



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.

Proof of Publication

State of Kansas,
County of Logan, ss:

Barbara Glover

of lawful age, being duly sworn upon oath states that he/she is the editor of **THE OAKLEY GRAPHIC**.

THAT said newspaper has been published at least weekly 50 times a year and has been so published for at least five years prior to the first publication of the attached notice.

THAT said newspaper was entered as second class matter at the post office of its publication;

THAT said newspaper has a general paid circulation on a daily, weekly, monthly, or yearly basis in LOGAN County, Kansas and is NOT a trade, religious or fraternal publication and has been printed and published in LOGAN County, Kansas.

THE ATTACHED was published on the following dates in a regular issue of said newspaper:

- 1st Publication was made on the 9 day of Jan., 20 13
- 2nd Publication was made on the ___ day of ___, 20 ___
- 3rd Publication was made on the ___ day of ___, 20 ___
- 4th Publication was made on the ___ day of ___, 20 ___
- 5th Publication was made on the ___ day of ___, 20 ___
- 6th Publication was made on the ___ day of ___, 20 ___

Publication fee: \$ 52.20
Affidavit, Notary's Fees \$ _____
Additional Copies @ _____ \$ _____
Total Publication Fee \$ 22.30

Barbara Glover
(Signed)

Witness my hand this 29 day of January, 20 13

SUBSCRIBED and SWORN to before me this 29 day of January, 20 13.

Kelly C Anderson
(Notary Public)

My commission expires 2-7-2014

KELLY C. ANDERSON
Notary Public - State of Kansas
Exp. Expires February 7, 2014

Published in the Oakley Graphic Jan. 9, 2013
BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS
NOTICE OF FILING APPLICATION

RE: Stelbar Oil Corporation, Inc.-Application for a permit to authorize the commingling of zones in the LPR 1-21, located in Logan County, KS.

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 Stelbar Oil Corporation, Inc., 1625 N. Waterfront Parkway, #200, Wichita, KS 67206 has filed an application to commingle Marmaton and Basal Penn Sand zones in the LPR 1-21, located approximately SE NW NW Sec 21-T15S-R33W in Logan 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.

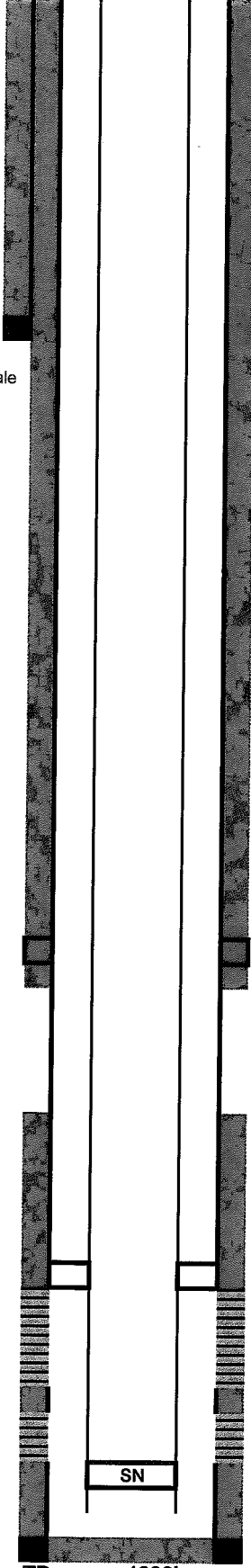
Published in The Wichita Eagle
January 7, 2012 (3225479)
**BEFORE THE STATE CORPORATION
COMMISSION OF THE
STATE OF KANSAS**
NOTICE OF FILING APPLICATION
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for a permit to authorize the commingling of
zones in the LPR 1-21, located in Logan
County, KS.
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and all persons whomsoever concerned.
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WICHITA EAGLE AD RECEIPT
825 E. DOUGLAS
WICHITA, KS 67201
Call 262-SELL (7355)

Ad Number: 3225479
Customer: STELBAR OIL CORPORATION, INC.
CID: 382455
Phone: 3162648378
Sort/Caption: PUBLISHED IN THE WICHITA EAGLE
BID:
BID Name:
Class: 999; LEGALS
Size: 1 x 38.00
P.O. Number:

SP/Entered By: JBLEG
Assigned SalesPerson: NONE
Ins. Dates: 01/07/2013
Prepay Sum: 101.2

Not to Scale



8 5/8"
Surf Csg @ 270'
TOC: Surf

TOC: Circ to surf

DV Tool @: 2407'

TOC Stg 1:: 3650'

TAC @ 4227.00

Marmaton: 4241-4273'

Basal Penn Sand: 4545'-4556'

5 1/2"
Prod Csg @ 4615'

TD: 4630'
PBTD: 4571'

Wellbore Diagram		LPR # 1-21			
Status	Producing	Operator	Stelbar Oil Corp		
Lease	LPR 21	Zone	Lansing/Kansas City		
Field		API			
Kansas		KCC			
Location	601' FNL - 589' FWL, Sec 21-T15S-R33W, Logan County, KS				
Reference:					
KB	2,923	TVD	4630'	Orig PBSD	4571'
GL	2,916	MTD	4630'	DV Tool:	2407'
Casing	Weight/Grade	Depth	Cmt Sx	Hole	TOC
8 5/8"	23#AJ-55	270'	175	12 1/4	Surf
5 1/2"	14#AJ-55 ST&C	4615', DV Tool @ 2407'	St1: 130 & St2: 490	7 7/8"	Stg 1: 3650', Stg 2: Circ
Spud	7/9/2012		Top Perf	4241'	
Completion	8/24/2012		Bot Perf	4556'	
8/1/12: Basal Penn Sand: 4545' - 4556' 4 spf, 39 gm chrsg .42"Dia, @ 90° Phsng					
8/1/12: L. Marmaton: 4259' - 4273' 4 spf, 39 gm chrsg .42"Dia, @ 90° Phsng					
8/8/12: M. Marmaton: 4250' - 4254' 4 spf, 39 gm chrsg .42"Dia, @ 90° Phsng					
8/8/12: U. Marmaton: 4241' - 4244' 4 spf, 39 gm chrsg .42"Dia, @ 90° Phsng					
Date sketch checked	1/12/12	by:	WHB		
Date tubulars checked	1/12/12	by:	WHB		
Current Tubulars					
Size	Grade	# Jnts	Type	Length, ft	Depth, ft
			KBE	7.00	7.00
2 3/8"	J-55	3	Tbg Jnt	25.00	32.00
2 3/8"	J-55	129	Plain Tbg	4192.50	4224.50
2 3/8"		1	TAC	2.50	4227.00
2 3/8"	J-55	10	Plain Tbg	325.00	4552.00
2 3/8"		1	SN	1.1	4553.10
2 3/8"	J-55	1	MA	15	4568.10
Bottom of Tbg String:					4568.10
Rods String					
Size	Grade	# Rods	Lengths	Length, ft	Depth, ft
Pump Stroke Length			124" Strk Lng	10.33	10.33
7/8"	Pony	2	2	2.00	12.33
7/8"	D	48	25	1200.00	1212.33
3/4"	D	127	25	3175.00	4387.33
7/8"	D	6	25	150.00	4537.33
Pump Rod		1	1	1.00	4538.33
Pump	2.0 x 1.25 x 14' pump			14	4552.33
Bottom of Pump					4552.33
Pump Jack: Sentry C160-200-74 with Kubota Gas Engine					

Water Analysis Report



Baker Petrolite

STELBAR OIL

LPR
1-21

Account Manager
SCOTT

Summary of Entered Data			Sample LPR1 @ 75°F				
Sampling Date	11Oct12	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date	12Oct12	Chloride	21,500	606	Sodium	14,781	643
Analyst	DANNY GROSS	Bicarbonate	512	8.39	Magnesium	77.0	6.34
		Carbonate	N/A	N/A	Calcium	1,292	64.5
TDS (mg/l or g/m³)	42,912	Sulfate	4,750	98.9	Strontium	N/A	N/A
Density (g/cm³ or tonne/m³)	1.0279	Phosphate	N/A	N/A	Barium	N/A	N/A
Anion/Cation Ratio	1.00	Borate	N/A	N/A	Iron	N/A	N/A
		Silicate	N/A	N/A	Potassium	N/A	N/A
					Aluminum	N/A	N/A
					NEG Chromium	N/A	N/A
					Copper	N/A	N/A
					Lead	N/A	N/A
		pH at time of sampling		6.90	Manganese	N/A	N/A
		pH at time of analysis		6.90	Nickel	N/A	N/A
		pH used in Calculations		6.90			

Specific ion interactions calculated for ions in bold faced type; other ions contribute to ionic strength.

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000bbl										
Temp.	Gauge Press.	Calcite CaCO ₃		Gypsum CaSO ₄ ·2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄		CO ₂
		Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Fugacity psi
°F	psi											
80	0.0	0.41	27	0.06	181	0.01	26	N/A	N/A	N/A	N/A	0.59
100	0.0	0.52	36	0.03	99	0.05	111	N/A	N/A	N/A	N/A	0.78
120	0.0	0.63	45	0.02	50	0.11	244	N/A	N/A	N/A	N/A	0.98
140	0.0	0.75	54	0.01	28	0.20	404	N/A	N/A	N/A	N/A	1.21
160	0.0	0.86	64	0.01	28	0.30	572	N/A	N/A	N/A	N/A	1.47
180	0.0	0.98	74	0.02	45	0.42	735	N/A	N/A	N/A	N/A	1.74
200	0.0	1.10	83	0.03	75	0.55	885	N/A	N/A	N/A	N/A	2.04
220	2.5	1.21	92	0.04	111	0.69	1,017	N/A	N/A	N/A	N/A	2.34
240	10.3	1.33	100	0.05	152	0.84	1,129	N/A	N/A	N/A	N/A	2.65
260	20.8	1.46	107	0.07	193	0.99	1,220	N/A	N/A	N/A	N/A	2.95
280	34.5	1.58	114	0.08	231	1.15	1,293	N/A	N/A	N/A	N/A	3.22
300	52.3	1.71	119	0.10	265	1.32	1,349	N/A	N/A	N/A	N/A	3.46

Precipitation of each scale is considered separately; total scale will be less than the sum of the amounts of the five scales.

The amount of scale indicates the severity of the problem; the index (equivalent to Stiff Davis SI) indicates how difficult it is to control the problem.

The CO₂ fugacity is reported. Under usual conditions it is essentially the same as the CO₂ partial pressure.

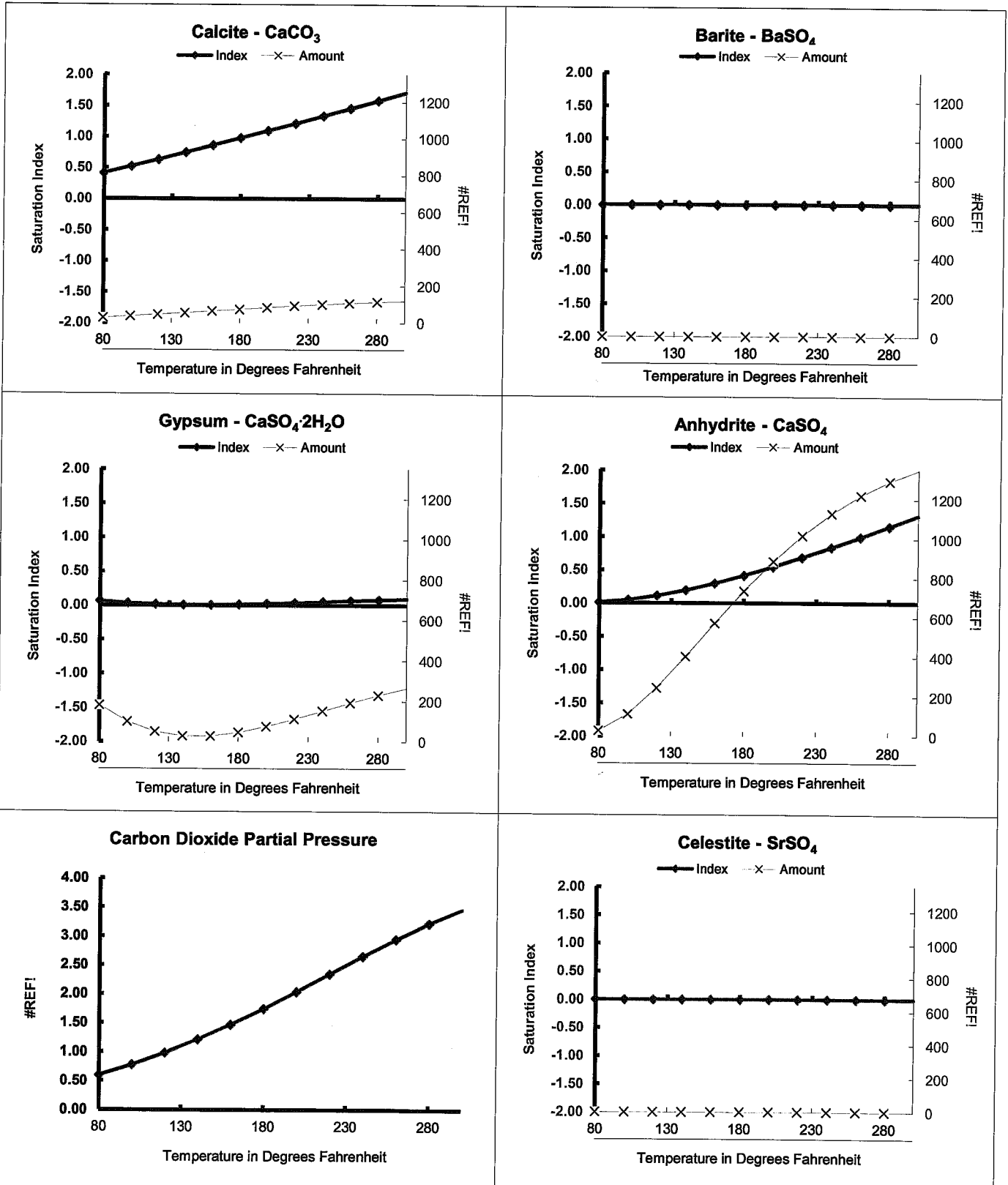
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Scale Predictions



For Sample LPR1 @ 75°F from STELBAR OIL, L P R, 1, Oct/12/12

Baker Petrolite



**Co-owners and Mineral Owners within ½ mi radius of LPR 1-21:
Permit to Commingle Basal Penn Sand and Marmaton zones:**

1. NW/4 of Section 21-T15S-R33W (All acreage leased or held by production)
SE/4 of Section 17-T15S-R33W (All acreage leased or held by production)

Stelbar Oil Corporation, Inc.

Co-owners with Stelbar Oil Corporation:
Lario Oil & Gas Company
301 S. Market St.
Wichita, KS 67202

Landmark Resources, Inc.
1616 Voss Rd., Ste. 150
Houston, TX 77057

Minerals & Surface Land Owner:
Chad Gerber
705 Ora Street
Scott City, Kansas 67871

2. NE/4 of Section 20-T15S-R33W (All acreage leased or held by production)

Stelbar Oil Corporation, Inc.

Co-owners with Stelbar Oil Corporation:
Lario Oil & Gas Company
301 S. Market St.
Wichita, KS 67202

Landmark Resources, Inc.
1616 Voss Rd., Ste. 150
Houston, TX 77057

Minerals & Surface Land Owner:
Revocable Living Trust of Jeanette Walker,
October 2, 1998 – Jeanette Walker, Trustee

3. SE/4 of Section 20-T15S-R33W (All acreage leased or held by production)
SW/4 of Section 21-T15S-R33W (All acreage leased or held by production)
W/2 E/2 of Section 21-T15S-R33W (All acreage leased or held by production)

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

4. SW/4 Section 16-T15S-R33W (All acreage leased or held by production)

Landmark Resources, Inc.
1616 Voss Rd., Ste. 150
Houston, TX 77057

(See Attached map for details)

STELBAR OIL CORP INC

WRAY 1-17

17

LANDMARK RES INC

GERBER 1-16

16

STELBAR OIL CORP INC

LPR 1-17

Landmark

Stelbar

LANDMARK RES INC

GERBER 2-16

STELBAR OIL CORP INC

LPR 1-21

Stelbar

Stelbar

33W

20

21

Shakespeare

SHAKESPEARE OIL CORP

ZANOBIA 1-21

Shakespeare

Shakespeare

15S-33W

Stelbar Oil Corp., Inc.

Application for Commingling
Marmation and Basal Pennsylvanian
Sand Production for Stelbar LPR #1-21
Red circle depicts one-half-mile radius
around Stelbar LPR #1-21

Stelbar Engineer:
William H. Blgrave

Exhibit 'B'

Date:
2 January, 2013

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

DATE: January 10, 2013

RE: Stelbar Oil Corporation, Inc. - Application for a permit to authorize the commingling of zones in the LPR 1-21, located in Logan County, KS.

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

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

February 5, 2013

William H. Blagrave
Stelbar Oil Corporation, Inc.
1625 N Waterfront Pkwy
Wichita, KS 67206-6602

RE: Approved Commingling CO021301
LPR 1-21, Sec.21-T15S-R33W, Logan County
API No. 15-109-21100-00-00

Dear Mr. Blagrave:

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 February 1, 2013, 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	
Basal Penn Sand	3.0	0.0	75.0	4545-4556
Marmaton	20.0	0.0	1.0	4273-4244
Total Estimated Current Production	23.0	0.0	76.0	

Based upon the depth of the Basal Penn Sand 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 CO021301 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