



KANSAS CORPORATION COMMISSION 1052602
 OIL & GAS CONSERVATION DIVISION

Form ACO-4
 Form must be typed
 March 2009

APPLICATION FOR COMMINGLING OF PRODUCTION (K.A.R. 82-3-123) OR FLUIDS (K.A.R. 82-3-123a) *Commingling ID #* **CO041103**

OPERATOR: License # 5214
 Name: Lario Oil & Gas Company
 Address 1: 301 S MARKET ST
 Address 2: _____
 City: WICHITA State: KS Zip: 67202 + 3805
 Contact Person: Jay Schweikert
 Phone: (316) 265-5611

API No. 15 - 15-051-26074-00-00
 Spot Description: _____
 NW NW SE SW Sec. 31 Twp. 11 S. R. 17 East West
1,155 Feet from North / South Line of Section
1,485 Feet from East / West Line of Section
 County: Ellis
 Lease Name: Marshall A Well #: 33

1. Name and upper and lower limit of each production interval to be commingled:
- | | |
|---------------------------|-----------------------------|
| Formation: <u>Lansing</u> | (Perfs): <u>3526 - 3529</u> |
| Formation: <u>Toronto</u> | (Perfs): <u>3316 - 3322</u> |
| Formation: _____ | (Perfs): _____ |
| Formation: _____ | (Perfs): _____ |
| Formation: _____ | (Perfs): _____ |

2. Estimated amount of fluid production to be commingled from each interval:
- | | | | |
|---------------------------|--------------------|-----------------|------------------|
| Formation: <u>Lansing</u> | BOPD: <u>10.24</u> | MCFPD: <u>0</u> | BWPD: <u>103</u> |
| Formation: <u>Toronto</u> | BOPD: <u>.60</u> | MCFPD: <u>0</u> | BWPD: <u>8</u> |
| 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.

Submitted Electronically

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.

KCC Office Use Only	
<input type="checkbox"/> Denied	<input checked="" type="checkbox"/> Approved
15-Day Periods Ends: <u>04/29/2011</u>	
Approved By: <u>Rick Hestermann</u>	Date: <u>04/29/2011</u>

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, 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 23rd of

March A.D. 2011, 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 March, 2011



Penny L. Case
Notary Public, Sedgwick County, Kansas

Printer's Fee : \$110.80

LEGAL PUBLICATION
Published in The Wichita Eagle
March 23, 2011 (3105399)
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 Marshall A
#33, located in Ellis County, Kansas.
TO: All Oil and Gas Producers; Unleased
Minerals Interest Owners; Landowners
and all persons whom ever concerned.
You and each of you, are hereby notified
that Lario Oil & Gas Company has filed an
application to commingle Lansing and
Toronto zones in the Marshall A #33, located
approximately NWNW SE SW Sec. 31-115-
17W, in Ellis 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. Market
Wichita, KS 67202
(316) 265-5611
ATTN: Jay Schweitzer

AFFIDAVIT OF PUBLICATION

State of Kansas, Ellis County, ss:

Mary Karst

being first duly sworn, deposes and says:

That he/she is Advertising Manager of THE HAYS DAILY NEWS, a daily newspaper printed in the State of Kansas, and published in and of general circulation in Ellis County, Kansas, with a general paid circulation on a yearly basis in Ellis County, Kansas, and that said newspaper is not a trade, religious or fraternal publication.

Said newspaper is published daily, except Saturday, is published at least weekly 50 times a year; has been so published continuously and uninterrupted 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 Hays 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 1 consecutive day, the first publication thereof being made as aforesaid on the 23rd day of March, 2011, with subsequent publications being made on the following dates:

_____, 20____, _____, 20____
 _____, 20____, _____, 20____
 _____, 20____, _____, 20____

Mary Karst

Subscribed and sworn to before me this 23rd day of March, 2011.

Janice C. Tinker

Notary Public

My Appointment expires 5-28-13

Printer's Fee..... \$61.25

Additional copies..... \$

Total Fee..... \$61.25

(Published in The Hays Daily News March 23, 2011)

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 Marshall A #33, located in Ellis County, Kansas.

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

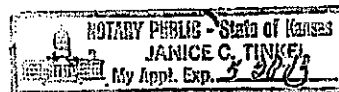
You, and each of you, are hereby notified that Lario Oil & Gas Company has filed an application to commingle Lansing and Toronto zones in the Marshall A #33, located approximately NW NW SE SW Sec. 31-11S-17W, in Ellis County, Kansas.

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. Market
 Wichita, KS 67202
 (316) 265-5611

OK TO PAY					
Acct	Expt	File			
GC			APR 5 2011		
KG					
HY					
FV					
OD	JS	KE	GV	SF	DM



Affidavit of Notice Served

Re: Application for: Commingling

Well Name: Marshall A #33 Legal Location: NW SE SW Sec. 31-11S-17W, Ellis Co.,KS

The undersigned hereby certifies that he / she is a duly authorized agent for the applicant, and that on the day 14th of April, 2011, 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)

Cla-Mar Oil Co. P. O. Box 1197
Hays, KS 67601

Frontier Oil Co. 125 N. Market, Suite 1720
Wichita, KS 67202

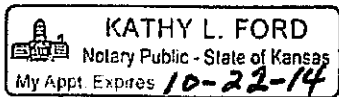
Oil Producers Inc. of Kansas 1710 Waterfront Pkwy
Wichita, KS 67206

I further attest that notice of the filing of this application was published in the Hays Daily News, the official county publication of Ellis county. A copy of the affidavit of this publication is attached.

Signed this 14th day of April, 2011

Gray Schweikert
Applicant of Duty Authorized Agent

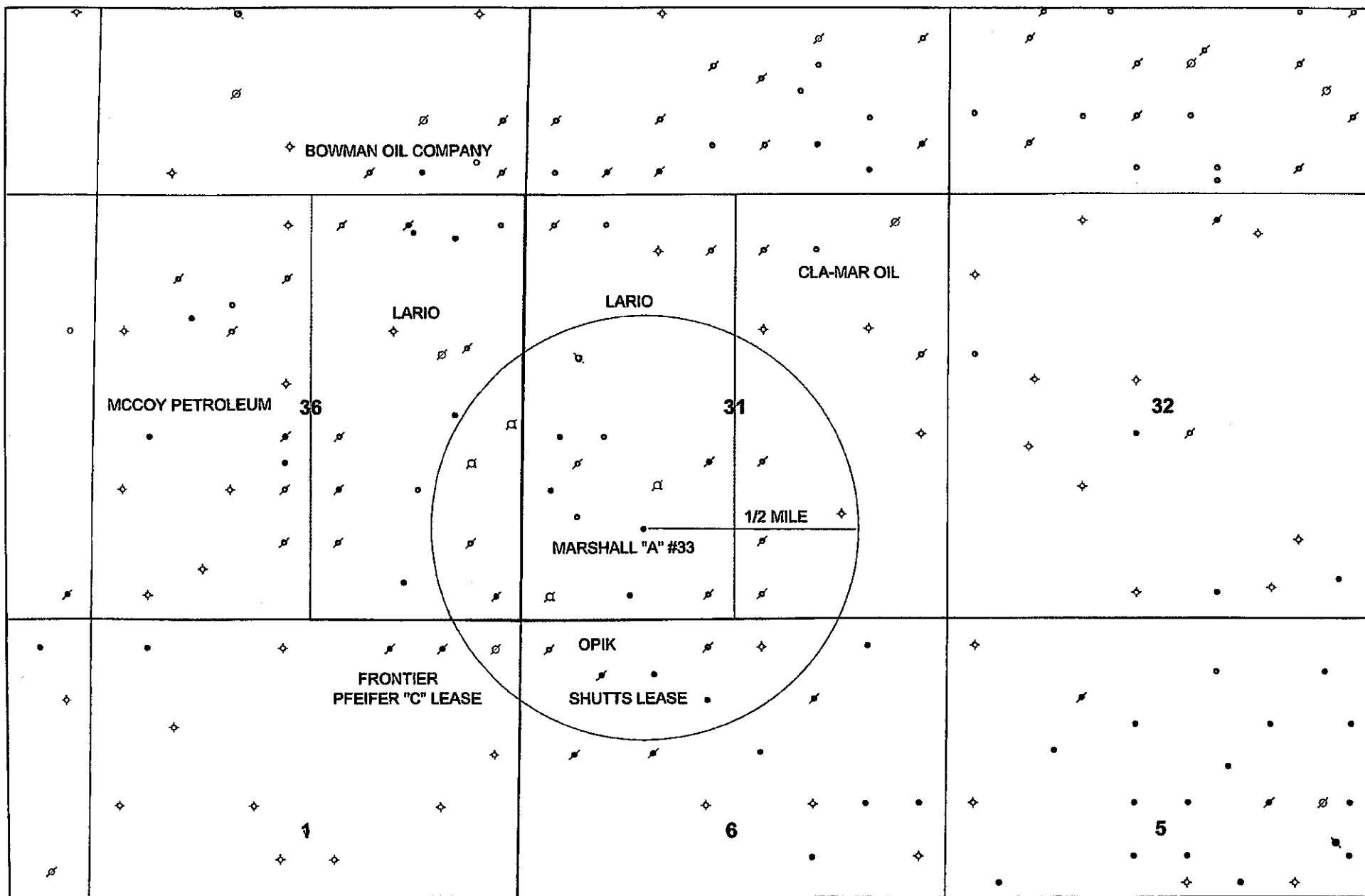
Subscribed and sworn to before me this 14th day of April, 2011



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.



Conservation Division
Finney State Office Building
130 S. Market, Rm. 2078
Wichita, KS 67202-3802



phone: 316-337-6200
fax: 316-337-6211
<http://kcc.ks.gov/>

Thomas E. Wright, Chairman
Ward Loyd, Commissioner

Corporation Commission

Sam Brownback, Governor

April 29, 2011

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

RE: Approved Commingling CO041103
Marshall A #33, Sec. 31-T11S-R17W, Ellis County
API No. 15-051-26074-00-00

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 April 15 2011 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	10.25	0	103	3526-3529
Toronto	0.6	0	8	3316-3322
Total Estimated Current Production	10.85	0	111	

Based upon the depth of the Lansing formation perforations, total oil production shall not exceed 100 BOPD and total gas production shall not exceed 50% of the absolute open flow (AOF).

Commingling ID number CO041103 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