

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 5684
Name: Larry George Sage
Address 1: PO Box 12
Address 2: _____
City: Virgil State: Ks Zip: 66870 + _____
Contact Person: George Sage
Phone: (620) 678 3440

CONTRACTOR: License # 33557
Name: Skyy Drilling LLC
Wellsite Geologist: David Griffin
Purchaser: High Sierra

Designate Type of Completion:
 New Well _____ Re-Entry _____ Workover _____
 Oil _____ SWD _____ SIOW _____
_____ Gas _____ ENHR _____ SIGW _____
_____ CM (Coal Bed Methane) _____ Temp. Abd. _____
_____ Dry _____ Other _____
(Core, WSW, Expl., Cathodic, etc.)

If Workover/Re-entry: Old Well Info as follows:
Operator: _____
Well Name: _____
Original Comp. Date: _____ Original Total Depth: _____
_____ Deepening _____ Re-perf. _____ Conv. to Enhr. _____ Conv. to SWD _____
_____ Plug Back: _____ Plug Back Total Depth _____
_____ Commingled _____ Docket No.: _____
_____ Dual Completion _____ Docket No.: _____
_____ Other (SWD or Enhr.?) _____ Docket No.: _____

11-4-09 11-9-09 11-9-09
Spud Date or Date Reached TD Completion Date or
Recompletion Date _____
per geo report - rec - Dig

API No. 15 - 073241240000

Spot Description: _____
_____ - S2 - SE Sec. 31 Twp. 24 S. R. 13 East West
660 Feet from North / South Line of Section
1320 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Greenwood

Lease Name: King Well #: S 3
Field Name: Quincy
Producing Formation: Mississippi

Elevation: Ground: _____ Kelly Bushing: _____
Total Depth: 1631 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at: 40 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: _____ Feet
If Alternate II completion, cement circulated from: 1598
feet depth to: surface w/ 235 _____ sx cr

Drilling Fluid Management Plan AH II NR 3-10-10
(Data must be collected from the Reserve Pit)

Chloride content: _____ ppm Fluid volume: _____ bt
Dewatering method used: _____
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Docket No.: _____

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements here are complete and correct to the best of my knowledge.

Signature: Kelly Sage
Title: _____ Date: 3/1/10
Subscribed and sworn to before me this 1 day of March,
20 10.

Notary Public: Annette Marie Dean
Annette Marie Dean
Notary Public - State of Kansas
My Appt. Expires 11-4-12

KCC Office Use ONLY
 Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

Operator Name: Larry George Sage Lease Name: King Well #: S 3
 Sec. 31 Twp. 24 S. R. 13 East West County: Greenwood

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken Yes No Log Formation (Top), Depth and Datum Sample
 (Attach Additional Sheets) Name Top Datum
 Samples Sent to Geological Survey Yes No
 Cores Taken Yes No
 Electric Log Run Yes No
 (Submit Copy)
 List All E. Logs Run:

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CASING RECORD <input type="checkbox"/> New <input checked="" type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
surface	12 1/4	8 5/8		40		25	
Longstring	7 7/8	5 1/2		1586		235	

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth

TUBING RECORD: Size: _____ Set At: _____ Packer At: _____ Liner Run: Yes No

Date of First, Resumed Production, SWD or Enhr. _____ Producing Method: Flowing Pumping Gas Lift Other (Explain) _____

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
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DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
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SAGE OIL CO.

untitled
GEORGE SAGE

316-678-3440

Box 12

Virgil, Kansas 66870



3/1/10

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As soon as the weather permits we will get these wells finished and send the rest of the information to you. It has been so wet and muddy our progress has been slowed.

Sincerely,

A handwritten signature in cursive script, appearing to read "George Sage", written in black ink.

George Sage



Consolidated
Oil & Gas Services, LLC



ENTERED

TICKET NUMBER **23770**

LOCATION **ENEMY**

FOREMAN **Rick Ledford**

PO Box 884, Chanute, KS 66720
620-431-9210 or 800-467-8676

**FIELD TICKET & TREATMENT REPORT
CEMENT**

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
11-7-09	7725	King S-3				Gb1

TRUCK #	DRIVER	TRUCK #	DRIVER
445	Justin		
515	Chris		
479 T	Dave		
452/T63	Ed		

CITY	STATE	ZIP CODE
Virgil	KS	66870

JOB TYPE <u>long string</u>	HOLE SIZE <u>7 7/8"</u>	HOLE DEPTH <u>1631'</u>	CASING SIZE & WEIGHT <u>5 1/2" 40 lb</u>
CASING DEPTH <u>1598'</u>	DRILL PIPE _____	TUBING _____	OTHER _____
SLURRY WEIGHT <u>138#-13#</u>	SLURRY VOL _____	WATER gal/sk <u>20-8.0</u>	CEMENT LEFT in CASING <u>0'</u>
DISPLACEMENT <u>39 bbl</u>	DISPLACEMENT PSI <u>1000</u>	Flow PSI <u>1100</u>	RATE _____

REMARKS: Safety meeting. Rig up to 5 1/2" casing. Break circulation w/ 15 bbl fresh water. Mixed 185 sacks 100/40 permix cement w/ 8% gel + 1/4" flake @ 13.8# / gal. Tail in w/ 50 sacks thickset cement w/ 5" Kat-seal @ 13.9# / gal. Shut down, washout pump + hrs. Shut down, release plug. Displace w/ 39 bbl fresh water. Final pump pressure has 152. Bump plug to 1100 PSI. Shut casing in. Good cement returns to surface = 15 bbl slurry to pit. Job complete. Rig down.

"Thank You"

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ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE		
5406	20	MILEAGE		
1131	185 SACS	100/40 permix cement	10.70	1979.50
1118A	1225 #	8% gel	.16	204.00
1107	50 #	1/4" flake #1/sk	1.97	98.50
1126A	50 SACS	thickset cement	16.00	800.00
1109	250 #	5" Kat-seal #1/sk	.39	97.50
5501C	3 hrs	water transport	105.00	315.00
112S	10000 gals	city water	14# / 1000	84.00
5407	10.7	tan mileage bulk tax	m/c	296.00
4406	1	5 1/2" top rubber plug	58.00	58.00
4130	5	5 1/2" centralizers	44.00	220.00
4104	1	5 1/2" basket	206.00	206.00
4159	1	5 1/2" AZU float shoe	309.00	309.00
			Subtotal	5606.50
			SALES TAX	266.61
			ESTIMATED TOTAL	5873.11

Ravin 3737

031816

AUTHORIZATION: [Signature]

TITLE Owner

DATE



CONSOLIDATED
Oil Well Services, LLC

REMIT TO
Consolidated Oil Well Services, LLC
Dept. 970
P.O. Box 4346
Houston, TX 77210-4346

MAIN OFFICE
P.O. Box 884
Chanute, KS 66720
620/431-9210 • 1-800/467-8676
FAX 620/431-0012

INVOICE

Invoice # 231876

Invoice Date: 11/09/2009 Terms: 0/30, n/30

Page 1

SAGE OIL COMPANY
P.O. BOX 12
VIRGIL KS 66870
(620) 678-3440

KING 5-3
23770
11-07-09

Part Number	Description	Qty	Unit Price	Total
1131	60/40 POZ MIX	185.00	10.7000	1979.50
1118A	S-5 GEL/ BENTONITE (50#)	1275.00	.1600	204.00
1107	FLO-SEAL (25#)	50.00	1.9700	98.50
1126A	THICK SET CEMENT	50.00	16.0000	800.00
1110A	KOL SEAL (50# BAG)	250.00	.3900	97.50
1123	CITY WATER	6000.00	.0140	84.00
4406	5 1/2" RUBBER PLUG	1.00	58.0000	58.00
4130	CENTRALIZER 5 1/2"	5.00	44.0000	220.00
4104	CEMENT BASKET 5 1/2"	1.00	206.0000	206.00
4159	FLOAT SHOE AFU 5 1/2"	1.00	309.0000	309.00

Description	Hours	Unit Price	Total
T-63 WATER TRANSPORT (CEMENT)	3.00	105.00	315.00
445 CEMENT PUMP	1.00	870.00	870.00
445 EQUIPMENT MILEAGE (ONE WAY)	20.00	3.45	69.00
479 MIN. BULK DELIVERY	1.00	148.00	148.00
515 MIN. BULK DELIVERY	1.00	148.00	148.00

Parts: 4056.50 Freight: .00 Tax: 255.56 AR 5862.06
 Labor: .00 Misc: .00 Total: 5862.06
 Sublt: .00 Supplies: .00 Change: .00

Signed

Date

BARTLESVILLE, OK

ELDORADO, KS

EUREKA, KS

GILLETTE, WY

MCALISTER, OK

OTTAWA, KS

THAYER, KS

WORLAND, WY

Griffin Geological Resources, (GGR) Inc.

David B. Griffin, RG, Owner
1502 W. 27th Terrace
Lawrence, Kansas 66046

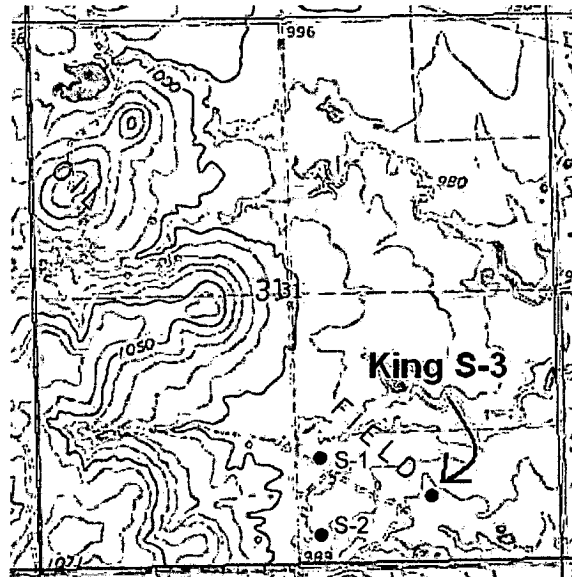
Ph. (785) 842-3665
Cell (785) 766-0099
Fax (785) 856-3935

November 27, 2009

Geological Wellsite Report

For: King S-3
Center S/2 SE4
Section 31, T24S-R13E
Greenwood County, Kansas
Lat/Long: N37.91183,
W-96.017963
API: 15-073-24124
KB Elev. 974' (8' above GL)
RTD: 1631', KB
Field: Quincy
Status: 5½' Casing set

Operator: George Sage
PO Box 1227
Virgil, KS 66870-0012
License No.: 5684
Attn: George Sage



The following report on the subject well includes detailed information and geological data based on microscopic examination of rotary drill cuttings from 1200' to a TD of 1631' below kelly bushing (KB) reached on November 8, 2009. The report includes a sample log with drilling time, cuttings description, geological tops and total gas readings. The Bartlesville Sandstones were the primary objectives. Subsea corrected geological sample tops were based on a KB datum elevation of 974' above sea level which is 8' above ground level.

Drilling Contractor: Skyy Drilling, Rig 3
Yates Center, Kansas, 66865
KS Operator License No.: 33557
Owner: Mark Haas
Tool Pusher: Ben Harrell

Commenced: Spud November 4, 2009, Set 40' 8⁵/₈" casing

Completed: November 9, 2009, Set 5½' Casing and Cemented

Drilling Notes: One 7⁷/₈" 5-blade PDC bit from 40' to 1631'

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Mud Program: Fresh water native mud

Cement Contractor: Consolidated Oil Well Service Co.
KS Operator License No.: 04996

Geological Supervision:

David Griffin, RG, Owner, GGR, Inc. provided wellsite supervision on November 7 and 8, 2009. Samples microscopically examined from 1200' to 1631'.

Logs, Gas Detection, Cores, DST's:

No open-hole logs, DST's or cores were run for this well. An MP 2300 was used for Total Gas Detection from 1350' to 1631', KB.

Geological Datums:

George Sage King S-3 Center S/2 SE4 Sec. 31-24S-R13E Geological Tops			Structural Comparison Wells					
			George Sage King S-1 SW NW SW SE4 Sec. 31-24S-R13E			George Sage King S-2 SW SW SW SE/4 Sec. 31-24S-R13E		
Zones of Interest	Sample Tops		STRC COMP	Cased Hole Log Tops		STRC COMP	Cased Hole Log Tops	
	KB 974', Survey			GL Elev. 992' Topo			GL Elev. 987' Topo	
	Depth	Subsea		Depth	Subsea		Depth	Subsea
Base Kansas City Group	na			954	38		940	47
Cherokee Group	1264	-290	+12	1294	-302	-5	1272	-285
Squirrel SS	1303	-329	+6	1327	-335	+7	1323	-336
Base SS	1307	-333	+6	1331	-339	+13	1333	-346
U. Bartlesville SS*	absent			absent			1440	-453
Base SS	absent			absent			1449	-462
L. Bartlesville SS, 'A'	1496	-522		absent		+23	1532	-545
Base SS	1517	-543		absent		+4	1534	-547
L. Bartlesville SS, 'B'	1525	-551	+9	1552	-560			
Base SS	1545	-571	-6	1557	-565			
L. Bartlesville SS, 'C'	absent			absent			1555	-568
Base SS	absent			absent			1576	-589
Penn Basal Conglomerate	1630	-656	-8	1640	-648	-8	1635	-648
Top Mississippian	dnp			1646	-654		1644	-657
Total Depth	1631	-657		1663	-671		1696	-709

Note: * This sandstone is sometimes also referred to as the Cattleman Sandstone by other operators.

Structural Comparisons:

Structural comparison of subsea geological log tops for King S-3 indicates that the top of the L. Bartlesville 'A' SS is 23' higher than in King S-2.

Description of Oil Pay Zones

Lower Bartlesville 'A' Sandstone:

1496' to 1516', KB, Samples, 20' Thickness, Possible Pay Zone, Best from 1496' to 1511'

Sandstone, 25% to 60%, light brown, very fine to fine grained, fair to good porosity, good to very good oil odor, fair to very good show of brown oil with fair bleeding into sample bag in top 15', interbeds of gray silty shale and slightly sandy siltstone throughout.

1496' to 1503', 60% bright fluorescence, very good odor, very good show of brown oil with fair bleeding into sample bag, 336 peak gas units

1503' to 1511', 50% bright fluorescence, very good odor, very good show of brown oil with fair bleeding into sample bag, 416 peak gas units

1511' to 1516', 25% bright fluorescence, fair odor, fair to good show of brown oil with trace bleeding into sample bag, 146 peak gas units

1516' to 1520', 5% bright fluorescence, no odor, slight show of brown oil with no bleeding into sample bag, 162 peak gas units

Lower Bartlesville 'B' Sandstone:

1525' to 1545', KB Samples, 20' Thickness, Possible Pay Zone, Best from 1525' to 1533'

Sandstone, 30% to 50%, light brown, mostly loose medium to coarse sub-rounded quartz sand grains, good to very good porosity, very good to strong oil odor, very good show of brown oil with abundant bleeding into sample bag in top 8'; interbeds of weathered limey and chalky sandstone, 30% to 40%, poor to fair porosity, poor show of oil; shale, 20% to 40%, gray, silty.

1525' to 1533', 40% bright and 40% medium fluorescence, strong odor, very good show of brown oil with abundant bleeding into sample bag, 304 peak gas units

1533' to 1545', 30% bright fluorescence, strong odor, fair to good show of brown oil with fair to good bleeding into sample bag, gas readings not above background

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Description of Other Zones of Interest

Squirrel Sandstone: 1303' to 1307', KB Samples

Sandstone, 10%, very light gray, very fine to fine grained, fair porosity, no odor, <1% scattered bright fluorescence with trace show of brown oil, no bleeding of oil into sample bag; shale 90% gray, silty, mica.

Summary:

King S-3 contained L. Bartlesville 'A' SS from 1496'-1516' with good to very good show of brown oil with fair bleeding from 1496' to 1511' and L. Bartlesville 'B' SS' from 1525' to 1545' with very good show of brown oil with abundant bleeding from 1525' to 1533'. The best oil potential is in the 'B' SS.

The top of the L. Bartlesville 'A' SS in King S-3 was 23' higher than in King S-2 lying to the southwest.

Recommendations:

The operator set and cemented 5½" production casing to test the Lower Bartlesville sandstones. This sandstone has produced oil in several nearby older wells. The findings of this well indicate that moveable gassy oil remains in place with the potential to be a decent commercial well.

A cased-hole log should first be run on a ground level datum and footage adjustments made to pick the exact placement of the shots. However, it is recommended that King S-3 be perforated in the Lower Bartlesville 'B' SS from approximately 1526' to 1531', KB Samples and in the Lower Bartlesville 'A' SS from approximately 1498' to 1506', KB Samples.

Respectfully Submitted,



David B. Griffin, RG, Owner
Griffin Geological Resources (GGR), Inc.

Attachments: Sample Log with Drilling Time, Total Gas Readings and ROP/Lagged Total Gas Curve

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Depth

Lithology

Shows

Penetration Rate
Min./Foot

Total Gas
Units

Location: Cen S12SE4
Sec. 31, T24S-R13E, S, RNW CO.

Datum/Elev.
KB974

Sample Descriptions

Tops/Remarks

1200

Start
10 samples

Fresh
water
Mud

Oper: George Sage
Lic: 5684
Contr: Sky Drilling, Rig 3
Bit size 7 7/8" S-Blade PDC

shy, calc to blk
LS, tannish-gy, v. foss, prp
LS, lt gy, v. f. xln, pr-f. ns

1250

sh, blk, coaly
LS, gy, v. f. xln, pr-f, ns
sh, blk

Cherokee
1264 (-290)

1300

trace
sh

sh, ult gy to gy
sh, gy
SS, v. lt gy, v. f. xln, 10% fr. ns
few pieces of sh. live. on oil, 21% Brt
no odor, no oil in bag

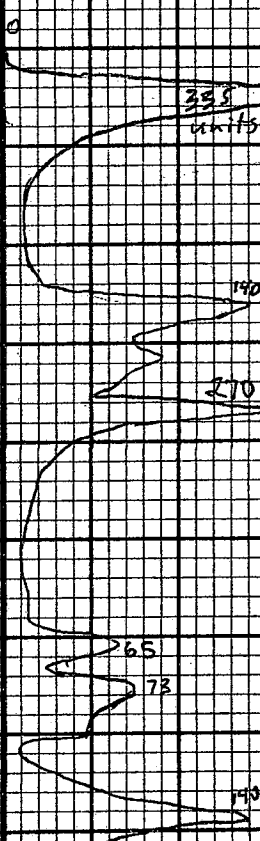
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Squirrel SS
1303 (-329)

1350

1346'
Begin Gas
Detection

LS, tan, dns
sh, gy, mica + carb to gn-gy
sh, blu-gy mostly
LS, stringer, f-mgn, gd. ns
sh, blk, (v-shale) 1360-70 smpl
carb. w. blk
sh, lt tan, v. xln, fr. ns
sh, blu-gy
sh, lt-gy, silty, mtc



coal
coal
sh, blk, 50% cs siltst, ns
siltst, ltgy-gy.
coal
coal, gas bubbles
sh, v. kggy-gy, silty
sh, blk to gy silty, ns, no odor
sh, ltgy-gy, min. blk

1400

1450

Depth

Lithology

Shows

Penetration Rate
Min./Foot

Total Gas
Units

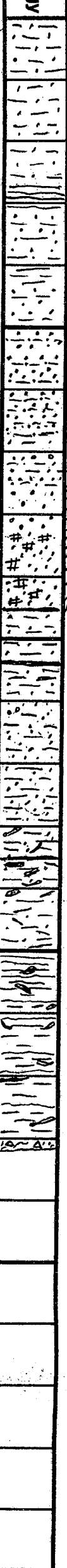
Location: Cen S1/2 SE4
SEC. 31, T24S-R13E, GRWD CO.

Datum/Elev.
KB 974

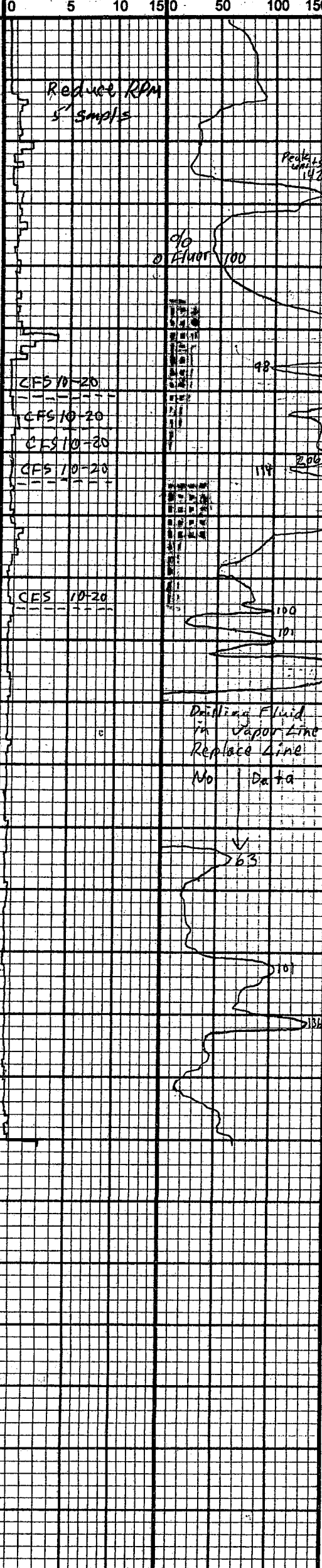
Sample Descriptions

Tops/Remarks

1450



Shows
vsgd sh Bn oil
fr-gd sh oil
NS vsgd sh Bn oil
fr-gd sh oil



sh, gy w/ min silt lam, NS, mtc
sh, dkgy, f. silty, mtc
tr, LS, dk bn
sh, dkgy, silty, mtc to blk
sh, blk, coaly, v. carb
SS, 40% vlt gy, clay eem, prp, NS, No Fr
w/ intbeds of sh, ltgy, silty
SS, Lt Bn, vf-fgn, fr-gd, gd-vgd odor
fr-vgd sh live Bn oil, Best 1496-1511
1496-1503; 60% Bt Flr, 60% oil ss, vgd so
1503-1511; 50% Bt Flr, 50% oil ss, vgd so
1511-1516; 25% Bt Flr, 25% oil ss, fr-gd so
1516-1520; 5% Bt Flr, 5% oil ss, fr-gd so
SS has interbeds of gy silty shale
and sli. sdy siltst.
SS, vltgy, v f-fgn, hard pr-fgd, NS
sh, silty, sli sdy, gy, min ss lam, NS
SS, Lt Bn, med-CS gn, mostly loose, sub-
qtz, fr-vgd sh Bn oil, nises live oil
1525-1533; 80% SS, vgd, 80% Bt Flr, vgd so
1533-1545; 30% SS w/ fr-gd, 50% Bt Flr,
also 30% weath, chalky, limey ss w/ pr so
Best Zone 1525-1533
sh, dkgy, silty, abnd mtc, streaks
of abnd coal/Carbon
sh, AA, 20% is sli. sdy w/ NS
AA
sh, dkgy, v. silty, sli sdy, mtc +
coaly debris
sh, gy-dkgy, silty, mtc, min coal
debris
sh, blk, carbonaceous, 1-2% coaly
w/ beds of sh, dk to vdkgy
AA
cher-t, 30%, wh to lt tan; sh, 65%, vdkgy-
blk, v. carb, silty; ss, 3%, v f-fgn,
fr-gd; siltst, 2%, lt tan, NS, No odor
No Fr

L. BV SS 'A'
1496 (-522)
20'

L. BV SS 'B'
1525 (-551)
20'

(conglomerate)
PBE 1630
(-656)
Total Depth
1631 (-657)

1500

1550

1600

Reduce RPM
5' smpls

Peak
147

100

98

114

218

219

228

304

100

101

191

234

Drilling Fluid
in Vapor Line
Replace Line
No Data

63

101

134

AA