KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

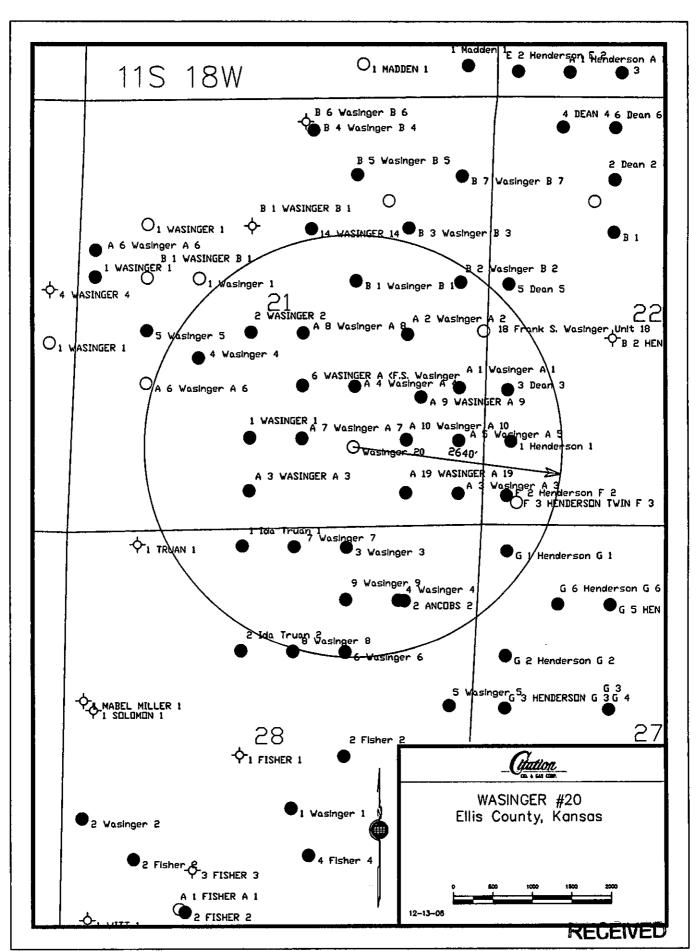
Form ACO-4 Form must be typed September 2005

APPLICATION FOR COMMINGLING OF

Commingling ID # CO 080606

PRODUCTION (K.A.R. 82-3-123) OR FLUIDS (K.A.R. 82-3-123a)

Operator information:	well information:	
License #: 3553		
Name: Citation Oil & Gas Corp.		
Address: PO Box 690688	Spot: NE - SW - SE Sec. 21 Twp. 11	
City/State/Zip: Houston, Texas 77269	•	
Contact Person: Sharon Ward	4-10	
Phone #: 281-517-7309	Feet from [2] East / [2] West Line of Section: 1	650'
1. Name and upper and lower limit of each production	n Interval to be commingled:	
Formation: Arbuckle Lime	-	
Formation: LKC	(Perfs): 3467-3532	
Formation:	·	
Formation:		
Formation:	• •	
2. Estimated amount of fluid production to be commingled fro		
Formation: Arbuckle Lime		
Formation: LKC	BOPD: 2 MCFPD: 0 8	WPD: 94
Formation:	BOPD:B	WPD:
Formation:	BOPD:B	WPD:
Formation:	BOPD; MCFPD; B	WPD:
4. Signed certificate showing service of the application as req	uired in K.A.R. 82-3-135a(b).	
5. Wireline log of subject well.		
6. Complete Form ACO-1 (Well Completion form) for the subjection	ect well.	
For Commingling of FLUIDS ONLY, include the following:	e R	ECEIVED
5. Well construction diagram of subject well.		
6. Any available water chemistry data demonstrating the com	patibility of the fiulds to be commingled.	UG 2 8 2006
	120	CC WICHITA
State of Texas)	4.4	
County of Harris	` `	
	Signature: Sharon Ward	
VERIFICATION: I hereby certify that to the best of my current information, knowledge and personal belief, this request for commingling is true and	Signature: Sharon Ward Sharon Ward	
proper and I have no information or knowledge, which is inconsistent with	Title: Permitting Manager	
the information supplied in this application.		ot 06
KCC Office Use Only	Subscribed & sworn to before me this 24 day of Augu- Notary Public: MAMMUN Ollawad	st , 20 <u>06</u>
Denied Approved	ari Wisa.	
KCC Date Received: 8/28/04 15-Day Periods Ends: 9/14/04	My Commission Expires: NATHANIA R. A Notary Public, Str	LGAWAD
Approved By: furt 11/5/04 Date: 11-3-00	My Commission	on Expires
	March 22,	400y إ



AUG 2 8 2006

COMMINGLING AFFIDAVIT CERTIFICATE OF SERVICE

Operator Name:

Citation Oil & Gas Corp.

KCC License Number: 03553

Operator Address:

P O Box 690688

Houston, Texas 77269

Contact Person:

Sharon Ward

Phone Number: 281-517-7309

Lease Name & Number: Wasinger #20

API #: 15-051-25282

Location: NE/4 SW/4 SE/4

SECTION 21; TWP 11S; RNG 18W

County: Ellis

Field: Bemis Shutts

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with the statements here are complete and correct to the best of my knowledge. The well subscribed to in this affidavit will be produced in accordance with the terms of the applicable basic proration order. I hereby certify that I caused a true and correct copy of the foregoing Affidavit and any attachments of said Affidavit to be served by placing the same in the United States mail, postage paid, to the following parties:

Name

Address

Offset Operators:

21-11S-18W Great Eastern Energy & Dev. 550 West Texas, Suite 660

Midland, TX 79701

22-11S-18W None

27-11S-18W None

Great Eastern Energy & Dev. 28-11S-18W

550 West Texas, Suite 660

Midland, TX 79701

Unleased Mineral Owners:

21-11S-18W

C H Wolf Unknown Unknown G S & Max Wann Unknown Julia Roades Unknown Delmas Haney Unknown Steve Aich

RECEIVED AUG 2 8 2006 KCC WICHITA

Fred P & B Anderson G E Simpson

2002 Metro Ln P O Box 460991 Hays, KS 67601 Garland, TX 75046

Houston L Whiteside Trust

P O Box 913

Hutchinson, KS 67504

1st National Bank of Hutchinson E J Dreling

1111 Country Club Dr. 2520 Tramway Terrace Ct. N 200 W Sterne Pkwy Apt 716

Hays, KS 67601 Albuquerque, NM 87122

Mana Gas Inc. Norma Lee & Waldo L Allen Twila Fae & Thomas J Sweeney Patricia Ann McPherson Rita & Simon Roth Jr. Marilyn C Smith

7658 S Cedar CIR 11424 Skyland Rd P O Box 743 2412 Pershing Dr. 211 Ash St. Apt B 2243 Bramblewood #1103 Littleton, CO 80120 Littleton, CO 80120 Sunland, CA 91040 Hays, KS 67601 Hays, KS 67601 Havs, KS 67601 Wichita, KS 67226 Holmdel, NJ 07733 Ellis, KS 67637

Frank Kirk Wasinger Guyanna Weilert Marcia Power Linda Ann Riedel

22 Londonberry Dr 202 E. 14th

Commingling Affidavit Certificate of Service Citation Oil & Gas Corp. 03553 Wasinger 20 15-051-25282 Pg 2

21-11S-18W

Stephen F Wasinger 350 McMilian Rd Gross Pointe Farms, MI 48236 Havs, KS 67601 Thomas M Wasinger 1602 Elm Houston, TX 77057 Russell T Rudy Energy, LLC 5701 Woodway Dr. Ste 222 Susan Hughes 2843 E Peakview Ave Centennial, CO 80121 Mary Jo Egloff P O Box 394 Hartsel, CO 80449 3425 S Harrison St. Karen Betthauser Denver, CO 80210 Centennial, CO 80122 Paul & Lou Anne Betthauser 8054 S Adams Way 2733 S. Harrison St. Denver, CO 80210 Jeanne Betthauser 735 2nd Ave E Kalispell, MT 59901 Gregory M Betthauser Roger L Comeau 308 W Mill Plainville, KS 67663

22-11S-18W

Upland Resources, Inc.

427 South Boston, Suite 800

Tulsa, OK 74103

Production Drilling Inc.

P O Box 680

S J Peavey

207 SW 9th Street

Plainville, KS 67663

Newray Limited Partners

Newell R Hays Enterprises, Inc.

P O Box 161

Alamogordo, NM 88311

27-11S-18W

S J Peavey 207 SW 9th Street Plainville, KS 67663 MK Royalty Company 8451 East Oregon Pl Denver, CO 80231 Murfin Drilling Company 250 N. Water S #300 Wichita, KS 67202

28-11S-18W

Donald W Johnson 121 Oak Pointe Circle State College, PA 16801
Daniel H Johnson P O Box 247 Hays, KS 67601

-1

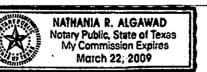
Signature: Date: August 24, 2006

Title: Permitting Manager

Subscribed and sworn to before me this 24th day of August, 2006

Notary Public: Mthonen Alganas

Date Commission Expires:



1/2 Mile Offset Ownership Wasinger 20

Tract Description

Township 11 South, Range 18 West, 6th P.M.

Section 21: S/2NE, SE

Operator

Citation Oil & Gas Corp. 8223 Willow Place Drive South

Houston, TX 77070

Offset Well Names/Operators:

API	Well Name/Status	Operator Name/Address
15-051-18029	Wasinger B2/Producing	Citation Oil & Gas Corp.
		8223 Willow Place Drive South
		Houston, TX 77070
15-051-05802	Wasinger B1/TA	Same as above
15-051-25282	Wasinger 20/Producing	Same as above
15-051-04866	Wasinger A3/Producing	Same as above
15-051-04869	Wasinger A8/TA	Same as above
15-051-04865	Wasinger A2/Spudded	Same as above
No API	Wasinger FS 6/No Status	Same as above
15-051-04864	Wasinger A1/No Status	Same as above
15-051-04867	Wasinger A4/Spudded	Same as above
15-051-04870	Wasinger A10/No Status	Same as above
15-051-04948	Wasinger A5/Spudded	Same as above
15-051-21404	Wasinger A19/Wel Drilled	Same as above

2 Township 11 South, Range 18 West, 6th P.M.

Section 21: SENW

Mineral Ownership:

C.H. Wolf unknown

G.S. & Max Wann

unknown

Julia Roades unknown

Delmas Haney unknown

Steve Aich unknown

Fred P. & B. Anderson 2002 Metro Ln Hays, KS 67601

Section 21: SENW

Mineral Ownership:

G. E. Simpson PO Box 460991 Garland, TX 75046-0991

Houston L. Whiteside, Trust FBO Morton Houston 1st National Bank of Huthinson PO Box 913 Hutchinson, KS 67504

E.J. Dreiling 1111 Country Club Dr Hays, KS 67601-1809

Mana Gas, Inc. 2520 Tramway Terrace Ct. N. Albuquerque, NM 87122

Norma Lee Wasinger (Allen) Waldo L. Allen 200 W. Sterne PKWY Apt. 716 Littleton, CO 80120

Twila Fae Wasinger (Sweeney) Thomas J. Sweeney 7658 S. Cedar CIR Littleton, CO 80120

Patricia Ann McPherson 11424 Skyland Rd. Sunland, CA 91040

Rita & Simon Roth Jr. PO Box 743 Hays, KS 67601

Marilyn C. Smith (Wasinger) 2412 Pershing Dr. Hays, KS 67601

Frank Kirk Wasinger 211 Ash St. Apt. B Hays, KS 67601

Guyanna Weilert 2243 Bramblewood #1103 Wichita, KS 67226

Section 21: SENW Mineral Ownership:

Marcia Power 22 Londonberry DR Holmdel, NJ 07733

Linda Ann Riedel 202 E. 14th Ellis, KS 67637

Stephen F. Wasinger 350 McMilian Rd.

Gross Pointe Farms, MI 48236

Thomas M. Wasinger 1602 Elm Hays, KS 67601

Russell T. Rudy Energy, LLC 5701 Woodway Dr., Ste. 222 Houston, TX 77057

Susan Hughes 2843 E. Peakview Ave. Centennial, CO 80121

Mary Jo Egloff PO Box 394 Hartsel, CO 80449

Karen Betthauser 3425 S. Harrison St. Denver, CO 80210

Paul Betthauser 8054 S Adams Way Centennial, CO 80122

Lou Anne Betthauser 8054 S Adams Way Centennial, CO 80122

Jeanne Betthauser 2733 S. Harrison St. Denver, Co 80210

Gregory M. Betthauser 735 2nd Ave. E Kalispell, MT 59901

Section 21: SENW

Mineral Ownership:

Roger L. Comeau

308 W. Mill

Plainville, KS 67663

Leasehold WI Ownership:

None - Unleased

Offset Well Names/Operators:

API

Well Name/Status

There are no producing wells within 1/2 mile of the Wasinger #20 in this tract

Township 11 South, Range 18 West, 6th P.M.

Section 21: SW

Operator

Great Eastern Energy & Dev.

550 West Texas, Suite 660

Midland, TX 79701

Offset Well Names/Operators:

<u>API</u>

Well Name/Status

Operator Name/Address

15-051-04863

Wasinger 2/Producing

Great Eastern Energy & Dev.

550 West Texas, Suite 660 Midland, TX 79701

15-051-05311

Wasinger 4/Producing

Same as above

15-051-04947

Wasinger A3/Producing

Same as above

15-051-04862 Wasinger 1/TA Same as above

Township 11 South, Range 18 West, 6th P.M.

Section 22: SWNW, NWSW

Mineral Ownership:

Upland Resources, Inc.

427 South Boston, Suite 800

Tulsa, OK 74103

Leasehold WI Ownership:

Larry Patterson, President of

Production Drilling Inc.

P.O. Box 680 Hays, KS 67601

Offset Well Names/Operators:

<u>API</u>

Well Name/Status

Operator Name/Address

There are no producing wells within 1/2 mile of the Wasinger #20 in this tract

Section 22: SWSW

Mineral Ownership:

S. J. Peavey

207 SW 9th Street Plainville, KS 67663

Newray Limited Partners and Newell R. Hays Enterprises,

Inc.

P.O. Box 161

Alamogordo, NM 88311

Leasehold WI Ownership:

None - Unleased

Offset Well Names/Operators:

API

Well Name/Status

Operator Name/Address

There are no producing wells within 1/2 mile of the Wasinger #20 in this tract

6 Township 11 South, Range 18 West, 6th P.M.

Section 27: NWNW

Mineral Ownership:

S. J. Peavey

207 SW 9th Street Plainville, KS 67663

MK Royalty Company c/o Gary Kleiman 8451 East Oregon Pl. Denver, CO 80231

Leasehold Wi Ownership:

Murfin Drilling Company

250 N. Water S; # 300 Wichita, KS 67202

Offset Well Names/Operators:

AP

Well Name/Status

Operator Name/Address

There are no producing wells within 1/2 mile of the Wasinger #20 in this tract

7 Township 11 South, Range 18 West, 6th P.M.

Section 28: NE

Operator

Great Eastern Energy & Dev.

550 West Texas, Suite 660

Midland, TX 79701

Section 28: NE

Offset Well Names/Operators:

API Well Name/Status Operator Name/Address 15-051-05224 Wasinger 4/Producing Great Eastern Energy & Dev. 550 West Texas, Suite 660 Midland, TX 79701 15-051-19023 Wasinger 3/TA Same as above 15-051-05227 Wasinger 7/TA Same as above Wasinger 9/TA 15-051-05510 Same as above

8 Township 11 South, Range 18 West, 6th P.M.

Section 28: NW

Mineral Ownership:

Donald W. Johnson 121 Oak Pointe Circle State College, PA 16801

Daniel H. Johnson P.O. Box 247 Hays, KS 67601

Leasehold WI Ownership:

None - Unleased

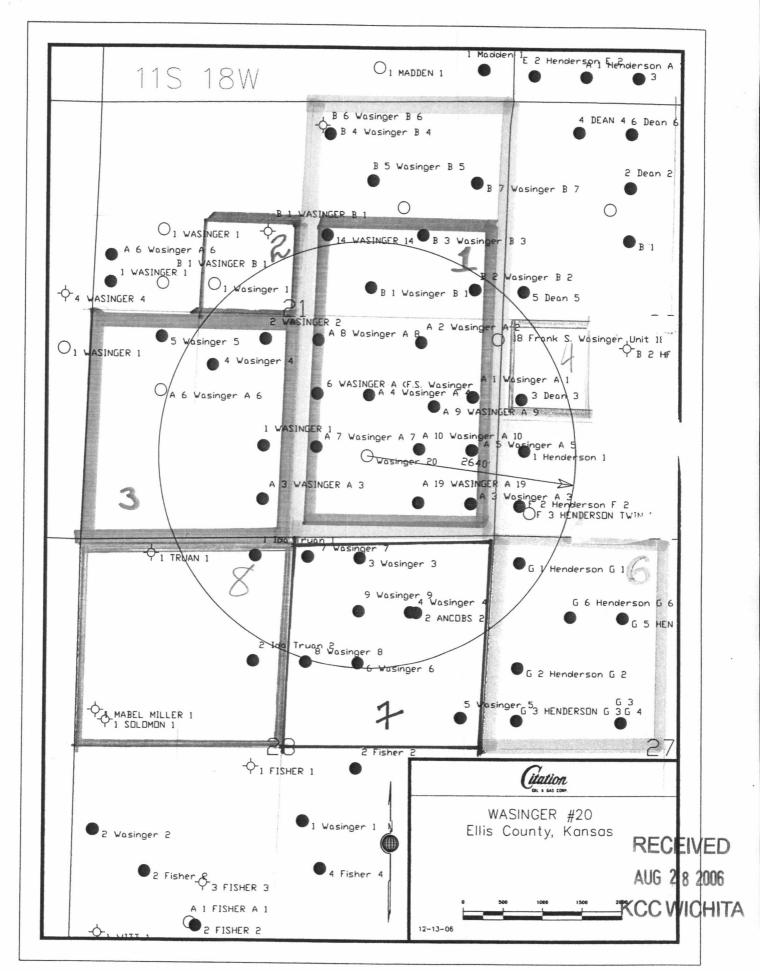
Offset Well Names/Operators:

API Well Name/Status Operator Name/Address

There are no producing wells within 1/2 mile of the Wasinger #20 in this tract

RECEIVED
AUG 2 8 2006
KCC WICHITA

Page 6 of 6



WELLBORE SCHEMATIC Current Lease: Wasinger Well No. 20 API No. 150-152-5282 Status PR Sec.21-11-18W Location: County: Ellis KS Field: Bemis-Shutts State 8 5/8" 2090' TD 3620 ថ Spud Date: 9/25/2004 24# J-55 PBTD 3620 KΒ 2095 Comp Date: 10/12/2004 147 sx Current Perfs/OH: 3607-3620 Current Zone: Arbuckle DV Tool @ 1347' KB Surface Equipment Unit Size: Unit Make: Unit S/N: Unit Rotation: TOC @ 2370' (calc) SPM: Stroke Length: Unit Sheave: Prime Mover: Motor Sheave: Motor S/N: Motor RPM: Casing Breakdown Grade / Wt Size Depth Cement 24# J-55 Surface 8 5/8" 247' 147 sx 3607 Production 5 1/2" 15.5# **J**-55 375 sx + 275 sx Production Production TAC @ 3023' Liner **Tubing Breakdown** Footage Qty Description ΚB 5.00 2 7/8" Tbg 5 1/2" x 2 7/8" TAC 96 3020.00 3.00 2 7/8" Tbg 18 565.00 SN 1.00 Mud Anchor 15.00 TOTAL 3609.00 Rod Breakdown Footage Qty Description 64 7/8" Norris rods 1600.00 79 3/4" Norris rods 1975.00 1.5" Pump 14.00 TOTAL 5 1/2" 00 3589.00 15.5# J-55 00 375 sx + 275 sx 🖊 3607 Comments RECEIVED

AUG 2 7 2005

KCC VICHITA

KCC VICHITA

PREPARED BY:

3620' TD

UPDATED:

6/27/2006

JLB

WELLBORE SCHEMATIC Proposed Well No. Lease: Wasinger 20 API No. 150-152-5282 Status PR Sec.21-11-18W Location: KS County: Ellis State Field: **Bemis-Shutts** 8 5/8" TD 3620 GL 2090' Spud Date: 9/25/2004 24# J-55 PBTD 3620 КВ 2095 Comp Date: 10/12/2004 Current Perfs/OH: 3607-3620 Current Zone: Arbuckle 147 sx DV Tool @ 1347 KB Surface Equipment Unit Make: Unit Size: Unit S/N: Unit Rotation: Stroke Length: TOC @ 2370' (calc) SPM: Unit Sheave: Prime Mover. Motor Sheave: Motor RPM: Motor S/N: Casing Breakdown Grade / Wt Depth Cement Size 8 5/8° 24# J-55 247' 147 sx Surface Production 5 1/2" 15.5# J-55 3607 375 sx + 275 sx Production Production Liner Tubing Breakdown Oty Description Footage KВ 5.00 2 7/8" Tbg 5 1/2" x 2 7/8" TAC 108 3400.00 1 3.00 6 2 7/8" Tbg 185.00 SN 1.00 Mud Anchor 15.00 TOTAL 3609.00 TAC @ 3400" Rod Breakdown Qty Description Footage 7/8" Norris rods 1600.00 64 3/4" Norris rods 1975.00 LKC I 79 3467'-3474' 2 1/2" x 1 3/4" x 14' Insert pump 14.00 LKC L 3529'-3532' 5 1/2" 00 TOTAL 3589.00 15.5# J-55 00 375 sx + 275 ax 3607 Comments RECEIVED AUG 2 8 2008 KCC WICHITA Arbuckle OH 3607'-3620' 36201 PREPARED BY: JLB UPDATED: 6/27/2006

Aug-02-06 05:55A Champion Technologies Inc 785 625 3491

P.01



Attention: Neil Pfannenstiel

Customer: Citation Oil & Gas Corp.

Water Analysis Report

8/2/2006

Address: PO Box 1542

Hays, KS 67601

Lease: Wasinger

Formation:

Test Date: 08/02/2006

Salesman: Darian Dinkel

CC: Gary Glenn Jim Reisch

Target Name: Wasinger 20

Sample Point: Wasinger 20

	Tumpio Busi	. 00/0 //2000	1465 DEM. CHARLEON	•			
Water Analysis(mg/L)		Appended (Data(mg/L)	Physical Pro	perties		
Calcium	3400	CO2	264	lonic Streng	th(cale.	1.09	:
Magnesium	535	H2S	75	pH(catc.)		İ	į
Barlum		iron	1	Temperature(°F)	100	
Strentium		Oxygen		Pressure(paid	j	25	•
Sodium(calc.)	17086	Additional E	Dota	Density		8.65	:
Bicarbonate Alkalinity	478	Specific Gra		1.04	De	w Poin	•
Sulfate	2068	Total Disso	ived Solids(Rfg/L)	55685	Le	ad	
Chioride	32118	Total Hardn	ess(CaCO3 Eq Mg/	10693	. Zh	ne	
Resistivity	0.1149				•		

Calcite Calculation Information Calculation Method Known pH

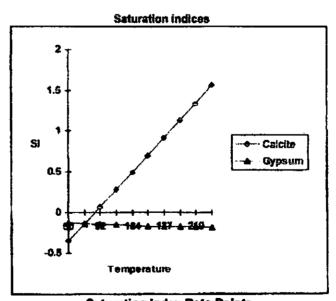
Value 6.70

Sample Date: 08/01/2006

Scale Type
Calcite (Calcium Carbonate)
Gypsum (Calcium Suifate)
Heminydrate (Calcium Suifate)
Anhydrite (Calcium Suifate)
Barite (Barium Suifate)
Celestite (Strontium Suifate)

SI PTB 0.14 38.60 -0.15 -0.14 -0.27

Remarks:



Saturation Index Data Points										
i	50	71	92	113	134	156	177	198	219	240
Calcile	-0.3 5	-0.14	0.07	0.28	0.49	0.70	0.91	1.13	1.34	1.56
Gypsum	-0.13	-0.14	-0.15	-0.15	-0.16	-0.17	-0.17	-0.17	-0.17	-0.18

AFFIDAVIT OF PUBLICATION

State of Kansas, Ellis County, ss:

Mary Karst

being first duly sworn, deposes and says: That he/she is Advertising Manager

of THE HAYS DAILY NEWS, a daily newspaper printed in the State of Kansas, and published in and of general circulation in Ellis County, Kansas, with a general paid circulation on a yearly basis in Ellis County, Kansas, and that said newspaper is not a trade, religious or fraternal publication.

Said newspaper is published daily, except Saturday, is published at least weekly 50 times a year: has been so oublished continuously and uninterrupted 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 Hays in said county as second class matter.

That the attached notice is a true copy therof and was published in the regular and entire issue of said newspaper for 1 consecutive day,

the first publication thereof being made as aforesaid on the 30th day of August, 2006, with subsequent publications being made on the following dates:

	20		ZV_
	20		20_
	20		20
-11	~_/		
May	PA	and the same	
IVINU			

Subscribed and sworn to before me this 30th day of August, 2006.

Notary Public

My Appointment expires 5-28-09

Printer's Fee.......\$42.00 Additional copies.....\$

Total Fee.....\$42.00

(Published in The Hays Daily News August 30, 2006)

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

RE: Citation Oil & Gas Corp. Application for a permit to authorize the downhole commingling of the LKC and Arbuckle zones in the Wasinger Unit 20 well located in Elils County, Kansas.

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

You, and each of you, are hereby notified that Citation Oil & Gas Corp. has filed an application to commence the downhole commingling of the LKC and Arbuckle formations in the Wasinger Unit 20, located in the 6E/4, Section 21, Township 11 South, Range

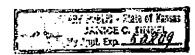
18 West, Ellis County, Kansas.
Any persons who object to or protest this application shall be required to file their objections or protests with the Conservation Division of the State Corporation Commission of the State of Kansas within fifteen (15) days from the date of this publication. These protests 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 pollule the natural resources of the state of Kansas.

All persons interested or concerned shall take notice of the foregoing and shall govern themselves accordingly. Citation Oil & Gas Corp.

8223 Willow Place South Houston, Texas 77070 Phone: 281-517-7309

CONSERVATION DIVISION WICHITM, KS

RECEIVED COMMISSION 2 8 2006



AFFIDAVIT

STATE OF KANSAS

. 22

County of Sedgwick

- 55

Milt Mounts, of lawful age, being first duly swom, deposeth and saith: That he is Record Clerk of The Wichita Eagle, a dally 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 Moming issue of said The Wichita Eagle for _1_ consecutive issue - weeks, that the first publication of said notice was

made as aforesaid on the 1st day of

September 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 swom to before me this

1st day of September, 2005

Notary Public Sedgwick County, Kansas

DANNA M. INGRAM
NOTARY PUBLIC
STATE OF KANSAS
MY Appt. Exp. 8-21-08

Printer's Fee ___**\$74.00**

RECEIVED KANSAS CORPORATION COMMISSION

SEP 2 8 2006

CONSERVATION DIVISION WICHITA, KS



AFFIDAVIT OF PUBLICATION

State of Kansas, Ellis County, ss:

Mary Karst

being first duly sworn, deposes and says:

That he/she is Advertising Manager

of THE HAYS DAILY NEWS, a daily newspaper printed in the State of Kansas, and published in and of general circulation in Ellis County, Kansas, with a general paid circulation on a yearly basis in Ellis County, Kansas, and that said newspaper is not a trade, religious or fraternal publication.

Said newspaper is published daily, except Saturday, is published at least weekly 50 times a year; has been so published continuously and uninterrupted 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 Hays in said county as second class matter.

That the attached notice is a true copy therof and was published in the regular and entire issue of said newspaper for 1 consecutive day.

the first publication thereof being made as aforesaid on the 30th day of August, 2006, with subsequent publications being made on the following dates:

20

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	20		20
~ 11	\neg		
///\d	4. 10	ist	

Subscribed and sworn to before me this <u>30th</u> day of <u>August</u>, 2006.

Notary Public

My Appointment expires 5-28-09

Printer's Fee......\$42.00

Additional copies\$___

(Published in The Hays Daily News August 30, 2006)

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

NOTICE OF FILING APPLICATION
RE: Citation Oil & Gas Corp.
Application for a permit to authorize the downhole commingling of the LKC and Arbuckle zones in the Wasinger Unit 20 well located in Ellis County, Kansas.

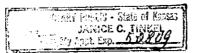
TO: All Oil and Gas Producers, Unleased Mineral Interest Owners, Landowners, and all persons whomever concerned.

You, and each of you, are hereby notified that Citation Oil & Gas Corp. has filed an application to commence the downhole commingling of the LKC and Arbuckle formations in the Wasinger Unit 20, located in the SE/4, Section 21, Township 11 South, Range 18 West, Ellis 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 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. Citation Oil & Gas Corp.

Citation Oil & Gas Corp. 8223 Willow Place South Houston, Texas 77070 Phone: 281-517-7309



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 issue - weeks, that the first

made as aforesaid on the 1st day of

publication of said notice was

September A.D. 2006, with

subsequent publications being made on the following dates:

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

Subscribed and sworn to before me this

September, 2006

Notary Public Sedgwick County, Karisas



LEGAL PUBLICATION

Published in the Wichita Eagle on September 1, 2006 (2549951)
BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS MOTICE OF FILING APPLICATION RE: Citation Oil & Gas Corp. -- Application for a permit to authorize the downhote commingling of the LKC and Arbuckle zones in the Wasinger Unit 20 well located in Eliis County, Kansas.

County, Kansas.
TO: All Oil and Gas Producers, Unleased

TO: All Oil and Gas Producers, Unleased Mineral Interest Owners, Landowners, and all persons whomever concerned.
You, and each of you, are hereby notified that Citation Oil & Gas Corp. has filed an application to commence the downhole commingling of the LKC and Arbuckle formations in the Wasinger Unit 20, located in the SE/4, Section 21, Township 11 South, Range 18 West, Ellis County, Kansas, who chieft to an arestock the

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.

Citation Oil & Gas Corp.

8223 Willow Place South Houston, Texas 77070 Phone: 281-517-7309

KANSAS

CORPORATION COMMISSION

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

November 3, 2006

Sharon Ward Citation Oil & Gas Corp. P O Box 690688 Houston, TX 77269

RE:

Approved Commingling CO080606

Wasinger #20, Sec. 21-T11S-R18W, Ellis County, Kansas

API No. 15-051-25282-0000

Dear Ms. Ward:

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 August 28, 2006 concerns approval to simultaneously produce from the following two sources of supply through the same tubing string in the same wellbore: the Arbuckle Lime and the LKC formations.

According to your application, the estimated current production from the Arbuckle Lime source of supply is 4 BOPD, 0 Mcfpd and 200 BWPD. The estimated current production from the LKC source of supply is 2 BOPD, 0 Mcfpd and 94 BWPD. The total estimated current production from all sources of supply in the subject well is 6 BOPD, 0 Mcfpd and 294 BWPD.

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

Docket Number CO080606 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