

Hintz Trust #1-9

NE SW NW Sec 09-17S-31W
Scott Co., KS

**ACO-4
APPLICATION FOR COMMINGLING OF PRODUCTION**

8/09/06

Affidavit of Notice Served

The undersigned hereby certifies that he/she is a duly authorized agent for the applicant, and on that day 30th of August, 2006, a true and correct copy of the application referenced above was delivered or mailed to the following party:

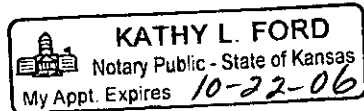
VAL Energy Inc.
P.O. Box 116
Wichita, KS 67201

Operator of
S2 Sect. 4 - 17S - 31W
NW Sect. 8 - 17S - 31W

Lario Oil & Gas Co. is the operator of the remaining acreage with-in one-half (1/2) mile of the subject well.

Jay G. Schweikert
Jay G. Schweikert
Operations Engineer
Applicant or Duly Authorized Agent

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



Kathy L. Ford
Notary Public

My Commission Expires: 10-22-06

RECEIVED
AUG 31 2006
KCC WICHITA

AFFIDAVIT

RECEIVED
KANSAS CORPORATION COMMISSION

JUN 29 2007

STATE OF KANSAS \
- SS.
County of Sedgwick /

CONSERVATION DIVISION
WICHITA, KS

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

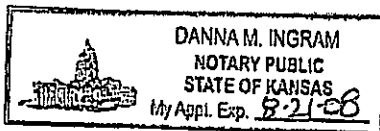
made as aforesaid on the 1st of

June 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.

Subscribed and sworn to before me this
 1st day of June, 2007

Notary Public Sedgwick County, Kansas

Printers Fee: \$80.00

LEGAL PUBLICATION

First Published in the Wichita Eagle on June 4, 2007 (2676399)
BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS
NOTICE OF FILING APPLICATION
RE: Larlo Oil & Gas Company - Application for a permit to authorize the commingling of zones in the Hintz Trust #1-9, located in Scott 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 Larlo Oil & Gas Company has filed an application to commingle Cherokee Lino & Morrow zones in the Hintz Trust #1-9, located approximately NE SW NW Sec. 9-17S-31W, Scott 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 (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.
Larlo Oil & Gas Company
201 S. Market
Wichita, KS 67202
(316) 265-5611
ATTN: Jay Schweikert

Acct.	Expt.	File	OK to Pay
SC			
KG			
RV			
PI			
GO			
	IS	KE	GV
	CF		
JUN 05 2007			

JUL 02 2007

CONSERVATION DIVISION
WICHITA, KS

Public Notice

(Published in The Scott County Record Thurs., May 24, 2007)1t
BEFORE THE STATE
CORPORATION COMMISSION OF
THE STATE OF KANSAS

NOTICE OF FILING APPLICATION
RE: Lario Oil & Gas Company - Application for a permit to authorize the commingling of zones in the Hintz Trust #1-9, located in Scott County, Kansas.

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

You, and each of you, are hereby notified that Lario Oil & Gas Company has filed an application to commingle Cherokee Lime and Morrow zones in the Hintz Trust #1-9, located approximately NE SW NW Sec. 9-17S-31W, in Scott 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 (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.

Lario Oil & Gas Company
301 S. Market
Wichita, KS 67202
(316) 265-5611
ATTN: Jay Schweikert

Proof of Publication

Affidavit of Publication
STATE OF KANSAS, SCOTT COUNTY, ss:

Rodney R. Haxton, being first duly sworn, deposes and says that he is editor of The Scott County Record, a weekly newspaper printed in the State of Kansas, and published in and of general circulation in Scott County, Kansas, with a general paid circulation and that said newspaper is not a trade, religious or fraternal publication.

Said newspaper is a weekly, published at least 50 times a year in said county, and has been admitted as second class matter at the post office of Scott City in said county.

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 24 day of May, 2007, with subsequent publications being made on the following dates:

RECEIVED _____, 20____
KANSAS CORPORATION COMMISSION _____, 20____
JUL 02 2007 _____, 20____
CONSERVATION DIVISION _____, 20____
WICHITA, KS _____, 20____

Publication Fee \$ 36.40
Affidavit, Notary Fee \$ _____
Additional Copies @ _____ \$ _____
Total Publication Fee \$ 36.40

R. R. Haxton
Publisher

Subscribed and sworn to before me this 25 day of May, 2007.

SHARLA OSBORN
Notary Public - State of Kansas
My Appt. Expires 10-11-09

Sharla Osborn
Notary Public

My commission expires 10-11-09

KANSAS

CORPORATION COMMISSION

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

July 3, 2007

Jay G. Schweikert
Lario Oil & Gas Co.
301 S. Market St.
Wichita, KS 67202

**RE: Approved Commingling CO080608
Hintz Trust 1-9, Sec. 9-T17S-R31W, Scott County, Kansas
API No. 15-171-20583-00-01**

Dear Mr. Schweikert:

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 31, 2006** concerns approval to simultaneously produce from the following **two** sources of supply through the same tubing string in the same wellbore: the **Lansing and Chester (Basal Penn)** formations.

According to your application, the estimated current production from the **Lansing** source of supply is **43 BOPD, 0 Mcfpd** and **4 BWPD**. The estimated current production from the **Chester (Basal Penn)** source of supply is **30 BOPD, 0 Mcfpd** and **1 BWPD**. The total estimated current production from all sources of supply in the subject well is **73 BOPD, 0 Mcfpd** and **5 BWPD**.

Based upon the depth of the **Chester (Basal Penn)** 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 **CO080608** 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

KCC WICHITA
AUG 3 1 2006
RECEIVED
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HINTZ TRUST 1-9
LARIO OIL & GAS COMPANY
TD: 4675
BASAL PENN SAND, PERF: 4567-4572
DOHP: 5/13/04

LANSING B, PERF: 3976-3980
DOHP: 11-10-05
CO-MINGLED

RODENBERG 1
RINE EXPLORATION
TD: 4803
BASAL PENN SAND, PERF: 4577-4602
DOFP: 1964

17S 31W

Base - Ownership Map



Lario Oil & Gas Company

New Pool Application
Scott County, Kansas
Hintz Trust #1-9

Basal Penn Structure and Lansing B

Date: 23 August, 2006 Geologist: John P. Hestberg CT-