

STATE OF ALABAMA )  
 :  
COUNTY OF TUSCALOOSA )

AFFIDAVIT OF TESTIMONY IN  
SUPPORT OF PETITION  
BEARING DOCKET NO. 9-26-01-3

Comes now Robert T. Wood, Consulting Geologist for Phillips Petroleum Company, and qualified before the State Oil and Gas Board as an expert witness, who, after being duly sworn on his oath, states the following:

That River Gas Corporation is the named Operator of the Chevron 04-16-142 Well, Permit No. 11892-C, located on a 40-acre unit consisting of the Southeast Quarter of the Southeast Quarter of Section 4, Township 18 South, Range 9 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field. Said well was permitted on July 12, 2000 and drilling commenced on August 24, 2000. A Change of Operator request is pending to name Phillips Petroleum Company, as Successor in Interest by merger with River Gas Corporation, as Operator of said well; and

That in order to avoid the drilling of an unnecessary well, minimize the number of wells needed to produce coalseam gas, promote uniform spacing units in the area and avoid unnecessary surface disturbances, Petitioner requests that the above described 40-acre unit be reformed to an 80-acre unit consisting of the East Half of the Southeast Quarter of Section 4, Township 18 South, Range 9 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field; and

That the mineral ownership in the proposed 80-acre unit for the Chevron 04-16-142 Well is diverse, and the owners of the mineral rights in said 80-acre unit have been notified of the requested unit reformation; and

That attached hereto as Exhibit 1 is a plat which shows the existing 40-acre unit and the proposed 80-acre unit; and

That, in my opinion, granting the petition will prevent waste, promote the development of natural resources, avoid the drilling of unnecessary wells, and protect the correlative rights of all owners in the proposed unit.

Further Affiant saith not.

PHILLIPS PETROLEUM COMPANY

BY:

  
ROBERT T. WOOD

Subscribed and sworn to and subscribed before me this 19<sup>th</sup> day of October, 2001.

  
NOTARY PUBLIC

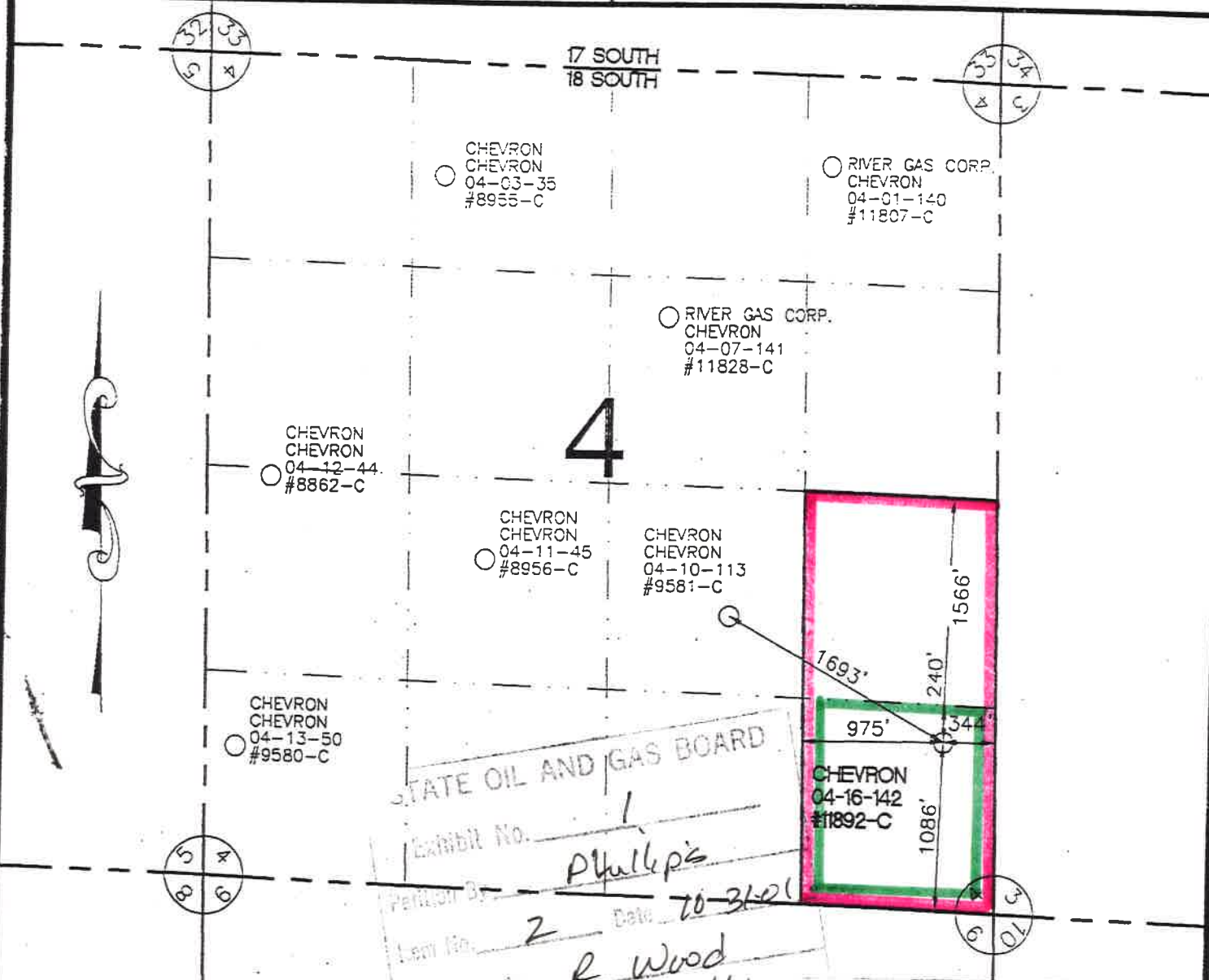


My Commission Expires:

7/27/05

STATE OIL AND GAS BOARD	
Exhibit No.	<u>1 (1-2)</u>
Petition By	<u>Phillips</u>
Item No.	<u>2</u>
Date	<u>10-31-01</u>
Testimony Of	<u>R. Wood</u>
Received By	<u>R. Hamilton</u>

NAD27 COORDS: LATITUDE: **33.50405** LONGITUDE: **87.47683** NORTHING: **1274601.55** EASTING: **507063.14**



STATE OIL AND GAS BOARD  
 Exhibit No. 1  
 Petitioner By: Phillips  
 Term No. 2 Date: 10-31-01  
 Certificate of: R Wood  
 Received By: R Hamlin

Exhibit No.: 1 Docket No.: 9-26-01-3  
 Date: 10/17/01 Prepared By: Robert T. Wood

STATE OF ALABAMA  
 TUSCALOOSA COUNTY

I, STEVEN G. FAULKNER, a Registered Professional Land Surveyor of the firm of Sentell Engineering, Inc., Tuscaloosa, Alabama, hereby certify that all parts of this survey and drawing have been completed in accordance with the requirements of the Minimum Technical Standards for the Practice of Land Surveying in the State of Alabama, to the best of my knowledge, information, and belief.

WITNESS my hand on this the 17 day of SEPTEMBER, 20 01.

*Steven G. Faulkner*  
 Steven G. Faulkner, P.L.S. PROFESSIONAL  
 Alabama Reg. No. 24329

SCALE: 1"=1000'

**LEGEND:**  
 EXISTING OR PERMITTED WELL ○  
 PROPOSED WELL ●  
 P&A WELL ⊗  
 MONITORING WELL ⊕  
 UNIT BOUNDARY ———  
 SECTION LINES - - - - -

# Whitson Project

LOCATION: WHITSON  
 WELL NAME: CHEVRON 04-16-142  
 UNIT BOUNDARY: E 1/2 - SE 1/4  
 MINERAL OWNER: CHEVRON  
 SURFACE OWNER: GEORGE BALLARD  
 LEASEE: PHILLIPS PETROLEUM CO.

**PHILLIPS PETROLEUM COMPANY**  
 1300 McFARLAND BLVD. N.E.  
 SUITE 300 TUSCALOOSA, AL 35406-2233

**SENTELL ENGINEERING, INC.**  
 P.O. BOX 1246 / 639 17th STREET  
 TUSCALOOSA, ALABAMA 35403

DRAWN BY	DATE OF DRAWING	DATE OF SURVEY	FIELD BK	JCB NO.
EMH	9-5-01	05/00	SMI	99-170

STATE OIL AND GAS BOARD OF ALABAMA

420 Hackberry Lane  
P.O. Box 869999  
Tuscaloosa, Alabama 35486-6999  
(205) 349-2852 Fax (205)349-2861  
www.ogb.state.al.us

To be filed in by Board  
11892-C

Permit number

01-125-23795  
API number

Force pooling order number

Date of force pooling order



Affidavit of Ownership or Control

(file in triplicate)

STATE OF ALABAMA  
COUNTY OF TUSCALOOSA

BEFORE ME, the undersigned authority, personally appeared Joseph L. Stephenson

who having been by me duly sworn, did make the following statements, to-wit:

That he/she is the duly authorized agent of Phillips Petroleum Company

(Principal), and as such he/she has authority to make

these statements and execute this Affidavit on behalf of the Principal, and has charge and authority over the oil and gas drilling operations in Alabama.

That Phillips Petroleum Company owns or has control of one-hundred percent of the rights to drill and produce with respect to the oil and/or gas in and under land(s) comprising the drilling unit described as follows, to-wit.\*

Chevron 04-16-142

E/2 of the SE/4

Sec 4,

T.18S., R.9W.

STATE OIL AND GAS BOARD	
Exhibit No. <u>2</u>	
Petition By <u>Phillips</u>	
Item No. <u>2</u>	Date <u>10-31-01</u>
Testimony Of <u>R Wood</u>	
Received By <u>R Flamulic</u>	

Tuscaloosa County, Alabama

If unitized, enter : \_\_\_\_\_ ; \_\_\_\_\_  
Unitization Order Number ; Unitization Date

Was the drilling unit force pooled? Yes  No

Executed this the 25<sup>th</sup> day of October, 20 01

[Signature]  
Signature

Subscribed and sworn to before me this 25<sup>th</sup> day of October, 20 01

[Signature]  
Notary Public in and for Tuscaloosa  
County, State at Large



\* Drilling Unit description should not be confused with well location description.

Exhibit No.: <u>2</u>	Docket No.: <u>9-25-01-3</u>
Date: <u>10/17/01</u>	Prepared By: <u>Robert T. Wood</u>



**PHILLIPS PETROLEUM COMPANY**  
1300 McFarland Boulevard, N.E., Suite 300 ♦ Tuscaloosa, Alabama 35406-2233  
 Telephone 205/759-3282 ♦ Facsimile 205/759-3188

September 19, 2001

Mr. Robert G. Utter  
 Chevron U.S.A., Inc.  
 6400 South Fiddler's Green Circle, Suite 1500  
 Englewood, Colorado 80111-4991

Re: Chevron 04-16-142 Well  
 Blue Creek Coal Degasification Field

Dear Bob:

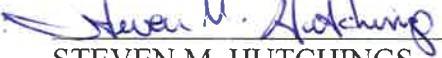
River Gas Corporation permitted and drilled the above-referenced well on a 40-acre unit consisting of the Southeast Quarter of the Southeast Quarter of Section 4, Township 18 South, Range 9 West, Tuscaloosa County, Alabama. A Change of Operator request is pending to name Phillips Petroleum Company, Successor in Interest by merger with River Gas Corporation, as Operator of said well.

In order to avoid the drilling of an unnecessary well, minimize the number of wells needed to produce coalseam gas, promote uniform spacing units in the area and avoid unnecessary surface disturbances, Phillips Petroleum Company has filed a petition to reform the 40-acre unit to an 80-acre unit consisting of the East Half of the Southeast Quarter of said Section 4.

The staff at the Oil and Gas Board has requested that we obtain the consent of Chevron, U.S.A., Inc., the sole mineral interest owner in the existing 40-acre drilling unit, in order to proceed with this matter.

Should you have any questions concerning this request, please contact Joey Stephenson at Phillips Petroleum Company. If you are in agreement for Phillips Petroleum Company to reform the referenced 40-acre unit to an 80-acre unit, please sign at the space indicated below and return a copy of this letter to me.


PHILLIPS PETROLEUM COMPANY

BY:   
 STEVEN M. HUTCHINGS  
 As Agent for Phillips Petroleum Company

STATE OIL AND GAS BOARD	
Exhibit No. <u>3</u>	
Petition By <u>Phillips</u>	
Case No. <u>2</u>	Date <u>10-31-01</u>
Requested By <u>S. Hutchings</u>	
Approved By <u>R. Hamilton</u>	

AS THE MINERAL OWNER/LESSOR OF THE ABOVE-DESCRIBED 40-ACRE DRILLING UNIT, I HAVE NO OBJECTION TO THE REFORMING OF THE UNIT TO AN 80-ACRE UNIT BY PHILLIPS PETROLEUM COMPANY.

CHEVRON U.S.A., INC.

By:  9/24/01  
ROBERT G. UTTER DATE

 9/27/01

STATE OF ALABAMA }  
TUSCALOOSA COUNTY }

AFFIDAVIT OF NOTICE

Comes now William T. Watson, attorney for PHILLIPS PETROLEUM COMPANY, who, after being duly sworn on his oath, states the following:


That, on behalf of Phillips Petroleum Company, petition bearing Docket No. 9-26-01-3, was filed with the State Oil and Gas Board of Alabama and, in accordance with Rule 400-7-1-.11(2) of the rules and regulations of the State Oil and Gas Board of Alabama Administrative Code, notice of said petition was mailed, by ordinary first class mail, postage paid, to the following named persons at least fifteen (15) days prior to the scheduled hearing of the petition. The persons notified are mineral interest owners, known to the Petitioner, in the existing and proposed reformed unit.

The persons receiving said notice are listed on Exhibit "A" attached hereto and made a part hereof. Also attached hereto, labeled Exhibit "B", and made a part of this Affidavit is a true copy of the notice mailed to the aforementioned persons.

Further Affiant saith not.

  
WILLIAM T. WATSON

Sworn to and subscribed before me this 11th day of September, 2001.

  
Notary Public  
My Commission Expires: 11-04-2001

STATE OIL AND GAS BOARD  
Exhibit No. 4  
Filed By Phillips  
Date 2 File 10-31-01  
W. Watson  
R. Hamelton

STATE OIL & GAS BOARD  
OF ALABAMA  
SEP 12 2001

**EXHIBIT "A"**  
**TO AFFIDAVIT OF NOTICE**

**Re: Phillips Petroleum Company**  
**Docket No. 9-26-01-3**

**Chevron U.S.A., Inc.**  
**6400 South Fiddler's Green Circle, Suite 1500**  
**Englewood, Colorado 80111-4991**

**AmSouth Bank, as Trustee**  
**Attn: Anthony J. Edwards**  
**Blount Springs Trust**  
**P.O. Box 10463**  
**Birmingham, Alabama 35202**

EXHIBIT "B"  
TO AFFIDAVIT OF NOTICE

NOTICE OF MEETING

The State Oil and Gas Board of Alabama will hold its regular monthly meeting on Wednesday, September 26, 2001 and Friday, September 28, 2001 at 10:00 a.m. in the Board Room of the State Oil and Gas Board Building on The University of Alabama Campus, Tuscaloosa, Alabama, to consider, among other items of business, the following petition:

DOCKET NO. 9-26-01-3

Petition by PHILLIPS PETROLEUM COMPANY, a Delaware corporation, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order reforming the unit for the Chevron 04-16-142 Well, Permit No. 11892-C, from a 40-acre unit consisting of the Southeast Quarter of the Southeast Quarter of Section 4, Township 18 South, Range 9 West, Tuscaloosa County, Alabama in the Blue Creek Coal Degasification Field, to an 80-acre unit consisting of the East Half of the Southeast Quarter of said Section 4.

The public is further advised that, pursuant to this hearing, the applicable provisions of the Code of Alabama (1975), and the State Oil and Gas Board of Alabama Administrative Code, the Board will enter such Order or Orders as in its judgment may be necessary in accordance with the evidence submitted and accepted.

The public is invited to attend this meeting; however, you may elect to submit your comments in writing regarding a particular item before the Board. YOU ARE NOT REQUIRED TO ATTEND NOR ARE YOU REQUIRED TO MAKE ANY WRITTEN COMMENTS. IF YOU HAVE ANY QUESTIONS CONCERNING THE ITEM NOTICED OR ANY QUESTIONS CONCERNING THE BOARD'S PROCEDURE, CONTACT THE OIL AND GAS SUPERVISOR. PERSONS EXPECTING TO OPPOSE THE ABOVE NOTICED ITEM ARE REQUESTED TO NOTIFY THE BOARD OF THEIR OPPOSITION WITHIN 48 HOURS PRIOR TO THE MEETING DATE.

STATE OIL & GAS BOARD OF ALABAMA  
420 Hackberry Lane  
P.O. Box 869999  
Tuscaloosa, Alabama 35486-6999  
(205) 349-2852

Donald F. Oltz  
Secretary to the Board  
State Oil and Gas Supervisor