

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-4
Form must be typed
July 2006

APPLICATION FOR COMMINGLING OF
PRODUCTION (K.A.R. 82-3-123) OR FLUIDS (K.A.R. 82-3-123a)

Commingling ID # C0080801

Operator Information:

License #: 34027
Name: CEP Mid-Continent LLC
Address: 15 West Sixth Street, Suite 1400
City/State/Zip: Tulsa, OK 74119-5415
Contact Person: David F. Spitz, Engineering Manager
Phone #: 918-877-2912, ext. 309

Well Information:

API #: 15 - 125-30982-0000
Lease Name: KNISLEY Well #: 5-2
Spot: NW - SE - NE - SW Sec. 5 Twp. 33 S. R. 17 East
County: Montgomery West
Feet from North / South Line of Section: 1780'
Feet from East / West Line of Section: 2300'

1. Name and upper and lower limit of each production interval to be commingled:

Formation: Prue Sandstone (Perfs): 557-560'
Formation: Iron Post (Perfs): 467-469'
Formation: Mulky (Perfs): 442-444'
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____

2. Estimated amount of fluid production to be commingled from each interval:

Formation: Prue Sandstone BOPD: 0 MCFPD: 20 BWPD: 30
Formation: Iron Post BOPD: 0 MCFPD: 10 BWPD: 10
Formation: Mulky BOPD: 0 MCFPD: 10 BWPD: 10
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.
- 6. Complete Form ACO-1 (Well Completion form) for the subject well.

For Commingling of FLUIDS ONLY, include the following:

- _____ 5. Well construction diagram of subject well.
- _____ 6. Any available water chemistry data demonstrating the compatibility of the fluids to be commingled.

State of Oklahoma)
)
County of Tulsa)

ss:

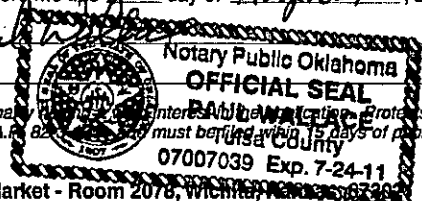
VERIFICATION: I hereby certify that to the best of my current information, knowledge and personal belief, this request for commingling is true and proper and I have no information or knowledge, which is inconsistent with the information supplied in this application.

Signature: David F. Spitz
Printed Name: David F. Spitz
Title: Engineering Manager

Subscribed & sworn to before me this 14th day of August, 20 08

Notary Public: Paul W. Spitz

My Commission Expires: _____



Protests may be filed by any party interested in the application. Protests must be in writing and comply with K.A.R. 82-3-135a. Protests must be filed within 15 days of publication of the notice of application.

KCC Office Use Only

Denied Approved

KCC Date Received: 8/18/08 15-Day Periods Ends: _____

Approved By: [Signature] Date: 8-22-08

Mail with all required attachments and files to: KCC - Conservation Division, 130 S. Market - Room 2076, Wichita, Kansas 67202

RECEIVED
KANSAS CORPORATION COMMISSION
AUG 18 2008
CONSERVATION DIVISION
WICHITA, KS

JUL 28 2008
REGULATORY

Well No. Krisley #5-2
 Pod Kenmap
 Date 7/28/2008
 State Kansas
 County Montgomery
 Location NW/4 Sec 5 - T33S - R17E
 Surface Casing 8-5/8" @ 22'
 Production Casing 4-1/2" @ 983'

Completed

Formation	Open Hole	Net Feet	Stg	Rec CH Perfs	Comments
Riverton	922'-25'	3.0	1	922'-24.5' 10 holes	10# gel, 10,000# 20/40 @ 20.0 bpm on 4/12/06
Rowe	871'-872'	1.0		870'-72' 8 holes	
AW	862'-863'	1.0		861'-62' 4 holes	

Completed

Formation	Open Hole	Net Feet	Stg	Rec CH Perfs	Comments
Weir Pitt	686'-88'	2.0	2	685'-88' 12 holes	10# gel, 3,400# 20/40 @ 16.0 bpm on 4/12/06

Set a CIBP @ +/- 350'

Next Stage

Formation	Open Hole	Net Feet	Stg	Rec CH Perfs	Comments
Prue	572'-594'	32.0	4	557'-60' 4spf, 120°PH, 12 holes	Foam 5.000# @ 15 bpm

Set a WRBP @ +/- 530'

Stage #4

Formation	Open Hole	Net Feet	Stg	Rec CH Perfs	Comments
Iron Post	468'-470'	2.0	5	467'-469' 4spf, 120°PH, 8 holes	Foam 10.000# @ 15 bpm
Mulky	442'-444'	2.0		442'-44' 4spf, 120°PH, 8 holes	

Needs
Completion
Order!

RECEIVED
KANSAS CORPORATION COMMISSION

AUG 18 2008

CONSERVATION DIVISION
WICHITA, KS

31 S31-T32S-R17E

32

S32-T32S-R17E

33 S33-T32S-R17E

KNISLEY 5-9

KNISLEY 5-1

KNISLEY 5-5

6 S6-T33S-R17E

5

S5-T33S-R17E

4 S4-T33S-R17E

Montgomery

KNISLEY 5-2

Note: CEP Mid-Continent LLC is the operator of all acreage within 1/2 mile of the subject well.

KNISLEY 6-6

KNISLEY 5-4

KNISLEY 6-4

KNISLEY 7-7

7 Knisley 7-7-T33S-R17E

KNISLEY 8-2

KNISLEY 8-1 S8-T33S-R17E

9 S9-T33S-R17E

KNISLEY 7-4

RECEIVED
KANSAS CORPORATION COMMISSION

AUG 18 2008

CONSERVATION DIVISION
WICHITA, KS

CEP
○
KNISLEY
6-5

5

CEP
○
KNISLEY
7-5A

CEP
○
KNISLEY
4-5A

CEP
☼
KNISLEY
5-2

CEP
○
KNISLEY
8-5

KNISLEY
3-5

CEP
○
KNISLEY
○

CEP Mid-Continent, LLC

Montgomery County, Kansas

CEP, LAYNE, DART



August 1, 2008

RECEIVED
KANSAS CORPORATION COMMISSION

AUG 18 2008

CONSERVATION DIVISION
WICHITA, KS

AFFIDAVIT

STATE OF KANSAS \
- SS.
County of Sedgwick /

Nicole Mandina, of lawful age, being first duly sworn, deposeth and saith: That she 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 - weeks, that the first publication of said notice was

made as aforesaid on the 4th of

August A.D. 2008 , with

subsequent publications being made on the following dates:

And affiant further says that she has personal knowledge of the statements above set forth and that they are true.



Subscribed and sworn to before me this

4th day of August, 2008


Notary Public Sedgwick County, Kansas

Printers Fee: \$66.00

LEGAL PUBLICATION

First Published in The Wichita Eagle on August 4, 2008 (2865215)

LEGAL NOTICE

You and each of you are hereby notified that CEP Mid-Continent, LLC has filed an application to commence the commingling of production from the Prue Sandstone, Iron Post and Mulky sources of supply in the Knisley #5-2 well, located in the approx. SE, NE, SW/4 of Sec. 5, Township 33 South, Range 17 East, Montgomery 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 of Kansas within fifteen (15) days from the date of the 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.

CEP Mid-Continent, LLC
Attn: David F. Spitz, Engr. Mgr.
15 W. Sixth Street, Suite 1400
Tulsa, OK 74119-5415
(918) 877-2912

RECEIVED
KANSAS CORPORATION COMMISSION

AUG 18 2008

CONSERVATION DIVISION
WICHITA, KS

MONTGOMERY COUNTY Chronicle

P.O. Box 186 • 202 W. Fourth • Caney, KS 67333 • (620) 879-2156
P.O. Box 156 • 115 N. Labette • Cherryvale, KS 67335 • (620) 336-2100

(Published in the Montgomery County Chronicle,
Thursday, Aug. 7, 2008)

AFFIDAVIT OF PUBLICATION

Andrew R. Taylor of lawful age, being duly sworn, deposes and says he or she represents the publisher of:

Montgomery County Chronicle
P.O. Box 186 • 202 W. Fourth • Caney, KS 67333

a weekly newspaper in the City of Caney, County of Montgomery, State of Kansas, and of general circulation in said county and which has been admitted to the U.S. Mail as a second class matter in said county, and which said newspaper has been continuously and uninterruptedly published in said county during the period of one year immediately prior to the first publication of the notice hereinafter mentioned.

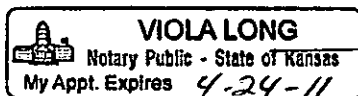
Legal notice publication printed ONE (1) week
first published on Aug. 7, 2008
and again on _____

The affiant further says that he or she has personal knowledge of the statements above set forth and that they are true.

Andy Taylor _____
Signature

State of Kansas, Montgomery County

Subscribed and sworn to before me
this 7th day of Aug, 2008.

 VIOLA LONG
Notary Public - State of Kansas
My Appt. Expires 4-24-11

Viola Long
Notary Public

LEGAL NOTICE

You and each of you are hereby notified that CEP Mid-Continent, LLC has filed an application to commence the commingling of production from the Prue Sandstone, Iron Post and Mulky sources of supply in the Krisley #5-2 well, located in the approx. SE, NE, SW/4 of Sec. 5, Township 33 South, Range 17 East, Montgomery 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 of Kansas within fifteen (15) days from the date of the 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.

CEP Mid-Continent, LLC
Attn: David F. Spitz, Engr. Mgr.
15 W. Sixth Street, Suite 140
Tulsa, OK 74119-5415
(918) 877-2912

RECEIVED
KANSAS CORPORATION COMMISSION

AUG 18 2008

CONSERVATION DIVISION
WICHITA, KS

August 22, 2008

David F. Spitz
CEP Mid-Continent LLC
15 West Sixth Street, Suite 1400
Tulsa, OK 74119-5415

RE: Approved Commingling CO080801
Knisley #5-2, Sec. 5-T33S-R17E, Montgomery County, Kansas
API No. 15-125-30982-00-01

Dear Mr. Spitz:

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. 82-3-123a. 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 August 18, 2008 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	
Prue Sandstone	0	20	30	557-560
Iron Post	0	10	10	467-469
Mulky	0	10	10	442-444
Total Estimated Current Production	0	40	50	

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

Please file form ACO-1 when the re-completion (workover) of this well for commingling is complete.

Docket Number CO080801 has been assigned to this approved application. Please use this number for well completion reports (ACO-1) and other correspondence that may concern this approved commingling.

Sincerely,



Rick Hestermann
Production Department

CONSERVATION DIVISION