

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION Form ACO-4 Form must be typed March 2009

APPLICATION FOR COMMINGLING OF

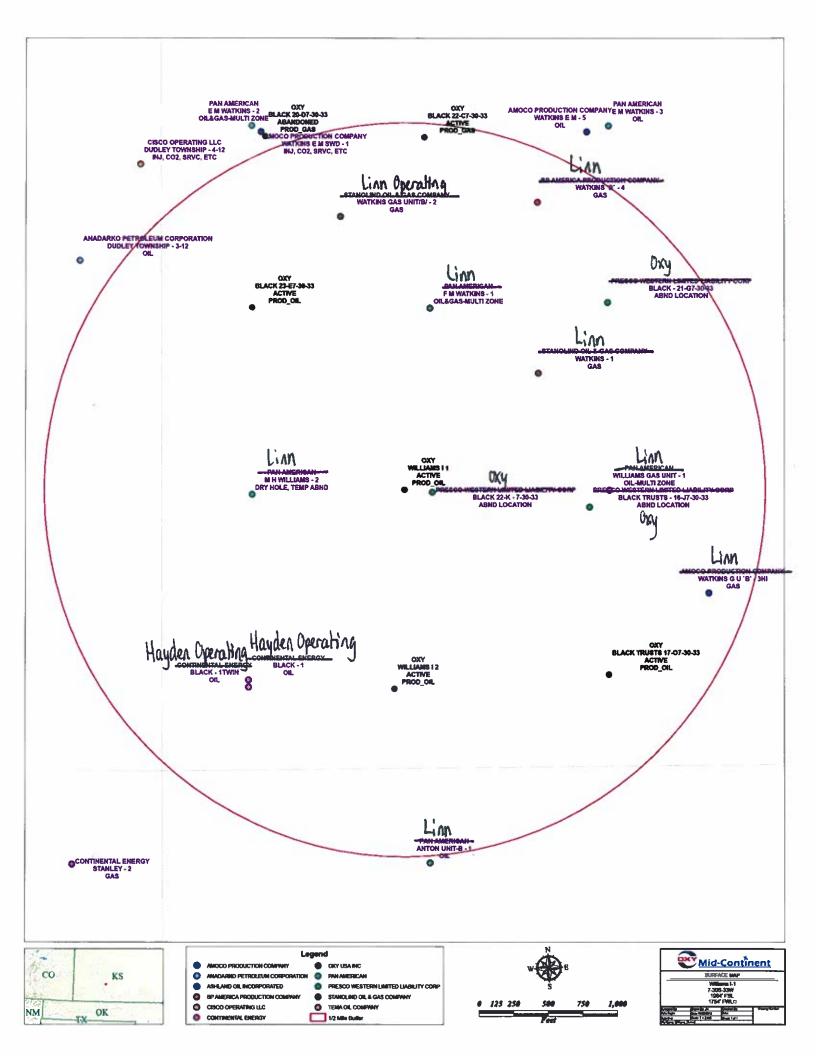
Commingling ID # _

PRODUCTION (K.A.R. 82-3-123) OR FLUIDS (K.A.R. 82-3-123a)

| OPERAT | OR: License # | API No. 15 - | | | | |
|---------------------------------|---|---|----------------------|-------------|---|---------------|
| Name: | | Spot Description: | | | | |
| Address | 1: | | Sec | Twp | _S. R [| East West |
| Address | 2: | | Fee | et from N | orth / 🗌 South Lir | ne of Section |
| City: | State: Zip:+ | | Fee | et from 🗌 E | ast / 🗌 West Lir | ne of Section |
| Contact | Person: | County: | | | | |
| Phone: | () | Lease Name | e: | We | ell #: | |
| ☐ 1. | Name and upper and lower limit of each production interval to | be comminaled: | | | | |
| _ | Formation: | 0 | Perfs): | | | |
| | Formation: | | , | | | |
| | Formation: | · · · · · · · · · · · · · · · · · · · | , | | | |
| | Formation: | , i i i i i i i i i i i i i i i i i i i | , | | | |
| | Formation: | | , | | | |
| | · • · · · · · · · · · · · · · · · · · · | (. | | | | |
| 2. | Estimated amount of fluid production to be commingled from e | ach interval: | | | | |
| | Formation: | BOPD: | MC | FPD: | BWPD: | |
| | Formation: | BOPD: | MC | FPD: | BWPD: | |
| | Formation: | BOPD: | MC | FPD: | BWPD: | |
| | Formation: | BOPD: | MC | FPD: | BWPD: | |
| | Formation: | BOPD: | MC | FPD: | BWPD: | |
| 3.4. | Plat map showing the location of the subject well, all other well the subject well, and for each well the names and addresses of Signed certificate showing service of the application and affida | of the lessee of record | d or operator. | Ū | ises within a 1/2 mile | e radius of |
| For Con | nmingling of PRODUCTION ONLY, include the following: | | | | | |
| 5. | Wireline log of subject well. Previously Filed with ACO-1: $\hfill \square$ | Yes 🗌 No | | | | |
| 6. | Complete Form ACO-1 (Well Completion form) for the subject | well. | | | | |
| For Con | nmingling of FLUIDS ONLY, include the following: | | | | | |
| 7. | Well construction diagram of subject well. | | | | | |
| 8. | Any available water chemistry data demonstrating the compati | bility of the fluids to b | be commingled. | | | |
| current ir mingling | /IT: I am the affiant and hereby certify that to the best of my formation, knowledge and personal belief, this request for comis true and proper and I have no information or knowledge, which istent with the information supplied in this application. | | Submitte | ed Electro | nically | |
| De | Coffice Use Only | | ly with K.A.R. 82-3- | | st in the application. Pr be filed wihin 15 days o | |

Date: _

Approved By:



AFFIDAVIT OF NOTICE SERVED

RE: Application for: _____ OXY USA Inc.

Well Name: Williams I-1 Legal Location: NE SW NE SW S-7 T-30S R-33W

The undersigned hereby certifies that he/she is a duly authorized agent for the applicant, and that on the ____24th ____

day of <u>October</u>, <u>2012</u>, 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.

<u>Name</u>

Dennis Black Estate (Surface Owner) Jorja L. Poppe Trust (Surface Owner) Linn Operating, Inc. (Outside Operator) Hayden Operating (Outside Operator) Oxy USA, Inc. Address (attach additional sheets if necessary.) Rt 1 Box 121A, Satanta, KS 67870

1522 Columbine, Junction City, KS 66441 600 Travis Suite 5100, Houston, TX 77002 P.O. Box 606, Satanta, KS 67870 P.O. Box 2528, Liberal, KS 67905

Signed this 24th day of October, 2012.

| A. ANITA PETERSON Notary Public - State of Kansas My Appt. Expires October 1, 2013 | Faura Detry Hickel |
|--|------------------------------------|
| My Appt. Expires October 1, 2013 | Laura Beth Hickert |
| <u> </u> | Applicant or Duly Authorized Agent |
| Subscribed and sworn to before me this $2\lambda^{+}$ day of | October, 2012 |
| | anita Peterson |
| My Commission Expires: <u>Act. 1</u> , <u>2013</u> | Notary Public |

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.

Proof of Publication

STATE OF KANSAS COUNTY OF HASKELL SS. <u>ROLC YUNGCAS</u>

being first duly sworn, deposes and says that he/she is editor of **THE HASKELL COUNTY MONITOR-CHIEF**, a weekly newspaper printed in the State of Kansas and published in and of general circulation in Haskell County, Kansas, with a general paid circulation on a weekly basis in Haskell County, Kansas and that said newspaper is not a trade, religious or fraternal publication.

Said newspaper is a weekly, published at least weekly 50 times a year; 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 of Sublette in said county as second class matter.

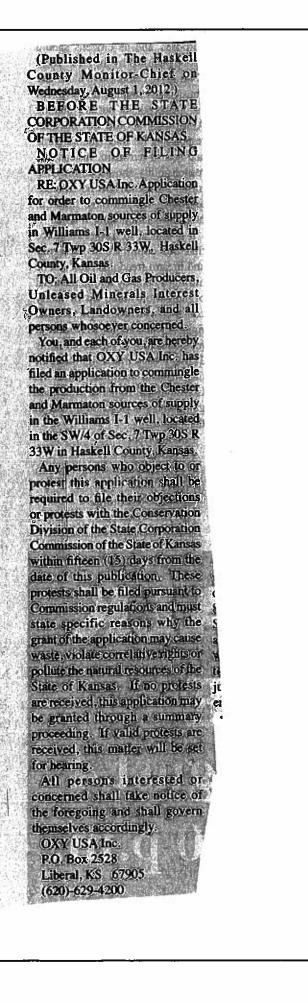
That the attached notice is a true copy thereof, and was published in the regular and entire issue of said newspaper for _____ consecutive week(s). The first publication thereof being made as aforesaid on the

| | day of | NUQ | , 20 <u>1</u> , |
|--------|-------------|-----------------|------------------|
| with | subsequent | publications be | eing made on the |
| follov | ving dates: | | |
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| , 20 |
| , 20 |
| (Sign) <u>LOIF JUNG CLAS</u> Witness my hand this <u>I</u> day of <u>AUG</u> , 20 12 |
| Helly C. Anderson (Notary Public) |
| My commission expires <u>3.7.2014</u> |
| Publication fee \$ 48.00 |
| Affidavit, |
| Notary's Fee \$ |
| Additional Copies \$ |
| Total Fee \$ |
| (Seal) KELLY C. ANDERSON Notary Public - State of Kansas My Appt. Expires February 7, 2014 |



AFFIDAVIT

١ SS. -

1

STATE OF KANSAS

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 **26th** of

July 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.

Fletchall

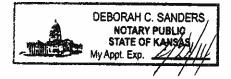
Subscribed and sworn to before me this

26th day of July, 2012

L

Notary Public Sedgwick County, Kansas

Printer's Fee : \$108.40



LECAL PUBLICATION: FUBLISHED INTHE WICHITA EAGLE JULY 26, 2012 (319804) BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS MIDE OF LINE APPLICATION RE OXY USA INC. Application for order to commingle Chester and Marmaton Source of subject in williams (-1) well, boated in Sec. 7 twp 30S R 33W, Haskell COMMISSION JAMES AND AND AND AND AND AND AND Minerals interest Owners, Landowners, and all persons whossever concerned. Minerals interest Owners, Landowners, and all persons whossever concerned. Minerals interest Owners, Landowners, and all persons whossever concerned. Minerals interest Owners, Landowners, and all persons whossever concerned. Minerals interest Owners, Landowners, and all persons who sources of subply in the witams (-1) well, docted in the SWA4 of Sec. 7 twp 30S R 33W in Haskell County, Kansas. Any persons 'who' object to or profest profestions of profests within fifteen (15) days form the date of this publication. These profestions and must state specific reasons why the grant of the spatia publication may cause asset, violate correlative rights do policie the natural specific sec. Mineral of the state of this publication may cause who for and of the state of this publication may cause who he grant of the specific reasons why the grant of the transate specific reasons why the grant of the transate of the specific the profestions and must state specific reasons why the grant of the transate of the specific the matural specific the toresolution and state specific the Mineral State of concerned shall be avained the toresolution and state specific (20) (562) 2528 (20) (562) 2528 (20) (562) 4200 LEGAL PUBLICATION



N 1078114

Form ACO-1 June 2009 Form Must Be Typed Form must be Signed All blanks must be Filled

| | KANSAS CORPORATION COMMISSION |
|--------------|--|
| CONFIDENTIAL | OIL & GAS CONSERVATION DIVISION WELL COMPLETION FORM |
| CONFIDENTIAL | WELL COMPLETION FORM |

| W W Han has been | |
|------------------|-------------------------------|
| WELL HISTORY | - DESCRIPTION OF WELL & LEASE |

| OPERATOR: License #5447 | API No. 15 |
|---|--|
| Name: OXY USA Inc. | Spot Description: |
| Address 1: 5 E GREENWAY PLZ | NE_SW_NE_SW_Sec. 7 Twp. 30 S. R. 33 East West |
| Address 2: PO BOX 27570 | 1964 Feet from North / 🗹 South Line of Section |
| City: HOUSTON State: TX Zip: 77227 + 7570 | Feet from East / 🗹 West Line of Section |
| Contact Person: LAURA BETH HICKERT | Footages Calculated from Nearest Outside Section Corner: |
| Phone: (<u>620</u>) 629-4253 | |
| CONTRACTOR: License # | County: Haskell |
| Name: Key Energy Services, LLC | Lease Name: WILLIAMS Well #: 1-1 |
| Wellsite Geologist: N/A | Field Name: |
| Purchaser: | Producing Formation: CHESTER & MARMATON |
| Designate Type of Completion: | Elevation: Ground: 2964 Kelly Bushing: 2975 |
| New Well 📝 Re-Entry 🗌 Workover | Total Depth: 5540 Plug Back Total Depth: 5470 |
| | Amount of Surface Pipe Set and Cemented at: Feet |
| Gas D&A ENHR SIGW | Multiple Stage Cementing Collar Used? Ves 🖉 No |
| OG GSW Temp. Abd. | If yes, show depth set: Feet |
| CM (Coal Bed Methane) | If Alternate II completion, cement circulated from: |
| Cathodic Other (Core, Expl., etc.): | feet depth to:w/sx cmt. |
| If Workover/Re-entry: Old Well Info as follows: | |
| Operator: OXY USA, INC. | Drilling Fluid Management Plan |
| Well Name:WILLIAMS I-1 | (Data must be collected from the Reserve Pit) |
| Original Comp. Date: 05/24/2011 Original Total Depth: 5540 | Chloride content: ppm Fluid volume: bbls |
| Deepening 🗹 Re-perf. 🗌 Conv. to ENHR 🗌 Conv. to SWD | Dewatering method used: |
| Conv. to GSW | |
| Plug Back: Plug Back Total Depth | Location of fluid disposal if hauled offsite: |
| Commingled Permit #: | Operator Name: |
| Dual Completion Permit #: | Lease Name: License #: |
| SWD Permit #: | Quarter Sec TwpS. R East West |
| ENHR Permit #: | · – – |
| GSW Permit #: | County: Permit #: |
| 12/09/2011 12/28/2011 | |
| Spud Date or Date Reached TD Completion Date or Recompletion Date Recompletion Date | |

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: 04/05/2012 | | | | | |
| Confidential Release Date: | | | | | |
| Wireline Log Received | | | | | |
| Geologist Report Received | | | | | |
| UIC Distribution | | | | | |
| ALT VI III Approved by: NAOMIJAMES Date: 04/05/2012 | | | | | |

| | | | | Side Two | | 1078114 1078114 | |
|------------|-----------|----------|-------------|------------------|------|--------------------|--|
| Operator N | lame: OXY | USA Inc. | | Lease Name: WILL | JAMS | Well #: | |
| Sec. 7 | Twp. 30 | S. R. 33 | East V West | County: Haskell | | | |

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 tevel, 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 (Attach Additional Sheets) | | Yes 🛛 | | | n (Top), Depth and | | Sample | |
|---|----------------------|---------------------------|-------------------------|---------------|---------------------|-------------------|-----------------|-------------------------------|
| Samples Sent to Geolog | Yes 🗖 | No | Name SEE O | e DRIGINAL | | Тор | Datum | |
| Cores Taken Electric Log Run Electric Log Submitted Electronically (If no, Submit Copy) List All E. Logs Run: | | Yes 🛛 | Ω Νο 2 Νο] Νο | | | | | |
| | | | CASING RECORD | Ne | ц <u> </u> | | | |
| | | Report all sti | rings set-conductor, si | intace, inte | rmediate, productio | on, etc. | | |
| Purpose of String | Size Hole Drilled | Size Casin Set (In O.D | | | Setting Depth | Type of Cement | # Sacks Used | Type and Percent Additives |
| - | | | | | | | | |

| ADDITIONAL CEMENTING / SQUEEZE RECORD | <u>۱</u> |
|---------------------------------------|----------|

| Purpose: Perforate | Depth Top Bottom | Type of Cement | # Sacks Used | Type and Percent Additives |
|-----------------------|---------------------|----------------|--------------|----------------------------|
| Protect Casing | - | | | |
| Plug Off Zone | - | | | |

| Shots Per Foot | | | | RD - Bridge Plugs S Each Interval Perfora | Bridge Plugs Set/Type Interval Perforated | | | Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used) | | |
|--|--------------------|------------------|---|--|--|-----------------------|------------------------------------|---|----------------|-----------|
| 4 | 4796-4804 MARMATON | | | | | | 29 BBL 15% HCL FLUSH 20 BBL 4% KCL | | | 4796-4804 |
| | | | | | | | | | | |
| | | | | | | | | | | |
| TUBING RECORD: | Si | 28: | Set At: | 100 | Packer A | | Liner Ru | n- | n | |
| | 2.375 | | i406 | | i dokai r | ··· | | | √ No | |
| Date of First, Resume 12/28/2011 | d Product | ion, SWD or ENHR | • | Producing Method | :] Pumpii | ng 🗌 | Gas Lift | Other (Explain) | · · | |
| Estimated Production | Oil B | | s . | Gas Mo | 1 | Water | | Bbls. | Gas-Oil Ratio | Gravity |
| Per 24 Hours | | 5 | | 12.6 | | 1 | | | 2520 | |
| DISPOSITION OF GAS: | | | | | | | TION: | | PRODUCTION INT | 'ERVAL: |
| Vented ✓ Sold Used on Lease (If vented, Submit ACO-18.) | | | Open Hole ✓ Perf. Dualty (Submit A Other (Specify) | | | Dualty | | Commingled | CHESTER | |
| | | | | | | ACO-5) (Submit ACO-4) | | MARMATON | | |

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202



Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Mark Sievers, Chairman Thomas E. Wright, Commissioner Shari Feist Albrecht, Commissioner Sam Brownback, Governor

November 8, 2012

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

RE: Approved Commingling CO101214 Williams I-1, Sec.7-T30S-R33W, Haskell County API No. 15-081-21933-00-01

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 October 24, 2012, concerns approval to simultaneously produce from the following sources of supply through the same tubing string in the same wellbore:

| | | Estimated Current Production | | |
|------------------------------------|------|------------------------------------|------|------------|
| Source of Supply | BOPD | MCFPD | BWPD | Perf Depth |
| Marmaton | 2.5 | 6.3 | 0.5 | 4796-4804 |
| Chester | 2.5 | 6.3 | 0.5 | 5362-5365 |
| Total Estimated Current Production | 5.0 | 12.6 | 1.0 | |

Based upon the depth of the Chester 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 CO101214 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