

OPERATOR Castelli Exploration POCKET # C030501 DATE 3/10/05
ADDRESS 6908 N.W. 112th St. OPERATOR'S LICENSE # _____
Oklahoma City, OK ⁷³¹⁶² API NO. 15- 185-23082-0002
LEASE Scibert WELL NO. 1-31
QUARTER SE SEC 31 TWP 24 RGE 15 E W

COMINGLING 82-3-123

- ✓ 1. Description of the well.
A plat showing:
a) Location of subject well.
b) Location of other wells on the lease.
c) Location of offsetting wells and operator's name.
- ✓ 2. Names and upper and lower limits of the source of supply involved.

(NAME) KINDERHOOK (PERFS) 4200'-04', 4183-86', 4182-86'
(NAME) TARKIO (PERFS) 3026'-3032'
(NAME) _____ (PERFS) _____

- ✓ 3. Wireline log of the subject well. With KCC
- ✓ 4. A complete ACO-1 form.
- ✓ 5. Expected production, oil-gas-water, for each source of supply.

FORMATION <u>KIND</u>	BOPD _____	MCF <u>20</u>	BWPD _____
FORMATION <u>Tarkio</u>	BOPD _____	MCF <u>20</u>	BWPD _____
FORMATION _____	BOPD _____	MCF _____	BWPD _____
FORMATION _____	BOPD _____	MCF _____	BWPD _____
ESTIMATED COMBINED TOTAL <u>X</u>	BOPD _____	MCF <u>40</u>	BWPD _____

PERZ T. sha
Braner
4-13-04
20 mcf each

- ✓ 6. Application shall be supported by an Affidavit and shall contain a certificate showing service of a copy of the application without attachments to the offsetting operators. You are responsible for this. Unless waivers are obtained, applications are held for fifteen days to give offsetting operators time to file objections. If waivers are obtained, applications can be processed immediately. If objections are filed, application then set for hearing.

RECEIVED
MAR 16 2005
KCC WICHITA

February 15, 2005

Kaiser-Francis Oil Company
P.O. Box 21468
Tulsa, OK 74121

RE: Commingling Applications
Siebert #1-5
NW/4 Section 5-25S-15W
Siebert #1-31
SE/4 SE/4 Section 31-24S-15W
Stafford County, Kansas

Gentlemen:

This letter is to provide notice to you as an offset operator, that Castelli Exploration, Inc. intends to commingle the Lansing with the Kinderhook/Mississippian in the Siebert #1-5 well and the Siebert #1-31 well as above referenced, pursuant to Kansas Corporation Commission rules and regulations. In this regard we respectfully request that you execute and return one copy of this letter evidencing that as an offset operator you consent to this commingling and waive a formal hearing in this regard.

Should you have any questions in this regard or if you would like to discuss this matter further please feel free to contact Tom Castelli at the letterhead address or phone number.

Yours very truly,

Castelli Exploration, Inc.

Susan J. Funk
Landman

The undersigned hereby agree to waive a formal hearing and consent to the proposed commingling.

Kaiser-Francis Oil Company

BY: _____

RECEIVED
APR 12 2005
KCC WICHITA

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature X A MAIL CALL <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Recipient's Name STANLEY ALLEN</p> <p>C. Date of Delivery 8/2/05</p>
<p>1. Article Addressed to:</p> <p>Kaiser-Francis Oil Company P.O. Box 21468 Tulsa, OK 74121</p>	<p>1) Is delivery address different from item B? ii YES, enter delivery address below: SDS</p> <p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>Article Number (Transfer from service label)</p>	<p>7002 2410 0000 2090 4801</p>

February 15, 2005

Berexco, Inc.
P.O. Box 20380
Wichita, KS 67208

RE: Commingling Applications
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BEFORE COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
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Article Addressed to: Berexco, Inc. P.O. Box 20380 Wichita, KS 67208	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
	3. Service type <input checked="" type="checkbox"/> Certified Mail <input checked="" type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
Article Number (transfer from service)	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes 7002 2410 0000 2090 4795	

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PS Form 3811, August 2001	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes

7002 2410 0000 2090 4795

KANSAS

CORPORATION COMMISSION

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

March 16, 2005

Thomas P. Castelli
Castelli Exploration, Inc.
6908 N.W. 112th St.
Oklahoma City OK 73162

RE: Commingling Application Seibert #1-31, SE SE 31-24-15W, Stafford County, Kansas

Dear Mr. Castelli,

Your commingling application (KCC form ACO-4) was received on March 16, 2005 for the above referenced well. This application has been assigned docket number **CO 030501**. I understand from your cover letter that you will be working with an attorney to complete this application. Several attachments are needed to complete this application. At this time it appears that your application is missing a plat map (item 1), a wireline log (ACO-4 item 3), and an affidavit of service to offset operators (item 6).

ACO-4 item 6, the affidavit of service to offset operators, will determine when this application can be approved. The commingling application cannot be approved until the 15-day period of protest for offset operators has passed.

If you have any questions please contact me at 316-337-6223.

Sincerely,


Robert Petersen

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KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREHBIEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

May 10, 2005

Thomas P. Castelli
Castelli Exploration, Inc.
6908 N.W. 112th St.
Oklahoma City OK 73162

RE: Commingling Application Seibert #1-31, SE SE 31-24-15W, Stafford County, Kansas

Dear Mr. Castelli,

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**. This application, which was received by the KCC on **March 16, 2005**, concerns approval to simultaneously produce from the following **two** sources of supply through the same tubing string in the same wellbore: the **TARKIO** and the **KINDERHOOK** formations.

According to your application, the estimated current production from the **TARKIO** source of supply is **20 MCFGPD**. The estimated current production from the **KINDERHOOK** source of supply is **20 MCFGPD**. The total estimated current production from both sources of supply in the subject well is **40 MCFGPD**. Included in this application was operator verification that the offset operators had been formally notified of this application. No protest had been filed within the 15-day protest period, which ended **April 28, 2005**.

Based upon the depth of the **KINDERHOOK** formation perforations, total oil production shall not exceed **200 BOPD** and total gas production shall not exceed **50%** of open flow. Docket Number **CO 030501** 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,



Robert Petersen

Geologist/KCC Production

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