

REPORT COPY

GEOLOGICAL REPORT



RUSSELL OIL, INC.

NO. 1-8 MELANIE DAVIS 'A'
380' FNL & 330' FEL
Section 8-8S-22W
Graham County, Kansas

15-065-23097-00-00

Todd E. Morgenstern
Petroleum Geologist
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P.O. Box 251
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RECEIVED
FEB 17 2006
KCC WICHITA

OPERATOR: Russell Oil, Inc.

WELL: Melanie Davis #1-18
API # 15-065-23,097-00-00

LOCATION: 380' from the North Line
330' from the East Line
Section 8-8S-22W
Graham County, Kansas

FIELD: Harmony South (Extension)

CONTRACTOR: Shields Drilling Inc. (Rig #1)

DRILLING COMMENCED: 09-26-2005

DRILLING COMPLETED: 10-02-2005

DRILLING TIME: One (1) foot drilling time was recorded
from 3000' to 3651' RTD.

SAMPLES: Samples were saved and examined from 3100'
to 3651' RTD.

ELEVATIONS: 2130' Ground Level 2135' Kelly Bushing

MEASUREMENTS: All depths are measured from 2135' K.B.

CASING RECORD: 8 5/8" Surface Casing set @ 219' with 200 sxs. 60/40 poz

FORMATION TESTING: One (1) test was run by Trilobite Testing, Inc.
Joe Ramsey, Tester

MUD: Mud-Co. (Chemical Mud)

OPEN HOLE LOGS: Log-Tech (CNL-CDL, DIL, MEL, & BHCS)

PRODUCTION: D & A

FORMATION TOPS:

FORMATION	SAMPLE	LOG	DATUM
ANHYDRITE	N/A	1758'	+ 372'
BASE ANHYDRITE	N/A	1790'	+ 340'
TOPEKA	3128'	3132'	-1002'
HEEBNER SHALE	3339'	3340'	-1210'
TORONTO	3366'	3366'	-1236'
LANSING	3378'	3381'	-1251'
MUNCIE CREEK	3493'	3494'	-1364'
STARK SHALE	3555'	3559'	-1424'
BASE KANSAS CITY	3580'	3582'	-1452'
ROTARY TOTAL DEPTH	3651'	*****	-1521'
LOG TOTAL DEPTH	*****	3654'	-1524'

SAMPLE DESCRIPTIONS AND TEST DATA:

(All depths have been corrected to log measurements.)

TOPEKA:

3162-3168 Limestone, gray and white, finely crystalline, fossiliferous, chalky, with poor visible porosity, no shows of oil were noted.

3293-3302 Limestone, white and gray, finely crystalline, oolitic and mostly oolitic, with good visible oolitic porosity, no shows of oil were noted.

3312-3320 Limestone, white and tan, fossiliferous, oolitic as above, slightly chalky, no shows of oil were noted.

TORONTO:

3366-3372 Limestone, tan and cream, dense, finely crystalline, slightly fossiliferous, with minor white chert, slightly chalky in part, no shows of oil were noted.

LANSING:

3382-3388 Limestone, white, tan and cream, finely crystalline, slightly fossiliferous, with poor visible interparticle porosity, slightly chalky, no shows of oil were noted.

3394-3399 Limestone, white and tan, very finely crystalline, slightly dense, chalky in part, with trace of visible porosity, no shows of oil were noted.

3416-3422 Limestone, white and gray, finely crystalline, fair visible intercrystalline porosity, slightly chalky, with trace of dead tarry oil on break, no odor.

3432-3438 Limestone, abundant tan and orange chert, with very dense finely crystalline limestone, no shows of oil were noted.

3448-3452 Limestone, white and gray, finely crystalline, dense, fossiliferous, poor visible fossiliferous porosity, slightly chalky, no shows of oil were noted.

3454-3462 Limestone, tan and gray, finely crystalline, oolitic and slightly fossiliferous, with fair visible interparticle and pinpoint porosity, some pyrite crystals, fair staining and saturation, slight show of free oil, light odor. (Covered by D.S.T. No. 1)

FORMATION TEST NO. 1

Lansing (90' zone)
Tested from 3438'-3464'

		I.H.P.	1661#
Fair blow building to BOB in 34 min.	45 min.	I.F.P.	13# - 156#
No blow-back	60 min.	I.S.I.P.	933#
Fair blow building to 5 1/2"	45 min.	F.F.P.	160# - 204#
No blow-back	60 min.	F.S.I.P.	934#
		F.H.P.	1642#

(SEE PRESSURE CHARTS AT END OF REPORT)

RECOVERY: 4' Clean Oil
392' Muddy Water
396' Total Liquid Recovery

TEMPERATURE: 108*

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

- 3512-3521 Limestone, tan and cream, finely crystalline, dense, slightly fossiliferous, with no visible porosity, no shows of oil were noted.
- 3533-3540 Limestone, gray, tan, and buff, finely crystalline, slightly oolitic, with poor visible interoolitic porosity, chalky, no shows of oil were noted.
- 3543-3549 Limestone, tan and cream, finely crystalline, dense, fossiliferous in part, poor visible interfossiliferous porosity, no shows of oil were noted.
- 3513-3520 Limestone, tan, gray and buff, dense, finely crystalline, slightly oolitic, with poor interparticle porosity, no shows of oil were noted.

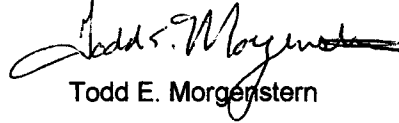
STRUCTURAL COMPARISON:

	Russell Oil Melanie Davis #1-8 380' FNL & 330' FEL Sec. 8-8S-22W D&A	Russell Oil Chalfant 'C' #1-5 1940' FSL & 1400' FEL Sec. 5-8S-22W D&A	Russell Oil Chalfant 'B' #1-4 1730' FSL & 2300' FWL Sec. 4-8S-22W D&A
ANHYDRITE	+ 372'	+ 379'	+ 376'
BASE ANHYDRITE	+ 340'	+ 347'	+ 343'
TOPEKA	-1000'	- 991'	-1000'
HEEBNER SHALE	-1210'	-1201'	-1209'
TORONTO	-1236'	-1231'	-1231'
LANSING	-1251'	-1240'	-1246'
BASE KANSAS CITY	-1452'	-1441'	-1445'

SUMMARY:

The Melanie Davis #1-8 was under geological supervision from 3100' to 3651' RTD. Due to the lower structural position and lack of commercial shows, it was decided to plug and abandon this well.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Todd E. Morgenstern", with a stylized, flowing script.

Todd E. Morgenstern