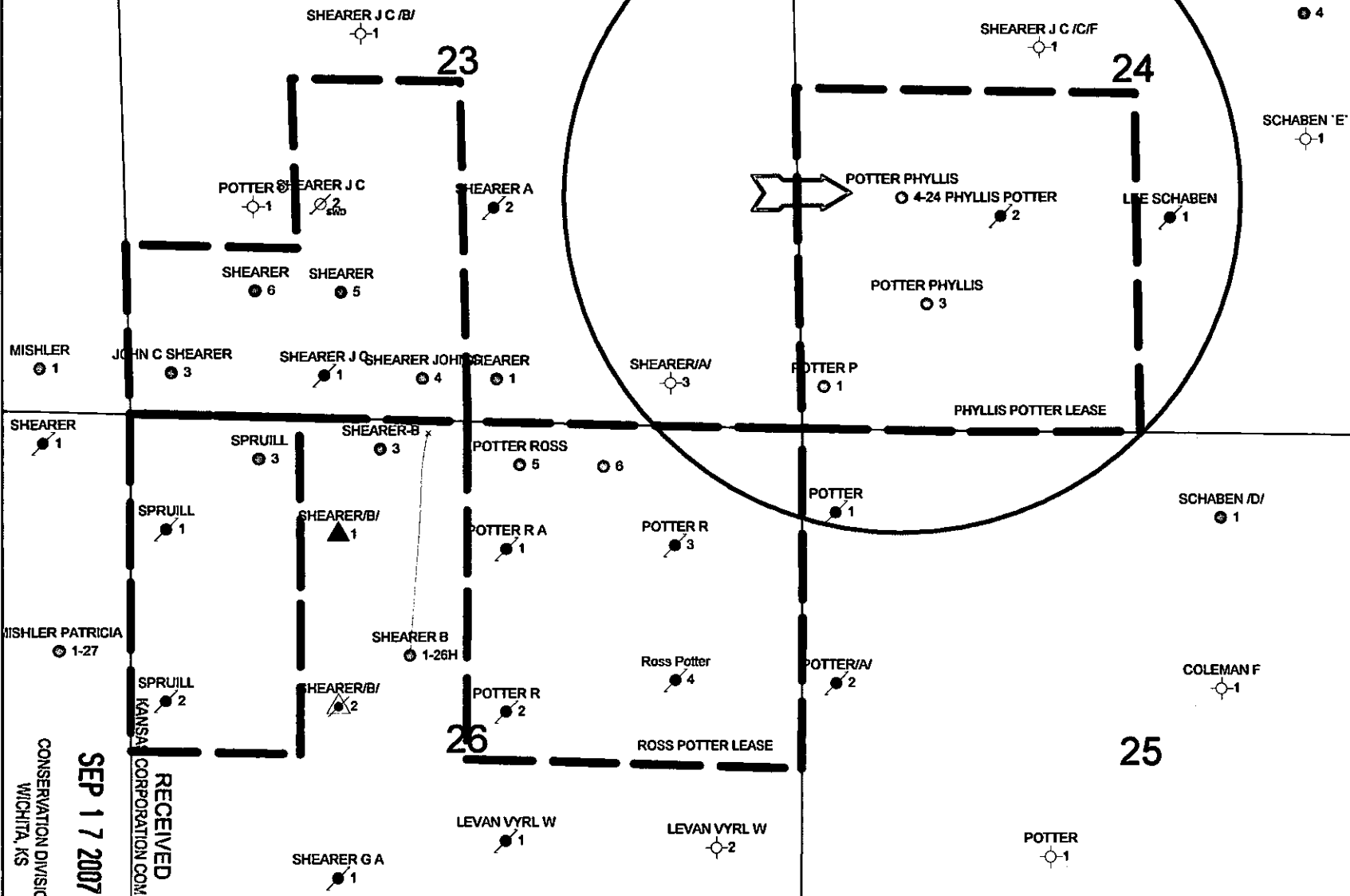


17s - 25w Ness County



BEREXCO, INC.

Phyllis Potter #4-24

Commingle Application

24 - 17s - 25w

Ness Co, Kansas

POSTED WELL DATA

Well Name
Well Number

POSTED IP TESTS

POSTED FM TESTS

- WELL SYMBOLS**
- Dry Hole
 - Oil Well
 - ⊘ Plugged and Abandoned
 - ▲ Injection Well
 - ⊘ Plugged Injection Well
 - ⊘ Service Well

REMARKS
UIC APPLICATION
Green Arrow = Subject Well
Green Circle = 1/2 Mi Radius
Red = Unit Boundary

By: bl

September 14, 2007 1:48 PM

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 KANSAS CORPORATION COMMISSION
 CONSERVATION DIVISION
 WICHITA, KS
 SEP 17 2007

(First Published in the Ness County News Thursday, August 23, 2007) -11-

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

RE: BEREXCO, INC. -- Application for a permit to commingle production at the Phyllis Potter #4-24, located in Ness, County, Kansas.

TO: All Oil & Gas Producers, Unleased Mineral Interest Owners, Landowners, and all persons whomever concerned.

You, and each of you, are hereby notified that Berexco, Inc. has filed an application to commingle production from the Marmaton (Fort Scott) and Mississippi sources of supply at the Phyllis Potter #4-24, located 1820 feet from south section line and 810 feet from east section line, E2 NW SW of section 24-17s-25w, Ness County, Kansas.

Any persons who object to or protest this application shall be required to file their objections or protest with the Conservation Division of the State Corporation Commission of the State of Kansas within fifteen (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.

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

BEREXCO, INC.
P O Box 20380
Wichita, Kansas 67208
316-265-3311

STATE OF KANSAS, COUNTY OF NESS, ss:

Jerry Clarke, being first duly sworn, Deposes and says: that he is Publisher of The Ness County News, a weekly newspaper, published and printed in Ness City, State of Kansas, and published in and of general circulation in Ness County, Kansas, with a general paid circulation on a weekly basis in Ness 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; 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 Ness City, in said County as second 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 _____ consecutive weeks, the first publication thereof being made as aforesaid on the 23rd day of August, 2007, with subsequent publications being made on the following dates:

_____, 20_____, _____, 20_____
_____, 20_____, _____, 20_____
_____, 20_____, _____, 20_____

Jerry Clarke, Jerry Clarke, editor

Subscribed and sworn to before me this 23rd day of August, 2007

NOTARY PUBLIC - State of Kansas
AMANDA SCHWIEN
My Appt. Exp. 07/21/2009

Amanda Schwen
Amanda Schwen, Notary Public.

Publication Fee _____ \$ 25.84

Additional Copies @ _____ \$ _____

Total Publication Fees _____ \$ 25.84

Filed this _____ day of _____, 20_____.

Attached Proof Of Publication approved this _____ day of _____, 20_____

District Magistrate Judge

Filed this _____ day of _____, 20_____.

Clerk of the District Court.

Attached Proof Of Publication approved this _____ day of _____, 20_____

Judge Twenty-fourth Judicial District.

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KANSAS CORPORATION COMMISSION

SEP 17 2007

CONSERVATION DIVISION
WICHITA, KS

AFFIDAVIT

SEP 04 2007

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 24th of

August A.D. 2007, with

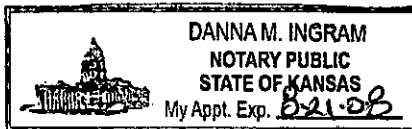
subsequent publications being made on the following dates:

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

24th day of August, 2007

Notary Public Sedgwick County, Kansas



Printers Fee: \$74.00

LEGAL PUBLICATION

First Published In The Wichita Eagle on August 24, 2007 (2716838)

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

RE: BEREXCO, INC. - Application for a permit to commingle production at the Phyllis Potter #4-24, located in Ness, County, Kansas.

TO: All Oil & Gas Producers, Unleased Mineral 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.

BEREXCO, INC.
P O Box 20380
Wichita, Kansas 67208
316-265-3311

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SEP 17 2007

CONSERVATION DIVISION
WICHITA, KS

BEREXCO, INC.

19 September 2007

Rick Hestermann
UIC Department
Kansas Corporation Commission
130 S. Market, Room 2078
Wichita, KS 67202

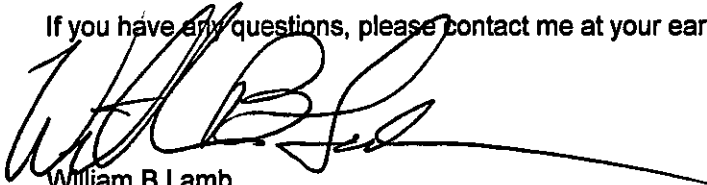
SUBJECT: Application for Commingle Production of Mississippi and Fort Scott

Ross Potter #5
NW NW NE
26-17s-25w
Ness County
API # 15-135-24474

Phyllis Potter #4-24 ✓
E2 NW SW
24-17s-25w
Ness County
API # 15-135-24492

The attached list of offset operators, unleased mineral owners and landowners acreage for both subject wells. Letters were mailed on September 18, 2007 to this list.

If you have any questions, please contact me at your earliest convenience.



William B Lamb
Petroleum Engineer
BEREXCO, INC.
316-337-8337
bill@berexco.com

Encl Phyllis Potter #4-25
Ross Potter #5
List of Offset Operators, Unleased Mineral Owners and Landowners acreage

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KANSAS CORPORATION COMMISSION

SEP 20 2007

CONSERVATION DIVISION
WICHITA, KS

SEP 20 2007

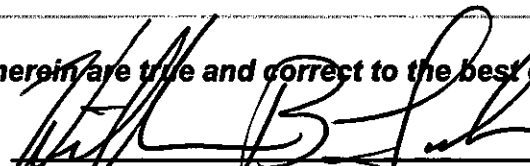
CONSERVATION DIVISION
WICHITA, KS

Phyllis Potter #4 commingling application

Offset Operators, Unleased Mineral Owners and Landowners acreage

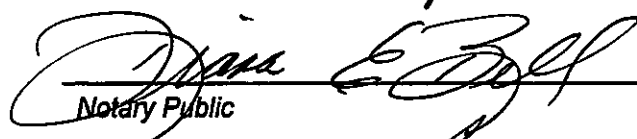
<u>Name</u>	<u>Legal Description of Leasehold</u>
BEREXCO INC. P. O. Box 20380 Wichita, KS 67208	Operator – SW/4 Sec. 24, NE/4 Sec. 26-17S-25W
Mr. and Ms. Ross Potter, Trustees Ross A. Potter Trust u/a/d 7/26/00 Phyllis M. Potter Trust u/a/d 7/26/00 RR 1, Box 12 Arnold, KS 67515	Surface owner – SW/4 Sec. 24-17S-25W Unleased mineral owners – NE/4 Sec. 23, W 100 acres NW/4 Sec. 24, NW/4 Sec. 25-17S-25W
Patricia A. Mishler RR 1, Box 78 Ransom, KS 67572-9710	Unleased mineral owners – NE/4 Sec. 23, W 100 acres NW/4 Sec. 24, NW/4 Sec. 25-17S-25W
Marilyn Edwards 3734 19 th St. Great Bend, KS 67530-7409	Unleased mineral owners – NE/4 Sec. 23, W 100 acres NW/4 Sec. 24, NW/4 Sec. 25-17S-25W
Betty L. Theisen Trust 4938 E. Calle Ventura Phoenix, AZ 85018-4457	Unleased mineral owners – NE/4 Sec. 23, W 100 acres NW/4 Sec. 24, NW/4 Sec. 25-17S-25W
Veenker Resources, Inc. P. O. Box 14339 Oklahoma City, OK 73113	Operator – SE/4 Sec. 23-17S-25W
Vess Oil Corporation 1700 Waterfront Parkway, Building 500 Wichita, KS 67206	Operator – East 60 acres NW/4 and NE/4 Sec. 24-17S-25W
John O. Farmer, Inc. 370 West Wichita Ave. Russell, Kansas 67665	Leasehold owner – SE/4 Sec. 24, NE/4 Sec. 25-17S-25W

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.


Applicant or Duly Authorized Agent

Subscribed and sworn before me this 18 day of September, 2007


DIANA E. BELL
Notary Public - State of Kansas
My Appt. Expires 8/10-11


Notary Public

My Commission Expires: Aug 10, 2011

BEREXCO, INC.

14 September 2007

Kansas Corporation Commission
130 S. Market, Room 2078
Wichita, KS 67202

SUBJECT: Application for Commingle Production

Mississippi and Fort Scott

Ross Potter # 5
NW NW NE
26-17s-25w
Ness County
API # 15-135-24474

Phyllis Potter #4-24
E2 NW SW
24-17s-25w
Ness County
API # 15-135-24492

All required documents for commingling production between Mississippi and Fort Scott for the above wells are enclosed.

If you have any questions, please contact me at your earliest convenience.



William B. Lamb
Petroleum Engineer
BEREXCO, INC.
316-337-8337
billl@berexco.com

Encl For the above wells (Ross Potter # 5 and Phyllis Potter #4-24)
Form ACO-4
Form ACO-1
Plat Map
Affidavit of Publishing in Ness County and The Wichita Eagle
Log: Dual Induction Log

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SEP 17 2007

CONSERVATION DIVISION
WICHITA, KS

BEREXCO INC.

November 21, 2007

Rick Hestermann
KCC
130 S. Market, Room 2078
Wichita, KS 67202

RE: Commingling Order CO090701
Phyllis Potter #4-24
24-17S-25W, Ness Co, KS
15-135-24492

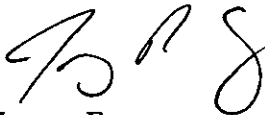
Dear Mr. Hestermann:

Your letter, dated 10/5/07, approving the commingling of fluids in the above referenced well had the incorrect well name listed. Instead of Phyllis Potter 4-24, it listed the Ross Potter #4-24. It also had the wrong section number – this well is in section 24, not section 27. The township and range are correct.

Could you please issue a new letter with the correct well name and location so that we can avoid any confusion that this may cause when we file our ACO-1?

Please let me know if you have any questions.

Sincerely,



Jeremy Ensz
District Engineer

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NOV 26 2007

CONSERVATION DIVISION
WICHITA, KS



Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner

****CORRECTED 11/26/07****
Well Name and Section

October 5, 2007

William Lamb
Berexco, Inc.
PO Box 20380
Wichita, KS 67208

RE: Approved Commingling CO090701
Phyllis Potter #4-24, Sec. 24-T17S-R25W, Ness County, Kansas
API No. 15-135-24492-0000

Dear Mr. Lamb:

Your "Application for Commingling" (ACO-4) for the above described well has been technically 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 **September 17, 2007** concerns approval to simultaneously produce from the following **two** sources of supply through the same tubing string in the same wellbore: the **Mississippi and Fort Scott** formations.

According to your application, the estimated current production from the **Mississippi** source of supply is **4 BOPD, 0 Mcfpd and 400 BWPD**. The estimated current production from the **Fort Scott** source of supply is **10 BOPD, 0 Mcfpd and 10 BWPD**. The total estimated current production from all sources of supply in the subject well is **14 BOPD, 0 Mcfpd and 410 BWPD**.

Based upon the depth of the **Mississippi** formation perforations, total oil production shall not exceed **200 BOPD** and total gas production shall not exceed **50%** of the absolute open flow (AOF).

Docket Number **CO090701** 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