



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.



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 # 30606
Name: Murfin Drilling Co., Inc.
Wellsite Geologist: Bob Schreiber
Purchaser: NCRA

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil WSW SWD SLOW
 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 #: _____

07/24/2012	08/04/2012	09/04/2012
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-063-22023-00-00
Spot Description: _____
SE SW NE NW Sec. 26 Twp. 13 S. R. 31 East West
1271 Feet from North / South Line of Section
1845 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Gove
Lease Name: PHILLIP Well #: 3-26
Field Name: Wildcat
Producing Formation: Johnson, Ft. Scott, Lansing
Elevation: Ground: 2862 Kelly Bushing: 2867
Total Depth: 4630 Plug Back Total Depth: 4616
Amount of Surface Pipe Set and Cemented at: 211 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: 2380 Feet
If Alternate II completion, cement circulated from: 2380
feet depth to: 0 w/ 475 sx cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content: 9000 ppm Fluid volume: 900 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: 10/01/2012
 Confidential Release Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
ALT I II III Approved by: NAOMI JAMES Date: 10/02/2012



1095158

Operator Name: Grand Mesa Operating Company Lease Name: PHILLIP Well #: 3-26
 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	211	Common	165	3%CC, 2%Gel
Production	7.875	5.50	15.50	4626	ASC	175	

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	0-2380	60/40 Pozmix	475	8% Gel, 1/4#sx Flocele
	-			

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	4499-4503	250gals. 15% RWR-1 Acid w/additives	4499-4503
4	4404-4410	1,000gals. 15% RWR-1 Acid w/additives	4404-4410
4	4172-4176		

TUBING RECORD: Size: <u>2.875</u> Set At: <u>4590</u> Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. <u>09/04/2012</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>120</u>	Gas Mcf <u>0</u>	Water Bbls. <u>2</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>4172-4176'; 4404-4410';</u> <u>4499-4503'</u>
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Form	ACO1 - Well Completion
Operator	Grand Mesa Operating Company
Well Name	PHILLIP 3-26
Doc ID	1095158

All Electric Logs Run

CPDCN Micro Log
AI Shallow Focused Elect. Log
Micro. Log
Sector Bond Log

Form	ACO1 - Well Completion
Operator	Grand Mesa Operating Company
Well Name	PHILLIP 3-26
Doc ID	1095158

Tops

Stone Corral	2341	+526
Bs. Stone Corral	2367	+501
Heebner	3884	-1016
Lansing	3926	-1059
Muncie Creek	4081	-1013
Stark	4164	-1297
Marmaton	4262	-1395
Little Osage	4388	-1521
Mississippian	4545	-1678
LTD	4628	



CONSOLIDATED
Oil Well Services, LLC

PO Box 884, Chanute, KS 66720
620-431-9210 or 800-467-8676

TICKET NUMBER 37044
LOCATION Oakley
FOREMAN Joe Blanchard

FIELD TICKET & TREATMENT REPORT
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
7-24-12	3372	Phillip 3-26	26	13	31	Gove
CUSTOMER Grand Mesa Operating Company			40 + 45 sec			
MAILING ADDRESS			E RD 16			
CITY			35 TO P			
STATE			1 East			
ZIP CODE			15 South			
TRUCK #	DRIVER	TRUCK #	DRIVER			
463	Cory D					
566	Wes F					

JOB TYPE Surface HOLE SIZE 12 1/4 HOLE DEPTH 211 CASING SIZE & WEIGHT 8 5/8 20#
 CASING DEPTH 211 DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 15.2 SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT In CASING 15'
 DISPLACEMENT 12.16 DISPLACEMENT PSI _____ MIX PSI _____ RATE 5 bpm

REMARKS: 12.16
Safety Meeting Rig up on Murfin 24 Circ Casing on bottom. Mix 165 SKS
Cam 3% cc 2% Gel Pumped 12.16 331 H2O shut in.

Cement did Circ
Approx 4 Hbl To pit

Thanks
Joe crew

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401 ^s	1	PUMP CHARGE	1086 ⁰⁰	1086 ⁰⁰
5406	20	MILEAGE	5 ⁰⁰	100 ⁰⁰
1104 ^s	165 SKS	CLASS A Cement	17 ⁰⁵	2912 ²⁵
1102	465*	Calcium Chloride	.89	413 ³⁵
1118b	310#	Gel	.25	77 ⁵⁰
5407	7.76	TON Milage delivery	103	410 ⁰⁰
Sub Total			4998 ⁶⁰	4998 ⁶⁰
less 10% discount			4498 ⁷⁴	4498 ⁷⁴
Sub Total			4498 ⁷⁴	4498 ⁷⁴
SALES TAX				246.59
ESTIMATED TOTAL				4745.33

PAID
7/24/12

AVIN 3737 AUTHORIZATION Anthony Martin TITLE Pusher Rig #24 DATE 7-24-12

I acknowledge that the payment terms, unless specifically amended in writing on the front of the form or in the customer's account records, at our office, and conditions of service on the back of this form are in effect for services identified on this form.

751501

ALLIED OIL & GAS SERVICES, LLC 056658

Federal Tax I.D.# 20-5976604

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

SERVICE POINT:

Oakley

DATE <u>8-3-12</u>	SEC <u>26</u>	TWP <u>13</u>	RANGE <u>31</u>	CALLED OUT	ON LOCATION	JOB START <u>5:00 PM</u>	JOB FINISH <u>6:30 PM</u>
LEASE <u>Phillips</u>	WELL # <u>3-26</u>	LOCATION <u>Oakley 115-SE-35-1E-1/4S</u>			COUNTY <u>Gove</u>	STATE <u>Ks.</u>	
OLD OR <u>NEW</u> (Circle one)		E into					

CONTRACTOR Murfin #24

TYPE OF JOB Production

HOLE SIZE 7 7/8 T.D. 4630'

CASING SIZE 5 1/2 DEPTH 4618'

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DV Tool DEPTH 2380'

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT 10.97'

CEMENT LEFT IN CSG. 10.97'

PERFS.

DISPLACEMENT 109.64

OWNER Same

CEMENT

AMOUNT ORDERED ASC 10% salt 5' Gilsomite

2% Gel

4.75 SKS 5 7/8 Lite Type 2 1/4 Floseal

COMMON <u>Lite type 2 475 @ \$14.52</u>	<u>6,887.50</u>
POZMIX	
OEL <u>3 SKS @ \$21.25</u>	<u>\$63.75</u>
CHLORIDE	
ASC <u>175 SKS @ \$19.00</u>	<u>\$3,325.00</u>
<u>Salt 18 SKS @ \$23.72</u>	<u>\$427.16</u>
<u>Gilsomite 875 # @ .82</u>	<u>\$718.75</u>
<u>Floseal 119 # @ \$2.20</u>	<u>\$261.80</u>

EQUIPMENT

PUMP TRUCK CEMENTER Terry Heinrich 1

1423-281 HELPER Darrett Racette 1

BULK TRUCK DRIVER Tyler Flipse 2

1404 DRIVER Adam Hulcomb 3

BULK TRUCK DRIVER DJ Gray 3

1540-282

Superflush 500gal	@ \$1.27	\$635.00
HANDLING <u>764.112 @ \$2.10</u>		<u>\$1,604.55</u>
MILBAGE <u>32.033 @ \$2.85</u>		<u>\$91.28</u>
TOTAL		<u>15,703.15</u>

REMARKS:

Bottom stage

Pump spacer mix Superflush mix 175 SKS cement

Displace with water mud level plug 100' float did

Open DV Tool 100' Circulate 2 hrs

stage - Plug Mouse 15 SKS Plug Bobhole 30 SKS

mix 437 SKS Cement Displace with water

level plug 62000' float did Hold

Cement did Circulate 30 bbl To 154'

Thank you.

Hold SERVICE

DEPTH OF JOB	
PUMP TRUCK CHARGES	<u>\$2405.00</u>
EXTRA FOOTAGE	
MILBAGE <u>22 @ \$7.00</u>	<u>\$154.00</u>
MANIFOLD Head	<u>\$200.00</u>
<u>LV millage</u>	<u>\$88.00</u>

CHARGE TO: Grand mesa

TREE# _____

CITY _____ STATE _____ ZIP _____

TOTAL \$2847.00

PLUG & FLOAT EQUIPMENT

<u>5/8 Weatherford</u>	
<u>1 AFU float shoe</u>	<u>\$349.00</u>
<u>1 Latch Down Plug Assy.</u>	<u>\$277.00</u>
<u>2 Baskets</u>	<u>\$337.00</u>
<u>8 Centralizers</u>	<u>\$49.00</u>
<u>1 DV Tool</u>	<u>\$4921.00</u>
TOTAL <u>\$6613.00</u>	

For: 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.

SALES TAX (If Any) 1533.96

TOTAL CHARGES 25,163.15

DISCOUNT 20 5032.63 IF PAID IN 30 DAYS

PRINTED NAME _____

SIGNATURE John A. [Signature]

Pro-Stim Chemicals LLC

Date 8-23-12

Acidizing Report

Customer <u>Grand Mesa</u>	Pro-Stim Chemical Yard <u>Dighton</u>	Pro-Stim Number <u>A4</u>
Well Name & Number <u>Phillip #3-26</u>	Field	Formation Spot <u>1 barrel</u>
County <u>Logan</u> State <u>KS</u>	BHT	YD
Well Type: Completion <input checked="" type="checkbox"/> Recompletion <input type="checkbox"/> Workover <input type="checkbox"/> Oil <input type="checkbox"/> Gas <input type="checkbox"/> Water <input type="checkbox"/> Disposal <input type="checkbox"/> Perf <input type="checkbox"/> OH <input type="checkbox"/>	Interval <u>4499-4503</u>	
Job Pumped Via: Tubing <input checked="" type="checkbox"/> Casing <input type="checkbox"/> Annulus <input type="checkbox"/> CTU <input type="checkbox"/> Combination <input type="checkbox"/> Plug Depth	Packer Depth <u>Treat 4450</u>	
Casing Size: <u>5 1/2</u>	GRD	WT
Casing Vol.	Tbg Vol <u>27</u>	Ann Vol
Maximum Pressure	Tubing	Casing
Special Instructions:	<u>250 gals RWR-1 15%</u>	

Treatment Record

Time	Type Fluid	Rate BMP	Increment Vol Bbls	Cum Vol Bbls	Pressure		Observations
					Tubing	Casing	
							Safety Meeting
							Prs Test to _____ psi
1	Acid						
10	Acid	5		2	10		start to load
11	Acid	5		6	10		Acid gone
15	Flush	5		26.2	50		loaded well
16	Flush	0		26.2	300		
22	Flush	0		26.4	400		
27	Flush	0		26.4	500		max
43	Flush	.2		26.9	450		
49	Flush	.4		28	400		
53	Flush	.7		30	450		
57	Flush	.7		33	450		total load

Treatment Synopsis

Avg Inj Rate	Fluid BPM	Total Injected	H2O <u>27</u>	Acid <u>6</u>	Oil
Treating Prs	Max <u>500</u>	Final <u>450</u>	Avg.	ISIP <u>300</u>	ISIP <u>300</u>
Customer Representative			Pro-Stim Supervisor <u>Shannon M.</u>		

Pro-Stim Chemicals LLC

Date 8-28-12

Acidizing Report

Customer <u>Grand Mesa</u>		Pro-Stim Chemical Yard <u>Dighton</u>		Pro-Stim Number <u>A4</u>	
Well Name & Number <u>Phillip #3-26</u>		Field		Formation Spot <u>1 barrel</u>	
County <u>Logan</u>	State <u>KS</u>	BHT	YD	Interval <u>4404-10</u>	
Well Type: Completion <input checked="" type="checkbox"/> Recompletion <input type="checkbox"/> Workover <input type="checkbox"/> Oil <input type="checkbox"/> Gas <input type="checkbox"/> Water <input type="checkbox"/> Disposal <input type="checkbox"/> Perf <input type="checkbox"/> OH <input type="checkbox"/>					
Job Pumped Via: Tubing <input checked="" type="checkbox"/> Casing <input type="checkbox"/> Annulus <input type="checkbox"/> CTU <input type="checkbox"/> Combination <input type="checkbox"/>				Plug Depth	
				Packer Depth <u>Treat 4360</u>	
Casing Size: <u>5 1/2</u>	GRD	WT	Depth	Tubing Size: <u>2 7/8</u>	GRD WT Spot <u>4420</u>
Casing Vol.	Tbg Vol		Ann Vol	CH Vol	Total Displacement
Maximum Pressure	Tubing		Casing	Proposed Pump Time	AOL Leave Loc

Special Instructions:

1,000 RWR-1 1590
gals.

Treatment Record

Time	Type Fluid	Rate BMP	Increment Vol Bbls	Cum Vol Bbls	Pressure		Observations
					Tubing	Casing	
							Safety Meeting
<u>1</u>	<u>Acid</u>	<u>Spot</u>		<u>1</u>			Prs Test to _____ psi
<u>13</u>	<u>Acid</u>	<u>5.0</u>		<u>5</u>	<u>20</u>		
<u>17</u>	<u>Acid</u>	<u>5.0</u>		<u>24</u>	<u>20</u>		<u>Acid gone</u>
<u>18</u>	<u>Flush</u>	<u>0</u>		<u>24.7</u>	<u>100</u>		<u>loaded</u>
<u>20</u>	<u>Flush</u>	<u>0</u>		<u>24.7</u>	<u>300</u>		<u>max pressure</u>
<u>29</u>	<u>Flush</u>	<u>.5</u>		<u>25.8</u>	<u>250</u>		
<u>31</u>	<u>Flush</u>	<u>1.0</u>		<u>27.2</u>	<u>200</u>		
<u>32</u>	<u>Flush</u>	<u>1.5</u>		<u>28.5</u>	<u>200</u>		
<u>33</u>	<u>Flush</u>	<u>1.5</u>		<u>30</u>	<u>200</u>		
<u>34</u>	<u>Flush</u>	<u>2.0</u>		<u>34</u>	<u>250</u>		
<u>45</u>	<u>Flush</u>	<u>2.0</u>		<u>49</u>	<u>250</u>		<u>Total load</u>

Treatment Synopsis

Avg Inj Rate	Fluid BPM	Total Injected		H2O <u>25</u>	Acid <u>24</u>	Oil
Treating Prs	Max <u>300</u>	Final <u>250</u>	Avg.	ISIP <u>150</u>	<u>MAC 3</u>	10'SI 15'SI
Customer Representative				Pro-Stim Supervisor <u>Shauna M.</u>		

AFFIDAVIT OF NOTICE SERVED

RE: Application for Commingling of Production

Well Name: Phillip #3-26

Legal Location: SE/SW/NE/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 4th day of October, 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

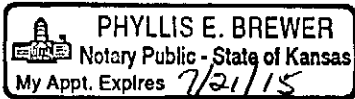
I further attest that notice of the filing of this application was published in **The Gove County Advocate**, the official county publication of **Gove County, Kansas** and the **Wichita Eagle**, Wichita, Kansas. Copies of these affidavits of publication are attached.

Signed this 4th day of October, 2012.

GRAND MESA OPERATING COMPANY

Applicant of Duly Authorized Agent: James P. Reilly
James P. Reilly, Director

Subscribed and sworn to before me this 4th day of October, 2012.



Notary Public: Phyllis E. Brewer
Phyllis E. Brewer, Notary Public
11817 W. Jamesburg St. (879)
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 #3-26, located in Gove County, Kansas.

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

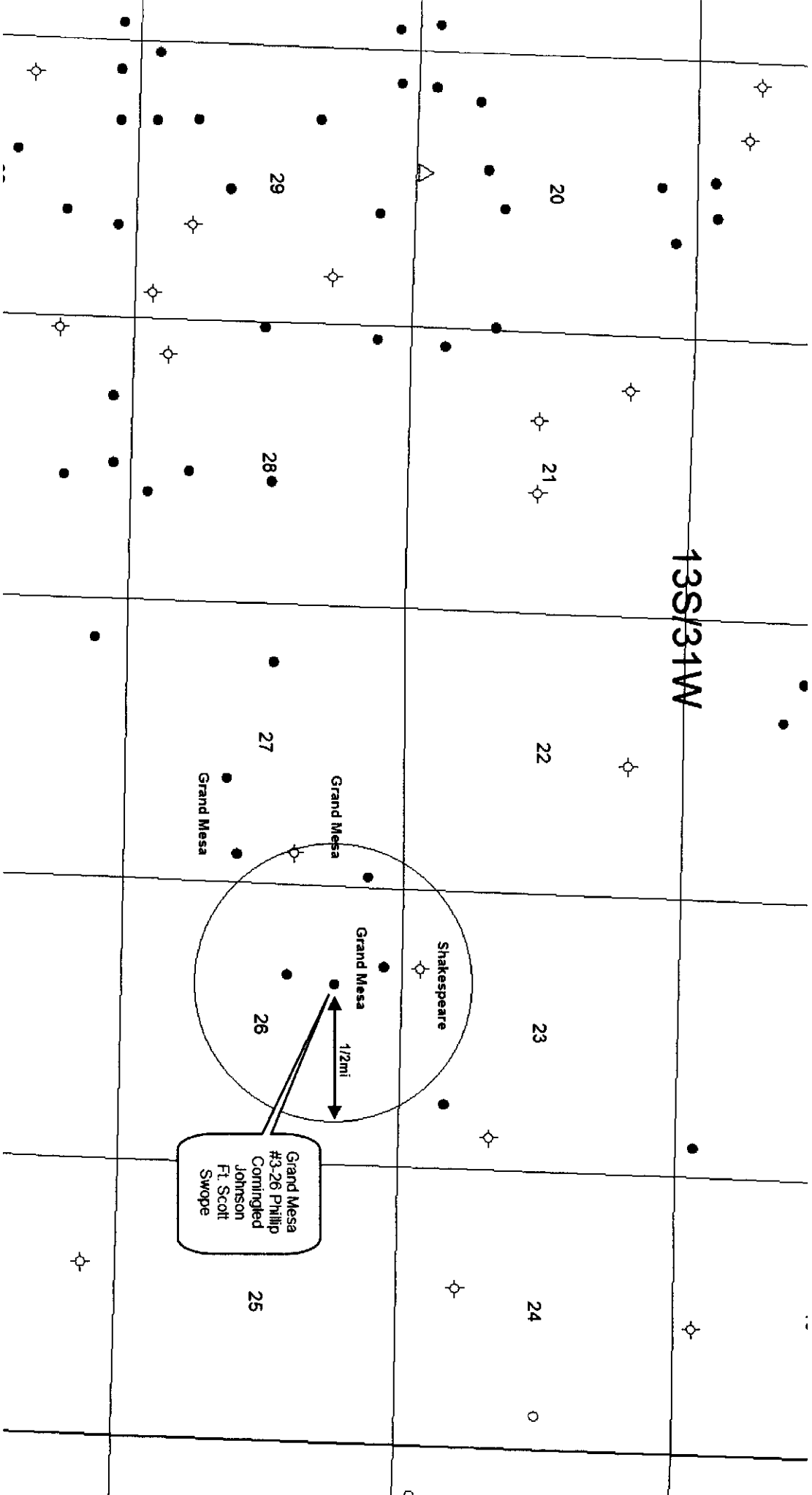
You, and each of you, are hereby notified that Grand Mesa Operating Company – has filed an application for commingling production or fluids from the Lansing, Ft. Scott and the Johnson Formations. The subject well, the Phillip #3-26, is located 1271 feet from the north line and 1845 feet from the west line in the SE SW NE 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



**GRAND
MESA**

OPERATING COMPANY

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

1700 N. WATERFRONT PARKWAY
BLDG. 800
WICHITA, KANSAS 67208-5514

October 4, 2012

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

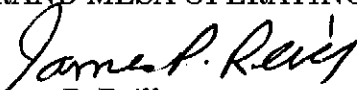
RE: Application for Commingling
Phillip #3-26; SE/SW/NE/NW Sec. 26-13S-31W
Gove County, Kansas

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


James P. Reilly
Director

JPR;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 10th day
of October, 2012,
with subsequent publications being
made on the following dates:

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

Printer's Fee\$ 2365
Additional Copies\$ _____
Affidavit Fees\$ 200
Total Publication Fees ..\$ 2565

Roxanne Broeckelman

Subscribed and sworn to before me
this 10th day of
October, 2012

Linda L. Zerr
Notary Public

My commission expires:
January 8, 2013

LEGAL ADVERTISING
(Published in the Gove County Advocate,
Quinter, KS, Wed., October 10, 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 pro-
duction for the Phillip #3-26, 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 Lansing, Ft. Scott and the
Johnson Formations. The subject well, the
Phillip #3-26, is located 1271 feet from the
north line and 1845 feet from the west line in
the SE SW NE 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 objec-
tions 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 correl-
ative 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

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, depose 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 8th of

October A.D. 2012, with

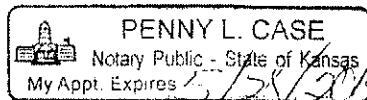
subsequent publications being made on the following dates:

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

8th day of October, 2012



Penny L. Case
Notary Public Sedgwick County, Kansas

Printer's Fee : \$110.80

LEGAL PUBLICATION

PUBLISHED IN THE WICHITA EAGLE
OCTOBER 8, 2012 (3211061)

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
#3-26, 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 Lansing, Ft.
Scott and the Johnson Formations. The
subject well, the Phillip #3-26, is located
1271 feet from the north line and 1845 feet
from the west line in the SE SW NE 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

October 25, 2012

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

RE: Approved Commingling CO101203
Phillip 3-26, Sec.26-T13S-R31W, Gove County
API No. 15-063-22023-00-00

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 October 15, 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	
Lansing	62.0	0.0	2.0	4172-4176
Ft. Scott	34.0	0.0	0.0	4404-4410
Johnson	24.0	0.0	0.0	4499-4503
Total Estimated Current Production	120.0	0.0	2.0	

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 CO101203 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