

For KCC Use:	
Effective Date: _	
District #	
0040	

Kansas Corporation Commission Oil & Gas Conservation Division

Form C-1 October 2007 Form must be Typed

	FINTENT TO DRILL CC five (5) days prior to commencing well
Expected Spud Date:	Spot Description:
month day year	Sec Twp S. R
ODEDATOR II	(Q/Q/Q/Q) foot from N / S Line of So
OPERATOR: License#	fact from F / W Line of So
Name:	
Address 1:	
Address 2:	(Note: Locate well on the Section Plat on reverse side)
Contact Person: State Zip +	County.
Phone:	Lease Name: Well #:
	Field Name:
CONTRACTOR: License#	Is this a Prorated / Spaced Field? Yes
Name:	Target Formation(s):
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary line (in footage):
	Ground Surface Elevation:feet l
	Water well within one-quarter mile:
Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable	Public water supply well within one mile:
Seismic ; # of Holes Other	Depth to bottom of fresh water:
Other:	Depth to bottom of usable water:
Outon	Surface Pipe by Alternate:
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
	Landth of Cardynatas Bird (if any)
Operator:	Projected Total Depth:
Well Name: Original Total Depth:	
Original Completion Date: Original Total Depth:	
Directional, Deviated or Horizontal wellbore?	Water Source for Drilling Operations:
If Yes, true vertical depth:	
Bottom Hole Location:	DVVN FEITIIL #.
KCC DKT #:	(100001 477) 1011 10111 10111 10111 10111
	Will Cores be taken? Yes If Yes, proposed zone:
The undersigned hereby affirms that the drilling, completion and eventu	AFFIDAVIT ual plugging of this well will comply with K.S.A. 55 et. seq.
It is agreed that the following minimum requirements will be met:	
through all unconsolidated materials plus a minimum of 20 feet in 4. If the well is dry hole, an agreement between the operator and the 5. The appropriate district office will be notified before well is either	the set by circulating cement to the top; in all cases surface pipe shall be set not the underlying formation. The district office on plug length and placement is necessary prior to plugging; or plugged or production casing is cemented in;
Or pursuant to Appendix "B" - Eastern Kansas surface casing or	mented from below any usable water to surface within 120 DAYS of spud date. der #133,891-C, which applies to the KCC District 3 area, alternate II cementing hall be plugged. In all cases, NOTIFY district office prior to any cementing.
ubmitted Electronically	
F KOO H ONLY	Remember to:
For KCC Use ONLY	- File Drill Pit Application (form CDP-1) with Intent to Drill;
API # 15	- File Completion Form ACO-1 within 120 days of spud date;
Conductor pipe requiredfeet	- File acreage attribution plat according to field proration orders;
Minimum surface pipe requiredfeet per ALT.	 Notify appropriate district office 48 hours prior to workover or re-entry; III - Submit plugging report (CP-4) after plugging is completed (within 60 days);
	 Submit plugging report (CP-4) after plugging is completed (within 60 days), Obtain written approval before disposing or injecting salt water.
Approved by:	- If this permit has expired (See: authorized expiration date) please
This authorization expires:	check the how helow and return to the address helow

(This authorization void if drilling not started within 12 months of approval date.)

_ Agent: _

Spud date: _

check the box below and return to the address below.

Well Not Drilled - Permit Expired Date: Signature of Operator or Agent:



IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

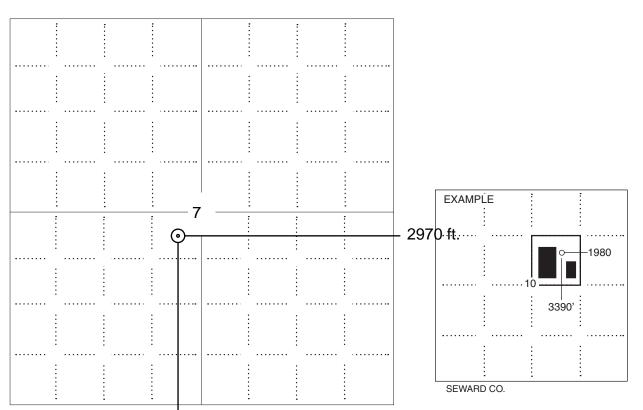
Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15	
Operator:	Location of Well: County:
ease:	feet from N / S Line of Section
Well Number:	feet from E / W Line of Section
Field:	Sec Twp S. R
Number of Acres attributable to well:	Is Section: Regular or Irregular
	If Section is Irregular, locate well from nearest corner boundary.
	Section corner used: NE NW SE SW

PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.) (Show footage to the nearest lease or unit boundary line.)



NOTE: In all cases locate the spot of the proposed drilling locaton.

2310 ft.

In plotting the proposed location of the well, you must show:

- 1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
- 2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
- 3. The distance to the nearest lease or unit boundary line (in footage).
- 4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

038228

Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name:			License Number:		
Operator Address:					
Contact Person:			Phone Number:		
Lease Name & Well No.:			Pit Location (QQQQ):		
Type of Pit: Emergency Pit Burn Pit Settling Pit Drilling Pit Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) Is the pit located in a Sensitive Ground Water Is the bottom below ground level? Yes No Pit dimensions (all but working pits): Depth from If the pit is lined give a brief description of the material, thickness and installation procedure	Artificial Liner? Yes 1 Length (feom ground level to de	No No et) Describe proce			
Distance to nearest water well within one-mile of pit		Depth to shallo	west fresh waterfeet.		
feet Depth of water wellfeet			redwell owner electric logKDWR		
Emergency, Settling and Burn Pits ONLY: Producing Formation: Number of producing wells on lease: Barrels of fluid produced daily: Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Submitted Electronically		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Number of working pits to be utilized: Abandonment procedure: Drill pits must be closed within 365 days of spud date.			
KCC OFFICE USE ONLY Steel Pit RFAC RFAS					
Date Received: Permit Num	ber:	Permi	it Date: Lease Inspection:		





May 28, 2010

James B. Phillips Phillips Exploration Company L.C. 1601 Sagebrush WICHITA, KS 67230-7010

Re: Drilling Pit Application Schoof 1-7 SW/4 Sec.07-15S-08E Morris County, Kansas

Dear James B. Phillips:

District staff has inspected the above referenced location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has recommended that the reserve pit be lined with bentonite or native clay, constructed <u>without slots</u>, the bottom shall be flat and reasonably level and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again within 72 hours after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (316) 630-4000 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through SOLAR within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to **Drill**. If you have any questions or concerns please feel free to contact the District Office at (316) 630-4000.