

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-4
Form must be typed
September 2005

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

Commingling ID # CO 010705

Operator Information:

License #: 33476
Name: FIML Natural Resources, LLC
Address: 410 17th Street, Suite 900
City/State/Zip: Denver, CO 80202
Contact Person: Phyllis Sobotik
Phone #: 303-899-5608

Well Information:

API #: 15 - 163-23171 - 00-01
Lease Name: Hertel Well #: 1
Spot: SE - SE - SW Sec. 17 Twp. 8 S. R. 18 East
County: Rooks West
Feet from North / South Line of Section: 330'
Feet from East / West Line of Section: 2970'

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

Formation: Arbuckle (Perfs): 3445-52', 3456-64'
Formation: Lansing/Kansas City (Perfs): 3340-45', 3356-60', 3398-3401'
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____

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

Formation: Arbuckle BOPD: 2 MCFPD: 0 BWPD: 7
Formation: Lansing/Kansas City BOPD: 3.85 MCFPD: 0 BWPD: 0
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 as required in K.A.R. 82-3-135a(b).

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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 Colorado)
)
County of Denver)

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: Phyllis Sobotik
Printed Name: Phyllis Sobotik
Title: Operations Regulatory Manager

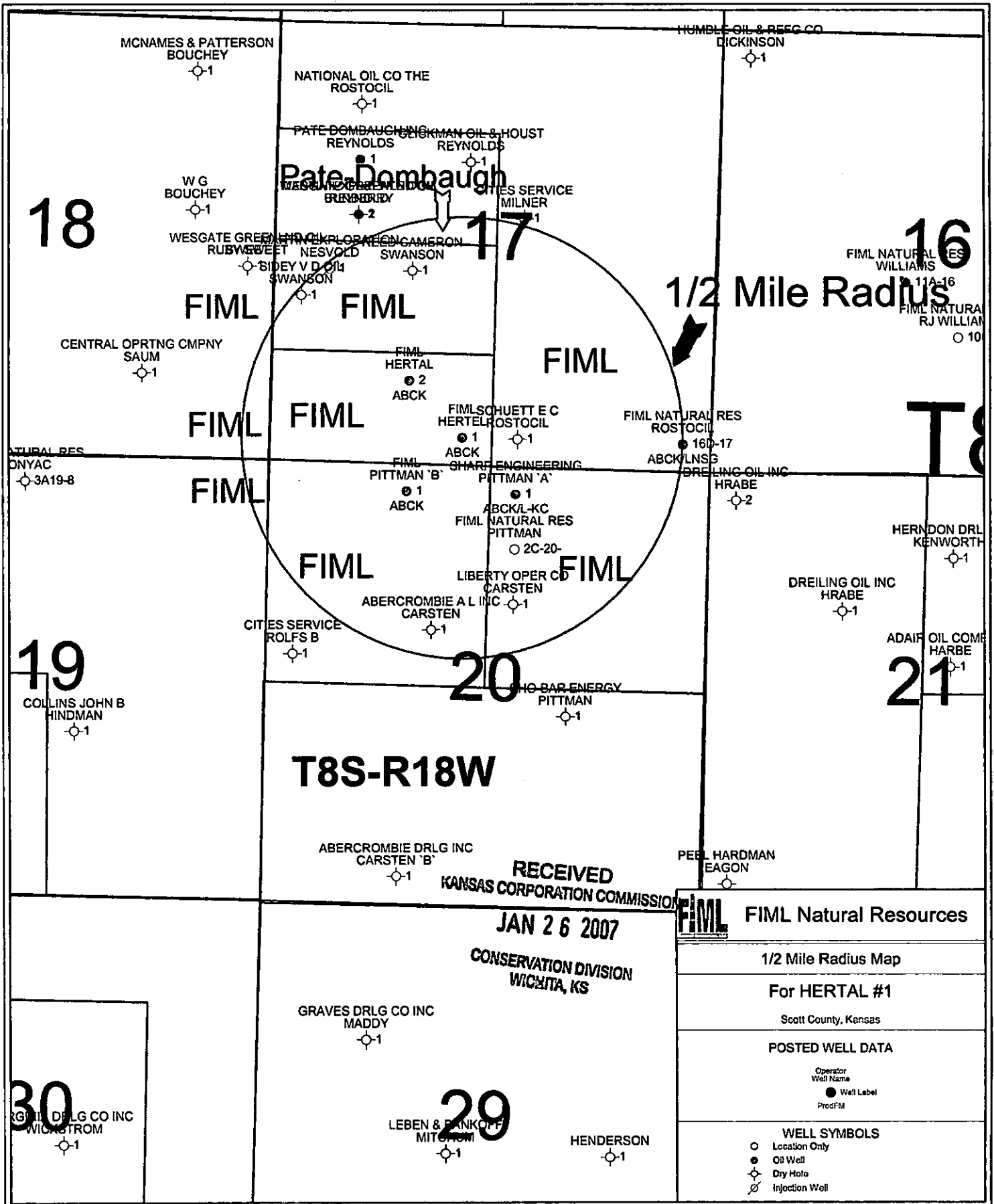
Subscribed & sworn to before me this 23rd day of January, 20 07
Notary Public: Glenn Wherich
My Commission Expires: 5/5/2009

KCC Office Use Only

Denied Approved

KCC Date Received: 1-26-07 15-Day Periods Ends: 2-7-07

Approved By: _____ Date: _____



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FIML FIML Natural Resources
1/2 Mile Radius Map
For HERTAL #1
Scott County, Kansas
POSTED WELL DATA
Operator Well Name ● Well Label Prod/FM
WELL SYMBOLS
○ Location Only
○/ Well
○/ Dry Hole
○/ Injection Well

**Offset Operators/Lessee of Record and Unleased Mineral Owners Within a ½ Mile
Radius of the Hertel #1**

The undersigned hereby certifies that she/he is a duly authorized agent for the applicant, and that on January 23, 2007, a true and correct copy of the ACO-4 was mailed to the following party:

Pate-Dombaugh, Inc.
c/o Mr. Raymond Dombaugh
150 North Main Street
Wichita, KS 67202

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Phyllis Sobotik Phyllis Sobotik Operations Regulatory Manager
Applicant or Duly Authorized Agent

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

Glennie Wierich
Notary Public

My commission expires: 5/5/2009

AFFIDAVIT OF PUBLICATION

STATE OF KANSAS, ROOKS COUNTY: ss:

ROBERT L. HAMILTON, being first duly sworn, deposes and says: That he is the publisher of the STOCKTON SENTINEL, a weekly newspaper printed in the State of Kansas, and published in and of general circulation in Rooks County, Kansas, with a general paid circulation on a weekly basis in Rooks County, Kansas, and that said newspaper is not a trade, religious or fraternal publication.

Said newspaper is a weekly published at least weekly 50 times a year; and has been admitted at the post office of Stockton, Kansas, 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 One consecutive week(s), the first publication thereof being made as aforesaid on the 11th day of January, 2007 with subsequent publication being made on the following dates:

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

Robert L. Hamilton

RECEIVED and sworn to before me this 12 day of January, 2007
KANSAS CORPORATION COMMISSION

JAN 26 2007

CONSERVATION DIVISION
WICHITA, KS

Denise E. Whisman
Clerk of the District Court/Notary Public



My Commission Expires: _____

Printer's Fees: \$ 25.76

Additional Copies: \$ _____

**PUBLIC NOTICE
BEFORE THE STATE
CORPORATION
COMMISSION OF THE STATE OF
KANSAS**

NOTICE OF FILING APPLICATION

RE: FIML NATURAL RESOURCES, LLC-APPLICATION FOR A PERMIT TO AUTHORIZE THE COMMINGLING OF PRODUCTION IN THE HERTEL #1 WELL, LOCATED IN ROOKS COUNTY, KANSAS.

To: All Oil and Gas Producers, Un-leased Mineral Interest Owners, Landowners, and all persons who-soever concerned.

You, and each of you, are hereby notified that FIML Natural Resources, LLC has filed an application to commingle production from the Arbuckle and Lansing/Kansas City formations in the Hertel #1 well located in the SESESW, Section 17, T8S, R18W, Rooks 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 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.

FIML Natural Resources, LLC
410 17th Street, Suite 900
Denver, CO 80202
Phone: 303-899-5608

(First published in the Stockton Sentinel January 11, 2007 - 10)

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 ___11th___ day of

___January___ 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.

Nicole Mandina

Subscribed and sworn to before me this

___11th___ day of ___January___, 2007

Danna M Ingram
Notary Public Sedgwick County, Kansas

DANNA M. INGRAM
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. 8/21/08

230 Legal Notices
NEWSPAPER NOTICE
BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS NOTICE OF FILING APPLICATION
Re: FIML Natural Resources, LLC - Application for a permit to authorize the commingling of production in the Hertel #1 well, located in Rooks County, Kansas.
To: All Oil and Gas Producers, Unleased Mineral Interest Owners, Landowners, and all persons whosoever concerned.
You, and each of you, are hereby notified that FIML Natural Resources, LLC has filed an application to commingle production from the Arbuckle and Lansing/Kansas City formations in the Hertel #1 well located in the SE-SESW, Section 17, T8S, R18W, Rooks 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 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.
FIML Natural Resources, LLC
410 17th Street, Suite 900
Denver CO 80202
Phone: 303-699-5608

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WICHITA, KS

KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR
BRIAN J. MOLINE, CHAIR
ROBERT E. KREHBIEL, COMMISSIONER
MICHAEL C. MOFFET, COMMISSIONER

February 7, 2007

Phyllis Sobotik
FIML Natural Resources, LLC
410 17th Street, Suite 900
Denver, CO 80202

**RE: Approved Commingling CO010705
Hertel #1, Sec. 17-T8S-R18W, Rooks County, Kansas
API No. 15-163-23171-0001**

Dear Ms. Sobotik:

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 **January 26, 2007** concerns approval to simultaneously produce from the following **two** sources of supply through the same tubing string in the same wellbore: the **Arbuckle and Lansing/Kansas City** formations.

According to your application, the estimated current production from the **Arbuckle** source of supply is **2 BOPD, 0 Mcfpd and 7 BWPD**. The estimated current production from the **Lansing/Kansas City** source of supply is **3.85 BOPD, 0 Mcfpd and 24 BWPD**. The total estimated current production from all sources of supply in the subject well is **5.85 BOPD, 0 Mcfpd and 7 BWPD**.

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

Docket Number **CO010705** 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