



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: Shell B-7

Legal Location: SW-NE-NE-NW Sec. 17 TWN 22S- RNG 34W Finny County, Kansas

The undersigned hereby certifies that he/she is a duly authorized agent for the applicant, and that on the 23rd day of January 2017, 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:

Gary Powers (Surface Owner)
1205 Circle Drive
Garden City, KS 67846

Roger Powers (Surface Owner)
1117 Harding Ave.
Garden City, KS 67846

Devon Energy Production Company L.P. (Off-set Operator)
333 W Sheridan Ave
Oklahoma City, OK 73102

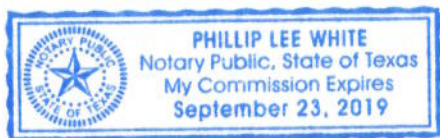
Merit Energy Company, LLC
13727 Noel Road, Suite 1200
Dallas, TX 75240

Signed this 23rd day of January 2017,



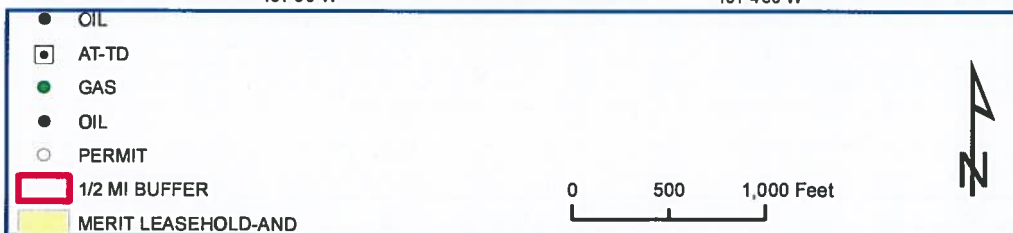
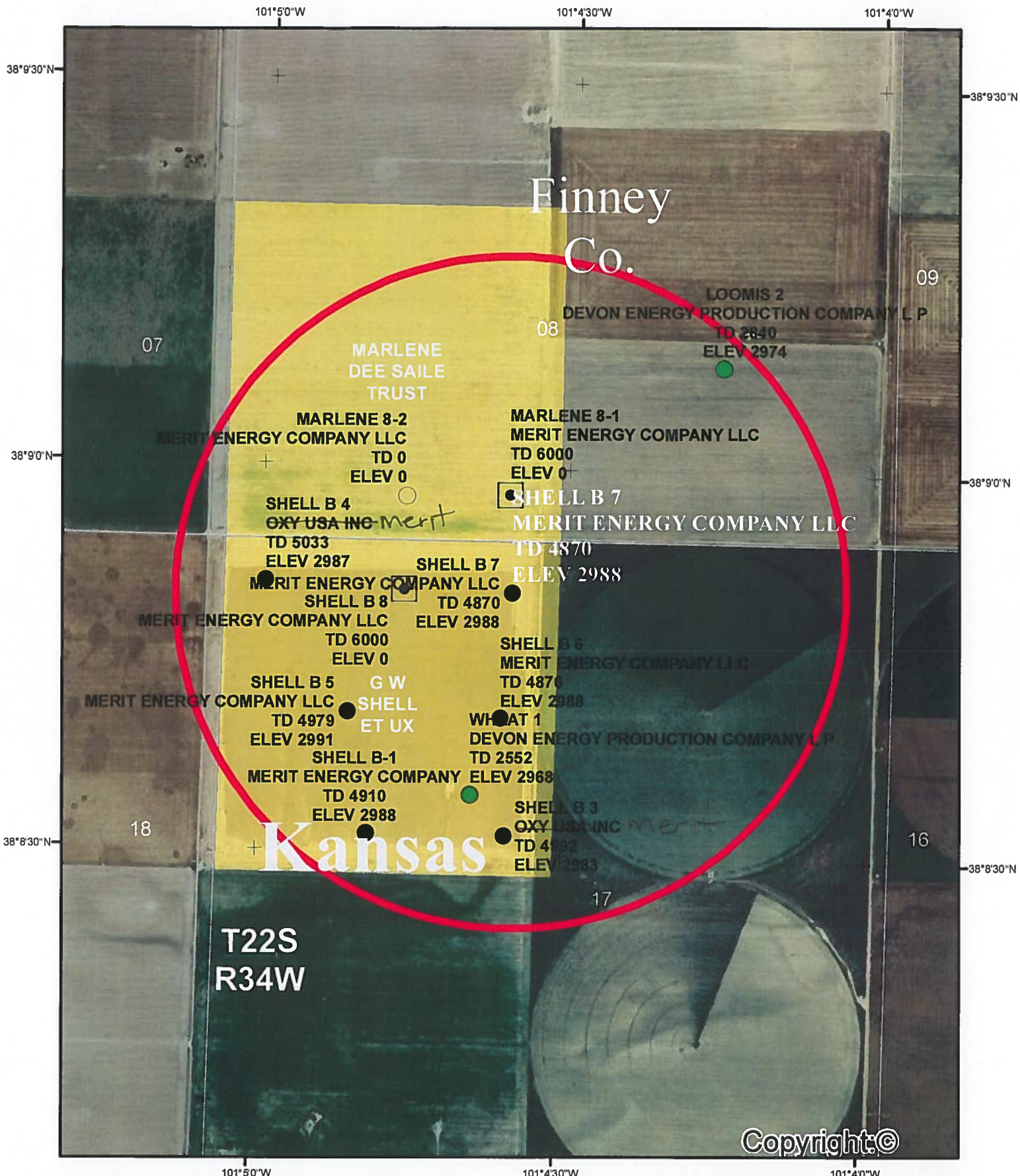
Katherine McClurkan
Applicant or Duly Authorized Agent

Subscribed and sworn to before me this 23rd day of January 2017,


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.



M
MERIT ENERGY COMPANY
 SHELL B-7
 W/ 1/2 MILE BUFFER
 FINNEY CO., KANSAS

Map by: Richard Norzageray Scale: 1:12,000
 Date: MARCH 24, 2016
 Projection: State Plane Kansas South NAD 27



LEGAL PROOF OF PUBLICATION

Account #	Ad Number	Identification	PO	Amount	Cols	Lines
457658	0002889223	BEFORE THE STATE CORPORATION COMMIS		\$338.19	1	57

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 Lansing, Kansas City, Pawnee, Cherokee, and Atoka sources of supply in the Shell B7 well located SW-NE-NE-NW, Sec. 17 TWN 22S-RNG 34W, Finney County, Kansas

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

You, and each of you, are hereby notified that Merit Energy Company has filed an application to commingle the production from the Lansing, Kansas City, Pawnee, Cherokee, and Atoka the 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: 01/21/2017

Ending issue of: 01/21/2017

STATE OF KANSAS)

.SS

County of Sedgwick)

Dale Seiwert, of lawful age, being first duly sworn, deposes 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 1/21/2017 to 01/21/2017.

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

(Signature of Principal Clerk)

DATED: 1/23/2017

Notary Public Sedgwick County, Kansas



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.

THAT the attached notice is a true copy thereof and was published in the regular and entire issue of said newspaper for 1 consecutive days/weeks. The first (1st) publication thereof being made as aforesaid on the 23 day of January, 2017.

With subsequent publications being made on the following dates:

2nd 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

Sign Dena Sattler

Witness my hand this 27 day of JAN

2017.

SUBSCRIBED AND SWORN before me this 27 day of January, 2017.

[Signature]
(Notary Public)

My commission expires 11-25-17

Legal Invoice # 251483

(Published in The Garden City Telegram Monday January 23, 23017.)

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

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

251483

NOTARY PUBLIC-State of Kansas

NANCY MILLER



My Appt. Exp 11-25-17

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



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

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

Sam Brownback, Governor

February 7, 2017

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

RE: Approved Commingling CO021702
Shell B 7
API No. 15-055-22332-00-01

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 Atoka 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