



KANSAS CORPORATION COMMISSION 1081782
OIL & GAS CONSERVATION DIVISION

Form ACO-4
Form must be typed
March 2009

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

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:

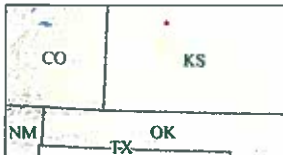
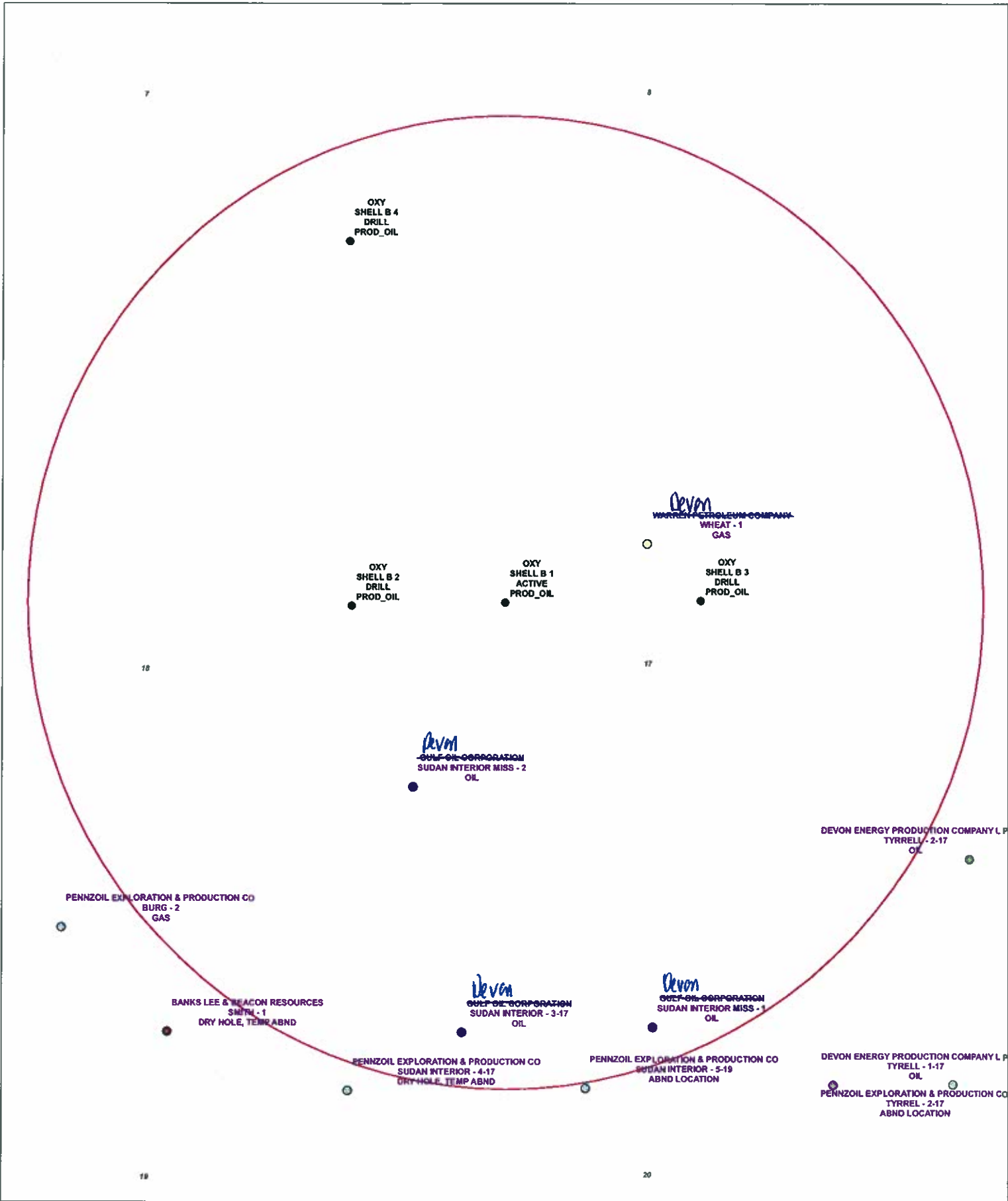
- 7. Well construction diagram of subject well.
- 8. Any available water chemistry data demonstrating the compatibility of the fluids to be commingled.

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

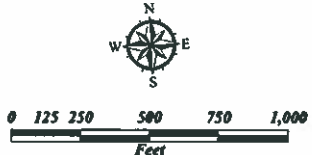
KCC Office Use Only
 Denied Approved
15-Day Periods Ends: _____
Approved By: _____ Date: _____

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.



Legend

●	BANKS LEE & BEACON RESOURCES	●	OXY USA INC
●	DEVON ENERGY PRODUCTION COMPANY L P	○	PENNZOIL EXPLORATION & PRODUCTION CO
●	GULF OIL CORPORATION	○	WARREN PETROLEUM COMPANY
		□	1/2 Mile Buffer



Mid-Continent

SURFACE MAP

SHELL B-1
2304 FNL & 1181 FWL
17-22S-34W
FINNEY COUNTY, KS

Worksheet:	Sheet No.:	Scale:	Drawing No.:
Date:	Author:	Date:	Reviser:
Drawn by:	Checked by:	Checked by:	Checked by:

AFFIDAVIT OF NOTICE SERVED

RE: Application for : OXY USA Inc.

Well Name: Shell B-1 Legal Location NE SE SW NE S-17 T-22S R-34W

The undersigned hereby certifies that he/she is a duly authorized agent for the applicant, and that on the 21st day of May, 2012, a true and correct copy of the application referenced above was delivered or mailed to the following parties:

NOTE: A copy of this affidavit must be served as a part of the application.

Name

Address (attach additional sheets if necessary.)

Roger Powers (Surface Owner)
Gary Powers (Surface Owner)
Devon Energy Production Company, L.P.
Oxy USA, Inc.

1117 Harding Ave., Garden City, KS 67846
1205 Circle Dr., Garden City, KS 67846
20 N. Broadway Ave., Oklahoma City, OK 73102
P.O. Box 2528, Liberal, KS 67905

Signed this 21st day of May, 2012.



Laura Beth Hickert

Laura Beth Hickert
Applicant or Duly Authorized Agent

Subscribed and sworn to before me this 21st day of May, 2012

Anita Peterson

Notary Public

My Commission Expires: Oct. 1, 2013

Protests may be filed by any party having a valid interest in the application. Petitions for protests shall be in writing and shall clearly identify the name and address of the Protestant and the title of the application. The petition shall include a clear and concise statement of the direct and substantial interest of the Protestant in the proceedings, including the manner in which the Protestant may be affected, and the nature, extent, character and grounds of the protest. Protestants shall serve the protests upon the applicant by mail or personal service at the same time or before the Protestant files the protest with the Conservation Division.

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 14th of

April A.D. 2012, 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 April, 2012

PENNY L. CASE
Notary Public - State of Kansas
My Appt. Expires 5/28/2014

Penny L. Case
Notary Public Sedgwick County, Kansas

Printer's Fee : \$113.20

LEGAL PUBLICATION
PUBLISHED IN THE WICHITA EAGLE
APRIL 14, 2012 (3179244)
BEFORE THE STATE CORPORATION
COMMISSION OF THE STATE OF KANSAS
NOTICE OF FILING APPLICATION
RE: OXY USA, Inc. Application for order
to commingle Kansas City, Marmaton,
Cherokee, Morrow, and St. Genevieve
sources of supply in Shell B-1 well,
located in Sec. 17 Twp 22S R. 34W
Finney County, Kansas.
TO: All Oil and Gas Producers, Unleased
Minerals Interest Owners,
Landowners, and all persons
whoever concerned.
You, and each of you, are hereby notified
that OXY USA Inc. has filed an application to
commingle the production from the Kansas
City, Marmaton, Cherokee, Morrow, and St.
Genevieve sources of supply in the Shell B-1
well, located in the NW/4 of Sec. 17 Twp 22S R
34W in Finney County, Kansas.
Any persons who object to or protest this
application shall be required to file their
objections or protests with the Conservation
Division of the State Corporation Commission
of the State of Kansas within fifteen (15)
days from the date of this publication. These
protests shall be filed pursuant to Commission
regulations and must state specific reasons
why the grant of the application may cause
waste, violate correlative rights or pollute
the natural resources of the State of Kansas.
If no protests are received, this application may
be granted through a summary proceeding.
If valid protests are received, this matter will
be set for hearing.
All persons interested or concerned shall
take notice of the foregoing and shall govern
themselves accordingly.
OXY USA, Inc.
P.O. Box 2528
Liberal, KS 67905
(620) 629-4200

Proof Of Publication

State Of Kansas
Finney County

Dena A. Sattler, being first duly sworn, deposes and says that she is publisher of The Garden City Telegram, a daily newspaper printed in the State of Kansas and published in and of general circulation in Finney County, Kansas, on a daily basis in Finney County, Kansas, and that said newspaper is not a trade, religious, or fraternal publication.

That said newspaper is daily published at least weekly fifty (50) times a year: has been so published continuously and uninterruptedly in said county and state for a period of more than five (5) years prior to the first publication of said notice and has been admitted at the post office of Garden City, Kansas, in said county as second (2nd) class matter.

That the attached notice is a true copy thereof and was published in the regular and entire issue newspaper for 1 consecutive days/ weeks. The first (1st) publication thereof being made as aforesaid on the 14th day of April, 2012. With subsequent publications being made on the following dates:

2 nd Publication was made on the	day of	, 20
3 rd Publication was made on the	day of	, 20
4 th Publication was made on the	day of	, 20
5 th Publication was made on the	day of	, 20
Publication Fee	\$	<u>49.00</u>
Additional Copies @ \$	\$	
Total Publication Fee	\$	<u>49.00</u>

D A Sattler
(Signature)

Witness my hand this 16th day
Of April 2012
Subscribed And Sworn to before me this 16th day
Of April 2012
Kerri Powers
(Notary Public)
My Commission Expires: 3-27-16

NOTARY PUBLIC-State of Kansas

KERRI POWERS



My Appt. Exp 3-27-16

Legal: 214467

(Published in The Garden City Telegram Saturday, April 14, 2012)

BEFORE THE STATE CORPORATION
COMMISSION OF THE STATE OF KANSAS
NOTICE OF FILING APPLICATION
RE: OXY USA Inc. Application for order to commingle Kansas City, Marmaton, Cherokee, Morrow, and St. Genevieve sources of supply in Shell B-1 well, located in Sec. 17, Twp 22S R 34W, Finney County, Kansas.

TO: All Oil and Gas Producers, Unleased Minerals Interest Owners, Landowners, and all persons who soever concerned.

You, and each of you, are hereby notified that OXY USA Inc. has filed an application to commingle the production from the Kansas City, Marmaton, Cherokee, Morrow, and St. Genevieve sources of supply in the Shell B-1 well, located in the NW/4 of Sec. 17, Twp 22S R 34W in Finney County, Kansas.

Any persons who object to or protest this application shall be required to file their objections or protests with the Conservation Division of the State Corporation Commission of the State of Kansas within fifteen (15) days from the date of this publication. These protests shall be filed pursuant to Commission regulations and must state specific reasons why the grant of the application may cause waste, violate correlative rights or pollute the natural resources of the State of Kansas. If no protests are received, this application may be granted through a summary proceeding. If valid protests are received, this matter will be set for hearing.

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

OXY USA Inc.
P.O. Box 2528
Liberia, KS 67905
(620) 629-4200

214467



1075252

Operator Name: OXY USA Inc. Lease Name: SHELL Well #: B-1
 Sec. 17 Twp. 22 S. R. 34 East West County: Finney

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 type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum SEE ORIGINAL
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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 <input checked="" type="checkbox"/> Plug Off Zone	3665-4058	CL-H NEAT	200	

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
		ACID 1500 GAL 15% DS FE MCA FLUSH 1050 GAL 2 % KCL	4142-4152

TUBING RECORD: Size: <u>2.875</u> Set At: <u>4619</u> Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR. <u>12/09/2011</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>97</u>	Gas Mcf <u>0</u> Water Bbls. <u>18</u> Gas-Oil Ratio <u>0</u> 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>COMMINGLE</u>
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June 5, 2012

Laura Beth Hickert
OXY USA, Inc.
5 E Greenway Plz
Houston, TX 77227-7570

RE: Approved Commingling CO051206
Shell B-1, Sec.17-T22S-R34W, Finney County
API No. 15-055-22110-00-01

Dear Ms. Hickert:

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 May 21, 2012, 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	
Kansas City	49	0	9	4142-4152
Marmaton	24	0	5	4392-4402
Cherokee	24	0	4	4506-4514
Morrow	0	0	0	4646-4674
St. Genevieve	0	0	0	4688-4698
Total Estimated Current Production	97	0	18	

Based upon the depth of the Cherokee 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 CO051206 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