

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 061004

Operator Information:

License #: 30606
Name: Murfin Drilling Company, Inc.
Address: 250 N. Water
City/State/Zip: Wichita, KS 67202
Contact Person: Kenneth Dean
Phone #: 316-267-3241

Well Information:

API #: 15 - 109-20842 -00-00
Lease Name: Blagg Well #: 1-36
Spot: SW - NE - NW - NE Sec. 36 Twp. 12 S. R. 33 East
County: LOGAN West
Feet from North / South Line of Section: 650
Feet from East / West Line of Section: 1750

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

Formation: Lansing/Kansas City (Perfs): 4227-34, 4259-69.
Formation: Ft Scott (Perfs): 4551-55.
Formation: Johnson Zone (Perfs): 4621-33
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____

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

Formation: Lansing/ Kansas City BOPD: 94 MCFPD: _____ BWPD: 6
Formation: Ft Scott BOPD: 40 MCFPD: _____ BWPD: 4
Formation: Johnson Zone BOPD: 26 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.
- 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.

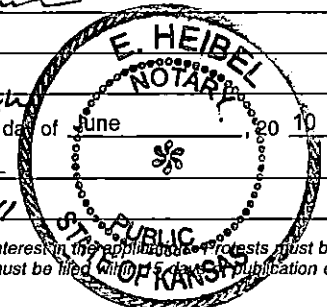
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KANSAS CORPORATION COMMISSION
JUN 11 2010
CONSERVATION DIVISION
WICHITA, KS

State of Kansas)
)
County of Logan)

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: Kenneth Dean
Title: Production Geologist
Subscribed & sworn to before me this 10th day of June, 2010
Notary Public: [Signature]
My Commission Expires: 4/11/2011



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.

KCC Office Use Only
 Denied Approved
KCC Date Received: _____ 15-Day Periods Ends: 6/25/10
Approved By: _____ Date: _____

KANSAS
CORPORATION COMMISSION

Mark Parkinson, Governor
Thomas E. Wright, Chairman
Joseph F. Harkins, Commissioner
Ward Loyd, Commissioner

June 25, 2010

Kenneth Dean
Murfin Drilling Company, Inc.
250 N. Water
Wichita, KS 67202

RE: Approved Commingling CO061004
Blagg 1-36, Sec. 36-T12S-R33W, Logan County
API No. 15-109-20842-00-00

Dear Mr. Dean:

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 June 11, 2010 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/Kansas City	94	0	6	4227-4234, 4259-4269
Ft. Scott	40	0	4	4551-4555
Johnson Zone	26	0	0	4621-4633
Total Estimated Current Production	160	0	10	

Based upon the depth of the Johnson Zone 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 CO061004 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

CONSERVATION DIVISION

Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802
(316) 337-6200 • Fax: (316) 337-6211 • <http://kcc.ks.gov/>

Affidavit of Notice Served

Re: Application for: ACO-4 Application for Commingling of Production or Fluids

Well Name: Blagg #1-36 Legal Location: SW NE NW NE Sec. 36-12S-33W, Logan Co.

The undersigned hereby certifies that he / she is a duly authorized agent for the applicant, and that on the day 10th of June

2010, 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)

SEE ATTACHMENT

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JUN 11 2010

CONSERVATION DIVISION
WICHITA, KS

I further attest that notice of the filing of this application was published in the Oakley Graphic, the official county publication of Logan county. A copy of the affidavit of this publication is attached.

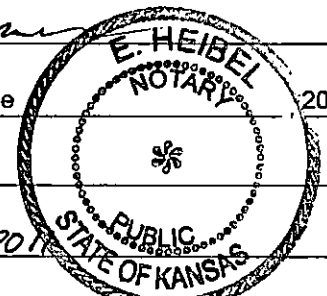
Signed this 10th day of June, 2010

[Signature]
Applicant of Duly Authorized Agent

Subscribed and sworn to before me this 10th day of June, 2010

[Signature]
Notary Public

My Commission Expires: 4/11/2011



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.

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 30606
Name: Murfin Drilling Company, Inc.
Address: 250 N. Water, Suite 300
City/State/Zip: Wichita, Kansas 67202
Purchaser: MV Purchasing
Operator Contact Person: Leon Rodak
Phone: (316) 267-3241
Contractor: Name: Murfin Drilling Company, Inc.
License: 30606
Wellsite Geologist: Tom Funk

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SLOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Re-entry: Old Well Info as follows:
Operator: _____
Well Name: _____
Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to Enhr./SWD
 Plug Back Plug Back Total Depth
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (SWD or Enhr.?) Docket No. _____

<u>05/20/09</u>	<u>05/28/09</u>	<u>06/12/09</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

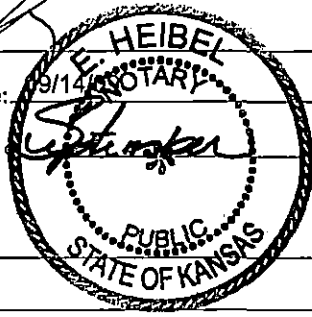
API No. 15 - 109-20842-0000
County: Logan
SW NE NW NE Sec. 36 Twp. 12 S. R. 33 East West
500 FNL _____ feet from S N (circle one) Line of Section
1750 FEL _____ feet from E W (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Blagg Well #: 1-36
Field Name: Unknown
Producing Formation: LKC
Elevation: Ground: 3091 Kelly Bushing: 3101
Total Depth: 4750 Plug Back Total Depth: 4721
Amount of Surface Pipe Set and Cemented at 217 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set 2572 Feet
If Alternate II completion, cement circulated from 2572
feet depth to surface w/ 215 sx cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used _____
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Docket No.: _____

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: _____
Title: Leon Rodak, VP Production Date: 9/14/2009
Subscribed and sworn to before me this 14th day of September
2009
Notary Public: _____
Date Commission Expires: 4/11/2011



KCC Office Use ONLY
 Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

Operator Name: Murfin Drilling Company, Inc. Lease Name: Blagg Well #: 1-36
 Sec. 36 Twp. 12 S. R. 33 East West County: Logan

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken Yes No
 (Attach Additional Sheets)
 Samples Sent to Geological Survey Yes No
 Cores Taken Yes No
 Electric Log Run Yes No
 (Submit Copy)

Log Formation (Top), Depth and Datum Sample
 Name Top Datum

SEE ATTACHED LIST

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 WICHITA, KS

List All E. Logs Run:

Dual Induction, Compensated Porosity,
 Microresistivity

CASING RECORD <input type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface		8 5/8	23#	217	Common	165 sx	3% cc, 2% gel
Production		4 1/2	10.5#	4745	EA-2	200 sx	

ADDITIONAL CEMENTING / SQUEEZE RECORD

Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate				
<input type="checkbox"/> Protect Casing				
<input type="checkbox"/> Plug Back TD				
<input type="checkbox"/> Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
4	4227 - 4234 LKC "H"	250 gal 15% MCA, 750 gal 15% NEFE	
4	4259 - 4269 LKC "I"	250 gal 15% MCA, 750 gal 15% NEFE	
4	4551 - 4555 Fort Scott	250 gal 15% MCA, 750gal 15% NEFE	
4	4621 - 4633 Johnson (Under Packer)	750 gal 15% MCA	

TUBING RECORD	Size	Set At	Packer At	Liner Run
	2-3/8	4603	4603	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Date of First, Resumard Production, SWD or Enhr.	Producing Method
07/03/09	<input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	134		10		36.4

Disposition of Gas Vented Sold Used on Lease (If vented, Submit ACO-18.)

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled

Production Interval Other (Specify) _____

U-8 page 3 attachment
Offset Operators and Unleased Mineral Owners

Murfin Drilling Company, Inc
Commingling Application
Blagg # 1-36
SW NE NW NE
Sec. 36-12S-33W
Logan, Co., KS

Name	Leasehold
Murfin Drilling Company, Inc. 250 N Water Wichita, KS 67202	N/2, SW/4, and N/2 SE/4 Sec. 25, and NE/4 Sec. 36 in T12S-R33W SW/4 Sec 30-12S-32W
Gary & Mary Stoecker 2016 County Rd 400 Oakley, KS 67748	W/2 Sec. 36-12S-33W
Vernon & Marge Stoecker 308 S Hudson Ave. Oakley, KS 67748	NW/4 Sec. 31-12S-32W, and S/2 SE/4 Sec. 25-12S-33W
Jolene & Steve Badger 207 Hudson Oakley, KS 67748	SE/4 Sec. 36-12S-33W

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JUN 11 2010

CONSERVATION DIVISION
WICHITA, KS

Proof of Publication

Affidavit of Publication
State of Kansas,
LOGAN COUNTY, ss:

Barbara Glover
being first duly sworn, deposes and says, that
She

is the editor of **THE OAKLEY GRAPHIC**, a weekly newspaper printed in the State of Kansas, and published in and of general circulation in Logan County, Kansas, with a general paid circulation on a weekly and that said newspaper is not a trade, religious, or fraternal publication.

Said newspaper is a weekly, published at least weekly 50 times a year; 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 of Oakley in said county as second class matter.

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 3 day of Feb 20 10 with subsequent publications being made on the following dates:

- 1st Publication was made on the 3 day of Feb, 20 10
- 2nd Publication was made on the _____ day of _____, 20 _____
- 3rd Publication was made on the _____ day of _____, 20 _____
- 4th Publication was made on the _____ day of _____, 20 _____
- 5th Publication was made on the _____ day of _____, 20 _____
- 6th Publication was made on the _____ day of _____, 20 _____

Publication fee \$ 36.72
 Affidavit, Notary's Fees \$ _____
 Additional Copies @ _____ \$ _____
 Total Publication Fee \$ 36.72

(Signed) Barbara Glover

Witness my hand this 24 day of May, 20 10

SUBSCRIBED and SWORN to before me this 24 day of May, 20 10.

Kelly C Anderson
(Notary Public)

My commission expires 2.7.2014



Legal Notice

Published in the Oakley Graphic Feb. 3, 2010
BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS
NOTICE OF FILING APPLICATION

RE: Murfin Drilling Co., Inc.- Application for Commingling of Production on the Blagg#1-36, located in Logan County, Kansas.

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

You, and each of you, are hereby notified that Murfin Drilling Company, Inc. has filed an application for Commingling of Production from the Lansing/ Kansas City, Ft. Scott, and Johnson Zone at the Blagg#1-36 well located in the SW NE NW NE of Sec. 36-12S-33W, Logan Co., KS.

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 from the date of this publication. These protests shall be 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.

Murfin Drilling Company, Inc.
250 N. Water, Suite 300-
Wichita, KS 67202
316-267-3241

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JUN 11 2010

CONSERVATION DIVISION
WICHITA, KS

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 - weeks, that the first publication of said notice was

made as aforesaid on the 12th of


February A.D. 2010, 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

12th day of February, 2010

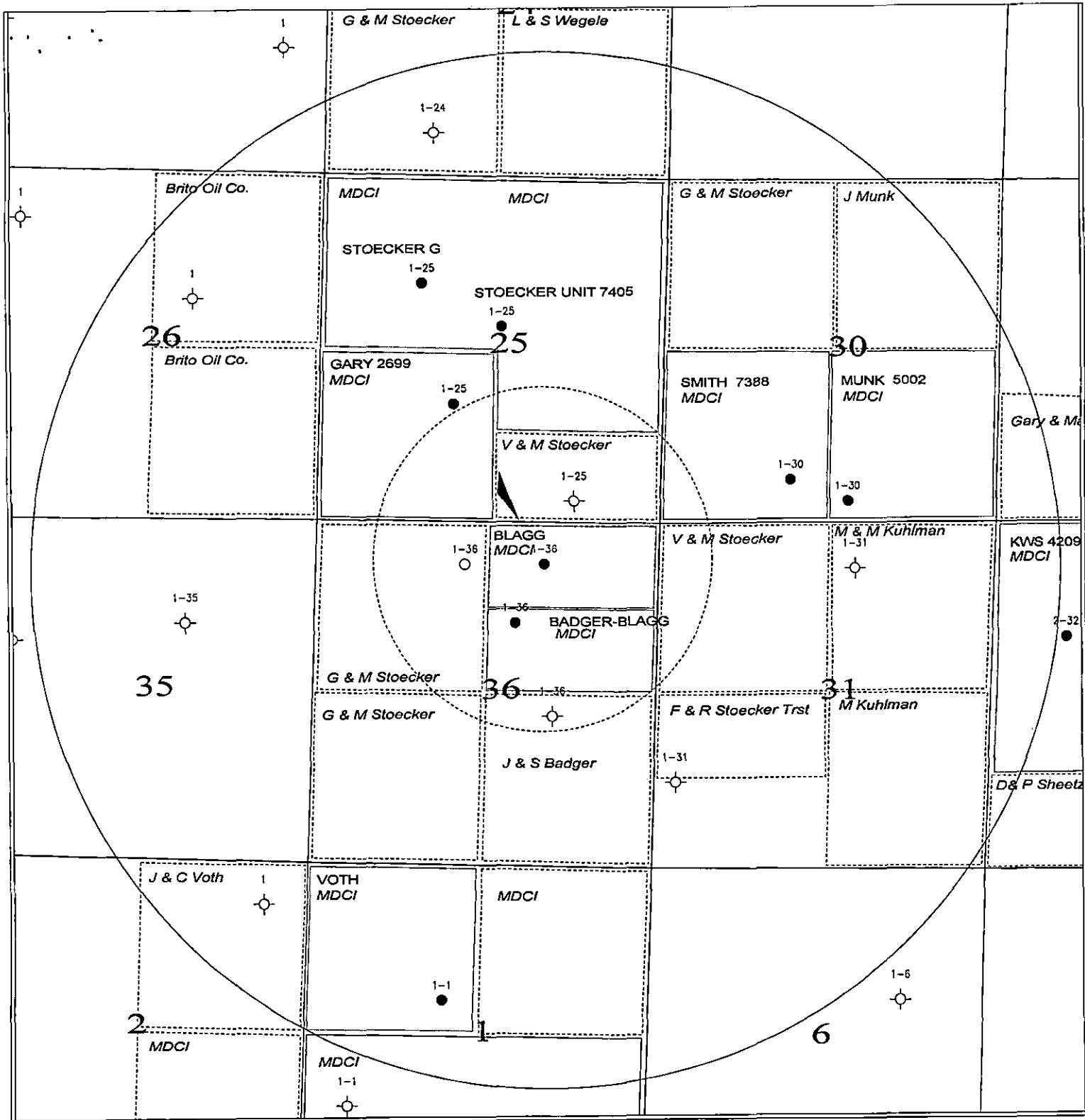
 LINDA D. TOON
Notary Public - State of Kansas
My Appt. Expires 3-13-2013

Linda D. Toon
Notary Public Sedgwick County, Kansas

Printer's Fee : \$76.00

LEGAL PUBLICATION
Published in the Wichita Eagle
February 12, 2010 (3014702)
BEFORE THE STATE
CORPORATION COMMISSION
OF THE STATE OF KANSAS
NOTICE OF FILING APPLICATION
RE: Murfin Drilling Co., Inc.- Application for
Commingleing of Production on the Blagg #1-
36, located in Logan County, Kansas.
TO: All Oil and Gas Producers, Unleased
Mineral Interest Owners, Landowners, and
all persons whomever concerned.
You, and each of you, are hereby notified
that Murfin Drilling Company, Inc. has filed
an application for Commingleing of
Production from the Lansing/Kansas City,
F1 Scott, and the Johnson Zone of the Blagg
#1-36 well located in the SW NE NW NE of
Sec. 36-12S-33W, Logan Co., KS.
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 from the date of this
publication. These protests shall be
pursuant to Commisssion 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.
Murfin Drilling Company, Inc.
250 N. Water, Suite 300
Wichita, KS 67202
316-267-3241

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CONSERVATION DIVISION
WICHITA, KS



12S / 32-33W

LEGEND

- ⊕ DRY HOLE
- OIL WELL
- / PLUGGED OIL WELL
- △ INJECTION WELL

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JUN 11 2010

CONSERVATION DIVISION
WICHITA, KS

MURFIN DRILLING COMPANY, INC.

Commingling App. Blagg #1-36
SEC. 36-12S-33W, LOGAN CO.

Ken Deon	6/2/2010
Scale 1:25000.	

Company MURFIN DRILLING COMPANY, INC.
 Well BLAGG #1-36
 Field FUNKY OWENS
 County LOGAN
 State KANSAS

Company MURFIN DRILLING COMPANY, INC.
 Well BLAGG #1-36
 Field FUNKY OWENS
 County LOGAN State KANSAS
 Location: API #: 15-109-20,842-00-00
 650' FNL & 1750' FEL
 SEC 36 TWP 12S RGE 33W
 Other Services
 Elevation
 Permanent Datum GROUND LEVEL Elevation 3091
 Log Measured From KELLY BUSHING 10' A.G.L. K.B. 3101
 Drilling Measured From KELLY BUSHING D.F.
 G.L. 3091

Date	JUNE 3, 2009		
Run Number	ONE		
Depth Driller	4750		
Depth Logger	4721		
Bottom Logged Interval	4720		
Top Log Interval	3280		
Open Hole Size			
Type Fluid	WATER		
Density / Viscosity			
Max. Recorded Temp.	123F		
Estimated Cement Top	3480	PORT COLLAR	2572
Time Well Ready			
Time Logger on Bottom			
Equipment Number	PT-06		
Location	HAYS		
Recorded By	BOB KLAUS		
Witnessed By	MR. JOHN TURNER		

Borehole Record				Tubing Record			
Run Number	Bit	From	To	Size	Weight	From	To
ONE	12.25	00	219				
TWO	7.875	219	4750				

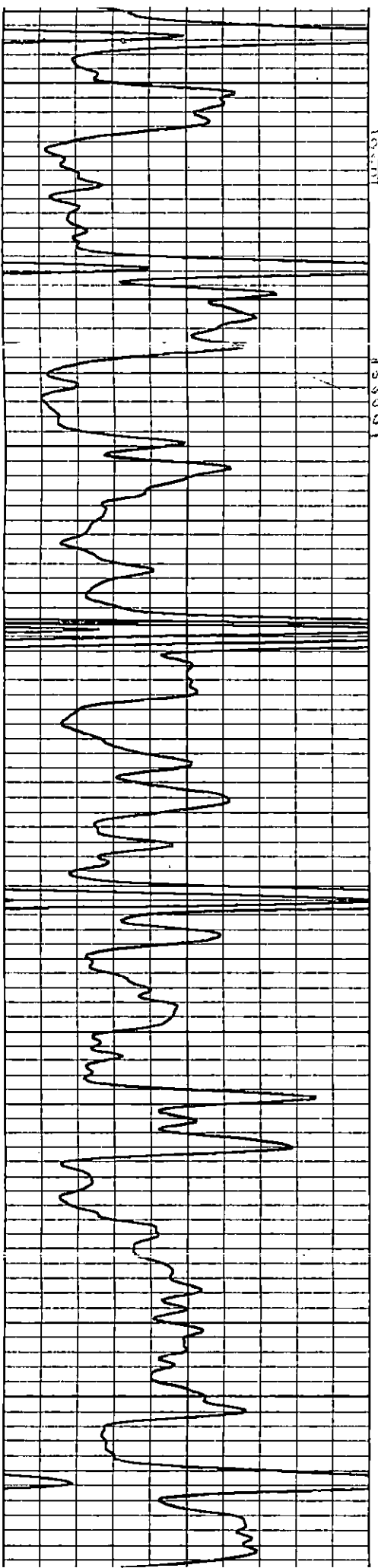
Casing Record	Size	Wgt/Ft	Top	Bottom
Surface String	8 5/8	23#	00	219
Prot. String				
Production String	4 1/2	10.5#	00	4749
Liner				

A
>>> Field File >>>

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JUN 11 2010.

CONSERVATION DIVISION
WICHITA, KS

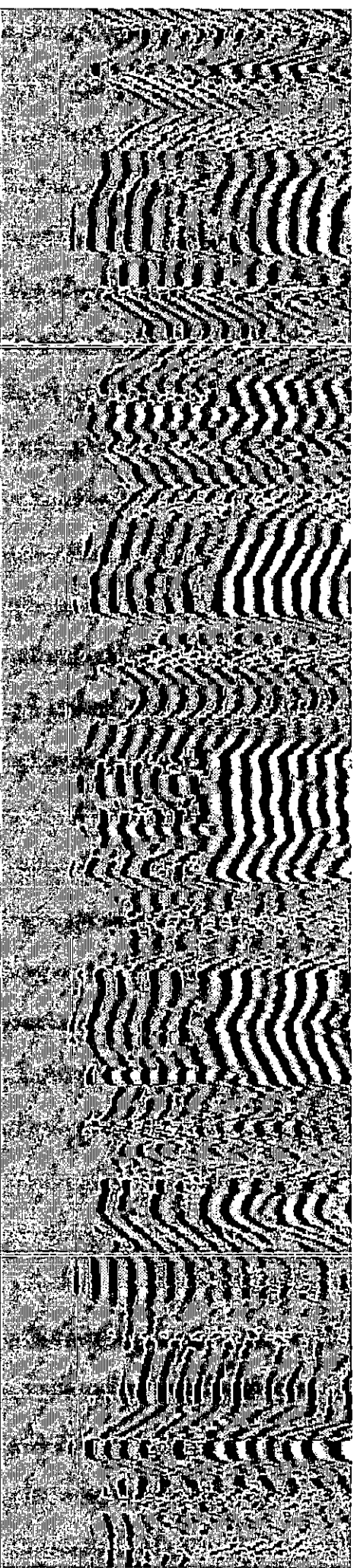
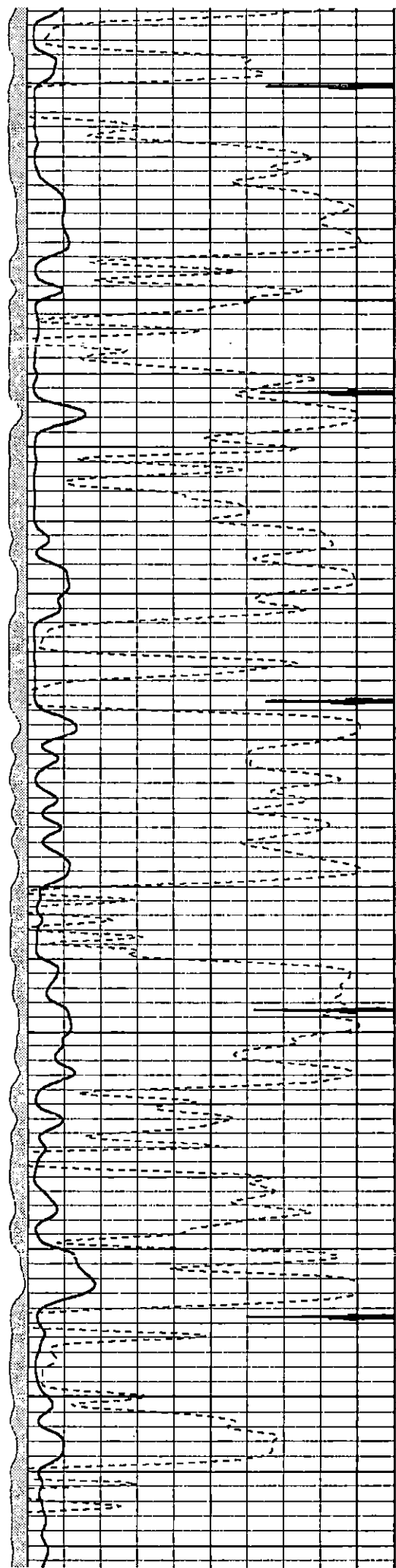


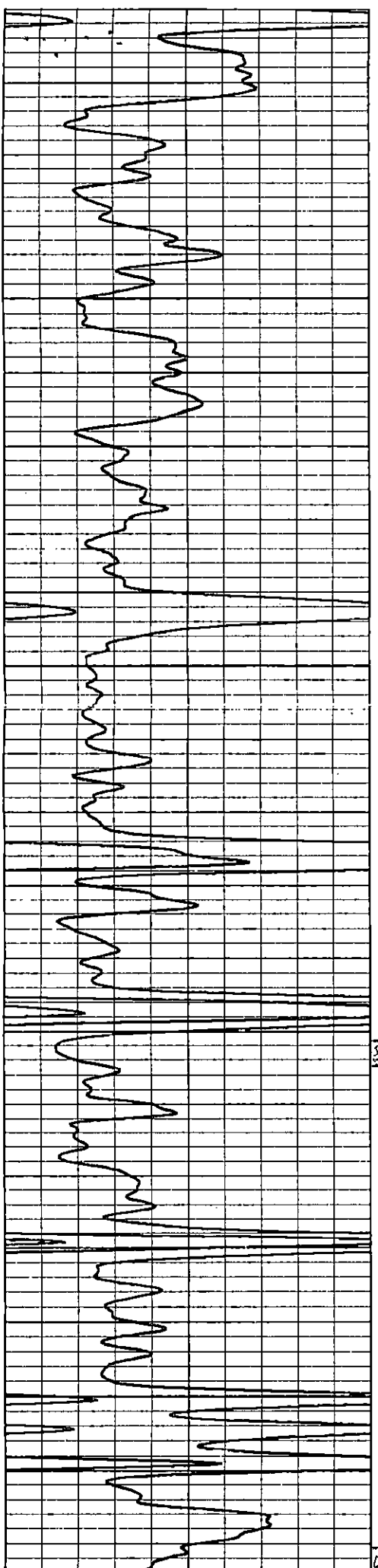
4250

4300

4350

4400



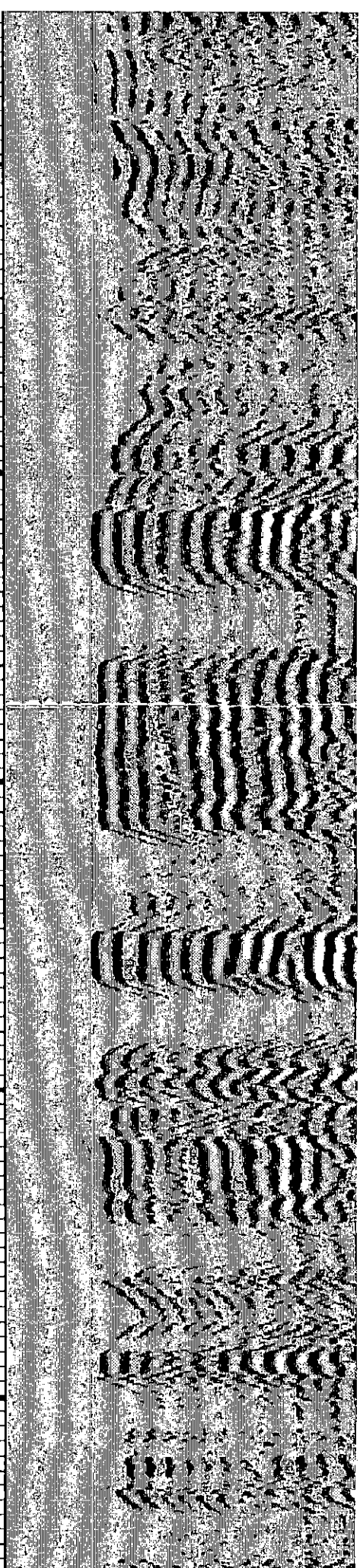
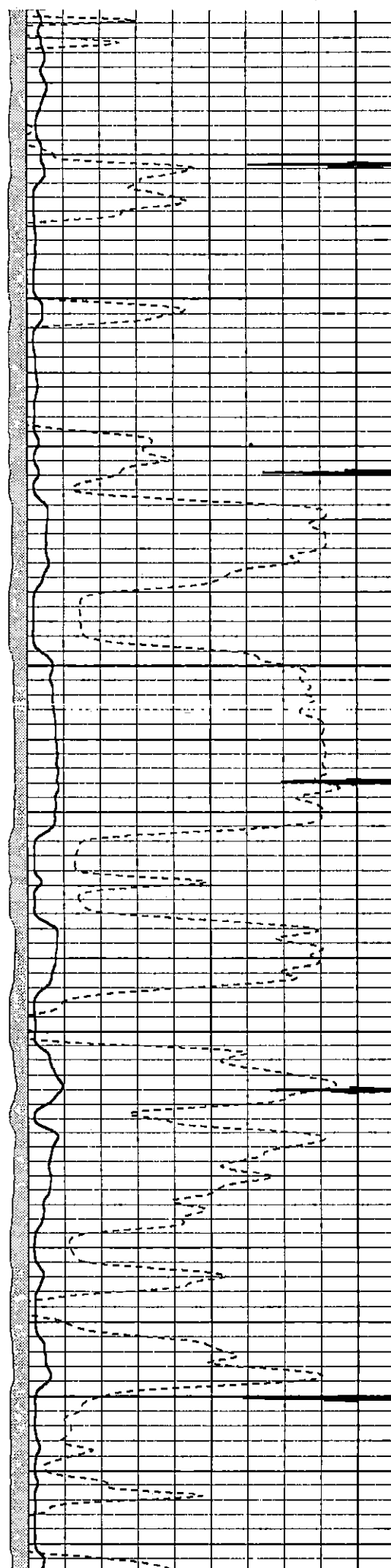


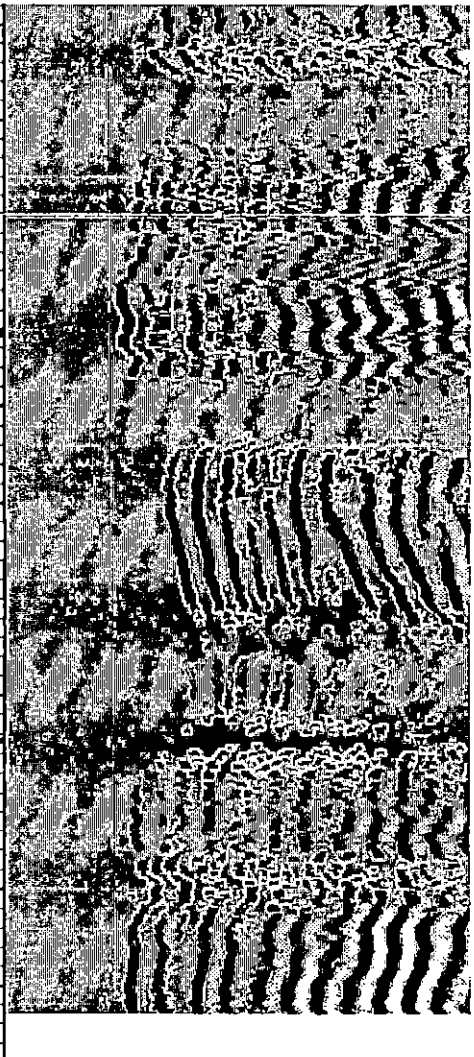
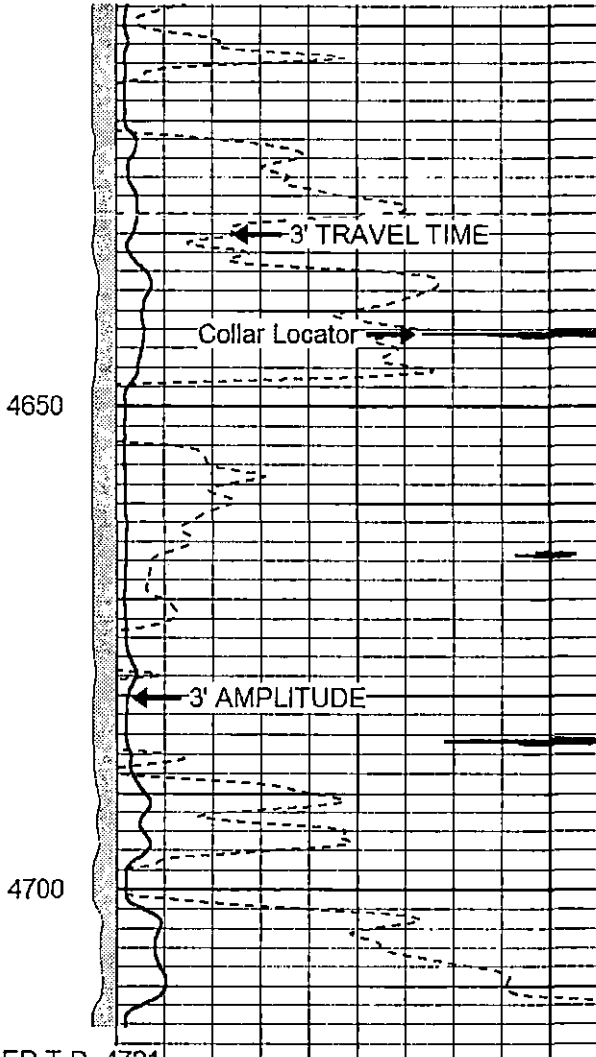
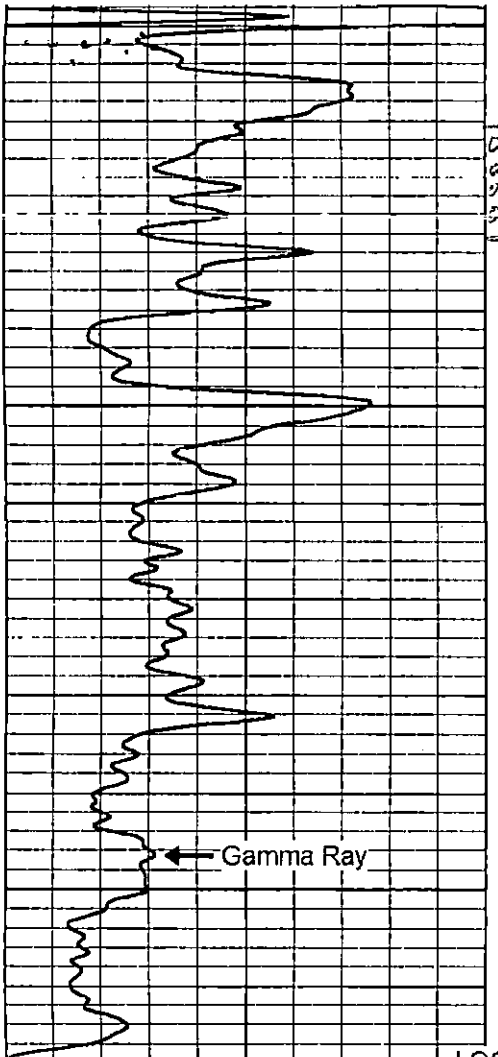
4450

4500

4550

4600





0	Gamma Ray (GAPI)	150
---	------------------	-----

0	3' AMPLITUDE (mV)	100
775	3' TRAVEL TIME (usec)	275
9	Collar Locator	-1

200	5' Variable Density	1100
-----	---------------------	------

Perf-Tech
Wireline Services

REPEAT SECTION

Database File: june309.db
 Dataset Pathname: pass2
 Presentation Format: 3x5
 Dataset Creation: Wed Jun 03 13:30:48 2009 by Log Std Casedhole 07081
 Charted by: Depth in Feet scaled 1:240

0	Gamma Ray (GAPI)	150
---	------------------	-----

0	3' AMPLITUDE (mV)	100
775	3' TRAVEL TIME (usec)	275
9	Collar Locator	-1

200	5' Variable Density	1100
-----	---------------------	------

