

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-4
Form must be typed
July 2008

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

Commingling ID # CO 090802

Operator Information:

License #: 5135
Name: John O. Farmer, Inc.
Address: P.O. Box 352
City/State/Zip: Russell, KS 67665
Contact Person: Marge Schulte
Phone #: (785) 483-3145, Ext. 214

Well Information:

API #: 15 - 065-23,022-00-01
Lease Name: Buss "C" Well #: 1
Spot: App. - SW - SW - SE Sec. 2 Twp. 9 S. R. 22 East
County: Graham West
Feet from North / South Line of Section: 330
Feet from East / West Line of Section: 2280

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

Formation: Arbuckle (Perfs): 3850-52', 3856-58', 3864-68', 3870-76'
Formation: Lansing-Kansas City (Perfs): 3672-74', 3681-84', 3702-05'
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____

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

Formation: Arbuckle BOPD: 7.56 MCFPD: _____ BWPD: 65.00
Formation: Lansing-Kansas City BOPD: 10.44 MCFPD: _____ BWPD: 102.00
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 and affidavit of publication as required in K.A.R. 82-3-135a.

For Commingling of PRODUCTION ONLY, include the following:

- 5. Wireline log of subject well. Submitted w/original
- 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 Kansas)
)
County of Russell)

ss:

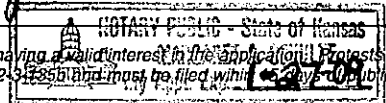
VERIFICATION: I hereby certify that to the best of my current information, knowledge and personal belief, this request for commingling is true and proper and I have no information or knowledge, which is inconsistent with the information supplied in this application.

Signature: John O. Farmer III
Printed Name: John O. Farmer III
Title: President

Subscribed & sworn to before me this 9th day of September, 20 08
Notary Public: Margaret A. Schulte
My Commission Expires: _____

KCC Office Use Only
 Denied Approved
KCC Date Received: _____ 15-Day Periods Ends: 10/2/08
Approved By: [Signature] Date: 10/10/08

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. 82-3-123b and must be filed within 60 days of publication of the notice of application.



RECEIVED
KANSAS CORPORATION COMMISSION
SEP 11 2008
CONSERVATION DIVISION
WICHITA, KS

OFFSET OPERATORS/UNLEASED MINERAL OWNERS
(within 1/2 mile radius)
TO JOHN O. FARMER, INC.

Buss "C" #1
330' FSL & 2280' FEL
(30' East of SW SW SE)
Sec. 2-9S-22W
Graham County, Kansas

Sec. 1-9S-22W

SW/4

John O. Farmer, Inc.

Sec. 2-9S-22W

NW/4 & W/2 NE/4

John O. Farmer, Inc.

E/2 NE/4

Karen Buss
3270 "N" Road
Bogue, KS 67625

Beverly A. Michael
609 North Pomeroy Street
Hill City, KS 67642

Kimberly H. Hyde
2035 200th Avenue
Penokee, KS 67659
(unleased mineral owners)

SE/4

John O. Farmer, Inc.
(Buss "C" Lease)

SW/4

John O. Farmer, Inc.

Sec. 11-9S-22W

NW/4

John O. Farmer, Inc.

NE/4

Spires Land and Cattle, L.L.C.
2195 North Hwy. 83, Suite #1
Franktown, CO 80116
(unleased mineral owner)

Sec. 12-9S-22W

NW/4

John O. Farmer, Inc.

I certify that a copy of the ACO-4 (Application For Commingling Of Production) for the John O. Farmer, Inc. Buss "C" #1 has been sent to the unleased mineral owners listed previously as of the 9th day of September, 2008.



JOHN O. FARMER III, PRESIDENT

RECEIVED
KANSAS CORPORATION COMMISSION

SEP 11 2008

CONSERVATION DIVISION
WICHITA, KS

Public Notices

First Published In The Hill City Times, Wednesday, September 17, 2008:

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

RE: JOHN O. FARMER, INC. - Application for Commingling of Production in the Buss "C" #1, located in Graham County, Kansas.

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

You, and each of you, are hereby notified that John O. Farmer, Inc. has filed an application to commingle the Lansing-Kansas City and Arbuckle producing formations at the Buss "C" #1, located 330' from the south line and 2280' from the east line of Sec. 2-T9S-R22W, Graham 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 the 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.

John O. Farmer III

AFFIDAVIT OF PUBLICATION State of Kansas, County of Graham, ss:

JIM LOGBACK, of lawful age, being duly sworn, upon oath states that he is publisher of THE HILL CITY TIMES;

THAT said newspaper has been published weekly at least fifty (50) times a year and has been published at least five (5) years in Graham County, Kansas prior to the first publication of the attached notice;

THAT said newspaper has a general PAID circulation in GRAHAM COUNTY, KANSAS, and is NOT a trade, religious or fraternal publication.

THAT said newspaper is PRINTED IN KANSAS and PUBLISHED in GRAHAM COUNTY, KANSAS, and entered as second class mail matter at the post office of its publication in HILL CITY, KANSAS;

THAT, a notice of which the attached is a true and correct copy, was published in a regular issue of said newspaper for 1 consecutive weeks commencing with the issue of September 17, 2008.

Publication Fee \$ 25.20

Affidavits @ 75¢ .. \$ _____

Extra Copies @ 50¢ \$ _____

TOTAL LEGAL FEE \$ 25.20



My commission expires USA
3-30-11

SUBSCRIBED and sworn to before me this 18th day of Sept, 2008.

Anna J. Elliott
Clerk of the District Court
Graham County Notary Public

AFFIDAVIT

STATE OF KANSAS \
- SS.
County of Sedgwick /

Nicole Mandina, of lawful age, being first duly sworn, depose 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 17 th of

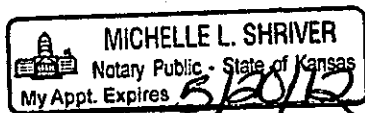
September A.D. 2008 , with

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

17th day of September, 2008

Notary Public Sedgwick County, Kansas

Printers Fee: \$80.00

LEGAL PUBLICATION

PUBLISHED IN THE WICHITA EAGLE
SEPTEMBER 17, 2008 (2881964)
BEFORE THE STATE CORPORATION
COMMISSION OF THE STATE OF
KANSAS

NOTICE OF FILING APPLICATION

RE: JOHN O. FARMER, INC.--Application for Commingling of Production in the Buss "C" #1, located in Graham County, Kansas.

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

You, and each of you, are hereby notified that John O. Farmer, Inc. has filed an applications to commingle the Lansing-Kansas City and Arbuckle producing formations at the Buss "C" #1, located 330' from the south line and 2280' from the east line of Sec. 2-T9S-R22W, Graham County, Kansas.

Any persons who object to or protest this application shall be required to file their objections or protests with the Conversation division of the State Corporation Commission of the State of Kansas within fifteen (15) days from the date of the 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.

John O. Farmer III
John O. Farmer, Inc.
P.O. Box 352
Russell, KS 67665
Telephone (785)483-3144

RECEIVED
KANSAS CORPORATION COMMISSION

SEP 23 2008

CONSERVATION DIVISION
WICHITA, KS



KANSAS
CORPORATION COMMISSION

*Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner*

October 10, 2008

Marge Schulte
John O. Farmer, Inc.
PO Box 352
Russell, KS 67665

RE: Approved Commingling CO090802
Buss "C" 1, Sec. 2-T9S-R22W, Graham County, Kansas
API No. 15-185-23022-00-01

Dear Ms. Schulte:

Your Application for Commingling (ACO-4) for the above described well has been 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 September 11, 2008 concerns approval to simultaneously produce from the following sources of supply through the same tubing string in the same wellbore:

Source of Supply	Estimated Current Production			Perf Depth
	BOPD	MCFPD	BWPD	
Arbuckle	7.56	0	65	3850-3876 OA
Lansing-Kansas City	10.44	0	102	3672-3705 OA
Total Estimated Current Production	18	0	167	

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

Docket Number CO090802 has been assigned to this approved application. Use this number for well completion reports (ACO-1) and other correspondence that may concern this approved commingling.

Sincerely,



Rick Hestermann
Production Department