



KANSAS CORPORATION COMMISSION 1319970
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 #* _____

OPERATOR: License # _____ API No. 15 - _____
 Name: _____ Spot Description: _____
 Address 1: _____ - - - - - Sec. _____ Twp. _____ S. R. _____ East West
 Address 2: _____ Feet from North / South Line of Section
 City: _____ State: _____ Zip: _____ + _____ 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): _____

2. Estimated amount of fluid production to be commingled from each interval:
 Formation: _____ BOPD: _____ MCFPD: _____ BWPD: _____
 Formation: _____ BOPD: _____ MCFPD: _____ BWPD: _____
 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

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 within 15 days of publication of the notice of application.

AFFIDAVIT OF NOTICE SERVED

RE: Application for: MERIT ENERGY COMPANY, LLC

Well Name: Watkins 2N 17-30S-32W

Legal Location: SE-WW-NE Sec. 17 TWN 30S- RNG 32W Haskell County, Kansas

The undersigned hereby certifies that he/she is a duly authorized agent for the applicant, and that on the 19th 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.

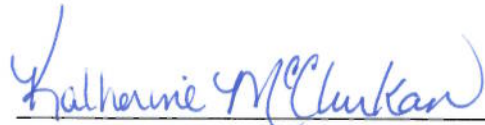
Name:

Larry & Barbara Davis Trust (Surface Owner)
P.O. Box 593
Sublette, KS 67877

Kansas Natural Gas Operating, LC
1200 Main Street
Hays, KS 67601

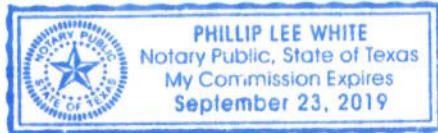
Merit Energy Company, LLC
13727 Noel Road, Suite 1200
Dallas, TX 75240

Signed this 19th day of October, 2016.



Katherine McClurkan
Applicant or Duly Authorized Agent

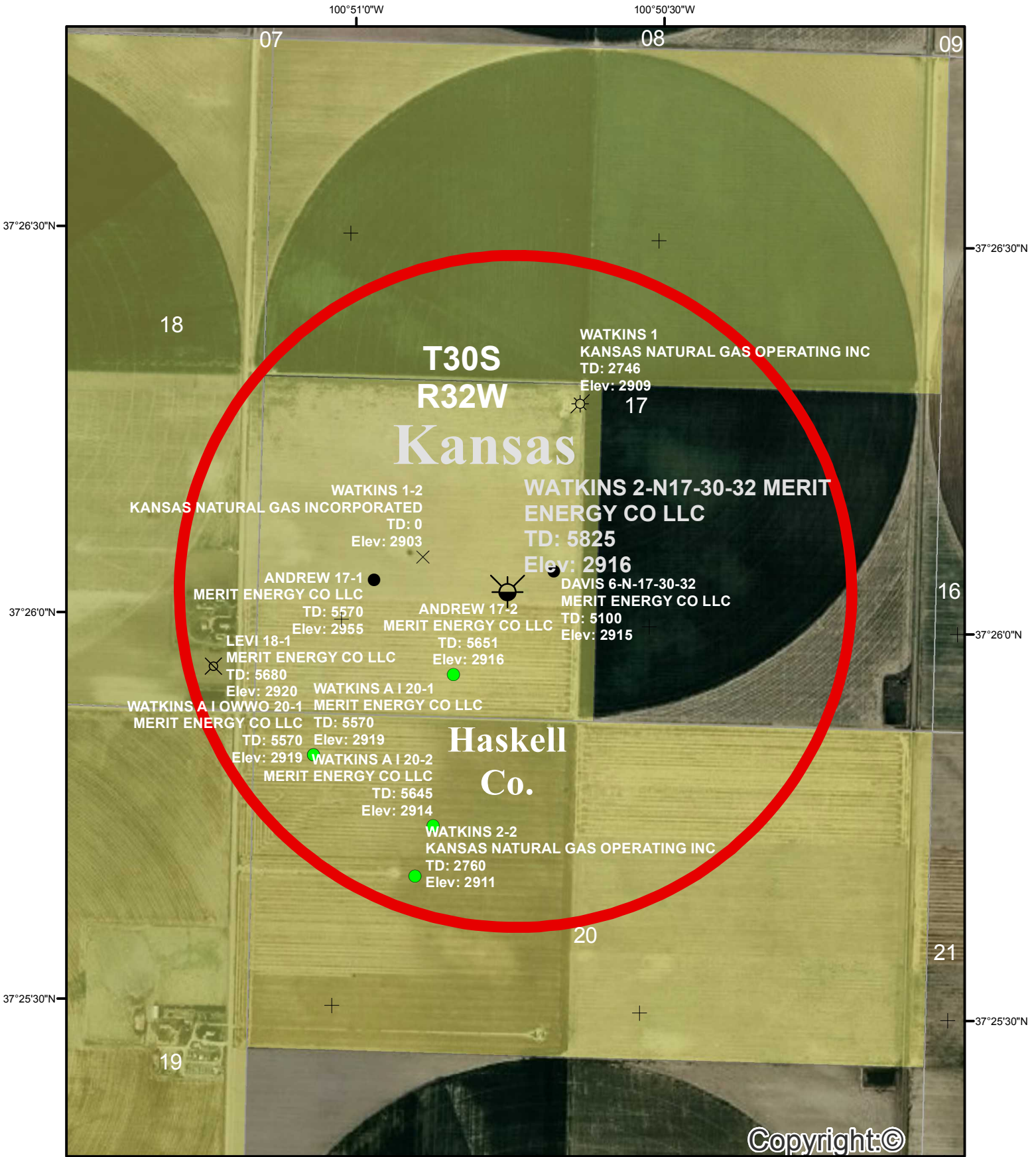
Subscribed and sworn to before me this 19th day of October, 2016



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.



Copyright:©

<ul style="list-style-type: none"> OIL & GAS GAS; GAS-WO AB-LOC OIL; OIL-WO ABD-GW ABD-OW 	<ul style="list-style-type: none"> ABD-SWD ABDOGW; D&A-OG D&A TA WI-EOR 	<ul style="list-style-type: none"> 1/2 MILE BUFFER MERIT LEASEHOLD <p>World Imagery</p>			
<p>MERIT ENERGY COMPANY WATKINS N 2-17-30-32 with 1/2 MILE BUFFER</p>					<p>Scale: 1:12,000 Map by: Richard Norzagaray Date: OCTOBER 18, 2016 Projection: State Plane Kansas South NAD 27</p>



LEGAL PROOF OF PUBLICATION

Account #	Ad Number	Identification	PC	Amount	Cols	Lines
457658	0002737764	BEFORE THE STATE CORPORATION COMMISS		\$349.53	1	59

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 and Kansas City sources of supply in the Watkins 2N-17-30-32 well located NE-SE-SW Sec. 17 TWN 30S- RNG 32W in Haskell 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 and Kansas City sources of supply in the above referenced well in Haskell 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 McClurkin
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: 10/20/2016

Ending issue of: 10/20/2016

STATE OF KANSAS)

.SS

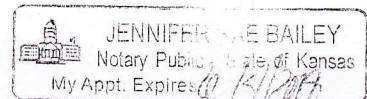
County of Sedgwick)

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 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 from 10/20/2016 to 10/20/2016.

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

(Signature of Principal Clerk)

DATED: 10/20/2016

Notary Public Sedgwick County, Kansas

Proof of Publication

State of Kansas,
County of Haskell, ss:

of lawful age, being duly sworn upon oath states that he/she is the editor of **THE HASKELL COUNTY MONITOR CHIEF**.

THAT said newspaper has been published at least weekly 50 times a year and has been so published for at least five years prior to the first publication of the attached notice.

THAT said newspaper was entered as second class matter at the post office of its publication;

THAT said newspaper has a general paid circulation on a daily, weekly, monthly, or yearly basis in HASKELL County, Kansas and is NOT a trade, religious or fraternal publication and has been printed and published in HASKELL County, Kansas.

THE ATTACHED was published on the following dates in a regular issue of said newspaper:

- 1st Publication was made on the 26 day of Oct, 20 16
- 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 \$ 63.90
 Affidavit, Notary's Fees \$ _____
 Additional Copies @ _____ \$ _____
 Total Publication Fee \$ 63.90

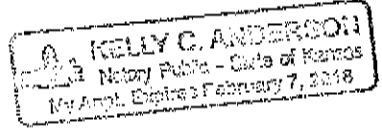
Dawn Wendel
(Signed)

Witness my hand this 26 day of Oct, 20 16

SUBSCRIBED and SWORN to before me this 26 day of Oct, 20 16.

Kelly C Anderson
(Notary Public)

My commission expires 2.7.2018



(Published in the Haskell County Monitor-Chief on Wednesday, October 26, 2016.)

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

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Merit Energy Company
Katherine McClurkin
13727 Noel Road, Suite 1200
Dallas, TX 75240
(972) 628-1680

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



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

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

Sam Brownback, Governor

November 10, 2016

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

RE: Approved Commingling CO101601
Watkins 2-N17-30-32
API No. 15-081-21666-00-00

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 Marmaton 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