

CARD MUST BE TYPED

State of Kansas

CARD MUST BE SIGNED

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

*CORRECTED API#

Expected Spud Date... December 19 1988
month day year

API Number 15-007-21,868-8

OPERATOR: License # 03378
Name Sage Oil Company
Address 4216 N. Portlan Suite 201
City/State/Zip Oklahoma City, OK 73112
Contact Person Wayne M. Smith
Phone (405) 949-0490

NE. NE. SW. Sec. 34 Twp. 32 S, Rg. 12 East West
2,180 Ft. from South Line of Section
2,930 Ft. from East Line of Section

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

CONTRACTOR: License # 3675
Name Woodward Well Service
City/State Woodward/Oklahoma

Nearest lease or unit boundary line 460 feet
County Barber
Lease Name Randels Well # 1
Ground surface elevation 1,576 feet MSL

Well Drilled For: Well Class: Type Equipment:
 Oil Storage Infield Mud Rotary
 Gas Inj Pool Ext. Air Rotary
 XOWWO Expl Wildcat Cable

Domestic well within 330 feet: yes no
Municipal well within one mile: yes no

Depth to bottom of fresh water 180
Depth to bottom of usable water 180
Surface pipe by Alternate: 1 2

If OWWO: old well info as follows:
Operator Donald J. Malone (op# 8890)
Well Name Randels #1
Comp Date 7/19/84 Old Total Depth 4,880'

Surface pipe planned to be set at 295'
Conductor pipe required
Projected Total Depth 3,700 feet
Formation Elgin

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

Date 12/9/88 Signature of Operator or Agent W. Graham Smith Title President

For KCC Use:
Conductor Pipe Required 295 feet; Minimum Surface Pipe Required 1 feet per Alt. PK
This Authorization Expires 6-12-89 Approved By LKM 12-16-88 ORIF R.C.P.D. 12-12-88

EFFECTIVE DATE: 12-17-88

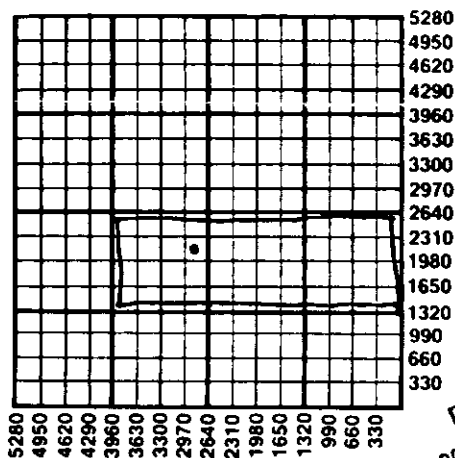
* WAS: 15-007-21,868-A

Must be filed with the K.C.C. five (5) days prior to commencing well
This card void if drilling not started within six (6) months of date received by K.C.C.

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 120 days of well spud date, 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.

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



RECEIVED
STATE CORPORATION COMMISSION
DEC 13 1988
12-12-88
CONSERVATION DIVISION
Wichita, Kansas

State Corporation Commission of Kansas
Conservation Division
200 Colorado Derby Building
Wichita, Kansas 67202-1212
(316) 263-3238