

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-4
Form must be typed
July 2006

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

Commingling ID # CO 090705

Operator Information:

License #: 33476
Name: FIML Natural Resources, LLC
Address: 410 17th Street Suite 900
City/State/Zip: Denver, CO 80202
Contact Person: Cassie Parks
Phone #: 303-893-5090

Well Information:

API #: 15 - 171-20686-00-0
Lease Name: McKean Trust Well #: 16B-32-1831
Spot: W2 - E2 - SE Sec. 32 Twp. 18 S. R. 31 East
County: Scott West
Feet from North / South Line of Section: 1320
Feet from East / West Line of Section: 990

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

Formation: Lansing (Perfs): 4279-4282'
Formation: Marmaton (Perfs): 4378-4479'
Formation: Mississippi (Perfs): 4593-4606'
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____

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

Formation: Lansing BOPD: 10 MCFPD: _____ BWPD: 50
Formation: Marmaton BOPD: 20 MCFPD: _____ BWPD: 10
Formation: Mississippi BOPD: 6 MCFPD: _____ BWPD: 30
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.
- 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 _____)
County of _____)

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: [Signature]
Printed Name: Cassandra Parks
Title: Regulatory Specialist
Subscribed & sworn to before me this 20th day of September, 20 08
Notary Public: [Signature]
My Commission Expires: 7-1-2010

RECEIVED
KANSAS CORPORATION COMMISSION

SEP 25 2008

CONSERVATION DIVISION
WICHITA, KS

KCC Office Use Only
 Denied Approved
KCC Date Received: _____ 15-Day Periods Ends: 10/19/08
Approved By: [Signature] Date: 10/14/08

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. 82-3-135b and must be filed within 15 days of publication of the notice of application.

**Offset Operators/Lessee of Record and Unleased Mineral Owners Within a ½ Mile
Radius of the McKean Trust 16B-32-1831**

The undersigned hereby certifies that she/he is a duly authorized agent for the applicant, and that a true and correct copy of the ACO-4 was mailed to the following parties on June 20, 2008:

Fred and Janet Rueter
19001 Muncaster
Derwood, Maryland 20855

Lario Oil and Gas
301 S. Market St.
Wichita, KS 6202

RECEIVED
KANSAS CORPORATION COMMISSION

SEP 25 2008

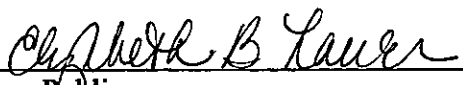
CONSERVATION DIVISION
WICHITA, KS



Applicant or Duly Authorized Agent

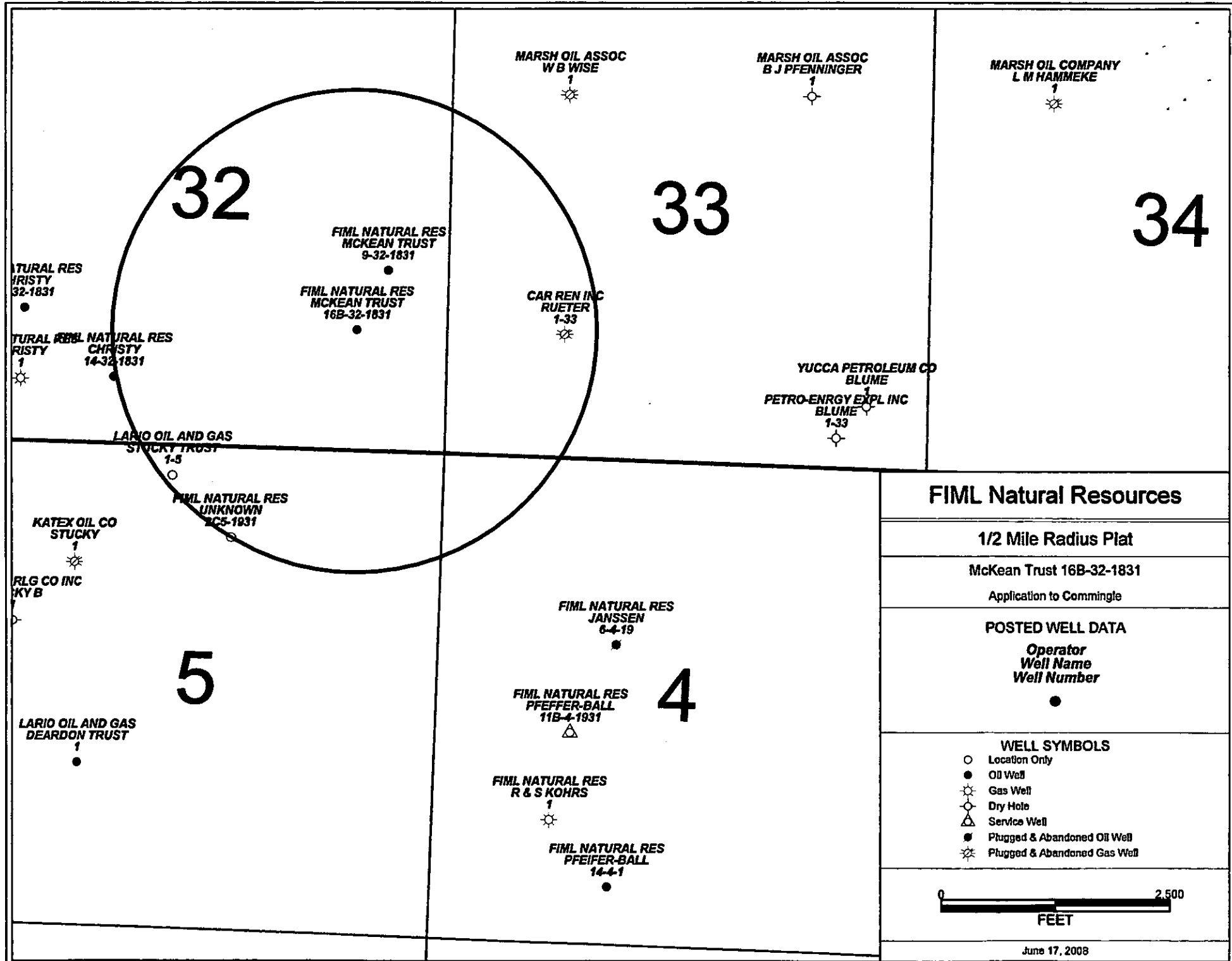
Cassandra Parks Regulatory Specialist

Subscribed and sworn before me this 24th of September, 2008



Notary Public

My commission expires: 7-1-2010



AFFIDAVIT

STATE OF KANSAS \
- SS.
County of Sedgwick /

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 11th of

July A.D. 2008 , with

subsequent publications being made on the following dates:

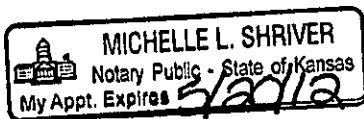
And affiant further says that she has personal knowledge of the statements above set forth and that they are true.

Nicole Mandina

Subscribed and sworn to before me this

11th day of July , 2008

Michelle L. Shriver
Notary Public Sedgwick County, Kansas



Printers Fee: \$84.00

LEGAL PUBLICATION

Published in the Wichita Eagle on July 11, 2008 (2855475)

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

NOTICE OF FILING APPLICATION
Re: FIML Natural Resources, LLC- Application for a permit to commingle production from the Marmaton, Ft. Scott, Lansing and Mississippi Spergen formations of the McKean Trust 16B-32-1831 well, located in Scott County, Kansas.
To: All Oil and Gas Producers, Released Mineral Interest Owners, Landowners, and all persons whosever concerned.
You, and each of you, are hereby notified that FIML Natural Resources, LLC has filed an application to commingle production from the Marmaton, Ft. Scott, Lansing, and Mississippi Spergen formations in the McKean Trust 16B-32-1831 well located in the W/2 E/2 SE, 1320' FSL, 990' FEL Sec 32, T-18S, R-31W.

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.
FIML Natural Resources, LLC
410 17th Street, Ste. 900
Denver, CO 80202
Phone: 303-893-5090

RECEIVED
KANSAS CORPORATION COMMISSION

SEP 25 2008

CONSERVATION DIVISION
WICHITA, KS

Proof of Publication

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

Public Notice

(Published in The Scott County Record Thurs., July 10, 2008)1t

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

Re: FIML Natural Resources, LLC-Application for a permit to commingle production from the Marmaton, Ft. Scott, Lansing and Mississippi Spergen formations of the McKean Trust 16B-32-1831 well, located in Scott County, Kansas.

To: All Oil and Gas Producers, Unleased Mineral Interest Owners, Landowners, and all persons who-soever concerned.

You, and each of you, are hereby notified that FIML Natural Resources, LLC has filed an application to commingle production from the Marmaton, Ft. Scott, Lansing, and Mississippi Spergen formations in the McKean Trust 16B-32-1831 well located in the W/2 E/2 SE. 1320' FSL, 990' FEL Sec 32, T-18S, R-31W.

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.

FIML Natural Resources, LLC
410 17th Street, Ste 900
Denver, CO 80202
Phone: 303-893-5090

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 10 day of July, 2008, with subsequent publications being made on the following dates:

_____, 20____
_____, 20____
_____, 20____
_____, 20____

Publication Fee \$ 35⁰⁰

Affidavit, Notary Fee \$ _____

Additional Copies @ _____ \$ _____

Total Publication Fee \$ 35⁰⁰

[Signature]

Publisher

Subscribed and sworn to before me this 11 day of July, 2008

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

[Signature]

Notary Public

My commission expires 10-11-09

RECEIVED
KANSAS CORPORATION COMMISSION

SEP 25 2008

CONSERVATION DIVISION
WICHITA, KS



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

October 14, 2008

Cassie Parks
FIML Natural Resources, LLC
410 17th Street, Suite 900
Denver, CO 80202

RE: Approved Commingling CO090805
McKean Trust 16B-32-1831, Sec. 32-T18S-R31W, Scott County
API No. 15-171-20686-00-01

Dear Ms. Parks:

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 25, 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	
Lansing	10	0	50	4279-4282
Marmaton	20	0	10	4378-4479
Mississippi	6	0	30	4593-4606
Total Estimated Current Production	36	0	90	

Based upon the depth of the Mississippi 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 CO090805 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