

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1318693

Form ACO-4 Form must be typed March 2009

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

| OPERATOR: License # | | API No. 15 | API No. 15 | | | | | |
|--------------------------|---|--------------------------------------|----------------------|-----------------------------|--|--|--|--|
| Name:_ | | Spot Description: | Spot Description: | | | | | |
| Address | 31: | | | | | | | |
| Address | 3 2: | | Feet from North | South Line of Section | | | | |
| City: | State: | | Feet from East | West Line of Section | | | | |
| Contact | Person: | County: | | | | | | |
| Phone: | () | Lease Name: | Well #: | | | | | |
| 1. | Name and upper and lower limit of each production interval to be commingled: | | | | | | | |
| | Formation: | (Perfs): _ | | | | | | |
| | Formation: | (Perfs): _ | | | | | | |
| | Formation: | (Perfs): | | | | | | |
| | Formation: | (Perfs): _ | | | | | | |
| | Formation: | (Perfs): _ | | | | | | |
| | Formation: Formation: Formation: | BOPD: | MCFPD: | BWPD: BWPD: | | | | |
| <u> </u> | Plat map showing the location of the subject well, all other the subject well, and for each well the names and address | | · · | within a 1/2 mile radius of | | | | |
| | | | | | | | | |
| 4. | Signed certificate showing service of the application and | affidavit of publication as required | in K.A.R. 82-3-135a. | | | | | |
| | Signed certificate showing service of the application and | | in K.A.R. 82-3-135a. | | | | | |
| | | g: | in K.A.R. 82-3-135a. | | | | | |
| For Coi | mmingling of PRODUCTION ONLY, include the following | g: : | in K.A.R. 82-3-135a. | | | | | |
| For Cor ☐ 5. ☐ 6. | mmingling of PRODUCTION ONLY, include the following Wireline log of subject well. Previously Filed with ACO-1 | g: : | in K.A.R. 82-3-135a. | | | | | |
| For Cor ☐ 5. ☐ 6. | mmingling of PRODUCTION ONLY, include the following Wireline log of subject well. Previously Filed with ACO-1 Complete Form ACO-1 (Well Completion form) for the su | g: : | in K.A.R. 82-3-135a. | | | | | |

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

Denied Approved

15-Day Periods Ends:

Approved By:

Date:

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 wihin 15 days of publication of the notice of application.

AFFIDAVIT OF NOTICE SERVED

RE: Application for: MERIT ENERGY COMPANY, LLC

Well Name: Henselmann A-3

Legal Location: SW-NW-NE Sec. 34 TWN 22S- RNG 34W Finney County, Kansas

The undersigned hereby certifies that he/she is a duly authorized agent for the applicant, and that on the 5^{th} day of October 2016, 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:

Henselman, Mildred Char Trust Attn: Farmers National Company P.O. Box 54201 Omaha, NE 68154-4016

(Surface Owner)

Berexco LLC 2020 North Bramblewood Wichita, KS 67206

Merit Energy Company, LLC 13727 Noel Road, Suite 1200 Dallas, TX 75240

Signed this 5th day of October, 2016.

Katherine McClurkan Applicant or Duly Authorized Agent

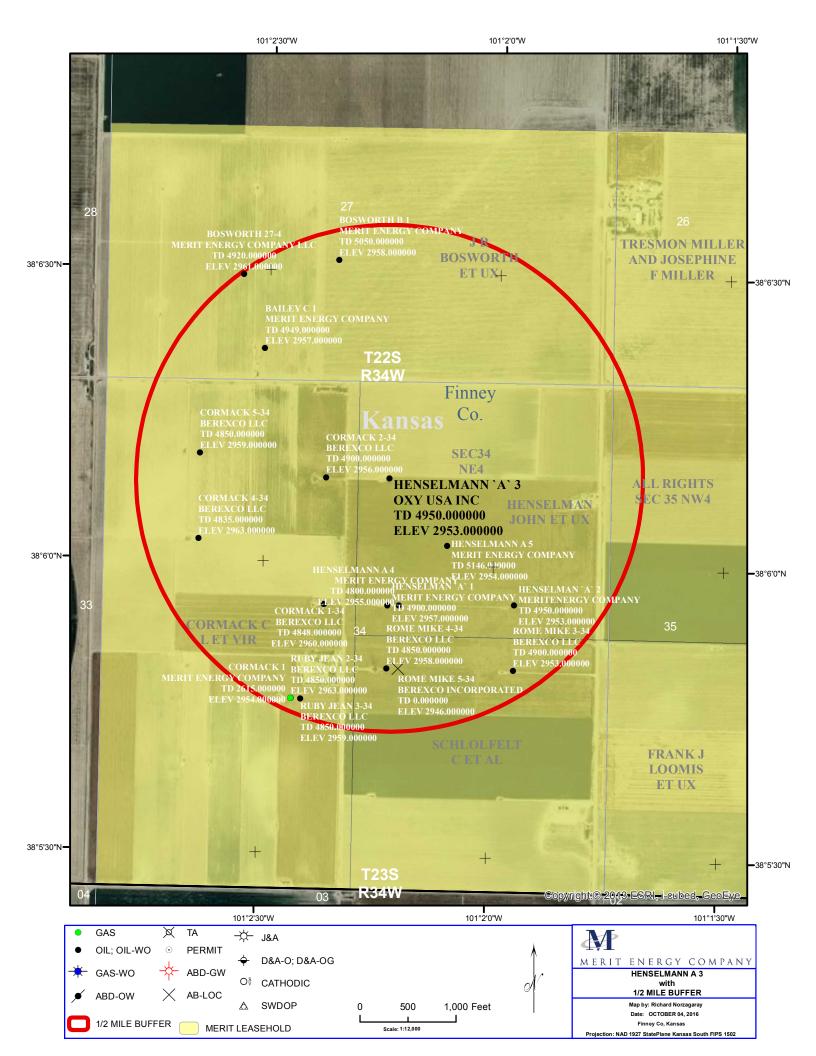
Subscribed and sworn to before me this 5th day of October, 2016

PHILLIP LEE WHITE
Notary Public, State of Texas
My Commission Expires
September 23, 2019

Notary Public

My Commission Expires: September 23, 2019

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.





LEGAL PROOF OF PUBLICATION

| Account # | Ad Number | Identification | PO | Amount | Cols | Lines |
|-----------|------------|-------------------------------------|----|----------|------|-------|
| 457658 | 0002733375 | BEFORE THE STATE CORPORATION COMMIS | | \$332.52 | 1 | 56 |

Attention:

MERIT ENERGY CORPORATION 1701 N. KANSAS LIBERAL, KS 67905

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

RE: Merit Energy Company Application for order to commingle Marmaton, St. Genevieve and the St. Louis sources of supply in the Henselmann A-3 well located C-SW-NW-NE Sec. 34 TWN 22S- RNG 34W in Finney County, Kansas.

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

You, and each of you, are hereby notified that Merit Energy Company has filed an application to commingle the production from the Marmaton, St. Genevieve and the St. Louis sources of supply in the above referenced well in Finney 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 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. 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.

Merit Energy Company Katherine McClurkan 13727 Noel Road, Suite 1200 Dallas, TX 75240 (972)-628-1660 In The STATE OF KANSAS
In and for the County of Sedgwick
AFFIDAVIT OF PUBLICATION

1___ Insertions

Beginning issue of:

10/18/2016

Ending issue of:

10/18/2016

STATE OF KANSAS)

.SS

County of Sedgwick)

Dale Seiwert, 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 County, basis in said which newspaper has been continuously uninterruptedly published in said County for more than one year prior to the first the hereinafter publication of notice 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 from 10/18/2016 to 10/18/2016.

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

(Signature of Principal Clerk)

DATED: 10/18/2016

Notary Public Sedgwick County, Kansas

JENNIFER RAE BAILEY

Notary Public State of Kansas

My Appt. Expires

Proof Of Publication

State Of Kansas - Finney County

Dena A. Sattler, being first duly sworn, deposes and says that she is publisher of THE GARDEN CITY TELEGRAM, a weekly newspaper printed in the State of Kansas and published in and of general circulation in Finney County, Kansas, on a weekly basis in Finney County, Kansas, and that said newspaper is not a trade, religious, or fraternal publication.

THAT said newspaper is daily published at least weekly fifty (50) times a year; has been so published continuously and uninterruptedly in said county and state for a period of more than five (5) years prior to the first publication of said notice.

| published in the regular and entire issue of said |
|--|
| newspaper for consecutive days/weeks. The first (1st) publication thereof being made as aforesaid on |
| first (1st) publication thereof being made as aforesaid on |
| the day of OCTOBLE 20 |
| With subsequent publications being made on the following dates: |
| 2 nd Publication made on the day of 20. |
| 3rd Publication made on the day of .20 |
| 4th Publication made on the day of ,20 /. |
| Publication Fee: \$58.17 |
| Affidavits (Additional Copies): @ \$5 each \$ |
| Total Publication Fee: \$58.17 |
| J. S. T. |
| |
| Witness my hand this Att day of Od |
| 20 \ |
| SUBSCRIBED AND SWORN before me this |
| day of Ctober, 20/10. |
| (Notary Public) |
| My commission expires 11-35-17 |

(Published in The Garden City Telegram Thursday October 29, 2016.)

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

RE: Merit Energy Company Application for order to commingle Marmaton, ST Genevieve and the St. Louis sources of supply in the Henselmann A-3 well located C-SW-NW-NE Sec. 34 TWN 225- RNG 34W in Finney County, Kansas.

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Merit Energy Company Katherine McClurkan 13727 Noel Road, Suite 1200 Dallas, TX 75240 (972)-628-1660

249843

NOTARY PUBLIC-State of Kansas
NANCY MILLER
My Appt. Exp

Legal Invoice #

249843

Conservation Division 266 N. Main St., Ste. 220 Wichita, KS 67202-1513



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

Sam Brownback, Governor

Jay Scott Emler, Chairman Shari Feist Albrecht, Commissioner Pat Apple, Commissioner

November 14, 2016

Katherine McClurkan Merit Energy Company 13727 Noel Rd Ste 1200 Dallas, TX 75240

RE: Approved Commingling CO111601

Henselmann A 3

API No. 15-055-21105-00-02

Dear Ms. McClurkan:

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.

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

File form ACO-1 upon completion of the well to commingle

Sincerely,

Rick Hestermann Production Department