

For KCC Use:

Effective Date: \_\_\_\_\_

District # \_\_\_\_\_

SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form C-1

March 2010

Form must be Typed  
Form must be Signed  
All blanks must be Filled

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

Expected Spud Date: \_\_\_\_\_  
month day year

OPERATOR: License# \_\_\_\_\_

Name: \_\_\_\_\_

Address 1: \_\_\_\_\_

Address 2: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_

Contact Person: \_\_\_\_\_

Phone: \_\_\_\_\_

CONTRACTOR: License# \_\_\_\_\_

Name: \_\_\_\_\_

Well Drilled For:

Well Class:

Type Equipment:

- |   |                                   |                                    |                                     |
|---|-----------------------------------|------------------------------------|-------------------------------------|
| <input type="checkbox"/> Oil                        | <input type="checkbox"/> Enh Rec  | <input type="checkbox"/> Infield   | <input type="checkbox"/> Mud Rotary |
| <input type="checkbox"/> Gas                        | <input type="checkbox"/> Storage  | <input type="checkbox"/> Pool Ext. | <input type="checkbox"/> Air Rotary |
|   | <input type="checkbox"/> Disposal | <input type="checkbox"/> Wildcat   | <input type="checkbox"/> Cable      |
| <input type="checkbox"/> Seismic ; _____ # of Holes | <input type="checkbox"/> Other    |                                    |                                     |
| <input type="checkbox"/> Other: _____               |                                   |                                    |                                     |

If OWWO: old well information as follows:

Operator: \_\_\_\_\_

Well Name: \_\_\_\_\_

Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Directional, Deviated or Horizontal wellbore?  Yes  No

If Yes, true vertical depth: \_\_\_\_\_

Bottom Hole Location: \_\_\_\_\_

KCC DKT #: \_\_\_\_\_

Spot Description: \_\_\_\_\_

\_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  E  W  
(Q/Q/Q/Q) \_\_\_\_\_ feet from  N /  S Line of Section

\_\_\_\_\_ feet from  E /  W Line of Section

Is SECTION:  Regular  Irregular?

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

County: \_\_\_\_\_

Lease Name: \_\_\_\_\_ Well #: \_\_\_\_\_

Field Name: \_\_\_\_\_

Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): \_\_\_\_\_

Nearest Lease or unit boundary line (in footage): \_\_\_\_\_

Ground Surface Elevation: \_\_\_\_\_ feet MSL

Water well within one-quarter mile:  Yes  No

Public water supply well within one mile:  Yes  No

Depth to bottom of fresh water: \_\_\_\_\_

Depth to bottom of usable water: \_\_\_\_\_

Surface Pipe by Alternate:  I  II

Length of Surface Pipe Planned to be set: \_\_\_\_\_

Length of Conductor Pipe (if any): \_\_\_\_\_

Projected Total Depth: \_\_\_\_\_

Formation at Total Depth: \_\_\_\_\_

Water Source for Drilling Operations:

Well  Farm Pond  Other: \_\_\_\_\_

DWR Permit #: \_\_\_\_\_

(Note: Apply for Permit with DWR  )

Will Cores be taken?  Yes  No

If Yes, proposed zone: \_\_\_\_\_

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office **prior** to spudding of well;
2. A copy of the approved notice of intent to drill **shall be** posted on each drilling rig;
3. The minimum amount of surface pipe as specified below **shall be set** by circulating cement to the top; in all cases surface pipe **shall be set** through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary **prior to plugging**;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 DAYS** of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **In all cases, NOTIFY district office** prior to any cementing.

Submitted Electronically

**For KCC Use ONLY**

API # 15 - \_\_\_\_\_

Conductor pipe required \_\_\_\_\_ feet

Minimum surface pipe required \_\_\_\_\_ feet per ALT.  I  II

Approved by: \_\_\_\_\_

**This authorization expires:** \_\_\_\_\_  
(This authorization void if drilling not started within 12 months of approval date.)

Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

Remember to:

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed (within 60 days);
- Obtain written approval before disposing or injecting salt water.
- If well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well will not be drilled or Permit Expired Date: \_\_\_\_\_

Signature of Operator or Agent: \_\_\_\_\_

E  
 W

**For KCC Use ONLY**

API # 15 - \_\_\_\_\_

**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: \_\_\_\_\_

Lease: \_\_\_\_\_

Well Number: \_\_\_\_\_

Field: \_\_\_\_\_

Number of Acres attributable to well: \_\_\_\_\_

QTR/QTR/QTR/QTR of acreage: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Location of Well: County: \_\_\_\_\_

\_\_\_\_\_ feet from  N /  S Line of Section

\_\_\_\_\_ feet from  E /  W Line of Section

Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  E  W

Is Section:  Regular or  Irregular

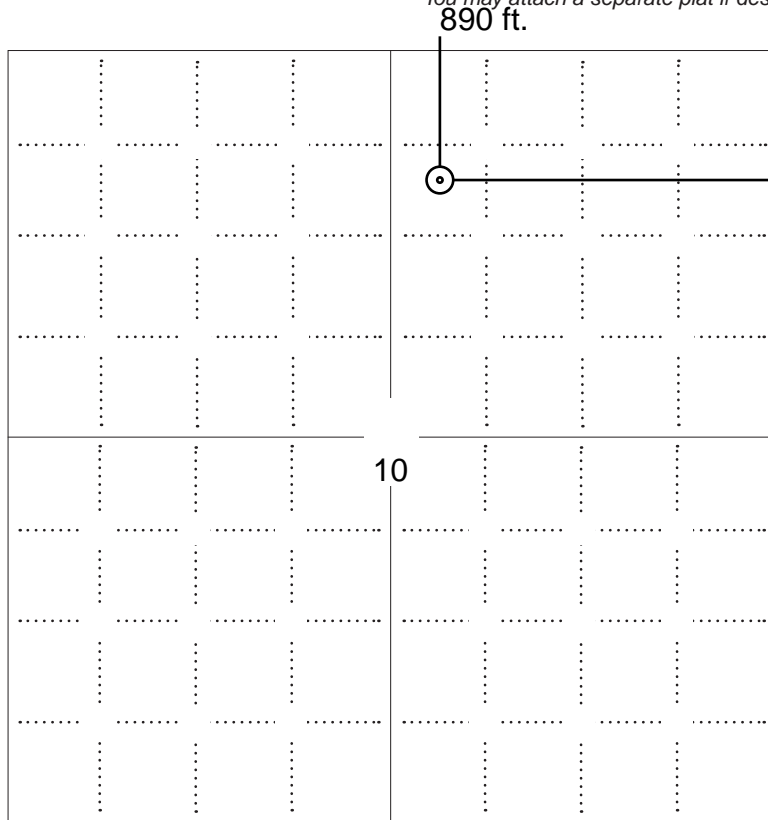
**If Section is Irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

**PLAT**

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).

You may attach a separate plat if desired.



**LEGEND**

- Well Location
- Tank Battery Location
- Pipeline Location
- - - - Electric Line Location
- Lease Road Location



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

**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).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

**KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
APPLICATION FOR SURFACE PIT**

Form CDP-1  
May 2010  
Form must be Typed

*Submit in Duplicate*

Operator Name: _____		License Number: _____	
Operator Address: _____			
Contact Person: _____		Phone Number: _____	
Lease Name & Well No.: _____		Pit Location (QQQQ): _____ - _____ - _____ - _____	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	
How is the pit lined if a plastic liner is not used?		_____	
Pit dimensions (all but working pits):    _____ Length (feet)    _____ Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) <input type="checkbox"/> No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit: _____ feet    Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
<b>Emergency, Settling and Burn Pits ONLY:</b> 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? <input type="checkbox"/> Yes <input type="checkbox"/> No		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> 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.	
<b>Submitted Electronically</b>			

<b>KCC OFFICE USE ONLY</b>			
		<input type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS	
Date Received: _____	Permit Number: _____	Permit Date: _____	Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form KSONA-1  
January 2014  
**Form Must Be Typed**  
**Form must be Signed**  
**All blanks must be Filled**

**CERTIFICATION OF COMPLIANCE WITH THE  
KANSAS SURFACE OWNER NOTIFICATION ACT**

*This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.*

Select the corresponding form being filed:  C-1 (Intent)  CB-1 (Cathodic Protection Borehole Intent)  T-1 (Transfer)  CP-1 (Plugging Application)

OPERATOR: License # \_\_\_\_\_  
Name: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Phone: ( \_\_\_\_\_ ) \_\_\_\_\_ Fax: ( \_\_\_\_\_ ) \_\_\_\_\_  
Email Address: \_\_\_\_\_

Well Location:  
\_\_\_\_ - \_\_\_\_ - \_\_\_\_ - \_\_\_\_ Sec. \_\_\_\_ Twp. \_\_\_\_ S. R. \_\_\_\_  East  West  
County: \_\_\_\_\_  
Lease Name: \_\_\_\_\_ Well #: \_\_\_\_\_

*If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:*

**Surface Owner Information:**

Name: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_

*When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.*

*If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.*

**Select one of the following:**

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I must provide the name and address of the surface owner by filling out the top section of this form and that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

*If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.*

I Submitted Electronically

I

STATE OF KANSAS  
STATE CORPORATION COMMISSION  
CONSERVATION DIVISION  
245 North Water  
WICHITA, KANSAS 67202

Rev. 6-3-74  
FORM CP-1

WELL PLUGGING APPLICATION FORM  
File One Copy

RECEIVED  
STATE CORPORATION COMMISSION  
MAR 20 1981  
CONSERVATION DIVISION  
Wichita, Kansas

API Number 15 - 035 - 22752 (of this well)  
Lease Owner Cities Service Co.  
Address 3545 N.W. 58th Street, Oklahoma City, OK 73112  
Lease (Farm Name) Goyer Well No. #1-A  
Well Location 100' N, SW NW NE Sec. 10 Twp. 30 Rge. 3 (E) (W)  
County Cowley Total Depth 2,917' Field Name Wildcat  
Oil Well      Gas Well      Input Well      SWD Well      Rotary D & A X  
Well Log attached with this application as required       
Date and hour plugging is desired to begin January 30, 1981

PLUGGING OF THIS WELL WILL BE DONE IN ACCORDANCE WITH K.S.A. 55-128 OF THE RULES AND REGULATIONS OF THE STATE CORPORATION COMMISSION.

Name of company representative authorized to be in charge of plugging operations:

Don. Thompson Address     

Plugging Contractor Apex Drilling Corporation License No.     

Address P.O. Box 11245, Wichita, KS 62711

Invoice covering assessment for plugging this well should be sent to:

Name Holt Oil & Gas Corporation

Address 8150 N. Central Expwy., Campbell Centre II, Suite 1255, Dallas, TX 75206

and payment will be guaranteed by applicant or acting agent.

Signed: *Andrew Holt* Holt Oil & Gas Corp  
Applicant or Acting Agent

Date: Feb 27, 1981

State of Kansas



JOHN CARLIN  
R. C. LOUX  
JANE T. ROY  
PHILLIP R. DICK  
CAROL J. LARSON

Governor  
Chairman  
Commissioner  
Commissioner  
Executive Secretary

State Corporation Commission

CONSERVATION DIVISION

(Oil, Gas and Water)  
200 Colorado Derby Bldg.  
WICHITA, KANSAS 67202

February 17, 1981

WELL PLUGGING AUTHORITY

Goyer #1-A  
SW NW NE, Sec. 10-30S-3E  
Cowley  
2917'  
Apex Drlg. Corp.

Holt Oil & Gas Corporation  
8150 N. Central Expwy.  
Dallas, Tx 75225

Gentlemen:

This is your authority to plug the above subject well in accordance with the Rules and Regulations of the State Corporation Commission.

This authority is void after ninety (90) days from the above date.

Yours very truly,

  
For Administrator

Mr. Don Thompson, 519 N. Arthur, Box 226, El Dorado, KS 67042

is hereby assigned to supervise the plugging of the above named well.

KANSAS

FORM CP-3  
Rev. 11-3-80

STATE CORPORATION COMMISSION  
CONSERVATION DIVISION AGENT REPORT

API Number 15-035- 22,752

245 North Water  
Wichita, KS 67202

Operator's Full Name Holt Oil & Gas Corp.

Complete Address 8150 N. Central Expwy., Dallas, Tx.

Lease Name Goyer Well No. # 1-A

Location SW NW NE Sec. 10 Twp. 30-SR Rge. 3 (East) (~~West~~)

County Cowley Total Depth 2917'

Abandoned Oil Well  Gas Well  Input Well  SWD Well  D & A

Other well as hereafter indicated \_\_\_\_\_

Plugging Contractor Apex Drlg. Corp.

Address Box 11245, Wichita, Ks. 67211 License No. \_\_\_\_\_

Operation Completed: Hour: 6:20 PM Day: 29 Month: 1 Year: 19 81

The above well was plugged as follows:

8 5/8" sur. csg. 189' circ./cemt/

Filled hole/mud 195', hulls, plug, 25 sx. cemt.

Filled hole/mud 40', hulls, plug, 12 sx. cemt.

No rathole.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

I hereby certify that the above well was plugged as herein stated.

CONS. DIVISION  
Wichita, Kansas

**INVOICED**

Signed: Alan Thompson  
Conservation Division Agent

DATE 2-18-81

INV. NO. 8587-E

RECEIVED  
STATE CORPORATION COMMISSION

SIN:

FEB 13 1981





STATE OF KANSAS  
STATE CORPORATION COMMISSION

WELL PLUGGING RECORD

Give All Information Completely  
Make Required Affidavit  
Mail or Deliver Report to  
Conservation Division  
State Corporation Comm.  
245 North Water  
Wichita, KS 67202

Cowley County, Sec. 10 Twp. 30 Rge. 3 E/W  
Location as "NE/CNW $\frac{1}{2}$ /SW $\frac{1}{4}$ " or footage from lines  
SW NW NE

Lease Owner Cities Service Company  
Lease Name Goyer Well No. #1-A  
Office Address 8150 N. Central, #1255, Dallas, TX 75206  
Character of Well (Completed as Oil, Gas or Dry Hole)

Dry Hole

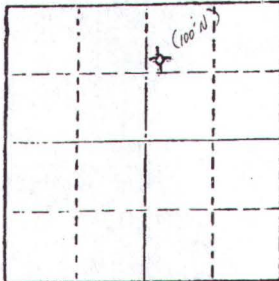
Date Well completed January 29, 1981 19  
Application for plugging filed January 29, 1981 19  
Application for plugging approved January 29, 1981 19  
Plugging commenced January 30, 1981 19  
Plugging completed January 30, 1981 19  
Reason for abandonment of well or producing formation

Well Dry

If a producing well is abandoned, date of last production  
N/A 19

Was permission obtained from the Conservation Division or  
its agents before plugging was commenced? Yes

Name of Conservation Agent who supervised plugging of this well Don Thompson  
Producing formation Depth to top Bottom Total Depth of Well 2,917'  
Show depth and thickness of all water, oil and gas formations.



OIL, GAS OR WATER RECORDS

CASING RECORD

FORMATION	CONTENT	FROM	TO	SIZE	PUT IN	PULLED OUT
				8 5/8"	189'	

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hold. If cement or other plugs were used, state the character of same and depth placed, from \_\_\_\_\_ feet to \_\_\_\_\_ feet for each plug set.

TD to 195', mud, 195' 25 sx cem plus 1/2 sx hulls, mud to surf, 12 sx cem at surf.

(If additional description is necessary, use BACK of this sheet)  
Name of Plugging Contractor Apex Drilling Corporation

STATE RECEIVED  
MAR 20 1981  
CONSERVATION DIVISION  
WICHITA, KANSAS

STATE OF Texas COUNTY OF Dallas, ss.  
CRAIG W. GOODEN (employee of owner) or (owner or operator)  
of the above-described well, being first duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the log of the above-described well as filed and that the same are true and correct. So help me God.

(Signature) Craig W. Gooden  
Holt Oil & Gas Corporation  
8150 North Central Expwy. Dallas 75248  
(Address)

SUBSCRIBED AND SWORN TO before me this 2 day of March, 1981

Sandi Maszyck  
Notary Public.

My commission expires 10-6-84

# **PHILLIPS OIL PROPERTIES, INC.**

**1822 S. Mead, Wichita, KS 67211, 316.265.7779, 316.265.1942 FAX**

May 3, 2019

Kansas Corporation Commission  
Conservation Division  
Finney State Office Building  
130 S. Market, Room 2078  
Wichita, KS 67202

Attn: Mr. Rick Hesterman

Re: Pauly #3 OWWO (Goyer #1-A)  
10-30-3E  
Cowley Co., KS

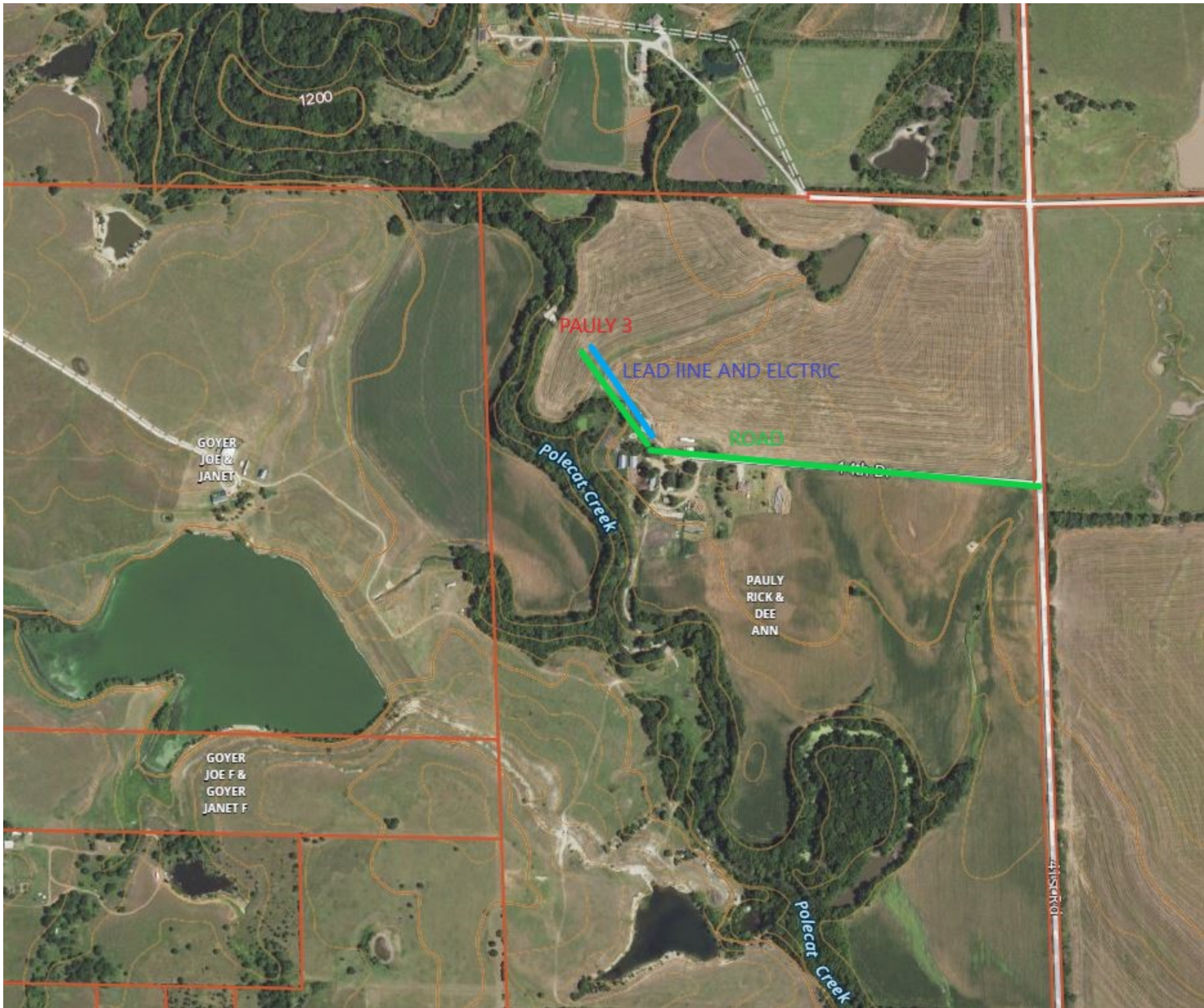
Mr. Hesterman,

This well is an OWWO and has 189' of 8-5/8" surface casing. I am requesting an exception to Table I surface casing requirement of 300 feet for this area.

Please process or contact me with any questions or concerns.

Respectfully,

Troy A. Phillips  
President



Conservation Division  
266 N. Main St., Ste. 220  
Wichita, KS 67202-1513



Phone: 316-337-6200  
Fax: 346-337-6211  
<http://kcc.ks.gov/>

Dwight D. Keen, Chair  
Shari Feist Albrecht, Commissioner  
Susan K. Duffy, Commissioner

Laura Kelly, Governor

May 9, 2019

Phillips Oil Properties, Inc.  
733 N. Baltimore Ave.  
Derby, KS 67037-1609

RE: Surface Casing Exception  
Pauley #3, Sec. 10-T30S-R3E  
Cowley County, Kansas

Dear Mr. Phillips:

The Kansas Corporation Commission (KCC) has received your request for an exception to the Table 1 minimum surface pipe requirement of 300 feet for the proposed washdown of this well. From your request, the KCC understands that Phillips Oil Properties, inc. is requesting to utilize the existing 189 feet of surface casing, and cement production casing from 350 feet to surface if production casing is run.

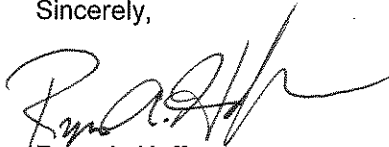
After review of this matter by technical staff it was determined that:

1. Bedrock at this location is the Permian Chase Group and is located at or near surface.
2. The depth of the nearest water well of record within one mile of the proposed location is 52 feet.

Based on this information, an exception is granted for the Table 1 Minimum Surface Casing Requirements with the following stipulations:

1. The KCC District #2 office must be notified prior to spudding the well.
2. Upon **reaching total depth** of the well, the production or long string casing nearest the formation wall shall be **immediately** cemented from a depth of at least 350 feet back to surface.
3. The KCC District #2 office must be notified one day before cementing the production casing so staff can be onsite to witness the cementing **from at least 350' to surface. Cementing must be witnessed during business hours of 8am to 5pm, Monday through Friday.**
4. In the event the well is dry, plugging will be performed according to KCC rules and KCC District #2 requirements.

Sincerely,



Ryan A. Hoffman  
Director

cc: Rene Stucky, Prod. Dept. Supervisor *ok 5/8/19*  
Jeff Klock - Dist. #2 Supervisor *via e-mail 5/7/19*

July 02, 2019

Troy A Phillips  
Phillips Oil Properties Inc.  
733 N. BALTIMORE AVE  
DERBY, KS 67037-1609

Re: Drilling Pit Application  
Pauly 3  
NE/4 Sec.10-30S-03E  
Cowley County, Kansas

Dear Troy A Phillips:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, 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 practical 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) 337-7400 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through KOLAR 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) 337-7400.