

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 # 100602

Operator Information:

License #: 5123
Name: Pickrell Drilling Company, Inc.
Address: 100 S. Main, Suite 505
City/State/Zip: Wichita, Kansas 67202
Contact Person: Jack Gurley
Phone #: 316-262-8427

Well Information:

API #: 15-033-21,466-0000
Lease Name: Lousch "I" Well #: 3
Spot: C-SE-SW Sec. 6 Twp. 33 S. R. 18 East West
County: Comanche
Feet from North / South Line of Section: 660
Feet from East / West Line of Section: 1980

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

Formation: <u>Pawnee</u>	<u>5168-5202</u>	(Perfs): <u>5172-5190</u>
Formation: <u>Ft. Scott</u>	<u>5202-5213</u>	(Perfs): <u>5206-5209</u>
Formation: <u>Mississippi</u>	<u>5281-5893</u>	(Perfs): <u>5290-5300</u>
Formation: _____		(Perfs): _____
Formation: _____		(Perfs): _____

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

Formation: <u>Pawnee/Ft. Scott</u>	BOPD: _____	MCFPD: <u>33</u>	BWPD: <u>22</u>
Formation: <u>Mississippi</u>	BOPD: _____	MCFPD: <u>71</u>	BWPD: <u>5</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. (w/ original ACO-1 Form) *1/16 sent copy of Wichita Eagle.*
- 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 Kansas)
)
County of Sedgwick)

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: Jack Gurley
Printed Name: Jack Gurley
Title: Engineer

Subscribed & sworn to before me this 20th day of October, 20 06
Notary Public: Karen A. Mans McGee
My Commission Expires: 6-23-08

KCC Office Use Only

Denied Approved

KCC Date Received: _____ 15-Day Periods Ends: _____

Approved By: 11-27-06 _____ Date: _____

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.

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-4
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July 2006

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

Commingling ID # CO100602

Operator Information:

License #: 5123
Name: Pickrell Drilling Company, Inc.
Address: 100 S. Main, Suite 505
City/State/Zip: Wichita, Kansas 67202
Contact Person: Jack Gurley
Phone #: 316-262-8427

Well Information:

API #: 15 - 033-21,466
Lease Name: Lousch "1" Unit Well #: 3
Spot: C - SE - SW Sec. 6 Twp. 33 S. R. 18 East
County: Comanche West
Feet from North / South Line of Section: 660
Feet from East / West Line of Section: 1980

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

Formation: Pawnee 5168-5202 (Perfs): 5172-5190
Formation: Ft. Scott 5202-5213 (Perfs): 5206-5209
Formation: Mississippi 5281-5893 (Perfs): 5290-5300
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____

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

Formation: Pawnee/Ft. Scott BOPD: _____ MCFPD: 33 BWPD: 22
Formation: Mississippi BOPD: _____ MCFPD: 71 BWPD: 5
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.

Will mail in when we get it.

For Commingling of PRODUCTION ONLY, include the following:

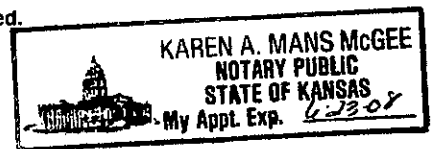
- 5. Wireline log of subject well. (w/ original ACO-1 Form)
- 6. Complete Form ACO-1 (Well Completion form) for the subject well.

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 Kansas)
)
County of Sedgwick)

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: Jack Gurley
Printed Name: Jack Gurley
Title: Engineer

Subscribed & sworn to before me this 20th day of October, 20 06
Notary Public: Karen A. Mans McGee
My Commission Expires: 6-23-08

KCC Office Use Only
 Denied Approved
KCC Date Received: 10/23/06 15-Day Periods Ends: 11/10/06
Approved By: [Signature] Date: _____

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.

RECEIVED
OCT 23 2006
KCC WICHITA

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

List of Offset operators within one-half mile of Lousch "I" #3

<u>Name</u>	<u>Address</u>
Daystar Petroleum, Inc.	1321 W. 93 rd St. No. Valley Center, KS 67147
Patrick, R.J. Operating LLC	P.O. Box 1157 Liberal, KS 67905-1157
Lario Oil & Gas Company	301 S. Market Street Wichita, KS 67202

List of Unleased Mineral Owners within one-half mile

NONE

**RECEIVED
OCT 23 2006
KCC WICHITA**

AFFIDAVIT

STATE OF KANSAS \
- SS.
County of Sedgwick /

Milt Mounts, 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 consecutive issues - weeks, that the first publication of said notice was

made as aforesaid on the 25th day of

October A.D. 2006 , with

subsequent publications being made on the following dates:

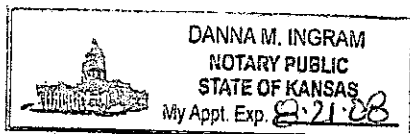
And affiant further says that _____ he has personal knowledge of the statements above set forth and that they are true.

[Handwritten Signature]

Subscribed and sworn to before me this

25th day of October, 2006

[Handwritten Signature]
Notary Public Sedgwick County, Kansas



Printer's Fee \$78.00

LEGAL PUBLICATION

Published in The Wichita Eagle
October 25, 2006 (2578888)
BEFORE THE STATE CORPORATION
COMMISSION OF THE STATE OF KANSAS
NOTICE OF FILING APPLICATION
RE: Pickrell Drilling Company, Inc. -
Application for a permit to authorize the
commingling of zones in the Lousch Unit "I" No.
3 well, located in Comanche 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
Pickrell Drilling Company, Inc., has filed an
application to commingle Pawnee, Ft. Scott
and Mississippi zones in the Lousch Unit "I" No.
3 well, located in the C SE SW, Sec. 6-33S-18W,
of Comanche 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. 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.
Pickrell Drilling Company, Inc.
100 S. Main, Suite 505
Wichita, Kansas 67202-3738
(316)262-8427

Affidavit of Publication

State of Kansas, Comanche County, ss.

Notice

Published in The Western Star
Thursday, Oct. 26, 2006. 13c

October 20, 2006

BEFORE THE STATE CORPO-
RATION COMMISSION OF
THE STATE OF KANSAS

NOTICE OF FILING APPLICATION

RE: Pickrell Drilling Com-
pany, Inc. - Application
for a permit to authorize
the commingling of zones
in the Lousch Unit "I" No. 3
well, located in Coman-
che County, Kansas.

TO: All Oil and Gas Produc-
ers, Unleased Minerals
Interest Owners, Land-
owners, and all persons
whomever concerned.

You, and each of you, are hereby
notified that Pickrell Drilling
Company, Inc. has filed an appli-
cation to commingle Pawnee, Ft.
Scott and Mississippi zones in the
Lousch Unit "I" No. 3 well, lo-
cated in the C SE SW, Sec. 6-33S-
18W, of Comanche County, Kan-
sas.

Any persons who object to or pro-
test this application shall be re-
quired to file their objections or
protests with the Conservation
Division of the State Corporation
Commission of the State of Kan-
sas within fifteen (15) days from
the date of this publication.
These protests shall be filed pur-
suant to Commission regulations
and must state specific reasons
why the grant of the application
may cause waste, violate correla-
tive 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 con-
cerned shall take notice of the
foregoing and shall govern them-
selves accordingly.

Pickrell Drilling Company, Inc.
100 S. Main, Suite 505
Wichita, Kansas 67202-3738
(316)262-8427

Dennies D. Andersen, of lawful age, being duly
sworn says he is the editor of *THE WESTERN STAR*, a
newspaper printed in the State of Kansas and pub-
lished in the City of Coldwater, County of Coman-
che, State of Kansas, which newspaper has been ad-
mitted to the mails as periodical class matter in said
county, and is of general circulation in said county,
and the printed notice hereunto attached was pub-
lished in the regular and entire issue of every number
of said newspaper for

1 consecutive weeks, as follows:

1st publication October 26, 2006

2nd publication _____, 20 _____

3rd publication _____, 20 _____

4th publication _____, 20 _____

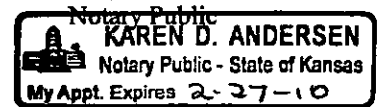
5th publication _____, 20 _____

And further, that said newspaper is a weekly pub-
lished at least weekly 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 that
said newspaper is not a trade, religious or fraternal
publication.



Subscribed and sworn to before me this 28

day of October, 2006

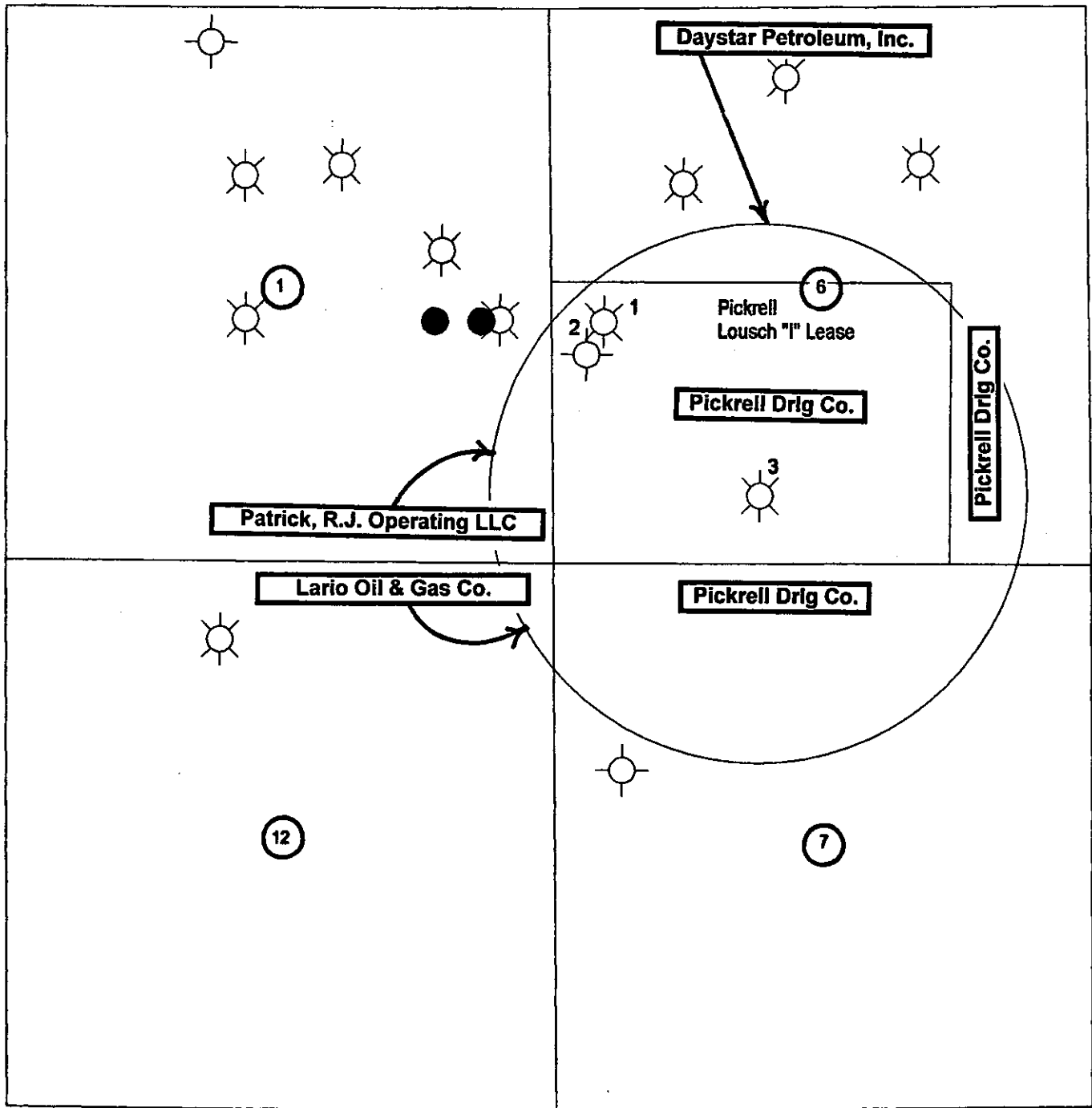


Publication Fee \$ 20.88

Total Publication Fee \$ 20.88

R 19 W

R 18 W



T
33
S

Pickrell Drilling Co., Inc.
Lousch "I" Lease
Comanche Co., Kansas

RECEIVED
OCT 23 2006
KCC WICHITA

KANSAS

CORPORATION COMMISSION

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

November 27, 2006

Jack Gurley
Pickrell Drilling Company, Inc.
100 S. Main, Suite 505
Wichita, KS 67202

**RE: Approved Commingling CO 100602
Lousch "I" Unit #3, Sec. 6-T33S-R18W, Comanche County, Kansas
API No. 15-033-21466-0000**

Dear Mr. Gurley:

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 **October 23, 2006** concerns approval to simultaneously produce from the following **three** sources of supply through the same tubing string in the same wellbore: the **Pawnee, Ft. Scott** and the **Mississippi** formations.

According to your application, the estimated current production from the **Pawnee and Ft. Scott** sources of supply is **0 BOPD, 33 Mcfpd and 22 BWPD**. The estimated current production from the **Mississippi** source of supply is **0 BOPD, 71 Mcfpd and 5 BWPD**. The total estimated current production from all sources of supply in the subject well is **0 BOPD, 104 Mcfpd and 27 BWPD**.

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

Docket Number **CO 100602** 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