PHOENIX
TECHNOLOGY SERVICES

March 11, 2015

Merit Energy Company
Attention: Regulatory Department
13727 Noel Rd., Suite 1200
Dallas, TX 75240

Re: Merit Energy
Edna Jones 31-1
Finney County, KS
API #15-055-22380
Job No. 1512824

Dear Regulatory Department;

Phoenix Technology Services, Inc. has filed the survey certification, surveys, and lease plat for the above referenced well with the State of Kansas Oil Conservation Division – District 1 via certified mail. A copy of the filing is attached for your records.

Name of Surveyor	Drainhole Number	Surveyed Depths		Dates Performed		Type of Survey
		From	To	Start	End	
Jeremiah Underwood	31-1	1,717	4,533	01/24/15	01/27/15	MWD

Thank you for the opportunity to be of service. Please contact me if you have any questions or require additional information.

Best Regards,
Bobbi Jo Jorgensen

Bobbi Jo Jorgensen
Operations Administrator

12329 Cutten Rd. Houston, TX 77066 • Phone (713) 337-0600 • Fax (713) 337-0599
www.phxtech.com

Phoenix Technology Services
SURVEY DATA CERTIFICATION

PHOENIX TECHNOLOGY SERVICES

PHOENIX JOB NUMBER	1512824	ENERGY COMPANY	Merit Energy
WELL NAME	Edna Jones 31-1	COUNTY & STATE	Finney Co., Kansas
API WELL NUMBER	15-055-22380	PROPOSED DIRECTION	0.00

TIE-IN DATA

MEASURED DEPTH	VERTICAL DEPTH	INCLIN	AZIMUTH	N-S COORD	E-W COORD	DATA SOURCE
.00 ft	.00 ft	0.00	0.00	.00 ft	.00 ft	Surface

FIRST SURVEY DATE	FIRST SURVEY DEPTH	INCLIN	AZIMUTH
24-Jan-15	1,717.00 ft	0.60	256.30

SURVEY INSTRUMENT TYPE
Phoenix MWD

LAST SURVEY DATE	LAST SURVEY DEPTH	INCLIN	AZIMUTH
27-Jan-15	4,533.00 ft	0.70	260.30

TO THE BEST OF MY KNOWLEDGE I CERTIFY THIS SURVEY DATA TO BE TRUE AND CORRECT.

PROJECTED TD SURVEY DATE	PROJECTED TD SURVEY DEPTH	INCLIN	AZIMUTH
27-Jan-15	4,602.00 ft	0.70	260.30

Jeremiah Underwood

PRINT YOUR NAME ABOVE

Jeremiah Underwood

SIGN YOUR NAME ABOVE

MAGNETIC DECLINATION OR TOTAL GRID

TOTAL CORRECTION USED	7.72
DECLINATION OR GRID	GRID

27-Jan-15

TODAY'S DATE

MWD SUPERVISOR 1	Jeremiah Underwood	DIRECTIONAL DRILLER 1	N/A
MWD SUPERVISOR 2	Dean Young	DIRECTIONAL DRILLER 2	N/A

12329 Cutten Rd., Houston, Texas 777066 (713)337-0600 (Voice), (713)337-0599 (Fax)

MERIT ENERGY COMPANY

Merit Energy

Haskell County, Kansas (NAD27)
Edna Jones
31-1

Wellbore #1 Job #1512824

Survey: Phoenix MWD Surveys

Standard Survey Report

29 January, 2015

PHOENIX
TECHNOLOGY SERVICES

Company:	Merit Energy	**Local Co-ordinate Reference:**	Well 31-1
Project:	Haskell County, Kansas (NAD27)	**TVD Reference:**	RKB @ 2959.73usft (Saxon 146)
Site:	Edna Jones	**MD Reference:**	RKB @ 2959.73usft (Saxon 146)
Well:	31-1	**North Reference:**	Grid
Wellbore:	Wellbore #1 Job #1512824	**Survey Calculation Method:**	Minimum Curvature
Design:	Surveys (Saxon 146)	**Database:**	Compass 5000 GCR

Project Haskell County, Kansas (NAD27)

Map System:	US State Plane 1927 (Exact solution)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	Kansas South 1502		

Site Edna Jones

Site Position:		**Northing:**	433,304.68 usft	**Latitude:**	37° 49' 49.17256 N
From:	Map	**Easting:**	1,281,005.38 usft	**Longitude:**	100° 59' 23.12568 W
Position Uncertainty:	0.00 usft	**Slot Radius:**	13-3/16 "	**Grid Convergence:**	-1.53 °

Well 31-1

Well Position	**+N/-S**	0.00 usft	**Northing:**	433,304.68 usft	**Latitude:**	37° 49' 49.17256 N
	+E/-W	0.00 usft	**Easting:**	1,281,005.38 usft	**Longitude:**	100° 59' 23.12568 W
Position Uncertainty		0.00 usft	**Wellhead Elevation:**	0.00 usft	**Ground Level:**	2,944.73 usft

Wellbore Wellbore #1 Job #1512824

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2015	1/22/2015	6.19	65.38	51,670

Design Surveys (Saxon 146)

Audit Notes:

Version:	1.0	**Phase:**	ACTUAL	**Tie On Depth:**	0.00

Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.00	0.00	0.00	360.00

Survey Program **Date** 1/29/2015

From (usft)	To (usft)	Survey (Wellbore)	Tool Name	Description
1,717.00	4,602.00	Phoenix MWD Surveys (Wellbore #1 Job #	PHX+MWD+IGRF	PHX+MWD+IGRF v3:standard declination

Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,717.00	0.60	256.30	1,716.97	-2.13	-8.73	-2.13	0.03	0.03	0.00
First Phoenix Survey									
1,890.00	0.20	101.30	1,889.97	-2.40	-9.32	-2.40	0.45	-0.23	-89.60
2,063.00	0.40	124.70	2,062.96	-2.81	-8.53	-2.81	0.13	0.12	13.53
2,236.00	0.20	167.50	2,235.96	-3.44	-7.96	-3.44	0.17	-0.12	24.74
2,409.00	0.10	265.80	2,408.96	-3.75	-8.05	-3.75	0.14	-0.06	56.82
2,582.00	0.30	357.50	2,581.96	-3.31	-8.22	-3.31	0.18	0.12	53.01
2,755.00	0.50	274.60	2,754.96	-2.80	-8.99	-2.80	0.32	0.12	-47.92
2,928.00	0.70	294.20	2,927.95	-2.30	-10.71	-2.30	0.16	0.12	11.33
3,101.00	0.30	288.50	3,100.94	-1.73	-12.10	-1.73	0.23	-0.23	-3.29

Company:	Merit Energy	**Local Co-ordinate Reference:**	Well 31-1
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Site:	Edna Jones	**MD Reference:**	RKB @ 2959.73usft (Saxon 146)
Well:	31-1	**North Reference:**	Grid
Wellbore:	Wellbore #1 Job #1512824	**Survey Calculation Method:**	Minimum Curvature
Design:	Surveys (Saxon 146)	**Database:**	Compass 5000 GCR

Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
3,273.00	0.30	300.40	3,272.94	-1.35	-12.92	-1.35	0.04	0.00	6.92
3,447.00	0.30	285.00	3,446.94	-1.01	-13.75	-1.01	0.05	0.00	-8.85
3,620.00	0.50	293.60	3,619.93	-0.59	-14.88	-0.59	0.12	0.12	4.97
3,792.00	0.50	279.60	3,791.93	-0.16	-16.31	-0.16	0.07	0.00	-8.14
3,965.00	0.70	276.00	3,964.92	0.08	-18.10	0.08	0.12	0.12	-2.08
4,138.00	0.80	264.00	4,137.90	0.06	-20.35	0.06	0.11	0.06	-6.94
4,311.00	0.90	257.50	4,310.88	-0.36	-22.88	-0.36	0.08	0.06	-3.76
4,484.00	0.80	256.70	4,483.86	-0.93	-25.38	-0.93	0.06	-0.06	-0.46
4,533.00	0.70	260.30	4,532.86	-1.06	-26.01	-1.06	0.23	-0.20	7.35
Final Phoenix Survey									
4,602.00	0.70	260.30	4,601.85	-1.20	-26.84	-1.20	0.00	0.00	0.00
Projection to TD									

Survey Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates +N/-S (usft)	Local Coordinates +E/-W (usft)	Comment
1,717.00	1,716.97	-2.13	-8.73	First Phoenix Survey
4,533.00	4,532.86	-1.06	-26.01	Final Phoenix Survey
4,602.00	4,601.85	-1.20	-26.84	Projection to TD

Checked By: _____ Approved By: _____ Date: _____

Side Two

1236426

For KCC Use ONLY
API # 15 - 15-055-22380-00-00

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: Merit Energy Company, LLC
Lease: Edna Jones
Well Number: 31-1
Field: Unnamed

Number of Acres attributable to well: _____
QTR/QTR/QTR/QTR of acreage: W2 - SE - SW - SW

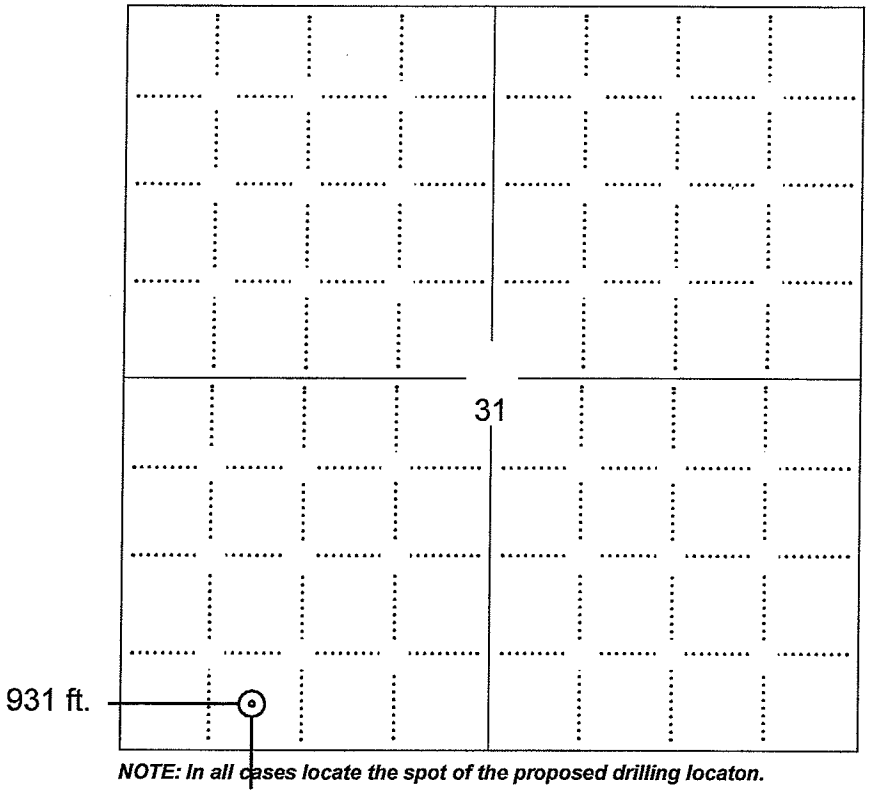
Location of Well: County: Finney
330 feet from ☐ N / ☒ S Line of Section
931 feet from ☐ E / ☒ W Line of Section
Sec. 31 Twp. 25 S. R. 33 ☐ E ☒ W

Is Section: ☒ Regular or ☐ Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: ☐ NE ☐ NW ☐ SE ☐ SW

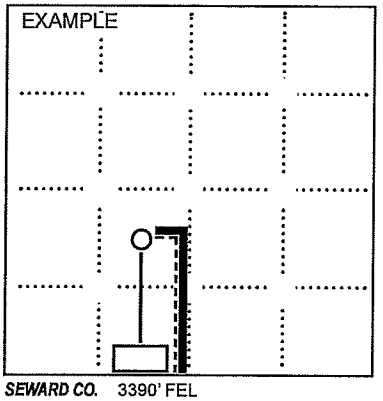
PLAT

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired.



LEGEND

- ○ Well Location
- ▭ Tank Battery Location
- ——— Pipeline Location
- - - - - - Electric Line Location
- ▬▬ Lease Road Location



NOTE: In all cases locate the spot of the proposed drilling locaton.

In plotting the proposed location of the well, *you must show*:

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.