



KANSAS CORPORATION COMMISSION 1061310
OIL & GAS CONSERVATION DIVISION

Form ACO-4
Form must be typed
March 2009

APPLICATION FOR COMMINGLING OF PRODUCTION (K.A.R. 82-3-123) OR FLUIDS (K.A.R. 82-3-123a) *Commingling ID #* _____

OPERATOR: License # _____ API No. 15 - _____
Name: _____ Spot Description: _____
Address 1: _____ - - - - - Sec. _____ Twp. _____ S. R. _____ East West
Address 2: _____ Feet from North / South Line of Section
City: _____ State: _____ Zip: _____ + _____ Feet from East / West Line of Section
Contact Person: _____ County: _____
Phone: (_____) _____ Lease Name: _____ Well #: _____

1. Name and upper and lower limit of each production interval to be commingled:
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____

2. Estimated amount of fluid production to be commingled from each interval:
Formation: _____ BOPD: _____ MCFPD: _____ BWPD: _____
Formation: _____ BOPD: _____ MCFPD: _____ BWPD: _____
Formation: _____ BOPD: _____ MCFPD: _____ BWPD: _____
Formation: _____ BOPD: _____ MCFPD: _____ BWPD: _____
Formation: _____ BOPD: _____ MCFPD: _____ BWPD: _____

3. Plat map showing the location of the subject well, all other wells on the subject lease, and all wells on offsetting leases within a 1/2 mile radius of the subject well, and for each well the names and addresses of the lessee of record or operator.

4. Signed certificate showing service of the application and affidavit of publication as required in K.A.R. 82-3-135a.

For Commingling of PRODUCTION ONLY, include the following:

- 5. Wireline log of subject well. Previously Filed with ACO-1: Yes No
- 6. Complete Form ACO-1 (*Well Completion form*) for the subject well.

For Commingling of FLUIDS ONLY, include the following:

- 7. Well construction diagram of subject well.
- 8. Any available water chemistry data demonstrating the compatibility of the fluids to be commingled.

AFFIDAVIT: I am the affiant and hereby certify that to the best of my current information, knowledge and personal belief, this request for commingling is true and proper and I have no information or knowledge, which is inconsistent with the information supplied in this application.

Submitted Electronically

KCC Office Use Only
 Denied Approved
15-Day Periods Ends: _____
Approved By: _____ Date: _____

Protests may be filed by any party having a valid interest in the application. Protests must be in writing and comply with K.A.R. 82-3-135b and must be filed within 15 days of publication of the notice of application.

AFFIDAVIT OF NOTICE SERVED

RE: Application for Commingling of Production

Well Name: Phelps #4-31

Legal Location: SW/NE/NW/SW Section 31-13S-31W, Gove County, Kansas

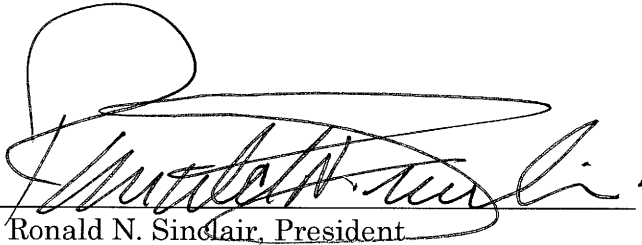
The undersigned hereby certifies that he/she is a duly authorized agent for the applicant, and that on the 22nd day of August, 2011, a true and correct copy of the application referenced above was delivered or mailed to the following parties:

Ritchie Exploration, Inc., 8100 E. 22nd North, Bldg 700, Wichita, KS 67226
Pioneer Resources, c/o Rodger Wells, 80 Windmill Dr., Phillipsburg, KS 67661
Lario Oil & Gas Company, 301 S. Market Street, Wichita, KS 67202

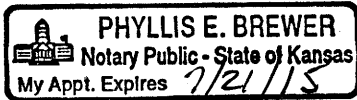
I further attest that notice of the filing of this application was published in **The Gove County Advocate**, the official county publication of **Gove County**, Kansas and the **Wichita Eagle**, Wichita, Kansas. Copies of these affidavits of publication are attached.

Signed this 22nd day of August, 2011.

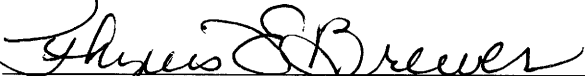
Applicant of Duly Authorized Agent:


Ronald N. Sinclair, President

Subscribed and sworn to before me this 22nd day of August, 2011.



Notary Public:


Phyllis E. Brewer, Notary Public
11817 W. Jamesburg St.
Wichita, KS 67212 (830)

My Commission Expires: July 21, 2015

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS
NOTICE OF FILING APPLICATION

RE: Grand Mesa Operating Company, License #9855– Application for a commingling of production for the Phelps #4-31, located in Gove County, Kansas.

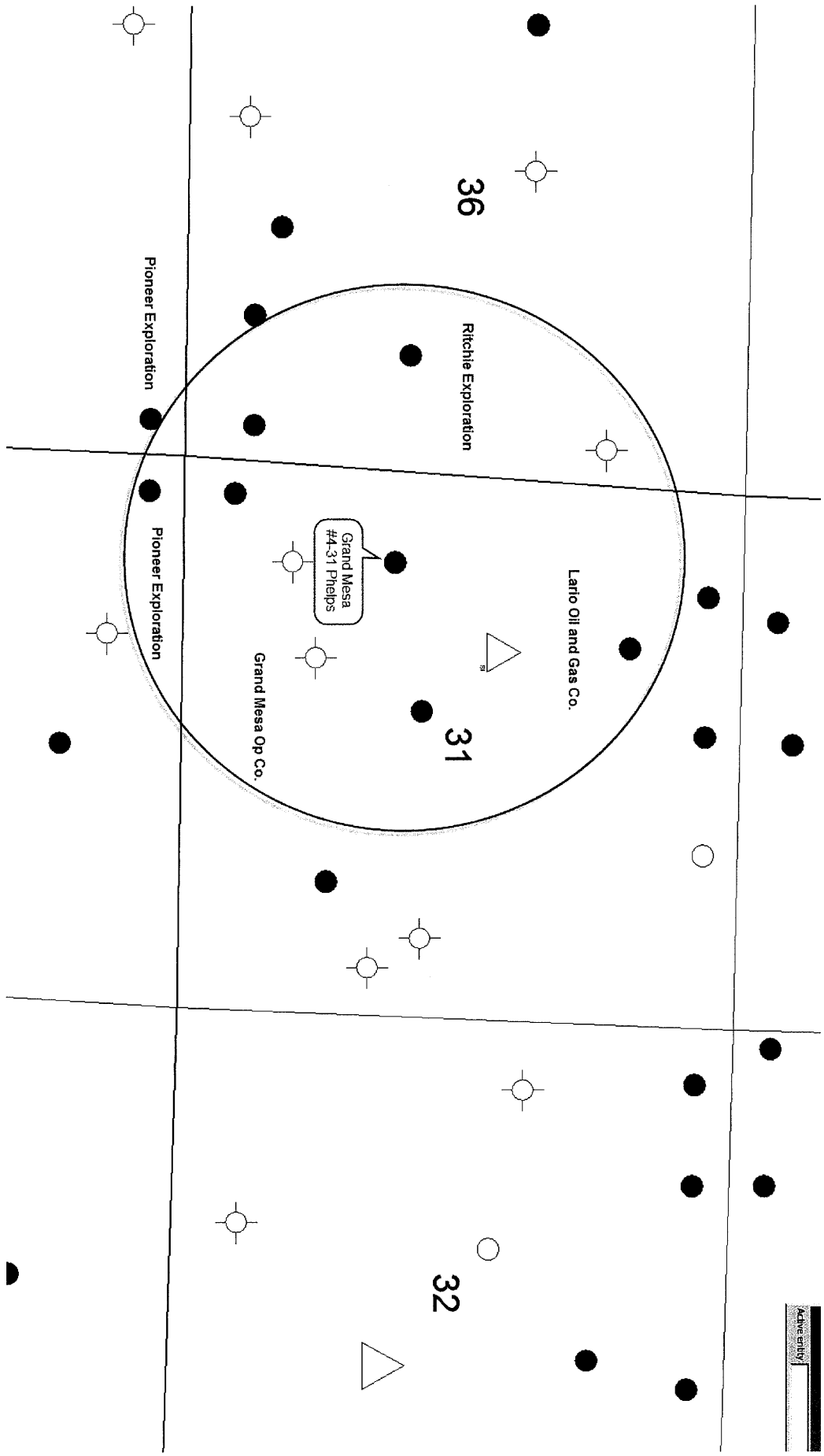
TO: All Oil & Gas Producers, Unleased Mineral Interest Owners, Landowners and all persons concerned.

You, and each of you, are hereby notified that Grand Mesa Operating Company – has filed an application for commingling production or fluids from the Upper Ft. Scott and the Lansing KC Formations. The subject well, the Phelps #4-31, is located 2,024 feet from the south line and 866 feet from the west line in the SW NE NW SW of Section 31, Township 13 South, Range 31 West, Gove County, Kansas.

Any persons who object to or protest this application shall be required to file their objections or protest with the Conservation Division of the State Corporation Commission of the State of Kansas within fifteen (15) days of the publication of this notice. These protests shall be filed pursuant to Commission regulations and must state specific reasons why granting the application may cause waste, violate correlative rights or pollute the natural resources of the State of Kansas.

All persons interested or concerned shall take notice of the foregoing and shall govern themselves accordingly.

Grand Mesa Operating Company
Ronald N. Sinclair, President
1700 N. Waterfront Pkwy, Bldg 600
Wichita, KS 67206-5514
(316) 265-3000



KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
June 2009

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

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 9855
Name: Grand Mesa Operating Company
Address 1: 1700 N. Waterfront Pkwy, Bldg 600
Address 2: _____
City: Wichita State: KS Zip: 67206 + 5 5 1 4
Contact Person: Ronald N. Sinclair
Phone: (316) 265-3000
CONTRACTOR: License # 30606
Name: Murfin Drilling Company
Wellsite Geologist: Steven P. Carl
Purchaser: NCRA

Designate Type of Completion:

- New Well Re-Entry Workover
- Oil WSW SWD SIOW
 Gas D&A ENHR SIGW
 OG GSW Temp. Abd.
 CM (Coal Bed Methane)
 Cathodic Other (Core, Expl., etc.): _____

If Workover/Re-entry: Old Well Info as follows:

Operator: _____
Well Name: _____
Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to ENHR Conv. to SWD
 Conv. to GSW
 Plug Back: _____ Plug Back Total Depth _____
 Commingled Permit #: _____
 Dual Completion Permit #: _____
 SWD Permit #: _____
 ENHR Permit #: _____
 GSW Permit #: _____

<u>04/20/2010</u>	<u>05/01/2010</u>	<u>06/02/2010</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 063-21838-00-00
Spot Description: 2024' FSL & 866' FWL
SW_NE_NW_SW Sec. 31 Twp. 13 S. R. 31 East West
2,024 Feet from North / South Line of Section
866 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Gove
Lease Name: Phelps Well #: 4-31
Field Name: Maurice Northeast
Producing Formation: Lansing KC zone
Elevation: Ground: 2946' Kelly Bushing: 2951'
Total Depth: 4700' Plug Back Total Depth: 4689'
Amount of Surface Pipe Set and Cemented at: 5 jts. @ 209' Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: 2465' Feet
If Alternate II completion, cement circulated from: 2465'
feet depth to: Surface w/ 300 sx cmf.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: 8,800 ppm Fluid volume: 760 bbls
Dewatering method used: Evaporation & backfill.
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License #: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Permit #: _____

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

AFFIDAVIT

I am the affiant and I hereby certify that all requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: Ronald N. Sinclair / Ronald N. Sinclair
Title: President Date: 06/09/2010

KCC Office Use ONLY

- Letter of Confidentiality Received
Date: _____
 Confidential Release Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
ALT I II III Approved by: _____ Date: _____

Operator Name: Grand Mesa Operating Company Lease Name: Phelps Well #: 4-31
 Sec. 31 Twp. 13 S. R. 31 East West County: Gove

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, lime tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach complete copy of all Electric Wire-line Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Submitted Electronically <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run: Compact Photo Density/Comp. Neutron Micro-Resistivity Log, Array Ind. Shallow Focussed Elect. Log, Dual Receiver Cement Bond Log	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum <p style="text-align: center;">"SEE ATTACHED SHEET FOR LOG TOPS"</p>
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CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	12 1/4"	8 5/8"	24#	209	Common	165	3% CC, 2% Gel
Production	7 7/8"	5 1/2"	15.5#	4699	EA-2	175	

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone <input checked="" type="checkbox"/> Protect Fresh water	0-2465'	SMD	300sxs	

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record <i>(Amount and Kind of Material Used)</i>	Depth
4	4593-4598'	250 gal. MCA Acid 15%	4277-4280'
	4500' CIBP	650 gal. MCA Acid 15%	4176-4189'
4	4277-4280'; 4176-4189'; 4138-4141'		

TUBING RECORD:		Size: <u>2 7/8"</u>	Set At: <u>4475'</u>	Packer At:	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR. <u>June 2, 2010</u>		Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) _____			
Estimated Production Per 24 Hours	Oil Bbls. <u>110</u>	Gas Mcf	Water Bbls. <u>20</u>	Gas-Oil Ratio	Gravity <u>39.5</u>

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-1B.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5) (Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: <u>Lansing KC zone</u>
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Phelps 4-31
Sec. 31-13S-31W
Gove County, Kansas
Grand Mesa Operating Company
Spud 04/20/10
TD 05/01/10

LOG TOPS -- CONFIDENTIAL (2 YEAR)

Name	Top	Datum
Bs/Stone Corral	2452	+ 499
Heebner	3931	- 980
Lansing	3974	-1023
Muncie Creek	4132	-1181
Stark Shale	4217	-1266
Hushpuckney Shale	4252	-1301
Bs/KC	4286	-1335
Marmaton	4322	-1371
Little Osage Shale	4445	-1494
Excello Shale	4468	-1517
Johnson Zone	4545	-1594
Morrow Shale	4569	-1618
Morrow Sand	4593	-1642
Mississippian	4597	-1646
LTD	4701	

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:
Oakley

DATE <u>4-20-10</u>	SEC <u>31</u>	TWP. <u>13</u>	RANGE <u>31</u>	CALLED OUT	ON LOCATION	JOB START <u>11:00pm</u>	JOB FINISH <u>11:00pm</u>
LEASE <u>Phelps</u>	WELL # <u>4-31</u>	LOCATION <u>Oakley 2S 2E 3W</u>		COUNTY <u>Gove</u>	STATE <u>KS</u>		
OLD OR <input checked="" type="radio"/> NEW (Circle one)				<u>EINTO</u>			

CONTRACTOR murfin Drilling Rig 24
 TYPE OF JOB surface
 HOLE SIZE 12 1/4 T.D. 209'
 CASING SIZE 8 7/8 DEPTH 209'
 TUBING SIZE DEPTH
 DRILL PIPE DEPTH
 TOOL DEPTH
 PRES. MAX MINIMUM
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG.
 PERFS.
 DISPLACEMENT 1235 BBL

OWNER same
 CEMENT
 AMOUNT ORDERED 165 stks com
39cc 29gel

COMMON	<u>165</u>	@	<u>15.45</u>	<u>2549.25</u>
POZMIX		@		
GEL	<u>3 stks</u>	@	<u>20.80</u>	<u>62.40</u>
CHLORIDE	<u>6 stks</u>	@	<u>58.20</u>	<u>349.20</u>
ASC		@		
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>124 stks</u>	@	<u>2.90</u>	<u>417.60</u>
MILEAGE	<u>10 stks/mile</u>			<u>435.00</u>
TOTAL				<u>3813.45</u>

EQUIPMENT

PUMP TRUCK # 423-281 CEMENTER Andrew
 HELPER Lorene
 BULK TRUCK # 347 DRIVER Jerry
 BULK TRUCK # DRIVER

REMARKS:

Cement did circulate
Thank you

CHARGE TO: Grand mesa
 STREET _____
 CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB	<u>209'</u>			
PUMP TRUCK CHARGE				<u>1018.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>25 miles</u>	@	<u>7.00</u>	<u>175.00</u>
MANIFOLD		@		
		@		
		@		
TOTAL				<u>1193.00</u>

PLUG & FLOAT EQUIPMENT

	@			
	@			
	@			
	@			
	@			
TOTAL				

SALES TAX (If Any) _____
 TOTAL CHARGES _____
 DISCOUNT _____ IF PAID IN 30 DAY

To Allied Cementing Co., LLC.
 You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

PRINTED NAME Anthony Martin
 SIGNATURE Anthony Martin

JOB LOG

SWIFT Services, Inc.

DATE 05-01-10 PAGE NO. 1

CUSTOMER GRAND MESA WELL NO. 4-31 LEASE PHECPS JOB TYPE 2-SPACE TICKET NO. 17574

CHART NO.	TIME	RATE (BPM)	VOLUME (BBLS) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1200							DN LOCATION CENT. BOTTOM SAGE 1755 EA 2, TOPSPACE 300 SMD R20 4700, Seal Pipe #489, SS 10.0, JENSEN #489 5 1/2 15 5/8 D.V. IN TOP #57, 2465 FT CENT 2468, D. 12 1/4, 56 BARS 2.57 ADDY BTD SCATCHERS
	1220							START CS6 & FEED EQ
	1325							DROP BARL BUBBLE CIRC #68
	1440							TAG BOTTOM, BUBBLE CIRC & ROTATE PIPE
	1500	5.0	12				200	MUD FLUSH 500 GAL
			20					WCL 20 bbls
			42.5					EA 2 CNT
	1515	7.0	0				200	DROP LUG, WASHOUT PL
			29.0				200	START DASP 7 H2O
			69.3				300	" " W/ RIG MUD
			100				500	CMT DN BOTTOM STOP ROTATING PIPE
			105				600	
	1530	4.5	111.5				1500	LAND PLUG RELEASED BY
	1535							DROP DV OPENING DART
	1545		2.0				1100	OPEN D.V. CIRC 2 HRS W/ RIG
	1745		7.5					PLUG RH 30, MH 20
	1750	6.0	200				300	WCL FLUSH 20 bbls
			0					START SMD CNT @ 11.2
			135					200 @ 14
	1818		142					END CNT
								DROP D.V. CLOSING PLUG
	1820	5.7	0				300	START DASP W/ H2O
			31.0				500	CIRC CNT TO PIT! 50 SPS
	1830		58.6				1500	LAND & CLOSE DV
	1915							JOB COMPLETE THANK YOU! DAVE FISHER, BOB POORE

JOS LOG

SWIFT Services, Inc.

DATE 5-17-10 PAGE NO. 1

CUSTOMER Grand Mesa WELL NO. LEASE JOB TYPE Acid TICKET NO. 17632

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1045					27/8	5 1/2	On location - Rig swabbing
								Set up Trk - Parts 4277-80
	1115		1					Spot 1 BBL 15% MCA Acid
	1125							Set FR to treat @ 4240'
								Continue Acid - (250 gal 15% MCA total)
			6					Fin Acid - Start 24 1/2 flush + 1 BBL
	1140		24					Loaded
	1144	stage				300		Press up to 300
	1145	"				300		1 inr press 300
	1146	"				400		" " 400 - 5/8" Blend off
	1150	"	24 1/4			300		1 inr press 500
						400		" " 600
	1203	"	24 1/2			400		1 BBL in start Feeding
		1/2	25 1/2			500		3 BBL in
		1/2	27 1/2			400		5 BBL in
	12:30	0	32			300		Fin Flush (2.5 1/2 BBL)
						200		SIP
	12:31					1/2		1 inr on Vae
								Job complete
								Rackup

Handwritten signature: Don T. Doug

JOB LOG

SWIFT Services, Inc.

DATE 5-24-10 PAGE NO.

CUSTOMER GRAND MESA WELL NO. 4-31 LEASE PHELPS JOB TYPE ACIDIZE FORMATION TICKET NO. 17860

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1100							ON LOCATION 650 GAL ACID
								2 7/8 x 5 1/2 RBP = 4200 ±
								PERFS = 4176-89 FL = 3800
								PVR = 4153 TREAT 4188 SPOT ACID
	1155	3	5	✓		0		SPOT ACID = 4188
	1205							PULL UP SET PVR = 4153
	1210	5	15 1/2	✓		0		PUMP ACID
	1212			✓				LOAD HOLE
			25	✓		VAC		TREAT
	1215	1/4	0	✓		0		"
		1/4	2	✓		0		"
		1/2	2 1/2	✓		150		"
		1/2	6	✓		400		"
		1/2	10	✓		500		"
		1/2	12	✓		200		"
		1	13	✓		0		"
	1240	1	16	✓		0		" SHUT DOWN - ACID CLEAR
						VAC		DISP
								LOAD = 41 BBL SWAB TEST
	1300							JOB COMPLETE
								THANK YOU
								WAYNE, ROGER B.

**GRAND
MESA**

OPERATING COMPANY

(316) 265-3000
FAX: (316) 265-3455

1700 N. WATERFRONT PARKWAY
BLDG. 600
WICHITA, KANSAS 67206-5514

CONFIDENTIAL

June 9, 2010

Kansas Corporation Commission
130 S. Market Rm #2078
Wichita, KS 67202

RE: Phelps #4-31 -- Section 31-13S-31W, Gove County, Kansas

Gentlemen:


Please find enclosed the following information regarding the drilling of the above referenced well:

ACO-1 (Original plus 2 copies)
Cementing Tickets (Surface & 2-Stage, 2-Acid Jobs)
DST Reports
Geological Report
Compact Photo Density/Comp. Neutron Micro-Resistivity Log
Array Induction Shallow Focussed Electric Log
Dual Receiver Cement Bond Log

We, Grand Mesa Operating Company hereby request that all enclosed information concerning the above-captioned well be held CONFIDENTIAL for at least a period of two (2) years as allowed by the Kansas Corporation Commission.

Respectfully submitted,

~~GRAND MESA OPERATING COMPANY~~


Ronald N. Sinclair
President

Enclosures



CONFIDENTIAL

WELL COMPLETION FORM

WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 9855
Name: Grand Mesa Operating Company
Address 1: 1700 N WATERFRONT PKWY BLDG 600
Address 2: _____
City: WICHITA State: KS Zip: 67206 + 5514
Contact Person: Ronald N. Sinclair
Phone: (316) 265-3000
CONTRACTOR: License # 31985
Name: Gonzales Well Service, Inc
Wellsite Geologist: Steven P. Carl
Purchaser: NCRA

Designate Type of Completion:

- New Well Re-Entry Workover
- Oil WSW SWD SIOW
 Gas D&A ENHR SIGW
 OG GSW Temp. Abd.
 CM (Coal Bed Methane)
 Cathodic Other (Core, Expl., etc.): _____

If Workover/Re-entry: Old Well Info as follows:

Operator: Grand Mesa Operating Company
Well Name: Phelps #4-31
Original Comp. Date: 06/02/2010 Original Total Depth: 4700
 Deepening Re-perf. Conv. to ENHR Conv. to SWD
 Conv. to GSW
 Plug Back: _____ Plug Back Total Depth _____
 Commingled Permit #: _____
 Dual Completion Permit #: _____
 SWD Permit #: _____
 ENHR Permit #: _____
 GSW Permit #: _____

07/11/2011 07/19/2011
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 15-063-21838-00-01
Spot Description: 2024' FSL & 866' FWL
SW NE NW SW Sec. 31 Twp. 13 S. R. 31 East West
2024 Feet from North / South Line of Section
866 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Gove
Lease Name: Phelps Well #: 4-31
Field Name: Maurice Northeast
Producing Formation: Upper Ft. Scott/Lansing KC zones
Elevation: Ground: 2946 Kelly Bushing: 2951
Total Depth: 4700 Plug Back Total Depth: 4689
Amount of Surface Pipe Set and Cemented at: 209 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: 2465 Feet
If Alternate II completion, cement circulated from: 2465
feet depth to: 0 w/ 300 sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: _____ ppm Fluid volume: _____ bbls
Dewatering method used: _____
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License #: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Permit #: _____

AFFIDAVIT

I am the affiant and I hereby certify that all requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Submitted Electronically

KCC Office Use ONLY

- Letter of Confidentiality Received
Date: 07/25/2011
 Confidential Release Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
ALT I II III Approved by: NAOMI JAMES Date: 07/26/2011



1060162

Operator Name: Grand Mesa Operating Company Lease Name: Phelps Well #: 4-31
 Sec. 31 Twp. 13 S. R. 31 East West County: Gove

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach complete copy of all Electric Wire-line Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Submitted Electronically <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run:	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum No changes from the original ACO-1 tops
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CASING RECORD <input type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
___ Perforate				
___ Protect Casing	-			
___ Plug Back TD				
___ Plug Off Zone	-			

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
4	4421-4428	750gals. 15% MCA acid	4421-4428
4	4085-4094	500gals 15% MCA acid	4085-4094
4	4025-4029	300gals 15% MCA acid	4025-4029
4	4226-4233	500gals 15% MCA acid	4226-4233

TUBING RECORD: Size: <u>2.875</u> Set At: <u>4479</u> Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. <u>07/19/2011</u>		Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) _____	
Estimated Production Per 24 Hours	Oil Bbls. <u>21</u>	Gas Mcf <u>0</u>	Water Bbls. <u>8</u> Gas-Oil Ratio Gravity

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input checked="" type="checkbox"/> Commingled <i>(Submit ACO-5) (Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: <u>Commingled zones</u>
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JOB LOG

SWIFT Services, Inc.

DATE 7-12-11 PAGE NO. 1

CUSTOMER Grand Mesa WELL NO. #4-31 LEASE Phelps JOB TYPE Acidize Perfs TICKET NO. 19820

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1125							on loc set up Trk
								2 7/8" x 5 1/2"
								Perfs 4421'-28'
								Pkr to spot 4456'
								750 gal 15% MCA treat 4363'
	1040							Spot 2 bbl Acid
								set pkr to treat
	1153	3.5	2					cont. Acid
		1.5	18					start flush
	1200		25.5			500		Hole loaded stage 500-300 Psi
	1205					900		increase pressure stage
	1213					1100		" " stage
	1220		25.75			1200		" " "
	1245	1	26			300		Seeding & break back
	1246	1.5	27			300		increase rate
	1247	2	29			300		" "
	1250	2.25	35			300		" "
	1254	2.25	44			300		Acid flushed,
						100		15IP 100 Psi
								Vacuum in 4 min
								Thank you
								Nick & Josh

JOB LOG

SWIFT Services, Inc.

DATE: 13 Jul 11 PAGE NO.

CUSTOMER: *Grand Mesa* WELL NO.: *4-31* LEASE: *Phelps* JOB TYPE: *acidize puffs* TICKET NO.: *20965*

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								500 gal MCA 15% 2 3/8 x 5 1/2
								puffs 4085-94 packer 4093 to spot - 4021 treat 500 gals. 15% MCA
	1515							on loc TRK 114
	1525		1					spot 1 bbl pull 2 joints + sub
	1535							start downhole w/ 12 bbl acid
	1543		24			300		load tubing 300 psi - falling off
		1/2	24 1/2			700		feeling
		1	25			500		
		2	27			100		
		2	28			75		
		4	34			50		
	1550							instant vac.
								Rack up
								job complete
								Thumbs Blain & Dave

JOB LOG

SWIFT Services, Inc.

DATE: 10/11 PAGE NO. 1

CUSTOMER: Grand Mesa

WELL NO. 431

LEASE Phelps

JOB TYPE: acidize pufs

TICKET NO. 20967

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								300 gal 15% HCA 2 3/8 x 5 1/2 pufs 4025-29 plan 4000
	1630							on loc TRK 114
	1645		1					spot 1 bbl
	1653							pump down hole load tubing stage 600
			23 1/2			600		stage 1100
	1715		23 1/2			1100		stage @ 1300 2 in zone
	1740		25			1300		stage @ 1500
	1800		26 1/2			1500		put ORBIT valve on tubing shut in 3 1/2 acid in zone — 26 load —
	1810							Back up
	1630							job complete Ranks Blain & Dave

JOB LOG

SWIFT Services, Inc.

DATE 18 Jul 11 PAGE NO.

CUSTOMER Grand Mesa

WELL NO. 4-31

LEASE Phelps

JOB TYPE acidize perf's

TICKET NO. 20970

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								500gal 15 ⁹ / ₁₆ WCA 2 ³ / ₈ x 5 ¹ / ₂
								perf's 4226-33 spot prefer 4233 treat 4206
	0900							on loc TRK 114
	1030							fluid 250 ft spot 2 ¹ / ₂ bbl spot
	1055		2 ¹ / ₂					1000 tubing
	1108		24 ³ / ₄			300		stage @ 700 1 bbl in zone
	1122		26			700		staging @ 1000 3 in zone
	1132		28 ¹ / ₂			1000		staging @ 1100 5 in zone
	1137		30			1100		staging @ 1200 6 in zone
	1142		31			1200		7 in zone
	1152		32			1200		break back at 1100 psi
	1155	3/4	33			1100		
	1155		34			200		catch pressure
	1158	3	38			250		kickout 1 bbl overflow
	1159					∅		20 sec. to vacuum
								Rack up
	1215							job complete
								Phelps Blaine & Dave

AFFIDAVIT

STATE OF KANSAS \
- SS.
County of Sedgwick /

Mark Fletchall, of lawful age, being first duly sworn, deposeth and saith: That he is Record Clerk of The Wichita Eagle, a daily newspaper published in the City of Wichita, County of Sedgwick, State of Kansas, and having a general paid circulation on a daily basis in said County, which said newspaper has been continuously and uninterruptedly published in said County for more than one year prior to the first publication of the notice hereinafter mentioned, and which said newspaper has been entered as second class mail matter at the United States Post Office in Wichita, Kansas, and which said newspaper is not a trade, religious or fraternal publication and that a notice of a true copy is hereto attached was published in the regular and entire Morning issue of said The Wichita Eagle for _1_ issues, that the first publication of said notice was

made as aforesaid on the 16th of

August A.D. 2011, with

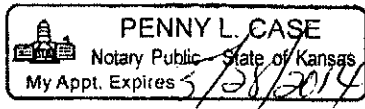
subsequent publications being made on the following dates:

And affiant further says that he has personal knowledge of the statements above set forth and that they are true.

Mark Fletchall

Subscribed and sworn to before me this

16th day of August, 2011



Penny L. Case
Notary Public Sedgwick County, Kansas

Printer's Fee : \$108.40

LEGAL PUBLICATION

PUBLISHED IN THE WICHITA EAGLE
AUGUST 16, 2011 (3135118)
BEFORE THE STATE CORPORATION
COMMISSION OF THE STATE
OF KANSAS

NOTICE OF FILING APPLICATION

RE: Grand Mesa Operating Company, License #9855- Application for a commingling of production for the Phelps #4-31, located in Gove County, Kansas.

To: All Oil & Gas Producers, Unleased Mineral Interest Owners, Landowners and all persons concerned.

You, and each of you, are hereby notified that Grand Mesa Operating Company - has filed an application for commingling production or fluids from the Upper Ft. Scott and the Lansing KC Formation. The subject well, the Phelps #4-31, is located 2,024 feet from the south line and 866 feet from the west line in the SW NE NW SW of Section 31, Township 13 South, Range 31 West, Gove County, Kansas. Any persons who object to protest this application shall be required to file their objections or protest with the Conservation Division of the State Corporation Commission of the State of Kansas within fifteen (15) days of the publication of this notice. These protests shall be filed pursuant to Commission regulations and must state specific reasons why granting the application may cause waste, violate correlative rights or pollute the natural resources of the State of Kansas.

All persons interested or concerned shall take notice of the foregoing and shall govern themselves accordingly.

Grand Mesa Operating Company
1700 N. Waterfront Pkwy, Bldg 600
Wichita, KS 67206-5514
(316)265-3000

AFFIDAVIT OF PUBLICATION

State of Kansas,
Gove County, ss:

Roxanne Broeckelman,
being first duly sworn, deposes and
says: That she is
co-publisher of

Gove County Advocate, a weekly
newspaper printed in the State of
Kansas, and published in and of
general circulation in Gove County,
Kansas, with a general paid
circulation on a weekly basis in
Gove County, Kansas, and that said
newspaper is not a trade, religious
or fraternal publication.

Said newspaper is a weekly
published at least 50 times a year;
and has been so published
continuously and uninterruptedly in
said county and state for a period of
more than five years prior to the first
publication of said notice; and has
been admitted at the post office in
Quinter in said county as periodical
class mail matter.

That the attached notice is a true
copy thereof and was published in
the regular and entire issue of said
newspaper for one
consecutive week(s), the first
publication thereof being made as
aforesaid on the 17th day
of August, 2011,
with subsequent publications being
made on the following dates:

_____, _____
_____, _____
_____, _____
_____, _____
_____, _____
_____, _____

Printer's Fee \$ 23.10
Additional Copies \$ _____
Affidavit Fees \$ 2.00
Total Publication Fees \$ 25.10

Roxanne Broeckelman

Subscribed and sworn to before me
this 17th day of
August, 2011

Linda L. Zerr
Notary Public

My commission expires:
January 8, 2013

LEGAL ADVERTISING
(Published in the Gove County Advocate,
Quinter, KS, Wed., August 17, 2011 - 1)
**BEFORE THE STATE CORPORATION
COMMISSION OF THE STATE OF KANSAS
NOTICE OF FILING APPLICATION**
RE: Grand Mesa Operating Company, License
#9855- Application for a commingling of pro-
duction for the Phelps #4-31, located in Gove
County, Kansas.
TO: All Oil & Gas Producers, Unleased Mineral
Interest Owners, Landowners and all persons
concerned.

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or pollute the natural resources of the State of
Kansas.

All persons interested or concerned shall
take notice of the foregoing and shall govern
themselves accordingly.

Grand Mesa Operating Company
Ronald N. Sinclair, President
1700 N. Waterfront Pkwy, Bldg 600
Wichita, KS 67206-5514 (316) 265-3000

LINDA L. ZERR
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. 1-8-2013

September 6, 2011

Ronald N. Sinclair
Grand Mesa Operating Company
1700 N Waterfront Pkwy, Bldg 600
Wichita, KS 67206-5514

RE: Approved Commingling CO081109
Phelps 4-31, Sec. 31-T13S-R31W, Gove County
API No. 15-063-21838-00-01

Dear Mr. Sinclair:

Your Application for Commingling (ACO-4) for the above described well has been reviewed and approved by the Kansas Corporation Commission (KCC) per K.A.R. 82-3-123. Notice was examined and found to be proper per K.A.R. 82-3-135a. No protest had been filed within the 15-day protest period. This application, which was received by the KCC on August 22, 2011 concerns approval to simultaneously produce from the following sources of supply through the same tubing string in the same wellbore:

Source of Supply	Estimated Current Production			Perf Depth
	BOPD	MCFPD	BWPD	
Upper Ft. Scott	12	0	18	4421-4428
Lansing KC	5	0	50	4025-4233
Total Estimated Current Production	17	0	68	

Based upon the depth of the Upper Ft. Scott formation perforations, total oil production shall not exceed 200 BOPD and total gas production shall not exceed 50% of the absolute open flow (AOF).

Commingling ID number CO081109 has been assigned to this approved application. Use this number for well completion reports (ACO-1) and other correspondence that may concern this approved commingling.

Sincerely,

Rick Hestermann
Production Department