 1/2" production casing based on the results of D.S.T. No. 2 and in the event that this well becomes non-commercial, equipment can be used on other wells to be drilled in the area in the future.

Recommended Perforations

3488'-3491' (LKC 50' Zone)

Respectfully submitted,


Todd E. Morgenstern

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