

For KCC Use: 817-08
 Effective Date: 2
 District #: 2
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

OWWO
 Form C-1
 October 2007
 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

Expected Spud Date: 08 11 2008
 month day year

OPERATOR: License# 4699
 Name: Phillips Oil Properties
 Address 1: 1822 S. Mead
 Address 2: _____
 City: Wichita State: KS Zip: 67211
 Contact Person: Troy Phillips
 Phone: (316) 265-7779

CONTRACTOR: License# _____ will notify on ACO-1 Must be licensed by KCC
 Name: _____

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil	<input checked="" type="checkbox"/> Infield	<input checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> Gas	<input type="checkbox"/> Pool Ext.	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> Enh Rec	<input type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> Storage	<input type="checkbox"/> Other	
<input type="checkbox"/> Disposal		
<input type="checkbox"/> Seismic ; _____ # of Holes		
<input type="checkbox"/> Other: _____		

If OWWO: old well information as follows:
 Operator: Range Oil Company, Inc.
 Well Name: Andes "A" 1
 Original Completion Date: 1-27-76 Original Total Depth: 3600

Directional, Deviated or Horizontal wellbore? Yes No
 If Yes, true vertical depth: _____
 Bottom Hole Location: _____
 KCC DKT #: _____

Spot Description: SW NE
 _____ SW _____ NE _____ Sec. 26 Twp. 33 S. R. 5 E W
 (A/A/A/A) 1,980 feet from N / S Line of Section
1,980 feet from E / W Line of Section

Is SECTION: Regular Irregular?
 (Note: Locate well on the Section Plat on reverse side)
 County: Cowley

Lease Name: Andes "A" Well #: 1
 Field Name: Silver Creek Albright

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Mississippian
 Nearest Lease or unit boundary line (in footage): 1980'

Ground Surface Elevation: 1264' 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: 100'
 Depth to bottom of usable water: 100'
 Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 157' Request Exception
 Length of Conductor Pipe (if any): N/A
 Projected Total Depth: 3154
 Formation at Total Depth: mississippian

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: _____

Surface casing exception granted.

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.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 8-6-08 Signature of Operator or Agent: Troy Phillips Title: Geologist

For KCC Use ONLY
 API # 15 - 035-20918-00-01
 Conductor pipe required None feet
 Minimum surface pipe required 157 feet per ALT. I II
 Approved by: 8-12-08
 This authorization expires: 8-12-09
 (This authorization void if drilling not started within 12 months of approval date.)
 Spud date: _____ Agent: _____

- Remember to:**
- 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 this permit has expired (See: authorized expiration date) please check the box below and return to the address below.
- Well Not Drilled - Permit Expired Date: _____
 Signature of Operator or Agent: _____

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 AUG 06 2008
 CONSERVATION DIVISION
 WICHITA, KS

26
 33
 5
 E
 W

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 - 035-24-020 20,918-00-01
Operator: Phillips Oil Properties
Lease: Andes "A"
Well Number: 1
Field: Silver Creek

Location of Well: County: Cowley
1,980 feet from N / S Line of Section
1,980 feet from E / W Line of Section
Sec. 26 Twp. 33 S. R. 5 E W

Number of Acres attributable to well: _____
QTR/QTR/QTR/QTR of acreage: _____ - _____ - SW - NE

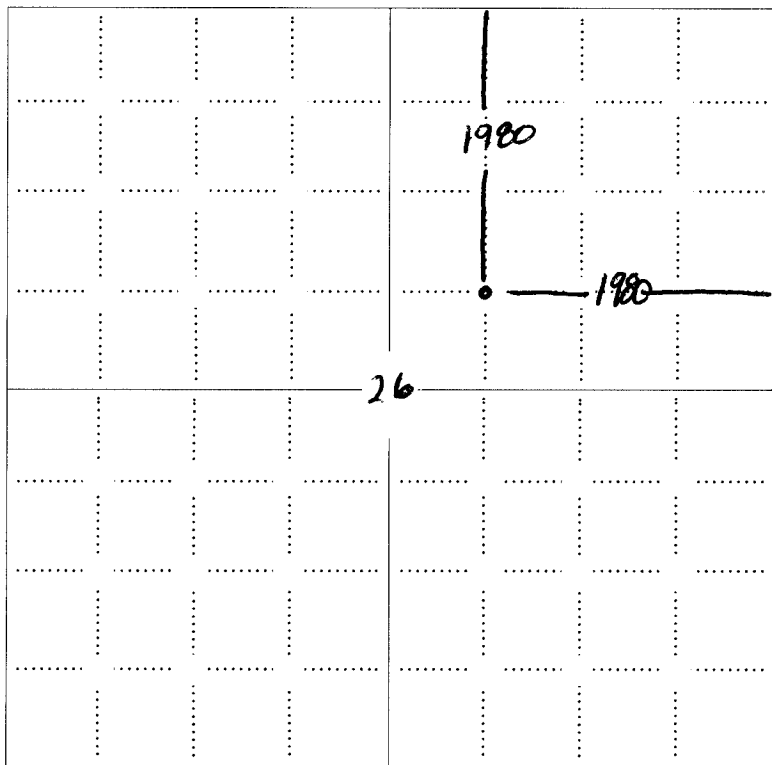
Is Section: Regular or Irregular

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

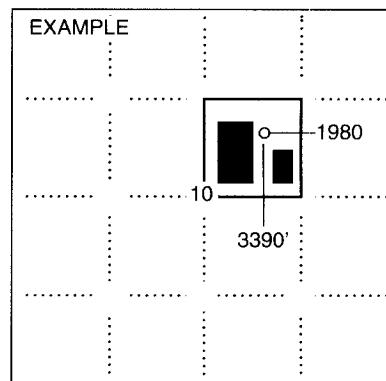
Section corner used: NE NW SE SW

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.)



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SEWARD CO.

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

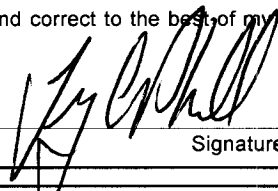
In plotting the proposed location of the well, you must show:

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: (CO-7 for oil wells; CG-8 for gas wells).

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

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Phillips Oil Properties		License Number: 4699
Operator Address: 1822 S. Mead		Wichita KS 67211
Contact Person: Troy Phillips		Phone Number: (316) 265-7779
Lease Name & Well No.: Andes "A" 1		Pit Location (QQQQ): _____ SW _____ NE
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input checked="" type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 100 (bbls)
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: <u>20,000</u> mg/l <small>(For Emergency Pits and Settling Pits only)</small>
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
How is the pit lined if a plastic liner is not used? Drilling Fluids		
Pit dimensions (all but working pits): <u>10</u> Length (feet) <u>10</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>3</u> (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 <u>N/A</u> 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
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? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: <u>mud</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: Dry and Fill Drill pits must be closed within 365 days of spud date.
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.		
<u>8-6-08</u> Date	 Signature of Applicant or Agent	RECEIVED KANSAS CORPORATION COMMISSION AUG 06 2008 CONSERVATION DIVISION WICHITA, KS
KCC OFFICE USE ONLY		
Date Received: <u>8/6/08</u> Permit Number: _____ Permit Date: <u>8/7/08</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>

15-035-20918-00-01

API NUMBER 15-035-20,918-0000

LEASE NAME Andes 'A'

WELL NUMBER 1

 Ft. from S Section Line

 Ft. from E Section Line

SEC. 26 TWP. 33 RGE. 5 (E) ~~or (W)~~

COUNTY Cowley

Date Well Completed

Plugging Commenced 2-22-96

Plugging Completed 2-27-96

 (date)

LEASE OPERATOR Range Oil Company, Inc.

ADDRESS 125 N. Market, #1120 Wichita, Ks. 67202

PHONE (816) 265-6231 OPERATORS LICENSE NO. 5120

Character of Well Oil

(Oil, Gas, O&A, SWD, Input, Water Supply Well)

The plugging proposal was approved on

by (KCC District Agent's Name).

Is ACO-1 filed? If not, is well log attached?

Producing Formation Depth to Top Bottom T.O. 3600'

Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS

CASING RECORD

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Formation	Content	From	To	Size	Put in	Pulled out
				8 5/8"	157'	none MAY 24 1996
				4 1/2"	3154'	2022'

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 hole. If cement or other plug were used, state the character of same and depth placed, from feet to feet set .
 Plugged off bottom with sand to 3030' and 4 sacks cement. Shot well at 2022'.
 Pulled up to 250', circulated cement (60/40 POZMIX 4% gel) to surface with 140 sacks, pulled casing. Plugging complete.

Name of Plugging Contractor Mike's Testing & Salvage, Inc. License No. 31529

Address P.O. Box 209 Chase, Kansas 67524

NAME OF PARTY RESPONSIBLE FOR PLUGGING FEES: Range Oil Company, Inc. -Wichita, Ks.

STATE OF Kansas COUNTY OF Rice, ss.

Mike Kelso (Employee of Operator) or (Operator) of 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 the same are true and correct, so help me God.

(Signature) Mike Kelso

(Address) P.O. Box 209 Chase, Kansas 67524

SUBSCRIBED AND SWORN TO before me this 6th day of March, 19 96

Doreen Leinberger
 Notary Public

COPY

My Commission Expires:
 USE ONLY ONE SIDE OF EACH FORM

IRENE HERSBERG
 State of Kansas
 My Appt. Exp. Aug. 24, 1997

PHILLIPS OIL PROPERTIES, INC.

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

August 6, 2008

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

Attn: Mr. Rick Hesterman

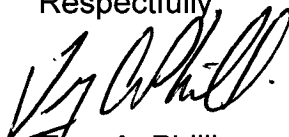
Re: Andes "A"-1 OWWO
26-33S-5E
Cowley Co., KS

Mr. Hesterman,

This well is an OWWO and has 157' of 8-5/8" surface casing set. I am requesting an exception to Table I surface casing requirement of 200 feet for this area. The 2 options for completion requested are to allow the existing 157 feet of 8-5/8" as surface casing necessary or complete as Alternate II completion. My preference would be to allow the existing 157 foot of 8-5/8" to be sufficient.

Please process or contact me with any questions or concerns.

Respectfully



Troy A. Phillips
Geologist

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AUG 06 2008

CONSERVATION DIVISION
WICHITA, KS



Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner

August 12, 2008

Phillips Oil Properties
1822 S. Mead
Wichita, KS 67211

Re: Andes "A" #1 OWWO SW-NE Sec. 26-33S-R5E, Cowley County, Kansas

Dear Mr. Phillips:

The Kansas Corporation Commission has received your request, dated August 6, 2008, for an exception to Table 1 surface pipe requirements for the above-referenced well, which was originally drilled as the Andes "A" #1 in 1976 and plugged in 1996 by Range Oil Company, Inc. From your request, the KCC understands that Phillips Oil Properties desires to re-enter this well, which has 157' of surface pipe set. The Table 1 minimum surface pipe requirement for wells drilled in this part of Cowley County is 200'. The surface pipe set in this previously plugged well does not meet the present surface pipe setting depth requirements.

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

1. Bedrock at this location is the Permian Chase Group at or near surface.
2. A review of water well records indicated that deepest water well within approximately one mile of the Andes "A" #1 is 60 feet deep.
3. The existing 157' of surface casing adequately protects fresh and usable ground water.

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

1. In the event the well is dry and no additional production pipe has been cemented in-place, plugging will be performed according to KCC rules per KCC District #2 requirements.

Sincerely,

Doug Louis
Director

cc: Steve Bond *sb*
Jeff Klock - Dist #2 *✓ via e-mail 8/14/08*

CONSERVATION DIVISION

Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802
(316) 337-6200 • Fax: (316) 337-6211 • <http://kcc.ks.gov/>