

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACI
October 2010
Form Must Be Typ

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: Sky Drilling LLC
Wellsite Geologist: David Griffin
Purchaser: High Sierra

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SLOW
 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.:

11-19-09 11-21-09 11-21-09
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date
per Geo Report - kcc-dlg

API No. 15 - 073241230000
Spot Description:
Sec. 36 Twp. 24 S. R. 12 East West
2805 2475 Feet from North / South Line of Section
1485 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Greenwood
Lease Name: Steckle Well #: 10
Field Name: Quincy
Producing Formation: Mississippi
Elevation: Ground: 1042 Kelly Bushing:
Total Depth: 1736 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: 1731
feet depth to: surface w/ 235 surface set

Drilling Fluid Management Plan AH II nml 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 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: Steckle Well #: 10
 Sec. 36 Twp. 24 S. R. 12 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 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run:	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum
--	---

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		20	
Longstring	7 7/8	5 1/2		1731		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 <i>(Amount and Kind of Material Used)</i>	Depth
		<div style="border: 2px solid black; padding: 5px; transform: rotate(-2deg);"> RECEIVED MAR 03 2010 KCC WICHITA </div>	

TUBING RECORD:	Size:	Set At:	Packer At:	Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No
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Date of First, Resumed Production, SWD or Enhr.	Producing Method: <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other <i>(Explain)</i>
Estimated Production Per 24 Hours	Oil Bbls. Gas Mcf Water Bbls. Gas-Oil Ratio Gravity

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	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 <i>(Specify)</i> _____	PRODUCTION INTERVAL: _____ _____
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CONSOLIDATED
Oil Well Services, LLC



ENTERED

TICKET NUMBER **23778**
LOCATION EMERALD
FOREMAN Rick Lottford

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																				
11-22-09	7725	Steckel #10				GL																				
CUSTOMER Sage Oil Company			<table border="1"> <thead> <tr> <th>TRUCK #</th> <th>DRIVER</th> <th>TRUCK #</th> <th>DRIVER</th> </tr> </thead> <tbody> <tr> <td>445</td> <td>Sharon</td> <td></td> <td></td> </tr> <tr> <td>573</td> <td>David</td> <td></td> <td></td> </tr> <tr> <td>479</td> <td>John</td> <td></td> <td></td> </tr> <tr> <td>436</td> <td>ED</td> <td></td> <td></td> </tr> </tbody> </table>				TRUCK #	DRIVER	TRUCK #	DRIVER	445	Sharon			573	David			479	John			436	ED		
TRUCK #	DRIVER	TRUCK #					DRIVER																			
445	Sharon																									
573	David																									
479	John																									
436	ED																									
MAILING ADDRESS P.O. Box 12																										
CITY Virgil	STATE KS	ZIP CODE 66770																								

JOB TYPE logstring HOLE SIZE 7 7/8" HOLE DEPTH 1725' CASING SIZE & WEIGHT 5 7/8" used
 CASING DEPTH 1231' G.C. DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.8-13.4 SLURRY VOL _____ WATER gal/sk 7.0-8.0 CEMENT LEFT in CASING _____
 DISPLACEMENT 42.5 bbl DISPLACEMENT PSI 1000 MIX PSI _____ RATE _____

REMARKS: Safety meeting - Rig up to 5 7/8" casing. Break circulation w/ 10
bbl fresh water. Mixed 185 sacs 60/40 Perm mix cement w/ 8% gel
+ 1/4" floccle @ 13.8% @ 13.4% @ 13.4% @ 13.4% @ 13.4% @ 13.4% @ 13.4% @ 13.4% @ 13.4% @ 13.4%
Kal-seal @ 13.4% @ 13.4% @ 13.4% @ 13.4% @ 13.4% @ 13.4% @ 13.4% @ 13.4% @ 13.4% @ 13.4%
release plug. Displace w/ 44.5 bbl fresh water. Pumping pressure was
1000#. Pumped 2 bbls over displacement, shut down, possible hole in casing.
12 bbl slurry to pit. Job complete. Rig down

"Thank You"

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	870.00	870.00
5406	20	MILEAGE	3.45	69.00
1131	185 sacs	60/40 Perm mix cement	10.20	1929.50
1118A	1225'	8% gel	16	204.00
1107	50'	1/4" floccle @ 13.4%	1.97	98.50
1126A	50 sacs	thickset cement	16.00	800.00
1108A	250'	5" Kal-seal @ 13.4%	.39	97.50
5508C	3 hrs	80 bbl vac. TRK	94.00	282.00
1123	3000 gals	city water	14.00/1000	42.00
5407	10.7	ten mileage bulk fee	n/c	296.00
4406	1	5 7/8" top rubber plug	58.00	58.00
4130	5	5 7/8" centralizers	44.00	220.00
4104	1	5 7/8" basket	206.00	206.00
4159	1	5 7/8" AFU float shoe	309.00	309.00
			Subtotal	5631.50
			SALES TAX	252.98
			ESTIMATED TOTAL	5884.42

Revin 3737

232083

AUTHORIZATION Witnessed by Greg Sage

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 # 232083

Invoice Date: 11/25/2009 Terms: 0/30,n/30

Page 1

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

STECKEL #10
23778
11-22-09

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	3000.00	.0140	42.00
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
436 80 BBL VACUUM TRUCK (CEMENT)	3.00	94.00	282.00
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
543 MIN. BULK DELIVERY	1.00	148.00	148.00

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Parts: 4014.50 Freight: .00 Tax: 252.92 AR 5784.42
Labor: .00 Misc: .00 Total: 5784.42
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

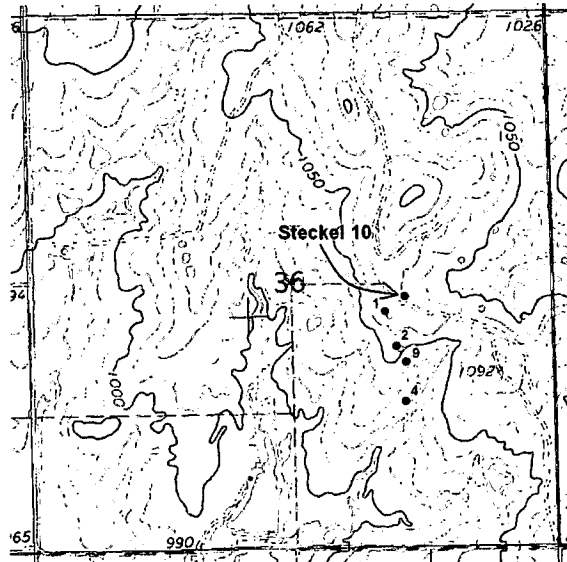
Ph. (785) 842-3665
Cell (785) 766-0099
Fax (785) 856-3935

December 3, 2009

Geological Wellsite Report

For: Steckel 10
NE NE NW SE4
2475' fsl, 1485' fel
Section 36, T24S-R12E
Greenwood County, Kansas
Lat/Long: N37.917004,
W-96.036361
API: 15-073-24123
KB Elev. 1076' (8' above GL)
RTD: 1736', 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 1300' to a TD of 1736' below kelly bushing (KB) reached on November 21, 2009. The report includes a sample log with drilling time, cuttings description, geological tops and total gas readings. The Upper Bartlesville Sandstone and Mississippian were the primary objectives. Subsea corrected geological sample tops were based on a KB datum elevation of 1076' 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 19, 2009, Set 40' 8 $\frac{5}{8}$ " Casing

Completed: November 21, 2009, Set ~1733' 5 $\frac{1}{2}$ " Casing and Cemented

Drilling Notes: One 7 $\frac{7}{8}$ " 5-blade PDC bit from 40' to 1736'

Mud Program: Fresh water native mud to TD

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 21, 2009. Samples microscopically examined from 1300' to 1736'.

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 1400' to 1736', KB.

Geological Datums:

George Sage Steckel 10 NE NE NW SE4 Sec. 36-24S-R12E Geological Tops			Structural Comparison Wells					
			George Sage Steckel 1 NE NW SE4 Sec. 36-24S-R12E			George Sage Steckel 9 NE SE NW SE4 Sec. 36-24S-R12E		
Zones of Interest	Sample Tops		STRC COMP	Csd Hole Log Tops		STRC COMP	Sample Tops	
	KB 1076', Survey			GL 1063', Survey			KB 1048', Survey	
	Depth	Subsea		Depth	Subsea		Depth	Subsea
Base Kansas City Group	na			1042	21		na	
Cherokee Group	1363	-287	+10	1360	-297	+9	1346	-298
Squirrel SS	1403	-327	+0	1390	-327	+0	1375	-327
Base SS	1410	-334	+7	1403	-340	+3	1385	-337
Cattleman SS	1457	-381	+8	1452	-389	+10	1439	-391
Base SS	1464	-388	+5	1456	-393	+8	1444	-396
U. Bartlesville SS	1523	-447	+9	1519	-456	+23	1518	-470
Base SS	1528	-452		1535	-472		1539	-491
L. Bartlesville SS	absent			1607	-544		absent	
Base SS				1610	-547			
Penn Basal Conglomerate	1703	-627	+11	1701	-638		absent	
Top Mississippian LS	1716	-640	+7	1710	-647	+15	1703	-655
Miss Dol Porosity	1733	-657	0	1720	-657	+10	1715	-667
Top Arbuckle Dol	dnp			dnp			2130	-1082
Total Depth	1736	-660		1723	-660		2245	-1197

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Structural Comparisons:

Structural comparison of subsea geological log tops for Steckel 10 indicate that the top of the U. Bartlesville SS is 9' higher (but very silty) and the Mississippian dolomite first break porosity is flat to Steckel 1 offsetting 263' to the SW.

Description of Potential Oil Pay Zones

Mississippian Dolomite, First Break Porosity:

1733' to 1736'+, KB Samples, Possible Pay Zone

Dolomite, (30%), grayish-tan, fine to medium crystalline, fair to good intercrystalline porosity, fair vugular porosity, good oil odor, fair to good show of free oil with slight to fair oil rinsing and bleeding into sample bag, 24 peak units of total gas, (background is 3 units).

Description of Other Zones of Interest

Squirrel Sandstone:

1403' to 1410', ~7' Thick, KB Samples

Sandstone, light gray, very fine to fine grained sub-angular quartz, poor to fair porosity, no odor, no show, no fluorescence, no gas kick above background.

Cattleman Sandstone Zone:

1457' to 1464', ~7' Thick, KB Samples

Siltstone, light gray, mostly coarse silt, sandy very fine grained sub-angular quartz, poor porosity, no odor, trace of brown oil stain, no free oil or bleeding, trace fluorescence, no gas kick above background.

Upper Bartlesville Sandstone Zone:

1523' to 1528', ~5' Thick, KB Samples

Sandstone, 20%, gray, very fine grained sub-angular quartz, mostly siltstone, light gray, coarse, poor porosity, much silica cement, no odor, no oil stain, no show of free oil, no fluorescence, no gas kick above background.

Summary:

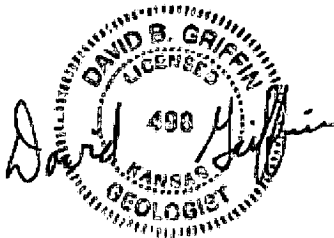
Steckel 10 did not have reservoir quality U. Bartlesville SS development. However, the Mississippian dolomite first break porosity from 1733' to 1736' had good oil odor with fair to good show of brown oil with slight to fair bleeding and 24 units of total gas above background of 3 units.

The top of the Mississippian dolomite first break porosity is flat to Steckel 1 offsetting 263' to the southwest where it is produces.

Recommendations:

With the fair to good showing of oil in the Mississippian dolomite first break porosity and similar structural position to Steckel 1 that produces from the same zone, it was recommended that casing be set. Approximately 1732' of 5½ inch casing was set and cemented with a float shoe. The float shoe should be milled and the hole cleaned of cement to total depth and tested. If fluid and oil cut is not sufficient, the well should be treated with acid and further tested. If this is not successful the well should be incrementally deepened and tested.

Respectfully Submitted,



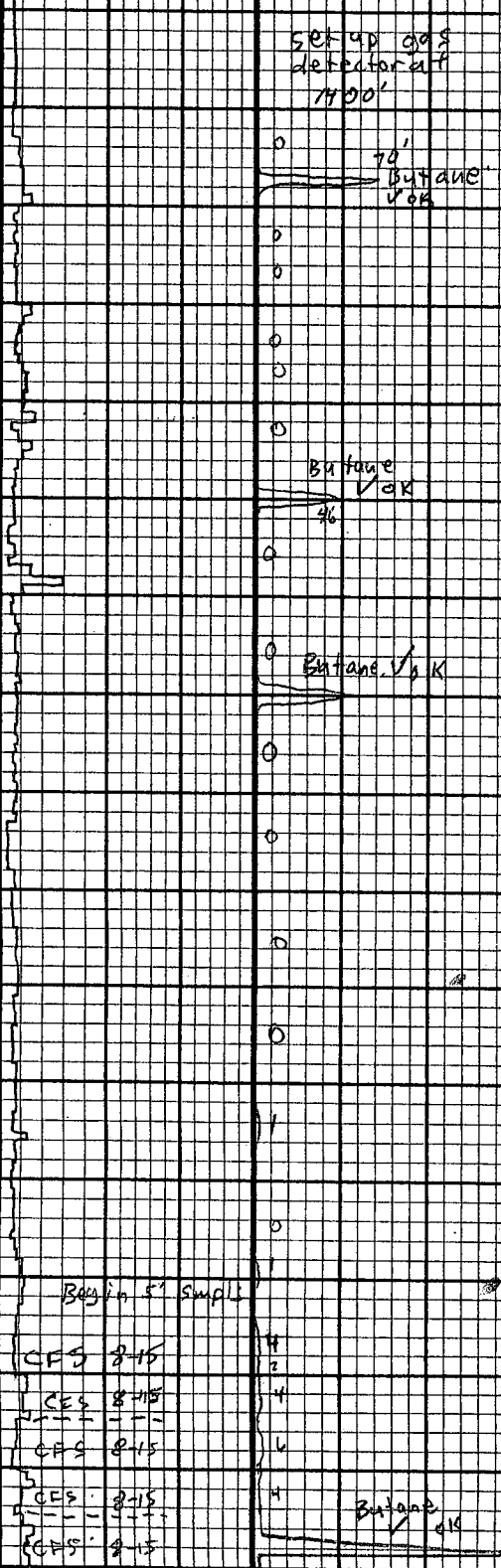
David B. Griffin, RG, Owner
GGR, Inc.

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

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Depth	Lithology	Shows	By David Griffin, RG Lawrence, KS				Well No: steckel 10				Pg. 1 of 2			
			Penetration Rate				Total Gas				Location: NENEWSE12475 fsl		Datum/Elev.	
			Min./Foot				Units				1485' fsl, sec 36, T 24S-R 12E		KB 1076'	
			0	5	10	15	0	50	100	150	Sample Descriptions		Tops/Remarks	
1300 11-21-09											Oper: George Sage Contr: SKYY Drilling 7 7/8" Bit, 5-Blade PDC			
											ls, gy, fxl, tr glauc, ns, pr φ, silty sh dkgy, min. blk			
1350											LS, gy, f-mxl, foss, ns sh, blk to gy (1370-80) LS, gy to tan-gy, v fxl, ns sh, dkgy to gy		Cherokee	1363 (-287)
1400		No show									SS, ltgy, v f-fsu, pr-f φ, ns, No Flr (1410-20 sp) No show sh, dkgy, sdy, silty, very mtc		Squirrel SS	1403 (-327) ~ 7' thick
											same coal sh, gy to ltgy-gy			
1450		trace brn stain NFO									LS, dkgy-bu, dus sh, blk siltst, silsdy, ltgy, fr φ, ns siltst, CS, tē, sdy, vfg, pr φ, mica, pyr. fr br oil stain, no odor, No Flr, tr Flr		'V'-shale 1450'	1457 (-381) ~ 7' thick
1500		No show									sh, ltgy to gy: ptly silty, mtc sh, gy silty to blk sh, ltgy, silty sh, gy to ltgy			
1550		No show									siltst, ltgy, csc, silsdy, ns no odor mostly siltst, AA, 10-20% ss, v f gy, pr φ, ns, No odor, No Flr, sil cem sh, lt tan clayey to ltgy sh, dkgy, f. mica same siltst, ltgy, to sh, dkgy tr lsitan		U. Bartlesville SS	1523 (-447) ~ 5' thick

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Depth	Lithology	Shows	By David Griffin, RG Lawrence, KS				Well No: Steckel 10				Pg. 2 of 2			
			Penetration Rate				Total Gas				Location: NENE NW SE, 24.75' S1, 1485' E1, SEC. 36, T24S-R12E, GNWD CO.		Datum/Elev. KB 1076	
			Min./Foot				Units				Sample Descriptions		Tops/Remarks	
1550 11-21-09 4:30P			0	5	10	15	0	50	100	150	siltst, gy, cse, siderite, ns			
											siltst, AA & sh, gy to blk			
											sh, blk, no visible gas bubbles			
											codl, nug b			
											siltst, ltgy, f silt			
1600											siltst, ltgy, f. silt, gy, sh			
											siltst, ltgy, f. silt			
											tr sh, blk			
											siltst, ltgy, mtc			
											Same			
											claystn, bu			
											siltst, ltgy to tan, No Flr, No odor			
1650											SS, vltgy, 30%, vfgn, fr φ, ns, No odor			
											coal			
											sh, blk			
											sh, vltgy to blk			
											LS, tan, dus			
											Same			
											sh, mostly vltgy - blk, also ltgy, gn-gy			
											sh, vltgy to blk, carb. coaly in part			
											coal, few gas bubbles			
1700											sdy siltst, tan, fr φ w/shitan, chert 25%, clt to ltgy, sharp			
											cht, 40%, clt-ltgy, sharp, ss, 20% v f-ns, fr φ, sh, ltgy - blk, siltst, tan, ns, No dr, No Flr			
											LS, th to off-wh, m-cs xln, v. foss, grnst. fr ix φ, pr vug φ, ch 5-10%, wh, sharp, fr dr, tr sh oil stn, No Free oil 1-2% Brt Flr, tr pyr.			
											LS, th tannish-gy, grnstn, AA, sli oil stn, NEO			
											Dol, gyish-th, f-mxln, fr-gd ix φ, (30%) fr vug φ, gd odor, fr-gd sh Free oil, sli, fr ring in bag, most cuttings have some free oil when crushed, sli oil scum mines from sample and in bags 30% Brt Flr 40% Med Flr.			
7:12PM 11-21-09											tr oil stn in a few vugs NSG			
											fr-gd S.Fo gd odor			
1750														

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PBC 1703
(-627)

Miss LS
1716 (-640)

Miss Dol PayZn
1733 (-657)
Total Depth
1736 (-660)

Reduce RPM
CES 5-10-15 min
CES 8-15 min
CES 8-15 min