



KANSAS CORPORATION COMMISSION 1098615
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

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 27th 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

29th day of October, 2012

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

Penny Case
Notary Public Sedgwick County, Kansas

Printer's Fee : \$110.80

LEGAL PUBLICATION
Published in The Wichita Eagle
October 27, 2012 (3214813)
BEFORE THE STATE CORPORATION
COMMISSION OF THE STATE OF KANSAS
NOTICE OF FILING APPLICATION
RE: Lario Oil & Gas Company - Application
for a permit to authorize the commingling of
zones in the Stevenson Trust #1-4, located in
Gove County, Kansas.
TO: All Oil and Gas Producers, Unleased
Minerals Interest Owners, Landowners and
all persons whomever concerned.
You, and each of you, are hereby notified
that Lario Oil & Gas Company has filed an
application to commingle Toronto, Lansing
and Johnson zones in the Stevenson Trust
#1-4, located approximately NW NW SE
Sec. 4-13S-31W, In Gove 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 (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.
Lario Oil & Gas Company
301 S. Markel
Wichita, KS 67202
(316) 265-5611
ATTN: Jay Schweikert

OCT 30 2012

AFFIDAVIT OF PUBLICATION
State of Kansas,
Gove County, ss:

Tom Broeckelman,
 being first duly sworn, deposes and
 says: That he is
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 31st day
 of October, 2012,
 with subsequent publications being
 made on the following dates:

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

Printer's Fee \$ 23.65
 Additional Copies \$ _____
 Affidavit Fees \$ 2.00
 Total Publication Fees \$ 25.65

Tom Broeckelman

Subscribed and sworn to before me
 this 31st 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 31, 2012 - 11)

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

RE: Lario Oil & Gas Company – Application for
 a permit to authorize the commingling of zones
 in the Stevenson Trust #1-4, located in Gove
 County, Kansas.

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

You, and each of you, are hereby notified
 that Lario Oil & Gas Company has filed an
 application to commingle Toronto, Lansing and
 Johnson zones in the Stevenson Trust #1-4,
 located approximately NW NW SE Sec. 4-13S-
 31W, in Gove County, Kansas.

Any persons who object to or protest this
 application shall be required to file their objec-
 tions or protests with the Conservation Division
 of the State Corporation Commission of the
 State of Kansas within (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 sum-
 mary 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.

Lario Oil & Gas Company
 301 S. Market
 Wichita, KS 67202
 (316) 265-5611
 ATTN: Jay Schwellkert

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

| OK TO PAY | | | | | |
|-----------|------|------|-----|----|------|
| Acct | Expl | File | | | |
| GC | | | | | |
| KG | | | NOV | 2 | 2012 |
| HY | | | | | DB |
| FV | | | | | MM |
| OD | JS | RF | GV | SF | DM |

Affidavit of Notice Served

Re: Application for: Commingling
Well Name: Stevenson Trust #1-4 Legal Location: NW NW SE Sec. 4-13S-31W

The undersigned hereby certifies that he / she is a duly authorized agent for the applicant, and that on the day 6th of November, 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) _____

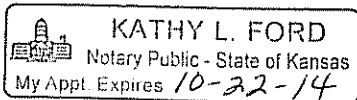
LARIO OIL & GAS COMPANY HAS ALL ACREAGE WITHIN 1/2 MILE RADIUS.

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. A copy of the affidavit of this publication is attached.

Signed this 6th day of November, 2012

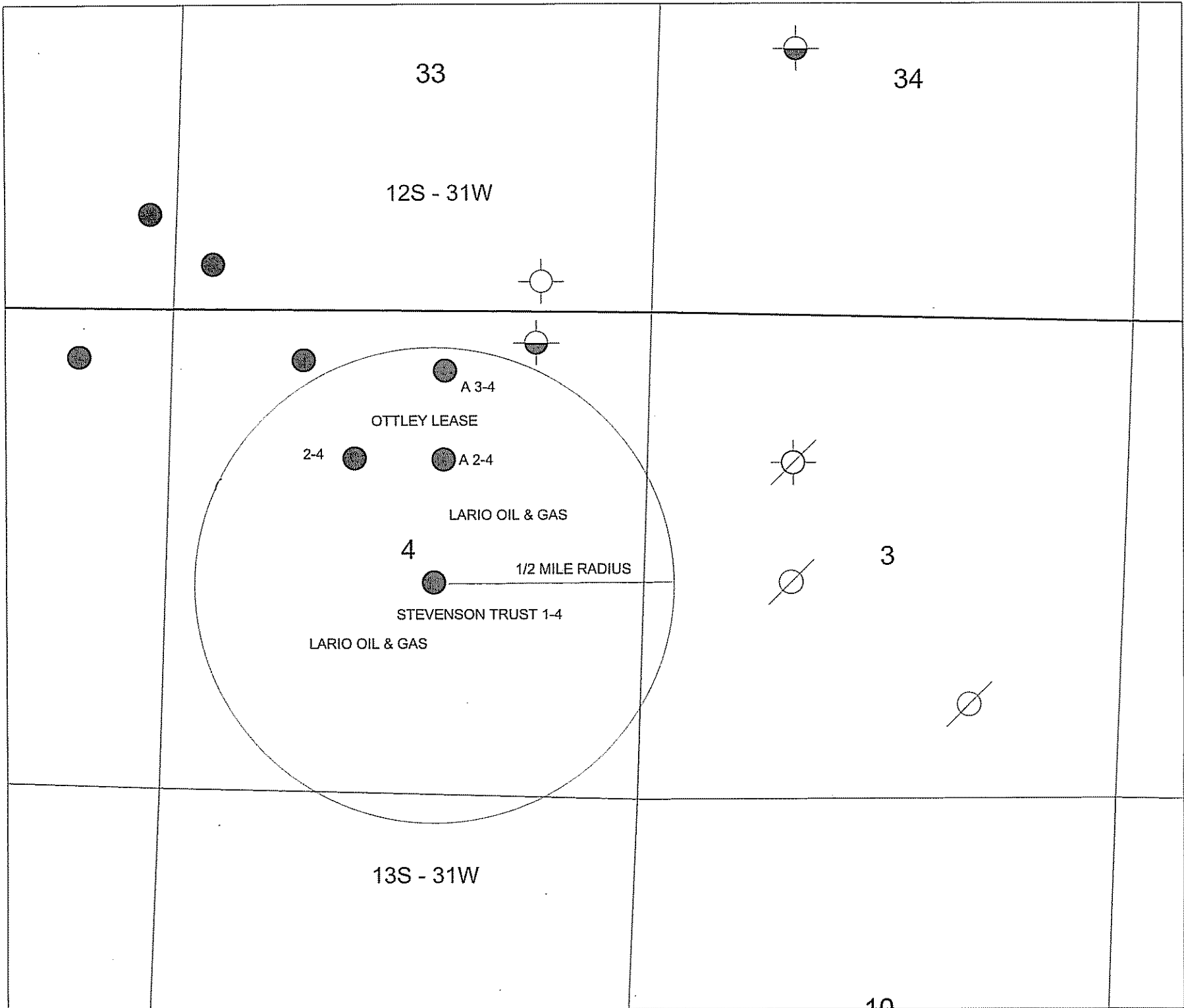
Jay Schweikert
Applicant of Duly Authorized Agent **JAY SCHWEIKERT**

Subscribed and sworn to before me this 6th day of November, 2012



Kathy L. Ford
Notary Public
My Commission Expires: 10-22-14

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 protest upon the applicant by mail or personal service at the same time or before the protestant files the protest with the Conservation Division. Protests must be filed within 15 days of the publication notice of the application.



November 26, 2012

Jay Schweikert
Lario Oil & Gas Company
301 S Market St
Wichita, KS 67202-3805

RE: Approved Commingling CO111203
Stevenson Trust 1-4, Sec.4-T13S-R31W, Gove County
API No. 15-063-22036-00-00

Dear Mr. Schweikert:

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 November 6, 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 | |
| Toronto | 92.0 | 0.0 | 0.0 | 3944-3952 |
| Lansing | 39.0 | 0.0 | 0.0 | 4032-4042 |
| Johnson | 33.0 | 0.0 | 3.0 | 4522-4528 |
| Total Estimated Current Production | 164.0 | 0.0 | 3.0 | |

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 CO111203 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