



KANSAS CORPORATION COMMISSION 1090995
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.

AFFIDAVIT OF NOTICE SERVED

RE: Application for Commingling of Production

Well Name: Phillip #1-26

Legal Location: NE/SW/SE/NW Section 26-13S-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, 2012, a true and correct copy of the application referenced above was delivered or mailed to the following parties:

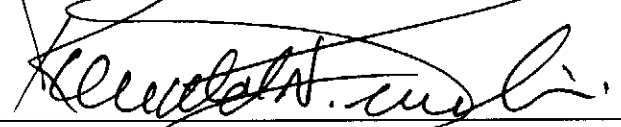
Shakespeare Oil Company, Inc., 202 W. Main, Salem, IL 62881
Grand Mesa Operating Company, 1700 N. Waterfront Pkwy, B600,
Wichita, KS 67206-5514

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, 2012.

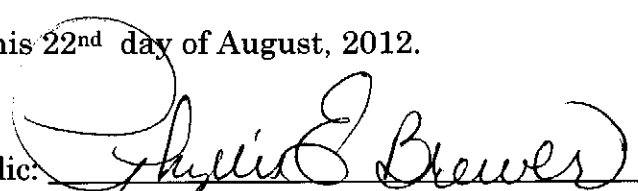
GRAND MESA OPERATING COMPANY

Applicant of Duly Authorized Agent:


Ronald N. Sinclair, President

Subscribed and sworn to before me this 22nd day of August, 2012.

Notary Public:


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

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 Phillip #1-26, located in Gove County, Kansas.

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

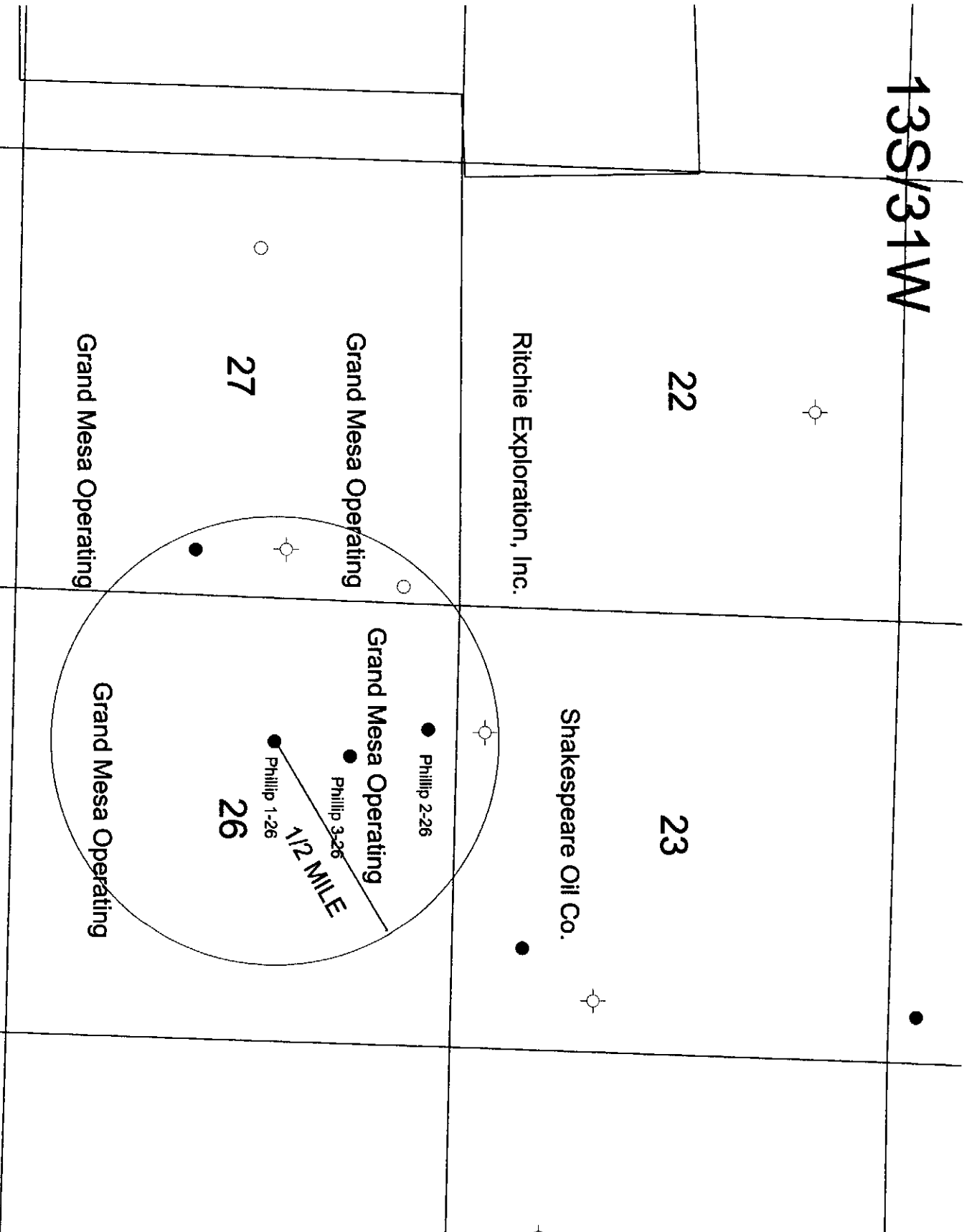
You, and each of you, are hereby notified that Grand Mesa Operating Company – has filed an application for commingling production or fluids from the Ft. Scott and the Johnson Formations. The subject well, the Phillip #1-26, is located 2180 feet from the north line and 1707 feet from the west line in the NE SW SE NW of Section 26, 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

13S/31W





CONFIDENTIAL

WELL COMPLETION FORM

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

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 # 30606
Name: Murfin Drilling Co., Inc.
Wellsite Geologist: Bob Schreiber
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>05/23/2012</u>	<u>06/04/2012</u>	<u>07/06/2012</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-063-22000-00-00
Spot Description: _____
NE SW SE NW Sec. 26 Twp. 13 S. R. 31 East West
2180 Feet from North / South Line of Section
1707 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Gove
Lease Name: PHILLIP Well #: 1-26
Field Name: Wildcat
Producing Formation: Johnson & Ft. Scott
Elevation: Ground: 2851 Kelly Bushing: 2856
Total Depth: 4631 Plug Back Total Depth: 4609
Amount of Surface Pipe Set and Cemented at: 210 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: 2358 Feet
If Alternate II completion, cement circulated from: 2358
feet depth to: 0 w/ 300 sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: 9000 ppm Fluid volume: 880 bbls
Dewatering method used: Evaporated
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: 08/10/2012
 Confidential Release Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
ALT I II III Approved by: Deanna Garrison Date: 08/16/2012



1090297

Operator Name: Grand Mesa Operating Company Lease Name: PHILLIP Well #: 1-26
 Sec. 26 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 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run: Attached	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum Attached Attached Attached
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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	12.25	8.625	24	210	Common	165	3% CC, 2% Gel
Production	7.875	5.50	15.5	4630	EA-2	175	1/4#sx Flocele

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input checked="" type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone	0-2358	SMD	300	

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	4491-4495	250gals RWR-1 15% Acid, w/additives	4491-4495
4	4398-4408	1250gals HC-1 15% Acid, w/additives	4398-4408

TUBING RECORD: Size: <u>2.875</u> Set At: <u>4574</u> Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR. <u>07/06/2012</u>	Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other <i>(Explain)</i> _____	
Estimated Production Per 24 Hours	Oil Bbls. <u>88</u>	Gas Mcf <u>0</u> Water Bbls. <u>76</u> Gas-Oil Ratio _____ Gravity <u>30</u>

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 <i>(Specify)</i> _____	PRODUCTION INTERVAL: <u>4398-4408</u> <u>4491-4495</u>
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Form	ACO1 - Well Completion
Operator	Grand Mesa Operating Company
Well Name	PHILLIP 1-26
Doc ID	1090297

All Electric Logs Run

CPDCN Micro Log
AI Shallow Focused Elect Log
Comp. Sonic w/Integrated Transit Time
Micro Log
Dual Receiver Cmt Bond Log

Form	ACO1 - Well Completion
Operator	Grand Mesa Operating Company
Well Name	PHILLIP 1-26
Doc ID	1090297

Tops

Stone Corral	2332	+524
Bs/ Stone Corral	2357	+499
Heebner	3876	-1020
Lansing	3918	-1062
Muncie Creek	4073	-1217
Stark	4159	-1303
Marmaton	4263	-1407
Excello	4411	-1555
Mississippian	4532	-1676
LTD	4638	

ALLIED OIL & GAS SERVICES, LLC 056265

Federal Tax I.D.# 20-5975804

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

SERVICE POINT:

Oakley

DATE <u>5-23-12</u>	SEC <u>26</u>	TWP. <u>13</u>	RANGE <u>31</u>	CALLED OUT	ON LOCATION	JOB START <u>8:00 AM</u>	JOB FINISH <u>8:25 PM</u>
LEASE <u>Phillip</u>	WELL# <u>1-26</u>	LOCATION <u>Oakley 11s 5E 3s</u>			COUNTY <u>Gove</u>	STATE <u>Ks</u>	
OLD OR NEW (Circle one) <u>NEW</u>		1E 1/2s E into					

CONTRACTOR Murfin 24
 TYPE OF JOB surface
 HOLE SIZE 12 1/4 T.D. 210'
 CASINO SIZE 8 5/8 DEPTH 210'
 TUBING SIZE DEPTH
 DRILL PIPE DEPTH
 TOOL DEPTH
 PRES. MAX MINIMUM
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG. 15'
 PERFS.
 DISPLACEMENT 12,472 BBL

OWNER same
 CEMENT AMOUNT ORDERED 165 sks com 386cc
246 gal

COMMON	<u>165 sks</u>	@ <u>16.25</u>	<u>2681.25</u>
POZMIX		@	
GRS	<u>3 sks</u>	@ <u>21.25</u>	<u>63.75</u>
CHLORIDE	<u>6 sks</u>	@ <u>58.20</u>	<u>349.20</u>
ASC		@	
		@	
		@	
		@	
		@	
		@	
		@	
		@	

EQUIPMENT
 PUMP TRUCK CEMENTER Andrew
 # 423-281 HELPER Terry
 BULK TRUCK
 # 347 DRIVER Terry
 BULK TRUCK
 # DRIVER

HANDLING 178.255 cu/ft @ 2.10 374.33
 MILEAGE 2.35 ton/mile @ 8.146 420.83
 TOTAL 3888.83

REMARKS:

Cement Old circulate
Thank you

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

SERVICE

DEPTH OF JOB	<u>210'</u>		
PUMP TRUCK CHARGE			<u>1125.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>22 miles</u>	@ <u>7.00</u>	<u>154.00</u>
MANIFOLD	<u>head</u>	@	<u>200.00</u>
	<u>light vehicle</u>	@ <u>4.00</u>	<u>88.00</u>
		@	

TOTAL 1562.00

PLUG & FLOAT EQUIPMENT

	@	
	@	
	@	
	@	
	@	

TOTAL _____

SALES TAX (if Any) _____
 TOTAL CHARGES _____
 DISCOUNT _____ IF PAID IN 30 DAYS

To: Allied Oil & Gas Services, 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 Jun 12 PAGE NO.

CUSTOMER Grand Mesa WELL NO. 1-26 LEASE Phillip JOB TYPE 2 stage cement long string TICKET NO. 23110

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								175 sks SA-2 w/ 1/4" floater 300 sk SMD w/ 9 1/4" floater 5 1/2 15.5" casing 111, 145 RTD 4631'
								pipe: 4635' sheet 26' plug back 4609' DV #54 2 358' Baked 2,54 100ft sanders Cont. 2,4,6,8,10,12,14,16,53
	1000							on loc TRK 114
	1030							start 5 1/2 15.5" casing in well
	1235							Drop ball - circulate - ROTATE
	1300	4 3/4	12				200	Pump 500 gal mud flush
		4 3/4	26				200	Pump 20 bbl KCL flush
	1308	9 3/4	43				250	mix SA-2 cement 175 sks @ 15.3 ppg Drop latch down plug (1st stage plug) wash out pump & line
	1315	6 3/4	54				250	Displace plug w/ H2O
			56					Displace w/ mud
	1330	6 3/4	110				1500	Land plug
								Release pressure to truck - dried up
	1335							Drop bomb wash truck
	1350						1000	Open DV tool
	1355							Circulate well
	1545	9 3/4	20				250	Pump 20 bbl KCL flush
	1550	4 3/4	7				250	Plug R# - MH 30 sks - 20 sks mix SMD cement 200 sks @ 11.2 ppg
			160					Drop 2nd stage plug cement to
	1615	6 3/4					300	Displace plug
		6 3/4	40				450	- cement to surface - 30 sks to pit
	1630	6 3/4	56				1500	Land plug - close DV tool Release pressure to truck - dried up
	1635							wash truck
	1700							Back up job complete Thru Bob Doug Dave & Blaine

2nd stage
250 sk mix to
30 to pit

Pro-Stim Chemicals LLC

660345

Acidizing Report

Date 6-20-12

Customer <u>Grand Mesa</u>	Pro-Stim Chemical Yard <u>Dighton</u>	Pro-Stim Number <u>A6</u>
Well Name & Number <u>Phillips 1-26</u>	Field	Formation Spot <u>6A7F flush</u>
County <u>Gove</u> State <u>KS</u>	BHT	Interval <u>4491-95</u>

Well Type: Completion Recompletion Workover Oil Gas Water Disposal Perf OH

Job Pumped Via: Tubing Casing Annulus CTU Combination Plug Depth _____ Packer Depth 4440 Treat

Casing Size: <u>5 1/2</u>	GRD	WT	Depth	Tubing Size: <u>2 7/8</u>	GRD	WT	Spot <u>4500 SPT</u>
Casing Vol. <u>1.2</u>	Tbg Vol <u>25.7</u>	Ann Vol	OH Vol	Total Displacement			
Maximum Pressure	Tubing	Casing	Proposed Pump Time	AOL	Leave Loc		

Special Instructions: 250 gal 15% RAR-1 Acid,

Treatment Record

Time	Type Fluid	Rate BMP	Increment Vol Bbls	Cum Vol Bbls	Pressure		Observations
					Tubing	Casing	
<u>1</u>	<u>Acid/F</u>						Safety Meeting
<u>15</u>	<u>Flush</u>	<u>2.7</u>		<u>13.7</u>	<u>40</u>		Prs Test to _____ psi
<u>21</u>	<u>Flush</u>	<u>2.7</u>		<u>29.5</u>	<u>40</u>		
<u>22</u>	<u>Flush</u>	<u>1.0</u>		<u>30.9</u>	<u>70</u>		<u>loaded late</u>
<u>24</u>	<u>Flush</u>	<u>1.0</u>		<u>33</u>	<u>70</u>		<u>Total Load</u>

Treatment Synopsis

Avg Inj Rate	Fluid BPM	Total Injected		H2O <u>27</u>	Acid <u>6</u>	Oil
Treating Prs	Max <u>70</u>	Final <u>70</u>	Avg.	ISIP <u>VAC</u>	5'SI	10'SI
Customer Representative				Pro-Stim Supervisor	<u>Shannon M.</u>	

Pro-Stim Chemicals, LLC

P.O. Box 25
Cheyenne Wells, CO 80810

JUL - 5 2012

Invoice

Date	Invoice #
6/28/2012	66595

Bill To
Grand Mesa Operating Co. 1700 N. Waterfront Pkwy - Bldg 600 Wichita, KS 67206-6614

Ship To

Requested By	Terms	Ship	Lease
	Net 30	6/20/2012	PHILLIPS #1-26

Quantity	Item Code	Description	Price Each	Amount
250	RWR-1 15%	GALLONS	2.82	705.00
30	KCL BIOCIDE - 2%	BRLS	3.16	94.80
1	DUMP JOB		158.00	158.00T
3.5	TRUCK TIME	HOURS	95.00	332.50T
		Sales Tax - GOVE CO.	8.05%	39.49

			Total	\$1,329.79
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Phone #	Fax #	E-mail
719-767-8071	719-767-5925	prostim@hotmail.com

Pro-Stim Chemicals LLC

66608

Date 6/21/12

Acidizing Report

Customer Grand Mesa	Pro-Stim Chemical Yard Oighton	Pro-Stim Number
Well Name & Number Phillip 1-26	Field	Formation FT SCOTT
County GOVE	State KS	BHT
	YD	Interval 4398-08

Well Type: Completion Recompletion Workover Oil Gas Water Disposal Perf OH

Job Pumped Via: Tubing Casing Annulus CTU Combination Plug Depth Packer Depth **4350**

Casing Size: **5 1/2** GRD WT Depth Tubing Size: **2 7/8** GRD WT Spot **1 BBL 439**

Casing Vol. Tbg Vol Ann Vol OH Vol Total Displacement

Maximum Pressure Tubing Casing Proposed Pump Time AOL Leave Loc

Special Instructions:
1250 Gals 15% with 25 S-3000 5-S-262
30 BBLs 2% KCL 19 Re-Nab 3-AP150
20 Bro Balls 5 AC-307

Treatment Record

Time	Type Fluid	Rate BMP	Increment Vol Bbls	Cum Vol Bbls	Pressure		Observations
					Tubing	Casing	
							Safety Meeting
1	Acid						Prs Test to _____ psi
11	Acid	3.4		6	0	0	
15	Acid	3.5		19	0	0	
18	Acid	3.5		24	0	0	
19	Acid	0		24.1	300	0	Loaded
20	Acid	0		24.2	350	0	
25	Acid	0		24.5	450	0	
30	Acid	.25		24.7	600	0	
31	Acid	1		25.5	500	0	
32	Acid	1		28	250	0	
34	Acid	2		30	500	0	
38	Flush	3.4		35	230	0	
41	Flush	3.4		40	180	0	
45	Flush	3.4		45	160	0	Ball Action
47	Flush	3.4		48	180	0	
52	Flush	3.4		52	200	0	
55	Flush	3.4		57	210	0	
57	Flush	3.4		60	210	0	

Treatment Synopsis

Avg Inj Rate	Fluid BPM 3.4	Total Injected		H2O 30	Acid 30	Oil
Treating Prs	Max 600	Final 210	Avg. 200	ISIP vac	5'SI	10'SI
Customer Representative	<i>John ...</i>			Pro-Stim Supervisor	<i>[Signature]</i>	

Pro-Stim Chemicals, LLC

P.O. Box 25
Cheyenne Wells, CO 80810

Invoice

Date	Invoice #
6/28/2012	66608

Bill To
Grand Mesa Operating Co. 1700 N. Waterfront Pkwy - Bldg 600 Wichita, KS 67206-6614

Ship To

Requested By	Terms	Ship	Lease
	Net 30	6/21/2012	PHILLIPS #1-26

Quantity	Item Code	Description	Price Each	Amount
1,250	15% HCl ACID	GALLONS	1.78	2,225.00
25	S-3000	GALLONS	23.56	589.00
19	RENAB	GALLONS	17.89	339.91
5	AC-307	GALLONS	18.61	93.05
5	S-262	GALLONS	14.36	71.80
3	AI-150	GALLONS	20.15	60.45
20	BALLS - BIO-DEGRADEA...	EACH	7.00	140.00
1	BALL LAUNCHER		80.00	80.00
30	KCL BIOCID - 2%	BRLS	3.16	94.80
1	DUMP JOB		158.00	158.00T
3.5	TRUCK TIME	HOURS	95.00	332.50T
		Salcs Tax - GOVE CO.	8.05%	39.49

Total \$4,224.00

Phone #	Fax #	E-mail
719-767-8071	719-767-5925	prostim@hotmail.com

**GRAND
MESA**

OPERATING COMPANY

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

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

August 22, 2012

Shakespeare Oil Company, Inc.
202 W. Main
Salem, IL 62881

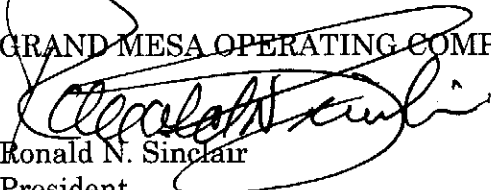
RE: Application for Commingling
Phillip #1-26; NE/SW/SE/NW Sec. 26-13S-31W
Gove County, Kansas

To Whom It May Concern:

Per Kansas Corporation Commission (KCC) regulations 82-3-123 and 82-3-135(a) Grand Mesa Operating Company is providing notice to you regarding the commingling of wellbore production in the above-described well. Please find the attached "APPLICATION FOR COMMINGLING OF PRODUCTION OR FLUIDS", KCC form ACO-4. If you have any questions, please contact me at (316) 265-3000.

Very truly yours,

GRAND MESA OPERATING COMPANY


Ronald N. Sinclair
President

RNS;peb

Enclosures

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 22nd day of August, 2012, with subsequent publications being made on the following dates:

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

Printer's Fee \$ 23.45
Additional Copies \$ _____
Affidavit Fees \$ 2.00
Total Publication Fees .. \$ 25.45

Roxanne Broeckelman

Subscribed and sworn to before me this 22nd day of

August, 2012

Linda L. Zerr
Notary Public

My commission expires:
January 8, 2013

LEGAL ADVERTISING

(Published in the Gove County Advocate, Quinter, KS, Wed., August 22, 2012 - 1t)

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 Phillip #1-26, 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 Ft. Scott and the Johnson Formations. The subject well, the Phillip #1-26, is located 2180 feet from the north line and 1707 feet from the west line in the NE SW SE NW of Section 26, 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 67206-6514
(316) 265-3000**

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

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 20th of

August 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

20th day of August, 2012



Penny L. Case

Notary Public Sedgwick County, Kansas

Printer's Fee : \$108.40

LEGAL PUBLICATION

PUBLISHED IN THE WICHITA EAGLE
AUGUST 20, 2012 (3202282)
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 Phillip #1-26, 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 Ft. Scott and the Johnson Formations. The subject well, the Phillip #1-26, is located 2180 feet from the north line and 1707 feet from the west line in the NE SW SE NW of Section 26, 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

September 6, 2012

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

RE: Approved Commingling CO081233
Phillip 1-26, Sec.26-T13S-R31W, Gove County
API No. 15-063-22000-00-00

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 27, 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	
Ft. Scott	60.0	0.0	55.0	4398-4408
Johnson	28.0	0.0	21.0	4491-4495
Total Estimated Current Production	88.0	0.0	76.0	

Based upon the depth of the Johnson 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 CO081233 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