



KANSAS CORPORATION COMMISSION 1062580  
 OIL & GAS CONSERVATION DIVISION

Form ACO-4  
 Form must be typed  
 March 2009

APPLICATION FOR COMMINGLING OF PRODUCTION (K.A.R. 82-3-123) OR FLUIDS (K.A.R. 82-3-123a) *Commingling ID #* **CO091101**

OPERATOR: License # 5214 API No. 15 - 15-063-21920-00-00  
 Name: Lario Oil & Gas Company Spot Description: \_\_\_\_\_  
 Address 1: 301 S MARKET ST N2 SE NW Sec. 4 Twp. 13 S. R. 31  East  West  
 Address 2: \_\_\_\_\_ 1650 Feet from  North /  South Line of Section  
 City: WICHITA State: KS Zip: 67202 + 3805 1980 Feet from  East /  West Line of Section  
 Contact Person: Jay Schweikert County: Gove  
 Phone: (316) 265-5611 Lease Name: Ottley Well #: 2-4

1. Name and upper and lower limit of each production interval to be commingled:  
 Formation: Johnson (Perfs): 4534 - 4550  
 Formation: Cherokee (Perfs): 4465 - 4470  
 Formation: Ft. Scott (Perfs): 4444 - 4448  
 Formation: Lansing (Perfs): 4058 - 4062; 4049 - 4052  
 Formation: \_\_\_\_\_ (Perfs): \_\_\_\_\_

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

Formation: <u>Johnson</u>	BOPD: <u>60</u>	MCFPD: <u>0</u>	BWPD: <u>12</u>
Formation: <u>Cherokee</u>	BOPD: <u>18</u>	MCFPD: <u>0</u>	BWPD: <u>15</u>
Formation: <u>Ft. Scott</u>	BOPD: <u>17</u>	MCFPD: <u>0</u>	BWPD: <u>15</u>
Formation: <u>Lansing</u>	BOPD: <u>155</u>	MCFPD: <u>0</u>	BWPD: <u>48</u>
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. Previously Filed with ACO-1:  Yes  No
6. Complete Form ACO-1 (*Well Completion form*) for the subject well.

**For Commingling of FLUIDS ONLY, include the following:**

7. Well construction diagram of subject well.
8. Any available water chemistry data demonstrating the compatibility of the fluids to be commingled.

**AFFIDAVIT:** I am the affiant and 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.

Submitted Electronically

<b>KCC Office Use Only</b>	
<input type="checkbox"/> Denied	<input checked="" type="checkbox"/> Approved
15-Day Periods Ends: <u>9/22/2011</u>	
Approved By: <u>Rick Hestermann</u>	Date: <u>09/22/2011</u>

*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.*

**Affidavit of Notice Served**

Re: Application for: Commingling

Well Name: Ottley #2-4 Legal Location: N2 SE NW Sec. 4-13S-31W

The undersigned hereby certifies that he / she is a duly authorized agent for the applicant, and that on the day 14th of September, 2011, a true and correct copy of the application referenced above was delivered or mailed to the following parties:

Note: A copy of this affidavit must be served as a part of the application.

Name

Address (Attach additional sheets if necessary)

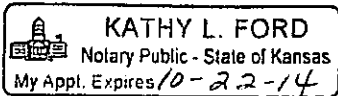
No offset operators - Lario only

I further attest that notice of the filing of this application was published in the Gove County Advocate, the official county publication of Gove county. A copy of the affidavit of this publication is attached.

Signed this 14th day of September, 2011

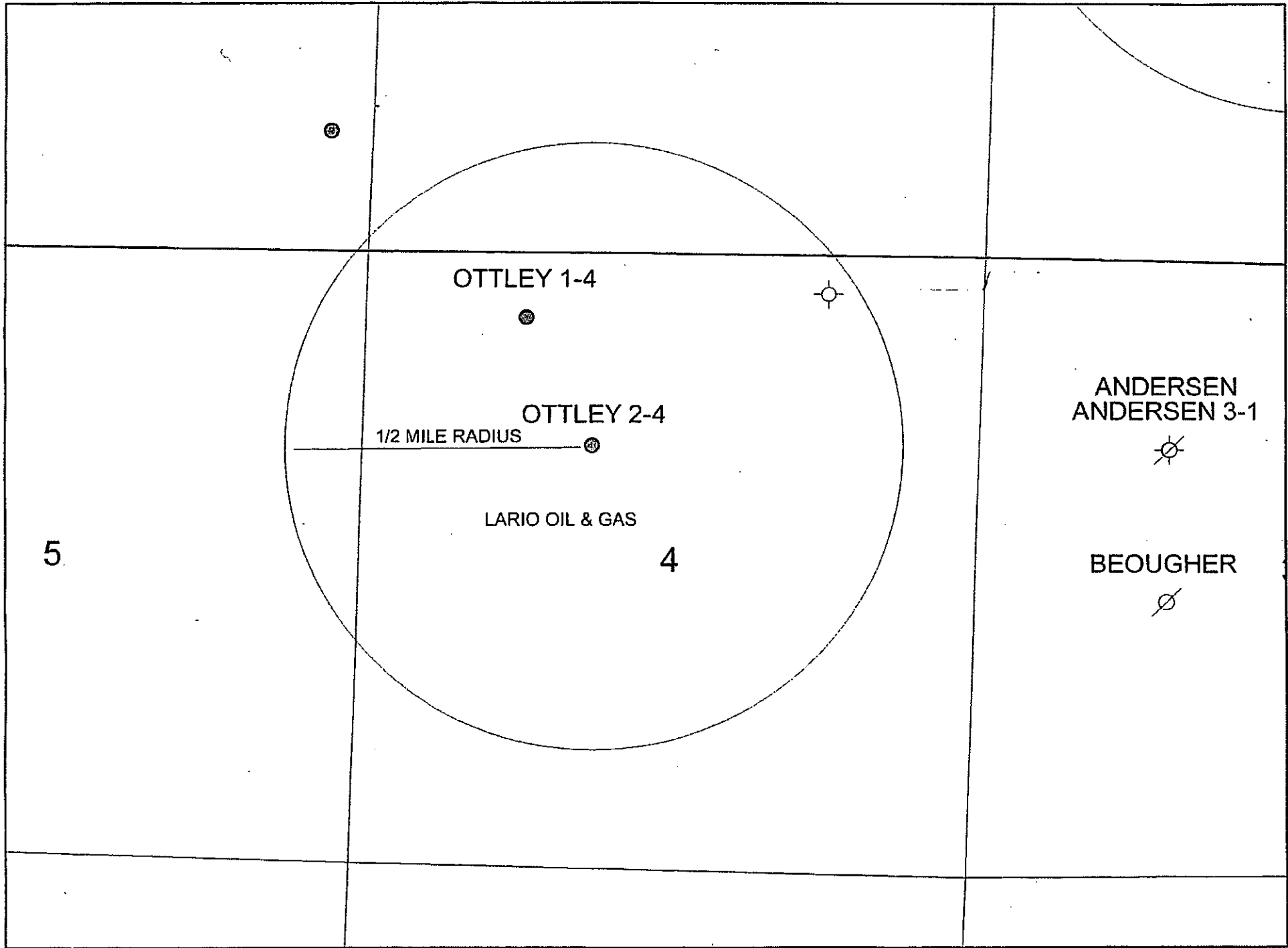
Jay Schweikert  
Applicant or Duly Authorized Agent

Subscribed and sworn to before me this 14th day of September, 2011



Kathy L Ford  
Notary Public  
My Commission Expires: 10-22-14

Protests may be filed by any party having a valid interest in the application. Petitions for protests shall be in writing and shall clearly identify the name and address of the protestant and the title of the application. The petition shall include a clear and concise statement of the direct and substantial interest of the protestant in the proceedings, including the manner in which the protestant may be affected, and the nature, extent, character and grounds of the protest. Protestants shall serve the protest upon the applicant by mail or personal service at the same time or before the protestant files the protest with the Conservation Division. Protests must be filed within 15 days of the publication notice of the application.



**AFFIDAVIT OF PUBLICATION**

State of Kansas,  
Gove County, ss:

Roxanne Broeckelman,  
being first duly sworn, deposes and  
says: That she is  
co-publisher of

Gove County Advocate, a weekly  
newspaper printed in the State of  
Kansas, and published in and of  
general circulation in Gove County,  
Kansas, with a general paid  
circulation on a weekly basis in  
Gove County, Kansas, and that said  
newspaper is not a trade, religious  
or fraternal publication.

Said newspaper is a weekly  
published at least 50 times a year;  
and has been so published  
continuously and uninterruptedly 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 in  
Quinter in said county as periodical  
class mail matter.

That the attached notice is a true  
copy thereof and was published in  
the regular and entire issue of said  
newspaper for one  
consecutive week(s), the first  
publication thereof being made as  
aforesaid on the 7th day  
of September, 2011,  
with subsequent publications being  
made on the following dates:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Printer's Fee ..... \$ 2365  
Additional Copies .... \$ \_\_\_\_\_  
Affidavit Fees ..... \$ 2.00  
Total Publication Fees \$ 2565

Roxanne Broeckelman  
Subscribed and sworn to before me  
this 7th day of  
September, 2011.

Linda L. Zerr  
Notary Public  
My commission expires:  
January 8, 2013

**LEGAL ADVERTISING**  
(Published in the Gove County Advocate,  
Quinter, KS, Wed. September 7, 2011 - 10)  
**BEFORE THE STATE CORPORATION  
COMMISSION OF THE STATE OF KANSAS**  
**NOTICE OF FILING APPLICATION**  
**RE: Laro Oil & Gas Company - Application for**  
**a permit to authorize the commingling of zones**  
**in the Ottley #2-4, located in Gove 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 Laro Oil & Gas Company has filed an  
application to commingle Lansing, Ft. Scott,  
Cherokee and Johnson zones in the Ottley #2  
4, located approximately N2 SE NW Sec. 4  
13S-31W in Gove County, Kansas.  
Any persons who object to or protest this  
application shall be required to file their objec-  
tions 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 sum-  
mary 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.  
**Laro Oil & Gas Company**  
**301 S. Market**  
**Wichita, KS 67202**  
**(316) 265-5611**  
**ATTN: Jay Schweiker**

**LINDA L. ZERR**  
**NOTARY PUBLIC**  
**STATE OF KANSAS**  
My Appt. Exp. 1-8-2013

**AFFIDAVIT**

STATE OF KANSAS \  
- SS.  
County of Sedgwick /

Mark Fletchall, of lawful age, being first duty sworn, depose 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   issues, that the first publication of said notice was

made as aforesaid on the 3rd of

September A.D. 2011, with

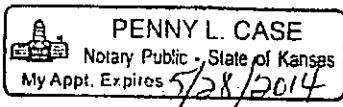
subsequent publications being made on the following dates:

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

*Mark Fletchall*

Subscribed and sworn to before me this

6th day of September, 2011



*Penny L. Case*  
Notary Public Sedgwick County, Kansas

Printer's Fee : \$110.80

**LEGAL PUBLICATION**  
Published in The WICHITA EAGLE  
SEPTEMBER 3, 2011 (3139091)  
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 commencing of zones in the Oilley #2-4 located in Gove 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 Lario Oil & Gas Company has filed an application to commence Lansing, Ft. Scott, Cherokee and Johnson zones in the Oilley #2-4 located approximately N7 SE NW Sec 4-13-31W in Gove 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 Schwelker

OK TO PAY					
Acct	Exp	File			
GC					
KG			SEP 7 2011		DB
HY					MIS
EV					
TD	JS	RE	BY	SP	DM

Conservation Division  
Finney State Office Building  
130 S. Market, Rm. 2078  
Wichita, KS 67202-3802



Phone: 316-337-6200  
Fax: 316-337-6211  
<http://kcc.ks.gov/>

Mark Sievers, Chairman  
Ward Loyd, Commissioner  
Thomas E. Wright, Commissioner

Sam Brownback, Governor

September 22, 2011

Jay Schweikert  
Lario Oil & Gas Company  
301 S. Market  
Wichita, KS 67202-3805

RE: Approved Commingling CO091101  
Otley 2-4, Sec.4-T13S-R31W, Gove County  
API No. 15-063-21920-00-00

Dear Mr. Schweikert:

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. 82-3-123. 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 14, 2011 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	
Johnson	60	0	12	4534-4550
Cherokee	18	0	15	4465-4470
Ft. Scott	17	0	15	4444-4448
Lansing	155	0	48	4058-4062; 4059-4052
Total Estimated Current Production	250	0	90	

Based upon the depth of the Johnson formation perforations, total oil production shall not exceed 200 BOPD and total gas production shall not exceed 50% of the absolute open flow (AOF).

**Production from the well must be adjusted to comply with the allowable limit of 200 BOPD.**

Commingling ID number CO091101 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