CARD MUST BE TYPED

State of Kansas

CARD MUST BE SIGNED

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

PRODUCTION STRING WILL BE IMMEDIATELY CEMENTED FROM BELOW THE USABLE WATER TO THE SURFACE.

Starting Date: August 26, 1985 (month day year)

API Number 15— 135-22,912-0000

OPERATOR: License # 4459

Name: Agate Petroleum, Inc.

Address: 1301 4th National Bank Bldg.

City/State/Zip: Tulsa, OK 74119

Contact Person: E.L. Snider

Phone: (918) 585-9016

CONTRACTOR: License # 5421

Name: Sage Drilling Co., Inc.

City/State: Wichita, Kansas 67202

C S½ SW¼ SW¼ Sec. 31 Twp. 16 S, Rg. 26 ___ East X West

330 Ft. from South Line of Section

4460 Ft. from East Line of Section

(Note: Locate well on Section Plat on reverse side)

Nearest lease or unit boundary line: 330 feet

County: Ness

Lease Name: Arnold Well #: 1-31

Ground surface elevation: 2657 (est) feet MSL

Domestic well within 330 feet: ___ yes X no

Municipal well within one mile: ___ yes X no

Surface pipe by Alternate: 1 ___ 2 X 3 ___

Depth to bottom of fresh water: 300

Depth to bottom of usable water: 1200

Surface pipe planned to be set: 400

Projected Total Depth: 4700 feet

Formation: Mississippi

Well Drilled For:		Well Class:	Type Equipment:
X Oil	___ SWD	___ Infield	X Mud Rotary
___ Gas	___ Inj	X Pool Ext.	___ Air Rotary
___ OWWO	___ Expl	___ Wildcat	___ Cable

If OWWO: old well info as follows:

Operator:

Well Name:

Comp Date: Old Total Depth:

I certify that well will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to KCC specifications.

Alternate 3 cementing will be done immediately upon setting production casing.

Date: 8-15-85 Signature of Operator or Agent: Charles Casey Coats, P.E. Title: Agent/Petroleum Engineer

Charles Casey Coats

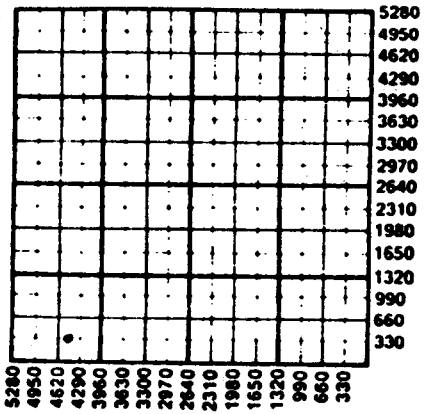
For KCC Use:

Conductor Pipe Required: — feet; Minimum Surface Pipe Required: 200 feet per Alt. 1 (2) 3

This Authorization Expires: 2-23-86 Approved By: RCH 8-23-85

Form C-1 6/85

A Regular Section of Land
1 Mile = 5,280 Ft.



well is 660' FWL of a section
only 5120' wide

CONSERVATION DIVISION
Wichita, Kansas
RECEIVED
STATE CORPORATION COMMISSION
AUG 8-23-85

Important procedures to follow:

1. Notify District office before setting surface casing.
2. Set surface casing by circulating cement to the top.
3. File completion forms ACO-1 with K.C.C. within 90 days of well completion, following instructions on ACO-1, side 1, and including copies of wireline logs.
4. Notify District office 48 hours prior to old well workover or re-entry.
5. Prior to filing Intent, prepare a proposed plugging plan in case well is D & A, then obtain approval of plan when calling district office prior to setting surface pipe.
6. Submit plugging report (CP-4) to K.C.C. after plugging is completed.
7. Obtain an approved injection docket number before disposing of salt water.
8. Notify K.C.C. within 10 days when injection commences or terminates.
9. If an alternate 2 completion, cement in the production pipe from below any usable water to surface within 120 days of spud date.

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STATE CORPORATION COMMISSION
AUG 16 1985
CONSERVATION DIVISION
Wichita, Kansas

State Corporation Commission of Kansas
Conservation Division
200 Colorado Derby Building
Wichita, Kansas 67202
(316) 263-3238