**AFFIDavit**

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

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

1. Not less than 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 approved below shall be set by circumscribing the point; in all cases surface pipe shall be set through all unconsolidated materials and not less than 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office of plug length and placement is necessary prior to plugging.
5. The appropriate district office will not notify 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 unstable water to surface within 120 days of spud date.

Or pursuant to Appendix B, Eastern Kansas Surface casing order #134,891-91, which applies to the KCC Daisne 6z, alternate II cementing must be completed within 90 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 to the best of my knowledge and belief.

Date: ________

Signature of Operator or Agent:

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**FOR KCC USE ONLY**

API # 15:

- Conductor pipe
- Minimum surface pipe

Approved by: [Name]

This authorization expires: [Date]

This authorization void if drilling not certified within 6 months of approval date.

**Mail to:**

KCC - Conservation Division, 130 S. Market - Room 207b, Wichita, Kansas 67202
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 relation to other wells producing from the common source of supply. Please show all wells and within 1 mile of the boundary 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. 19:  Phillips Exploration Company C.
Operator:  Phillips Exploration Company C.
Lease:  A.J. Rice Trust
Well number:  1-25
Field:
Number of acres attributable to well:
QTR / QTR / QTR of acreage:

Location of Well:  County:  Graham

495'  feet from  H / S Line of Section:

9/10'  feet from  E / W Line of Section:

Sec.:  25  Twp.:  8  S. R.:  23  East 1/2 West

If area is regular, locate well from nearest corner boundary. Section corner used:  NE  NW  SE  SW

If area is irregular, locate well from nearest corner boundary.

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

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, 1/4 section with 8 surrounding sections, 1 sections, etc.
2. The distance of the proposed drilling location from the section’s south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached (CG-7 for oil wells; CG-8 for gas wells).
February 10, 2006

Mr. James B. Phillips
Phillips Exploration Company LLC
4109 N. Ironwood
Wichita, KS 67226

RE: Drilling Pit Application
A.J. Rice Trust Lease Well No. 1-25
NW/4 Sec. 25-08S-23W
Graham County, Kansas

Dear Mr. Phillips:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed without state, 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. Please keep all pits away from any draws.

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 (785) 625-0550 when the fluids have been removed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

A copy of the 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 undersigned at the above address.

Sincerely,

[Signature]
Kathy Haynes
Environmental Protection and Remediation Department

cc: H Deines

Conservation Division, Finney State Office Building, 130 S. Market, Room 2070, Wichita, KS 67202-3802
Phone 316.337.4200 Fax 316.337.6214 www.kcc.state.ks.us