

** Added Projected TO*
CORRECTED
8-13-08 *OWWO*

For KCC Use:
 Effective Date: 8-17-08
 District # 2
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

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

Spot Description: SE NW
 (a-a-a) SE NW Sec. 26 Twp. 33 S. R. 5 E W
1780 feet from N / S Line of Section
3300 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 Well # 3
 Field Name: Alright

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Mississippian

Nearest Lease or unit boundary line (in footage): 1900
 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: 100'
 Depth to bottom of usable water: 100'

Surface Pipe by Alternate: I II
 Length of Surface Pipe Planned to be set: 158' Request Exception

Length of Conductor Pipe (if any): N/A
 Projected Total Depth: 3096

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: _____

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 type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
<input type="checkbox"/> Seismic	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Other:	<input type="checkbox"/> # of Holes _____	<input type="checkbox"/> Cable
	<input type="checkbox"/> Other _____	

If OWWO: old well information as follows:

Operator: Range Oil Company, Inc.
 Well Name: Andes 3
 Original Completion Date: 09-20-76 Original Total Depth: 3097

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

Surface casing exception granted.

AFFIDAVIT

RECEIVED
 KANSAS CORPORATION COMMISSION

AUG 06 2008

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: [Signature] Title: Geologist

For KCC Use ONLY
 API # 15 - 035-21,035 - 02-01
 Conductor pipe required None feet
 Minimum surface pipe required 158 feet per ALT. I II
 Approved by: [Signature] 8-12-08 / [Signature] 8-13-08
 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: _____

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

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