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JUN 05 2006

Form ACO-4  
Form must be typed  
September 2005

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

KCC WICHITA  
Commingling ID # CO060602

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

Operator Information:

License #: 5447  
Name: OXY USA Inc.  
Address: P. O. Box 2528  
City/State/Zip: Liberal, KS 67901  
Contact Person: Vicki Carder  
Phone #: 620-629-4242

Well Information:

API #: 15 - 189-22503 -00-00  
Lease Name: Elerding B Well #: 2  
Spot: SW - NE - SE - NW Sec. 23 Twp. 34 S. R. 35  East  
County: Stevens  West  
Feet from  North /  South Line of Section: 1836  
Feet from  East /  West Line of Section: 2128

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

Formation: Chester (Perfs): 6216-6235  
Formation: Morrow (Perfs): 6137-6169  
Formation: \_\_\_\_\_ (Perfs): \_\_\_\_\_  
Formation: \_\_\_\_\_ (Perfs): \_\_\_\_\_  
Formation: \_\_\_\_\_ (Perfs): \_\_\_\_\_

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

Formation: Chester BOPD: 0 MCFPD: 190 BWPD: 2  
Formation: Morrow BOPD: 0 MCFPD: 110 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 as required in K.A.R. 82-3-135a(b).

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.

**ANITA PETERSON**  
Notary Public - State of Kansas  
My Appt. Expires October 1, 2009

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 Seward )

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: Vicki Carder  
Printed Name: Vicki Carder  
Title: Capital Project  
Subscribed & sworn to before me this 1st day of June, 20 06  
Notary Public: Anita Peterson  
My Commission Expires: Oct. 1, 2009

**KCC Office Use Only**  
 Denied  Approved  
KCC Date Received: 10-5-06 15-Day Periods Ends: 8-4-06  
Approved By: Paul 10-2-2006 Date: \_\_\_\_\_

AFFIDAVIT OF PUBLICATIONS

STATE OF KANSAS, STEVENS COUNTY, ss Donald S. Goering, being first duly sworn, deposes and says: That he is Publisher of the Hugoton Hermes, a weekly newspaper printed in the State of Kansas, and published in and of general circulation in Stevens County, Kansas, with a general paid circulation on a weekly basis in Stevens 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; 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 Hugoton 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 1 consecutive weeks, the first publication thereof being made as aforesaid on the day of

July 20, 2006, with subsequent publications being made on the following dates:

\_\_\_\_\_, 20\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_, 20\_\_\_\_, 20\_\_\_\_

*Donald S. Goering*  
Subscribed and sworn to before me this

day of July 20, 2006

*Roglena S. Coulter*  
Notary Public



My Commission expires: 4-10-10

Printer's fee.....\$ 30.00

Additional Copies.....\$ \_\_\_\_\_

Total.....\$ 30.00

Approved this \_\_\_\_\_ day of

\_\_\_\_\_, 20\_\_\_\_

Judge

PUBLIC NOTICE

(First Published in The Hugoton Hermes, Thursday, July 20, 2006)

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

RE: OXY USA Inc. Application for Commingling of Production, located in Section 23, Township 34 South, Range 35 West, Stevens County, Kansas.

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

You, and each of you are hereby notified that OXY USA Inc. has filed and application to commingle oil and gas production from intervals in the Chester and Morrow Formations underlying in Section 23, Township 34 South, Range 35 West, Stevens

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 K.A.R. 82-3-135b. 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.

OXY USA INC. P.O. Box 2528 Liberal, KS 67905 620.629.4200

RECEIVED SEP 11 2006 KCC WICHITA

**AFFIDAVIT**

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 issue - weeks, that the first publication of said notice was

made as aforesaid on the  14th  day of

July  A.D.  2006 , with

subsequent publications being made on the following dates:

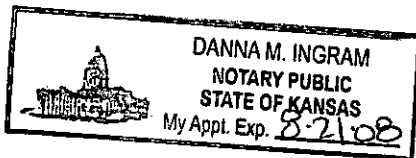
And affiant further says that \_\_\_\_\_ he has personal knowledge of the statements above set forth and that they are true.

*[Handwritten Signature]*

Subscribed and sworn to before me this

14th  day of  July ,  2006

*[Handwritten Signature]*  
Notary Public Sedgwick County, Kansas



Printer's Fee  \$72.00

RECEIVED  
SEP 11 2006  
KCC WICHITA

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SEP 11 2006  
KCC WICHITA

**LEGAL PUBLICATION**

First Published in The Wichita Eagle on July 14, 2006 (2524015)  
**BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS**

**NOTICE OF FILING APPLICATION**

RE: OXY USA Inc. Application for Commingling of Production, located in Section 23, Township 34 South, Range 35 West, Stevens County, Kansas.

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

You, and each of you, are hereby notified that OXY USA Inc. has filed an application to commingle oil and gas production from intervals in the Chester and Morrow Formations underlying in Section 23, Township 34 South, Range 35 West, Stevens County, Kansas.

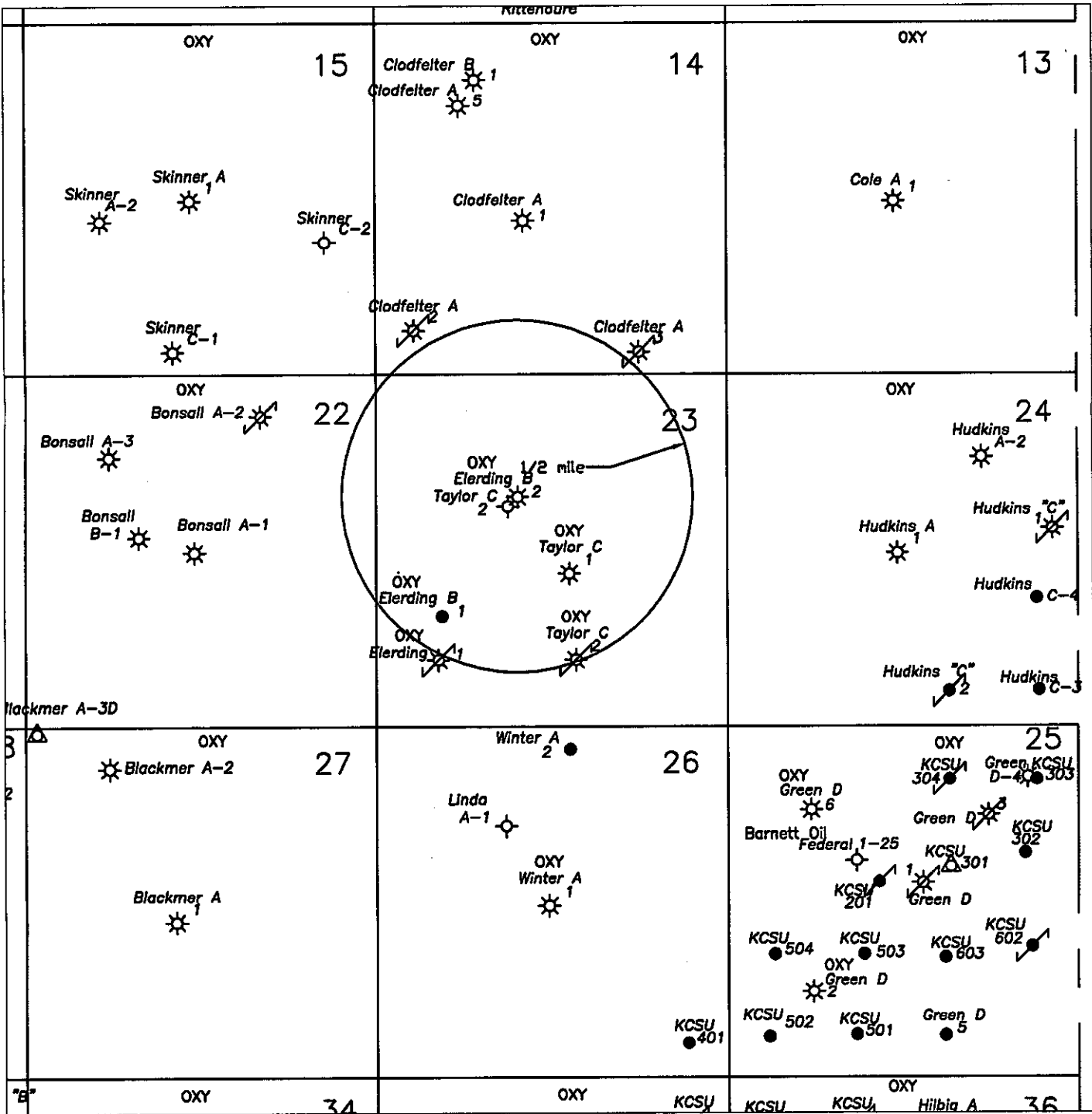
Any persons who object to or protest this application shall be required to file their objections or protests with the Conservation Division of the State Corporation Commission of the State of Kansas within fifteen (15) days from the date of this publication. These protests shall be filed pursuant to Commission regulations K.A.R. 82-3-135b. 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.

OXY USA Inc.  
P.O. Box 2528  
Liberal, KS 67905  
(620)-629-4200

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<h2>Elerding B-2</h2>		
1836'FNL & 2128'FWL Sec. 23-34S-35W Stevens Co., Kansas 15-189-22503		
By DLC	Date 05/24/2006	Drawing Elerding B-2.dwg

RECEIVED  
JUN 05 2006  
KCC WICHITA

AFFIDAVIT OF NOTICE SERVED

RE: Application for : OXY USA Inc.  
Well Name: Elerding B-2 Legal Location 1836 FNL, 2128 FWL, Stevens County  
SW-NE-SE-NW of Sec. 23-34S-35W

The undersigned hereby certifies that he/she is a duly authorized agent for the applicant, and that on the 1st day of June, 2006, a true and correct copy of the application referenced above was delivered or mailed to the following parties:

NOTE: A copy of this affidavit must be served as a part of the application.

Name Address (attach additional sheets if necessary.)

No Offset Operators to Report

Signed this 1st day of June, 2006.



Vicki Carder  
Vicki Carder, Capital Project  
Applicant or Duly Authorized Agent

Subscribed and sworn to before me this 1st day of June, 2006

Anita Peterson  
Notary Public

My Commission Expires: Oct. 1, 2009

*Protests may be filed by any party having a valid interest in the application. Petitions for protests shall be in writing and shall clearly identify the name and address of the Protestant and the title of the application. The petition shall include a clear and concise statement of the direct and substantial interest of the Protestant in the proceedings, including the manner in which the Protestant may be affected, and the nature, extent, character and grounds of the protest. Protestants shall serve the protests upon the applicant by mail or personal service at the same time or before the Protestant files the protest with the Conservation Division.*



OXY USA Inc.  
1701 N. Kansas, Liberal, KS 67901  
P.O. Box 2528, Liberal, KS 67905-2528

**RECEIVED**  
**JUN 05 2006**  
**KCC WICHITA**

June 1, 2006

Kansas State Corporation Commission  
Conservation Division  
Finney State Office Building  
130 S. Market, Room 2078  
Wichita, Kansas 67202-3802

RE: OXY USA Inc.  
Elerding B-2  
NW/4 23-34S-35W  
Stevens County, Kansas

Dear Sir:

Please find enclosed a commingling application Form ACO-4 with attachments for the subject well.

If there are any questions or you require further information, please contact me at the above address or by phone at (620) 629-4242.

Sincerely yours,

A handwritten signature in cursive script that reads "Vicki Carder".

Vicki Carder  
Capital Projects

Attachments

Cc: Houston E-file



OXY USA Inc.

1701 N. Kansas, Liberal, KS 67901  
P.O. Box 2528, Liberal, KS 67905-2528

September 8, 2006

Kansas State Corporation Commission  
Attention: KCC Production Department  
Finney State Office Building  
130 S. Market, Room 2078  
Wichita, Kansas 67202-3802

RE: OXY USA Inc.  
Elerding B-2  
CO060602  
NW/4 23-34S-35W  
Stevens County, Kansas

Dear Sir:

Please find enclosed signed certificates of publication of the application in the official county newspaper and the Wichita Eagle newspaper as stated in your letter, a copy which has been enclosed.

If there are any questions or you require further information, please contact me at the above address or by phone at (620) 629-4242.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Vicki Carder", written in a cursive style.

Vicki Carder  
Capital Projects

Attachments

Cc: Houston E-file

**RECEIVED**  
**SEP 11 2006**  
**KCC WICHITA**

# KANSAS

## CORPORATION COMMISSION

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

October 27, 2006

Vicki Carder  
OXY USA, Inc.  
P.O. Box 2528  
Liberal, KS 67901

**RE: Approved Commingling CO060602  
Elerding B #2, Sec. 23-T34S-R35W, Stevens County, Kansas  
API No. 15-189-22503-0000**

Dear Ms. Carder:

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 5, 2006** concerns approval to simultaneously produce from the following **two** sources of supply through the same tubing string in the same wellbore: the **Chester** and the **Morrow** formations.

According to your application, the estimated current production from the **Chester** source of supply is **0 BOPD, 190 Mcfpd** and **2 BWPD**. The estimated current production from the **Morrow** source of supply is **0 BOPD, 110 Mcfpd** and **1 BWPD**. The total estimated current production from all sources of supply in the subject well is **0 BOPD, 300 Mcfpd** and **3 BWPD**.

Based upon the depth of the **Chester** 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 **CO060602** 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  
Professional Geologist