



KANSAS CORPORATION COMMISSION 1090995
 OIL & GAS CONSERVATION DIVISION

Form ACO-4
 Form must be typed
 March 2009

APPLICATION FOR COMMINGLING OF **Commingling ID # CO081233**
 PRODUCTION (K.A.R. 82-3-123) OR FLUIDS (K.A.R. 82-3-123a)

OPERATOR: License # 9855
 Name: Grand Mesa Operating Company
 Address 1: 1700 N WATERFRONT PKWY BLDG 600
 Address 2: _____
 City: WICHITA State: KS Zip: 67206 + 5514
 Contact Person: Ronald N. Sinclair
 Phone: (316) 265-3000

API No. 15 - 15-063-22000-00-00
 Spot Description: _____
NE SW SE NW Sec. 26 Twp. 13 S. R. 31 East West
2180 Feet from North / South Line of Section
1707 Feet from East / West Line of Section
 County: Gove
 Lease Name: PHILLIP Well #: 1-26

1. Name and upper and lower limit of each production interval to be commingled:
 Formation: Ft. Scott (Perfs): 4398-4408
 Formation: Johnson (Perfs): 4491-4495
 Formation: _____ (Perfs): _____
 Formation: _____ (Perfs): _____
 Formation: _____ (Perfs): _____

2. Estimated amount of fluid production to be commingled from each interval:
 Formation: Ft. Scott BOPD: 60 MCFPD: 0 BWPD: 55
 Formation: Johnson BOPD: 28 MCFPD: 0 BWPD: 21
 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. 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

KCC Office Use Only	
<input type="checkbox"/> Denied	<input checked="" type="checkbox"/> Approved
15-Day Periods Ends: <u>9/6/2012</u>	
Approved By: <u>Rick Hestermann</u>	Date: <u>09/06/2012</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 of Production

Well Name: Phillip #1-26

Legal Location: NE/SW/SE/NW Section 26-13S-31W, Gove County, Kansas

The undersigned hereby certifies that he/she is a duly authorized agent for the applicant, and that on the 22nd day of August, 2012, a true and correct copy of the application referenced above was delivered or mailed to the following parties:

**Shakespeare Oil Company, Inc., 202 W. Main, Salem, IL 62881
Grand Mesa Operating Company, 1700 N. Waterfront Pkwy, B600,
Wichita, KS 67206-5514**

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, Kansas** and the **Wichita Eagle**, Wichita, Kansas. Copies of these affidavits of publication are attached.

Signed this 22nd day of August, 2012.

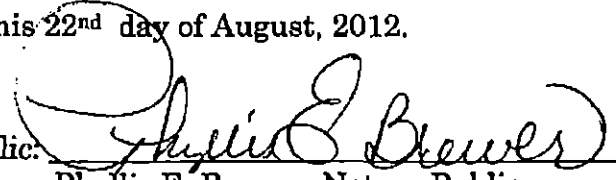
GRAND MESA OPERATING COMPANY

Applicant of Duly Authorized Agent:


Ronald N. Sinclair, President

Subscribed and sworn to before me this 22nd day of August, 2012.

Notary Public:


Phyllis E. Brewer, Notary Public
11817 W. Jamesburg St.
Wichita, KS 67212

My Commission Expires: July 21, 2015

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

RE: Grand Mesa Operating Company, License #9855– Application for a commingling of production for the Phillip #1-26, located in Gove County, Kansas.

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

You, and each of you, are hereby notified that Grand Mesa Operating Company – has filed an application for commingling production or fluids from the Ft. Scott and the Johnson Formations. The subject well, the Phillip #1-26, is located 2180 feet from the north line and 1707 feet from the west line in the NE SW SE NW of Section 26, Township 13 South, Range 31 West, Gove County, Kansas.

Any persons who object to or protest this application shall be required to file their objections or protest with the Conservation Division of the State Corporation Commission of the State of Kansas within fifteen (15) days of the publication of this notice. These protests shall be filed pursuant to Commission regulations and must state specific reasons why granting 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.

Grand Mesa Operating Company
Ronald N. Sinclair, President
1700 N. Waterfront Pkwy, Bldg 600
Wichita, KS 67206-5514
(316) 265-3000

13S/31W

22

23

Ritchie Exploration, Inc.

Shakespeare Oil Co.

Grand Mesa Operating

Grand Mesa Operating

27

Phillip 1-26

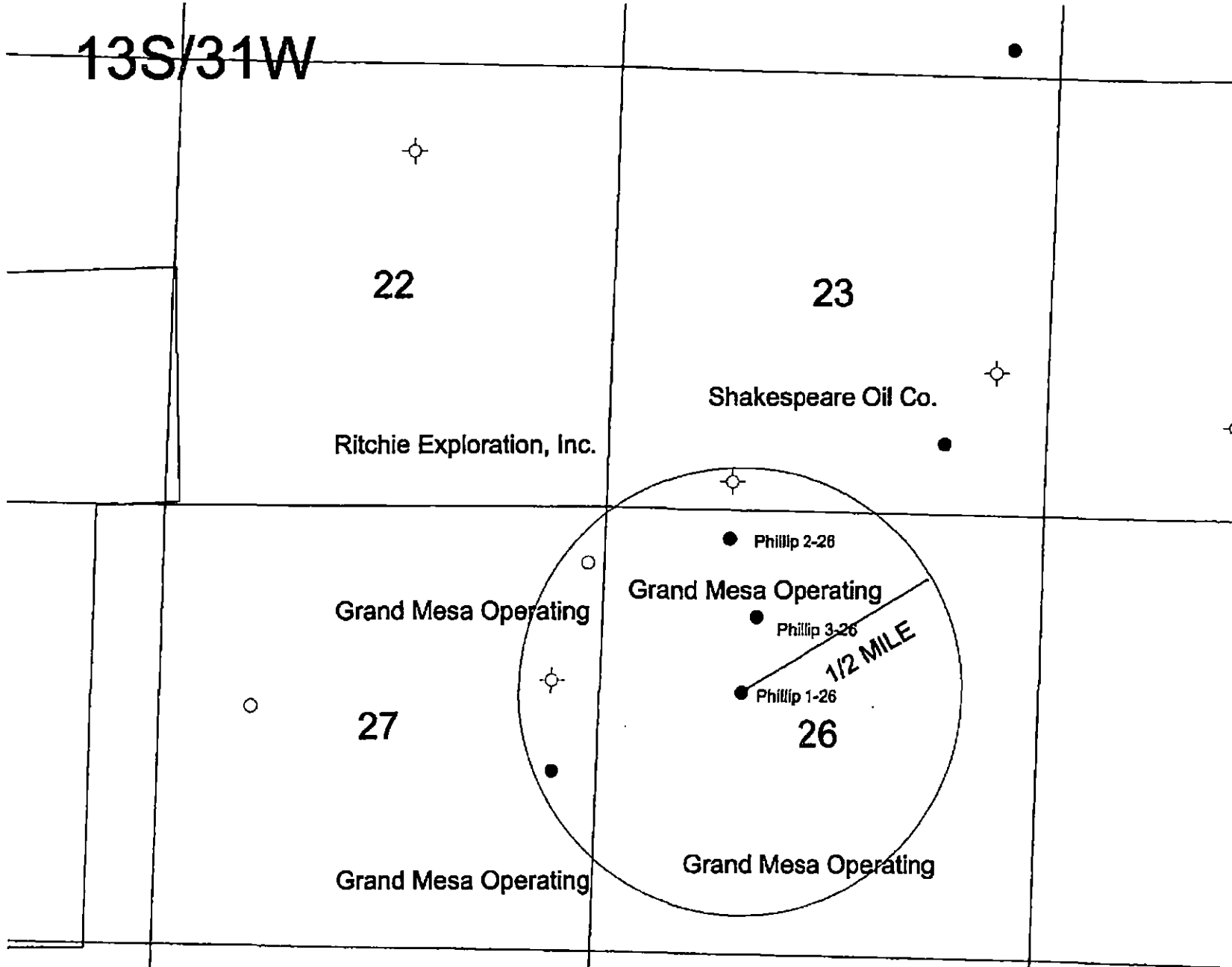
Phillip 3-26

26

Grand Mesa Operating

Grand Mesa Operating

1/2 MILE



**GRAND
MESA**

OPERATING COMPANY

(316) 265-3000
FAX: (316) 265-3455

1700 N. WATERFRONT PARKWAY
BLDG. 800
WICHITA, KANSAS 67206-5514

August 22, 2012

Shakespeare Oil Company, Inc.
202 W. Main
Salem, IL 62881

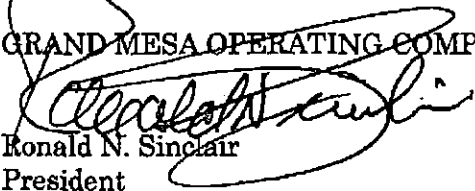
RE: Application for Commingling
Phillip #1-26; NE/SW/SE/NW Sec. 26-13S-31W
Gove County, Kansas

To Whom It May Concern:

Per Kansas Corporation Commission (KCC) regulations 82-3-123 and 82-3-135(a) Grand Mesa Operating Company is providing notice to you regarding the commingling of wellbore production in the above-described well. Please find the attached "APPLICATION FOR COMMINGLING OF PRODUCTION OR FLUIDS", KCC form ACO-4. If you have any questions, please contact me at (316) 265-3000.

Very truly yours,

GRAND MESA OPERATING COMPANY


Ronald N. Sinclair
President

RNS;peb

Enclosures

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 22nd day
of August, 2012,
with subsequent publications being
made on the following dates:

Printer's Fee\$ 23.65
Additional Copies\$ _____
Affidavit Fees\$ 2.00
Total Publication Fees .\$. 25.65

Roxanne Broeckelman

Subscribed and sworn to before me
this 22nd day of
August, 2012

Linda L. Zerr
Notary Public

My commission expires:
January 8, 2013

LEGAL ADVERTISING
(Published in the Gove County Advocate,
Quinter, KS, Wed., August 22, 2012 - 11)
**BEFORE THE STATE CORPORATION
COMMISSION OF THE STATE OF KANSAS
NOTICE OF FILING APPLICATION**
RE: Grand Mesa Operating Company; License
#9855- Application for a commingling of pro-
duction for the Phillip #1-26, located in Gove
County, Kansas.
TO: All Oil & Gas Producers, Unleased Mineral
Interest Owners, Landowners and all persons
concerned.

You, and each of you, are hereby notified
that Grand Mesa Operating Company - has
filed an application for commingling production
or fluids from the Ft. Scott and the Johnson
Formations. The subject well, the Phillip #1-26,
is located 2180 feet from the north line and
1707 feet from the west line in the NE SW SE
NW of Section 26, Township 13 South, Range
31 West, Gove County, Kansas.

Any persons who object to or protest this
application shall be required to file their objec-
tions or protest with the Conservation Division
of the State Corporation Commission of the
State of Kansas within fifteen (15) days of the
publication of this notice. These protests shall
be filed pursuant to Commission regulations
and must state specific reasons why granting
the application may cause waste, violate correl-
ative 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.

Grand Mesa Operating Company
Ronald N. Sinclair, President
1700 N. Waterfront Plaza, Bldg 600
Wichita, KS 67206-6514
(316) 265-3000

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

AFFIDAVIT

STATE OF KANSAS

- SS.

County of Sedgwick

Mark Fletchall, of lawful age, being first duly sworn, deposeth 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 20th of

August A.D. 2012, 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

20th day of August, 2012

PENNY L. CASE
Notary Public - State of Kansas
My Appt. Expires 5/28/2016

Penny L. Case
Notary Public Sedgwick County, Kansas

Printer's Fee : **\$108.40**

LEGAL PUBLICATION

PUBLISHED IN THE WICHITA EAGLE
AUGUST 20, 2012 (3202282)
BEFORE THE STATE CORPORATION
COMMISSION OF THE STATE OF KANSAS
NOTICE OF FILING APPLICATION

RE: Grand Mesa Operating Company, License #9835- Application for a commingling of production for the Phillip #1-26, located in Gove County, Kansas.
TO: All Oil & Gas Producers, Unleased Mineral Interest Owners, Landowners and all persons concerned.

You, and each of you, are hereby notified that Grand Mesa Operating Company - has filed an application for commingling production or fluids from the Ft. Scott and the Johnson Formations. The subject well, the Phillip #1-26, is located 2160 feet from the north line and 1707 feet from the west line in the NE SW SE NW of Section 26, Township 13 South, Range 31 West, Gove County, Kansas.

Any persons who object to or protest this application shall be required to file their objections or protest with the Conservation Division of the State Corporation Commission of the State of Kansas within fifteen (15) days of the publication of this notice. These protests shall be filed pursuant to Commission regulations and must state specific reasons why granting 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.

Grand Mesa Operating Company
Ronald N. Sinclair, President
1700 N. Waterfront Pkwy, Bldg 600
Wichita, KS 67296-3514
(316) 265-3000

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
Thomas E. Wright, Commissioner

Sam Brownback, Governor

September 6, 2012

Ronald N. Sinclair
Grand Mesa Operating Company
1700 N Waterfront Pkwy, Bldg 600
Wichita, KS 67206-5514

RE: Approved Commingling CO081233
Phillip 1-26, Sec.26-T13S-R31W, Gove County
API No. 15-063-22000-00-00

Dear Mr. Sinclair:

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 August 27, 2012, 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	
Ft. Scott	60.0	0.0	55.0	4398-4408
Johnson	28.0	0.0	21.0	4491-4495
Total Estimated Current Production	88.0	0.0	76.0	

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).

Commingling ID number CO081233 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