

EXHIBIT 3

SUMMARY REPORT OF WELL ABANDONMENT

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December 1, 2006

Mr. Jim Fossum
Florin Gas Storage
Sacramento, CA

Re: Abandoned wells in Florin
Gas Field and Cementing
Operations

Dear Jim:

A review of the abandonment operations of the five producing wells in the Florin Gas Field and three non producing wells in the near vicinity of the field found that all operations were done in conformance with the California Division of Oil, Gas and Geothermal Resources, the regulatory agency for the State.

Most all of the plugging operations were witnessed by the a Division Inspector.

There is no reason to not believe that the integrity of the reservoir will hold for a gas storage project in the Florin Gas Field.

If there are any questions please call.

Yours truly,



John F. Matthews, Jr.
California Registered
Petroleum Engineer P-1226

Enclosures

Division of Oil, Gas and Geothermal Resources Abandonment Requirements

Division requirements for the Florin Field:

Clean out to below perforated interval

Fill with cement from base of perforations to 100 feet above upper perforations

Fill hole with 75 pound drilling fluid

Protect base of fresh water by one of the following methods:

Combination of cement fill behind the water string to above the to above the fresh water interval and 100 feet of cement inside of casing, or

Perforate at base of fresh water sands and squeeze cement and then leave 100 feet of cement inside of casing

Cut off casing a minimum of 5 feet below surface

Place cement plug at top of surface casing and weld steel plate

Return surface to original conditions (Referred to as Environmental Inspection)

Abandonment of Union Oil Company of California well no. "Florin" 1

Total depth 4921 feet. Base of fresh water 1300 feet.

Casing: 8 5/8 " cem 542', 5 1/2 " cem 4119', perforated 3882-3908 feet. Cement fill behind casing to 1295 feet below surface

Filled hole with 75 pound drilling fluid

Set retainer at 3958 pumped in 35 sacks of cement and down squeezed 13 cubic feet of cement

Located top of cement at 3677 feet, witnessed and approved by Division inspector

Plugged with cement from 1336 feet to 1178 feet. Witnessed and approved by Division inspector

Placed cement plug from 60 to 6 feet below surface.

Final letter 9/84 after Environmental Inspection completed.

Union Oil Company of California well no. "Florin" 2

Total depth 4580 feet. Base of fresh water 1280 feet

Casing: 9 5/8" cem 499', 5 1/2 " cem 4500 feet, perforated 4248-4258 feet. DV collar at 1280 with sufficient cement to have returns at the surface..

Filled hole with 74 pound drilling fluid. Witnessed and approved by Division inspector

Cleaned out to 4462 feet. Pumped in 62 sacks of cement. Located top of cement at 4006 feet.

Witnessed and approved by Division inspector.

Filled hole from 1500 feet with 9.4 pounds per gallon drilling fluid. Witnessed and approved by Division inspector.

Plugged with 38 sacks of cement at 1520 feet. Located top of cement at 1275 feet. Witnessed and approved by Division inspector

Cut off casing at 10 feet. Plugged surface with 2.2 barrels of cement. Welded on steel plate

Final letter 9/84 after Environmental Inspection completed..

Union Oil Company of California well no. "Florin" 4

Total depth 5608 feet. Base of fresh water 1300 feet.

Casing: 13 3/8" cem 519', 9 5/8" cem 3949', 5 1/2" cem 5608' perforated 5418-5424'.

Cleaned out to 5500 feet.. Plugged with cement 5493 to 5180 feet.

Filled hole with 9.4 pounds per gallon drilling fluid. Shot 8 1/2' holes 1500-1498 feet.

Squeezed holes with 21 sacks of cement. Could not find top. Cleaned out to 1570 feet.

Set retainer at 1357 feet and squeezed 91 barrels of cement with cement returns to the surface.

Cement inside 5 1/2" 1357-1232 feet.

Top jobs at surface: 5 12" casing with 92 lineal feet of cement, 9 5/8" casing with 443 lineal feet of cement and 13 3/8" casing with 68 lineal feet of cement.

Cut all three strings of casing ten feet below surface. All three filled with cement Welded steel plate over all three strings.

Final letter 9/84 after Environmental Inspection completed.

Proctor and Gamble well no. "Florin" 1

Total depth 4060 feet. Base of fresh water 1190 feet.

Casing: 8 5/8" cem 522', 4 1/2" cem 3996', perforated 3804-3798 feet. Cement fill to 567 feet below surface.

Cleaned out to 3810 feet. Plugged with 28 cubic feet of cement. Located top at 3580 feet.

Witnessed and approved by Division inspector.

Plugged with cement 1240 feet with 15 cubic feet of cement. Located top at 1129. Witnessed and approved by Division inspector.

Plugged with cement inside 4 1/2" casing and 4 1/2" - 8 5/8" annulus with cement. Cut off casings at 5 foot and welded on steel plate.

Environmental inspection approved 8/17/90.

Proctor and Gamble well no. "Florin" 2

Total depth 4693 feet. Base of fresh water 1190 feet.

Casing: 8 5/8" cem 472'. 4 1/2" cem 3987 feet, perforated 3876-3852 feet. Cement fill behind casing 898 feet below the surface.

Cleaned out to 3880 feet. Plugged with 24 sacks of cement. Located top at 3875 feet. Witnessed and approved by Division inspector.

Filled hole with 70 pound drilling fluid.

Plugged with cement 1250 to 1065 feet. Witnessed and approved by Division inspector.

Filled top 40 feet inside of 4 1/2" casing and annulus of 4/12"- 8 5/8" casings with cement.

Cut off casings at 5 feet and welded steel plate on both strings.

Environmental inspection approved 8/19/90.

Wells in vicinity of Florin Field but not completed.

TXO Production Corp. Well "Northgate-Beneficial" 1

Total depth 4056- redrill 3691' Base of fresh water 1570 feet.
Casing: 7" cem 532 feet. No shows of hydrocarbons.

Hole full of drilling fluid. Plugged with cement 1442 with 75 sacks of cement. Located top at 1221. Witnessed and approved by Division inspector.
Plugged with cement 592 feet. Located top at 442 feet. .
Plugged surface with 10 sacks of cement. Cut off casing at 5 feet below surface.
Environmental inspection 9-27-83.

Venada National well no. "Andersen" 1

Total depth 4000 feet. Base of fresh water 1240 feet.
Casing 8 5/8" cem 531' No shows of hydrocarbons.

Hole full of 78 pound drilling fluid. Plugged with cement at 1270 feet (90 sacks of cement).
Located top at 1029 feet. Witnessed and approved by Division inspector.
Plugged with 90 sacks of cement at 593 feet. Located top at 375 feet. Witnessed and approved by Division inspector.
Cut off casing at 5 feet, plugged with 25 lineal feet of cement. Welded on steel plate
Final letter 10-21-81.

Venada National well no. "Lindsey" 1

Total depth 8477 feet. No shows of hydro carbons. Base of fresh water 1330 feet
Casing: 8 5/8" cem 852 feet.
Hole full of 9.3 pounds per gallon drilling fluid. Plugged with 118 sacks of cement at 1449'
Located top at 1102' Witnessed and approved by Division inspector.
Plugged with 53 sacks of cement at 910'. Located top at 753'. Witnessed and approved by Division inspector.
Surface plugged with 20 sacks pf cement filling from 60 feet to 5 feet. Cut off casing at 5 feet and welded on steel plate.
Environmental inspection approved 1/7/93.

Year	Days	Mcf	Avg / Day	Water bbl	Avg/Day	Cum gas	Cum water
Union Oil Florin 1							
1979	314	0					
1980	118	132,950	983.4	0		132,950	0
1981	296	378,807	1279.8	76	0.3	511,757	76
1982	319	374,320	1,173.4	985	3.1	886,077	1,061
1983	322	396,800	1,232.3	871	2.7	1,282,877	1,932
1984	359	506,916	1,662.8	2173	6.1	1,879,813	4,105
1985	328	400,457	1,220.9	1788	5.5	2,280,270	5,893
1986	324	363,737	1,122.6	2802	8.6	2,644,007	8,695
1987	0						
1988	0						
1989	0						

Union Oil Florin 2							
1983	211	296,939	1,407.3	0	0	296,939	0
1984	358	979,115	2,735.0	5682	19.9	1,276,054	5,682
1985	322	450,655	1,399.5	12468	38.7	1,726,769	18,150
1986	312	290,411	930.8	29769	65.4	2,017,120	47,919
1987	0						
1988	0						
1989	0						
1990	0						
1991	0						
1992	0						
1993	0						

Union Oil Florin 4							
1983	53	35,264	665.4	1,210	22.8	35,264	1,210
1984	125	106,720	853.8	19,297	154.4	141,984	20,507
1985	0						
1986	0						
1987	0						
1988	0						
1989	0						
1990	0						
1991	0						
1992	0						
1993	0						

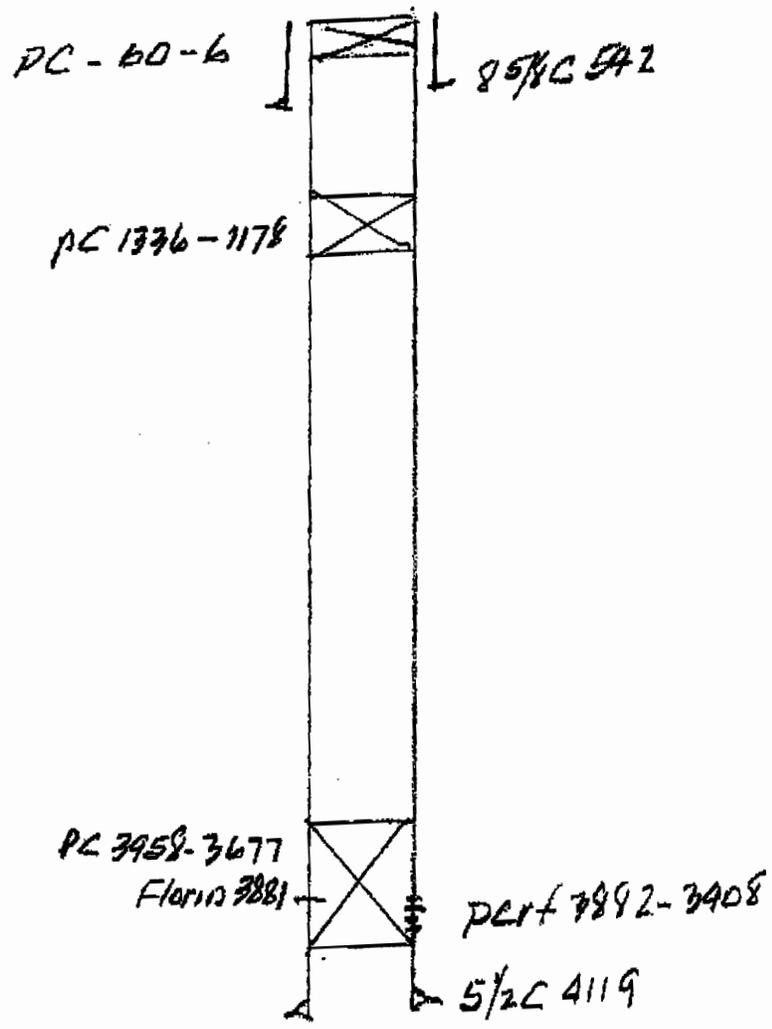
Proctor & Gamble Florin 1							
1982	0						
1983	195	420,940	2158.7	0	0	420,940	0
1984	365	822,637	2253.8	0	0	1,243,577	0
1985	365	673,249	1844.5	0	0	1,916,826	0
1986	324	411,538	1270.2	14,920	46	2,328,364	14,920
1987	200	198,591	983.1	48,991	242.5	2,526,855	63,913
1988	0						

Proctor & Gamble Florin 2							
1984	306	295,065	964.3	0	0	295,065	0

1985	347	657,109	1893.7	310	0.9	952,174	310
1986	0						
1987	0						
1988	0						
1989	0						

Union Oil "Florida"

ELEV 44.5 KB



TD 4921

PHL 10' N 959X

UAC "Flamin" Z

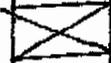
Slev 45 KB

PC 10-20



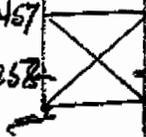
45 1/2 C 499

PC 1520-1275



PC 4008-4167

Flamin 4258



Perf 4248-4258

5 1/2 C 4500

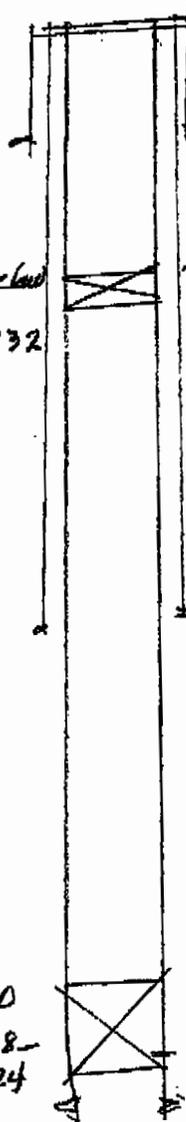
TD 4680

BHL 619N 1711 W

DOC 4 Florin A.

Elev 53' KB

PC 10'-0



133/C519

PC 430SKs below
1357
1357-1232

perf 1357-1232

96/C3949

PC 5443-5180

Florin 5414 perf 5418-5424

5 1/2 C 5601

TD 5608

BHL 57N, 3095 W

Part "Flamin" R

Elev 49' KB

PC 40-5'

85BC 522

PC 1240-1129

PC 3810-3580

perf 3804-3771

perf 3760-3727

4 1/2 C 3996

TD 4060

Page 4 of 10 L
ELEV 44 KPS
PC 40-0'

85% C 472

PC 1250-1065

PC 3580-3675

Floor 3846
Perf 3846-7862

4 1/2 C 3987

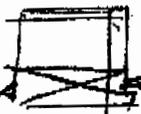
TD 4693'
PHL 224' N 568 W

TRD "Northgate - Beulah" 1

ELEV 46.8 KB

PC 10'-0'

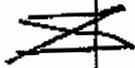
PC 392-442



7" C 582

1008

PC 1442-1721



Flora 3682
RD 3700

TD 4056

TD 3691

PHL 834N 481W

Venada "Huerfano"

Elev 46' KB

PC 25-A

PC 593-375



8 5/8" C 531

PC 1270-1029

Flarin 3400'

TD 4000'

Senada "Lindsey" 1

Elev 45

PC 60-0



8 5/8 CS 52

PC 910-753

PC 1449-1101

Floris 4314

TD 8477'
BHL 2323, 4114W
TVD 6847