

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 # CO120607

Operator Information:

License #: 5263
Name: Midwestern Exploration Co.
Address: 3500 S. Boulevard, Suite 2B
City/State/Zip: Edmond, Oklahoma 73013
Contact Person: Dale J. Lollar
Phone #: 405-340-4300

Well Information:

API #: 15-175-22059-00-00
Lease Name: Metcalf Well #: 1-7
Spot: C-SE-SE Sec. 7 Twp. 34 S. R. 33 East
County: Seward West
Feet from North / South Line of Section: 660'
Feet from East / West Line of Section: 660'

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

Formation: Lower Morrow (Perfs): 6071-78'
Formation: Upper Chester (Perfs): 6152-78'; 6122-34'; 6109-16'
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____

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

Formation: Lower Morrow BOPD: 0 MCFPD: 1500 BWPD: 0
Formation: Upper Chester BOPD: 0 MCFPD: 500 BWPD: 0
Formation: _____ BOPD: _____ MCFPD: _____ BWPD: _____
Formation: _____ BOPD: _____ MCFPD: _____ BWPD: _____
Formation: _____ BOPD: _____ MCFPD: _____ BWPD: _____

X 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.

X 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:

- X 5. Wireline log of subject well.
- X 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.

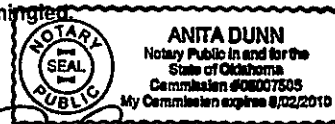
State of Oklahoma)
County of Oklahoma)

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: [Signature]
Printed Name: Dale J. Lollar
Title: President

Subscribed & sworn to before me this 14th day of December, 2006
Notary Public: [Signature]
My Commission Expires: 08-02-2010



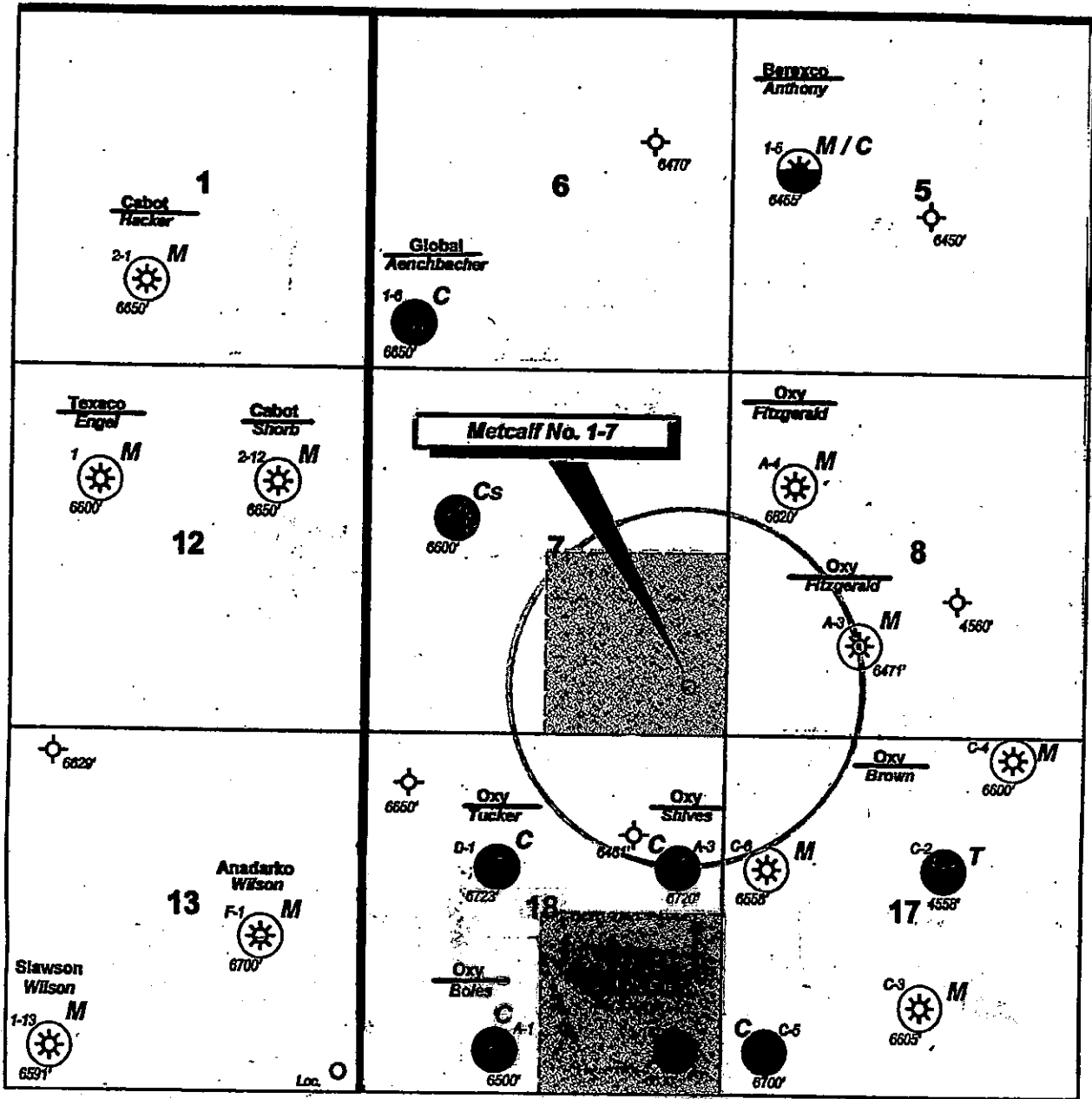
RECEIVED
KANSAS CORPORATION COMMISSION
DEC 19 2006
CONSERVATION DIVISION
WICHITA, KS

KCC Office Use Only
 Denied Approved
KCC Date Received: _____ 15-Day Periods Ends: _____
Approved By: [Signature] Date: 12/07

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.

R - 34 - W

R - 33 - W



T
34
S

EXPLANATION

NOTE: ONLY WELLS > 4000' SHOWN

- * Gas Well
 - * Plugged or Inactive Gas Well
 - * Oil & Gas Well
 - * Plugged or Inactive Oil & Gas Well
 - ⊖ Dry & Abandoned
-
- C - Producing Formation
 ● Cs - Chase
 ● T - Toronto
 ○ M - Morrow
 ● C - Chester
- Total Depth Drilled ———→ 7100'

**Midwestern Exploration
Company**

METCALF 1-7 PROSPECT
 Seward County, Kansas
RECEIVED
 KANSAS CORPORATION COMMISSION
DEC 19 2006
 CONSERVATION DIVISION
 WICHITA, KS

Scale: 1" = 1/2 mile

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

In the Matter of the Application of)
Midwestern Exploration Co. for)
Commingling of Production or Fluids in)
The Metcalf 1-7 well, located in)
Section 7, township 34 South,)
Range 33 West ,in)
Seward County, Kansas)

Docket No. _____

Conservation Division

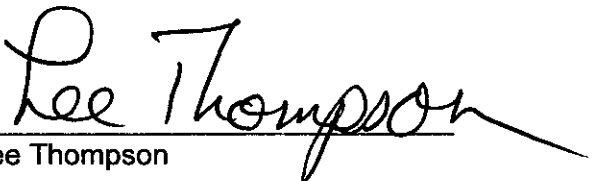
CERTIFICATE OF SERVICE

I hereby certify that on this 19th day of December, 2006, the above and foregoing **APPLICATION** was filed with:

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

And a copy mailed, first class mail postage prepaid to the following operator or lessee of record located within a one-half mile radius of the well or the subject acreage:

Donna Havins OXY USA Inc. P.O. Box 27570 Houston, TX 77227-7570
--



Lee Thompson

RECEIVED
KANSAS CORPORATION COMMISSION
DEC 19 2006
CONSERVATION DIVISION
WICHITA, KS

JAN 04 2007

PROOF OF PUBLICATION

CONSERVATION DIVISION
WICHITA, KS

STATE OF KANSAS, SEWARD COUNTY, ss:

Jean Courkamp, being first duly sworn,
deposes and says: That she is the publisher—principal clerk—of

THE SOUTHWEST DAILY TIMES

a daily newspaper printed in the State of Kansas, and published in and of general circulation in Seward County, Kansas, with a general paid circulation on a weekly basis in Seward County, Kansas, and that said newspaper is not a trade, religious or fraternal publication.

Said newspaper is a daily, published 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 has been admitted at the post office of Liberal 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 for one time, the publication thereof being

made as aforesaid on the 21st day of December, 2006,

Jean Courkamp
SUBSCRIBED AND SWORN to before me this twenty-second day of
December, 2006

Shelli Garrison

My Commission Expires, _____, 200.

Printer's Fee \$ 80.85

Notary Public
SHELLI GARRISON
Notary Public, State of Kansas
My Appt. Expires 9/05/2010

(Published in the Southwest Daily Times, Liberal, Kansas on December 21, 2006)(1)

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

In the Matter of the Application of _____)
Midwestern Exploration Co. for _____)
Commingling of Production or Fluids in _____)
The Matcalf # 1-7 well, located in _____)
Section 7, Township 34 South, _____)
Range 33 West in _____)
Seward County, Kansas _____)
Conservation Division
License No. 5263

NOTICE OF FILING APPLICATION

To all oil and gas producers, unleased mineral interest owners, landowners and all persons whomsoever concerned:

Please take notice that Midwestern Exploration Co. has filed an application with the Conservation Division of the State Corporation Commission seeking authorization for the Commingling of Production or Fluids from the Lower Morrow and Upper Chester formations in the Matcalf # 1-7 well, located in the center of the SE/4 of Section 7, Township 34 South, Range 33 West in Seward County Kansas.

Anyone objecting to the granting of this application should file their objection or protest to the application with the Conservation Division of the State Corporation Commission at 730 South Market, Room 2078, Wichita, Kansas 67202 within fifteen (15) days of the publication of this Notice. 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 parties or persons who are in any way interested or concerned with the captioned matter shall take notice of the same and govern themselves accordingly.

THOMPSON LAW FIRM, LLC
Occidental Plaza
106 E. 2nd St.
Wichita, Kansas 67202
Tel: 316-267-3933
Fax: 316-267-3901

s/ LEE THOMPSON
By Lee Thompson, #08361
Attorneys for Applicant
Midwestern Exploration Co.

AFFIDAVIT

**RECEIVED
KANSAS CORPORATION COMMISSION**

JAN 04 2007

**CONSERVATION DIVISION
WICHITA, KS**

STATE OF KANSAS \
- SS.
County of Sedgwick /

Milt Mounts, of lawful age, being first duly sworn, depose 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 22nd day of

December 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.



Subscribed and sworn to before me this

22nd day of December, 2006

Julianne Richardson
Notary Public Sedgwick County, Kansas



Printer's Fee \$98.00

LEGAL PUBLICATION

Published in the Wichita Eagle on December 22, 2006 (2605467)
BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS
In the Matter of the Application of Midwestern Exploration Co. for Commingling of Production or Fluids in The Metcalf # 1-7 well, located in Section 7, Township 34 South, Range 33 West, in Seward County, Kansas
Conservation Division
License No. 5263

NOTICE OF FILING APPLICATION

To all oil and gas producers, unleased mineral interest owners, landowners and all persons whomsoever concerned:

Please take notice that Midwestern Exploration Co. has filed an application with the Conservation Division of the State Corporation Commission seeking authorization for the Commingling of Production or Fluids from the Lower Morrow and Upper Chester formations in the Metcalf # 1-7 well, located in the center of the SE/4 of the SE/4 of Section 7, Township 34 South, Range 33 West in Seward County Kansas.

Anyone objecting to the granting of this application should file their objection or protest to the application with the Conservation Division of the State Corporation Commission at 130 South Market, Room 2078, Wichita, Kansas 67202 within fifteen (15) days of the publication of this Notice. 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 parties or persons who are in any way interested or concerned with the captioned matter shall take notice of the same and govern themselves accordingly.

THOMPSON LAW FIRM, LLC
Occidental Plaza 106 E. 2nd St.
Wichita, Kansas 67202
Tel: 316-267-3933
Fax: 316-267-3901
s/ LEE THOMPSON
By Lee Thompson, #08361
Attorneys for Applicant
Midwestern Exploration Co.

JAN 04 2007

CONSERVATION DIVISION
WICHITA, KS

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

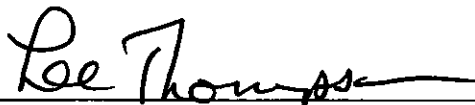
In the Matter of the Application of)	<u>CO 120607</u>
Midwestern Exploration Co. for)	Conservation Division
Commingling of Production or Fluids in)	License No. <u>5263</u>
The Metcalf # 1-7 well, located in)	
Section 7, Township 34 South,)	
Range 33 West, in)	
<u>Seward County, Kansas</u>)	

FILING OF AFFIDAVITS OF PUBLICATION

Midwestern Exploration Co., Applicant herein, on this 3rd day of January 2007, serves the following Affidavits of Publication of its application for Commingling of Production or Fluids in the Metcalf # 1-7 well.

- Wichita Eagle on December 22, 2006
- Southwest Daily Times on December 21, 2006.

THOMPSON LAW FIRM, LLC
Occidental Plaza
106 E 2nd St
Wichita KS 67202
Tel: 316-267-3933
Fax: 316-267-3901



By Lee Thompson, #08361
Attorney for Applicant
Midwestern Exploration, Co.

KANSAS

CORPORATION COMMISSION

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

January 8, 2007

Dale J. Lollar
Midwestern Exploration Co.
3500 S. Boulevard, Suite 2B
Edmond, OK 73013

**RE: Approved Commingling CO120607
Metcalf 1-7, Sec. 7-T34S-R33W, Seward County, Kansas
API No. 15-175-22059-00-00**

Dear Mr. Lollar:

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 **December 19, 2006** concerns approval to simultaneously produce from the following **two** sources of supply through the same tubing string in the same wellbore: the **Lower Morrow and the Upper Chester** formations.

According to your application, the estimated current production from the **Lower Morrow** source of supply is **0 BOPD, 1500 Mcfpd and 0 BWPD**. The estimated current production from the **Upper Chester** source of supply is **0 BOPD, 500 Mcfpd and 0 BWPD**. The total estimated current production from all sources of supply in the subject well is **0 BOPD, 2000 Mcfpd and 0 BWPD**.

Based upon the depth of the **Upper Chester** formation perforations, total oil production shall not exceed **300 BOPD** and total gas production shall not exceed **50%** of the absolute open flow (AOF).

Docket Number **CO120607** 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