

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 # CD 060702

Operator Information:

License #: 5135
Name: John O. Farmer, Inc.
Address: P.O. Box 352
City/State/Zip: Russell, KS 67665
Contact Person: Marge Schulte
Phone #: (785) 483-3145, Ext. 214

Well Information:

API #: 15 - 135-24,520-00-00
Lease Name: McNinch Well #: 1
Spot: App. - NE - NE - SW Sec. 2 Twp. 17 S. R. 25 East
County: Ness West
Feet from North / South Line of Section: 2160
Feet from East / West Line of Section: 2275

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

Formation: Fort Scott (Perfs): 4348-52' & 4366-69'
Formation: Mississippi (Perfs): 4436-40'
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____

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

Formation: Fort Scott BOPD: 9 MCFPD: _____ BWPD: 0
Formation: Mississippi BOPD: 3 MCFPD: _____ BWPD: 1
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.
 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.

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JUN 27 2007

CONSERVATION DIVISION
WICHITA, KS

State of Kansas)
County of Russell)

ss:

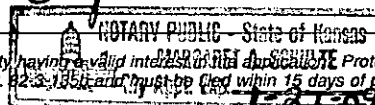
VERIFICATION: I hereby certify that to the best of my current information, knowledge and personal belief, this request for commingling is true and proper and I have no information or knowledge, which is inconsistent with the information supplied in this application.

Signature: John O. Farmer III
Printed Name: John O. Farmer III
Title: President

Subscribed & sworn to before me this 26th day of June, 2007

Notary Public: Margaret A. Schulte

My Commission Expires: _____



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

KCC Office Use Only

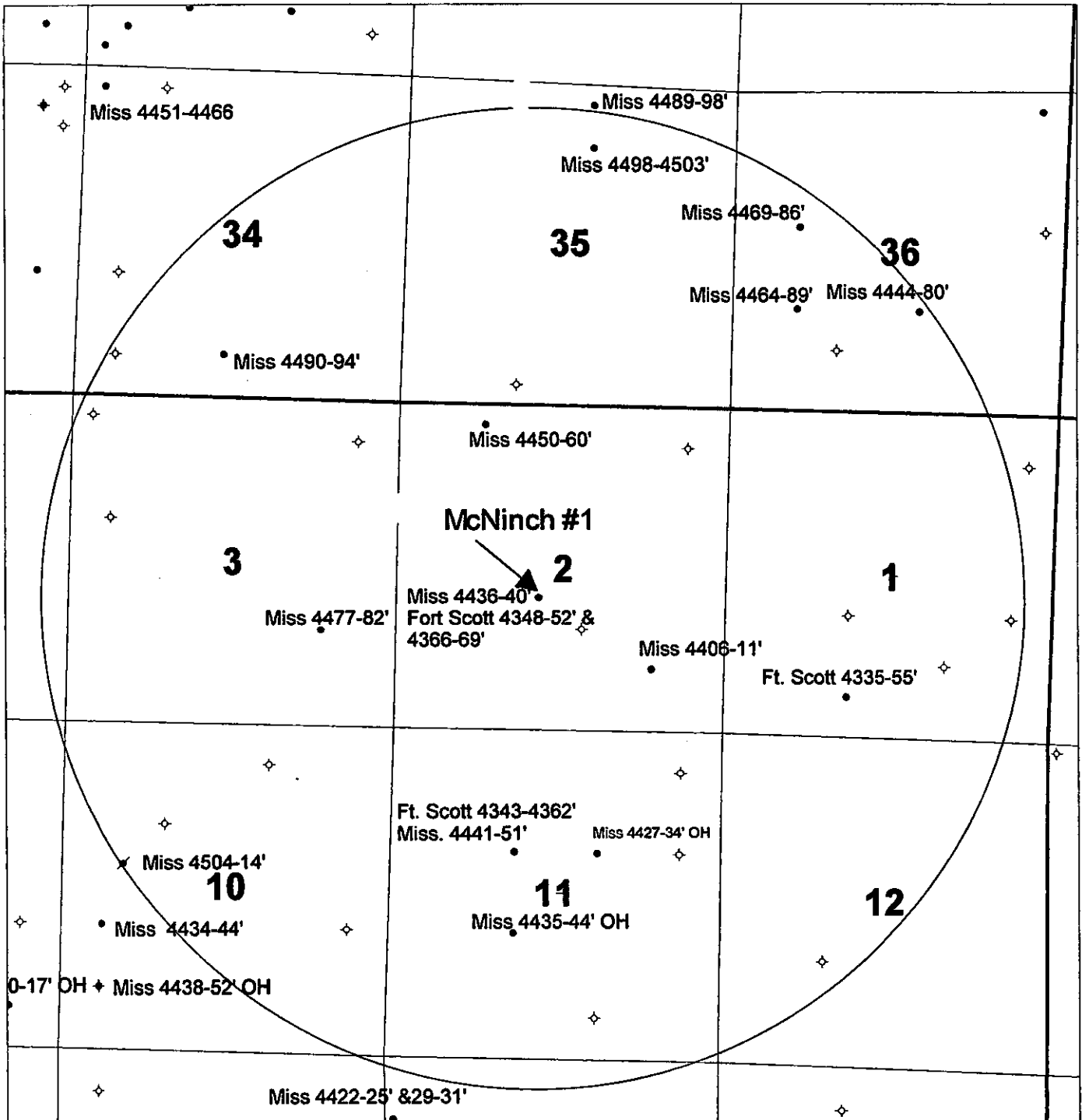
Denied Approved

KCC Date Received: 6/27 15-Day Periods Ends: 8/26/07

Approved By: Kent Date: 8-27-07

Mail with all required attachments and files to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

John O. Farmer, Inc.
Total Depth & Producing Zones Map
T16-17S R 25W
Ness County, KS



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CONSERVATION DIVISION
WICHITA, KS

OFFSET OPERATORS/UNLEASED MINERAL OWNERS
(within 1/2 mile radius)
TO JOHN O. FARMER, INC.

McNinch #1
2160' FSL & 2275' FWL
Sec. 2-17S-25W
Ness County, Kansas

Sec. 2-17S-25W

NE/4, SE/4, NW/4

John O. Farmer, Inc.

SW/4

John O. Farmer Inc.
(McNinch Lease)

Sec. 3-17S-25W

NE/4 & SE/4

John O. Farmer, Inc.

Sec. 11-17S-25W

NW/4 & NE/4

John O. Farmer Inc.


JOHN O. FARMER III, PRESIDENT
June 26, 2007

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JUN 27 2007

CONSERVATION DIVISION
WICHITA, KS

AFFIDAVIT OF PUBLICATION: —The Ness County News

Case No. _____

(First published in the Ness County News, July 12, 2007) -11

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

RE: JOHN O. FARMER, INC. — Application for Commingling of Production in the McNinch #1 located in Ness County, Kansas.

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

You, and each of you, are hereby notified that John O. Farmer, Inc. has filed an application to commingle the Fort Scott and Mississippi producing formations at the McNinch #1, located 2160' from the south line and 2275' from the west line of Sec. 2-T17S-R25W, Ness 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 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.

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

John O. Farmer III
John O. Farmer, Inc.
P.O. Box 352
Russell, KS 67665
Telephone (785) 483-3144

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 12th day of July, 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 12th day of July, 2007

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

Amanda Schwiem
Amanda Schwiem, Notary Public.

Publication Fee _____ \$ 23.94

Additional Copies @ _____ \$ _____

Total Publication Fees _____ \$ 23.94

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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JUL 30 2007

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 11th 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.

Nicole Mandina

Subscribed and sworn to before me this

13th day of August, 2007

Danna M Ingram
Notary Public Sedgwick County, Kansas



Printers Fee: \$74.00

LEGAL PUBLICATION

Published in the Wichita Eagle on August 11, 2007 (2712000)
BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS
NOTICE OF FILING APPLICATION
RE: JOHN O. FARMER, INC. -- Application for Commingling of Production in the McNinch #1 located in Ness 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 John O. Farmer, Inc. has filed an application to commingle the Fort Scott and Mississippi producing formations at the McNinch #1, located 2160' from the south line and 2275' from the west line of Sec. 2-T17S-R25W, Ness County, Kansas.
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John O. Farmer III
John O. Farmer, Inc.
P.O. Box 352
Russell, KS 67665
Telephone (785) 483-3144

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KANSAS CORPORATION COMMISSION

AUG 16 2007

CONSERVATION DIVISION
WICHITA, KS



*Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Robert E. Krehbiel, Commissioner
Michael C. Moffet, Commissioner*

August 27, 2007

Marge Schulte
John O. Farmer, Inc.
P.O. Box 352
Russell, KS 67665

**RE: Approved Commingling CO060702
McNinch #1, Sec. 2-T17S-R25W, Ness County, Kansas
API No. 15-135-24520-0000**

Dear Ms. Schulte:

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 **June 27, 2007** concerns approval to simultaneously produce from the following **two** sources of supply through the same tubing string in the same wellbore: the **Fort Scott and Mississippi** formations.

According to your application, the estimated current production from the **Fort Scott** source of supply is **9 BOPD, 0 Mcfpd and 0 BWPD**. The estimated current production from the **Mississippi** source of supply is **3 BOPD, 0 Mcfpd and 1 BWPD**. The total estimated current production from all sources of supply in the subject well is **12 BOPD, 0 Mcfpd and 1 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 **CO060702** 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