



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: McNerney 1
Legal Location: SW-SE-SE-NW 3-28-34 Haskell Co, KS

The undersigned hereby certifies that he/she is a duly authorized agent for the applicant, and that on the 22nd day of January, 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:
Belle McNerney Trust (Surface Owner)
John Talbert - Trustee
3990 S Hillcrest Drive
Denver, CO 80227

Merit Energy Company
PO Box 1293
Liberal, KS 67905

Signed this 22nd day of January, 2016.




Idania B. Medina
Applicant or Duly Authorized Agent

Subscribed and sworn to before me this 22nd day of January, 2016


Notary Public

My Commission Expires: 8-11-18

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.

101°2'30"W 101°2'0"W 101°1'30"W 101°1'0"W

T27S
R34W 34

LESTER N
ALEXANDER
ET UX

SW4 SW4
SEC 34

SE4 SW4
SEC 34

NEMU 502
MERIT ENERGY CO
TD:5783
ELEV: 3094

35

37°39'0"N

37°39'0"N

BELL 'E' 4
MERIT ENERGY CO
TD:5650
ELEV: 3092

BELL /E/ 3
MERIT ENERGY CO
TD:5460
ELEV: 3089

STOCKHAM 'A' OWWO 1
MERIT ENERGY CO
TD:5740
ELEV: 3089

MAYOLA JONES,
TRUSTEE OF JONES
FAMILY TR
ROBERT
M BELL
ET UX
MILDRED
BELL
S B BELL
THE 2012
WELCH FAMILY
TRUST

JONES C 3
MERIT ENERGY CO
TD:3140
ELEV: 3091

ALETHEA
STOCKHAM

LEO MCNERNEY

MCNERNEY 1
MERIT ENERGY COMPANY
TD:5571
ELEV: 3093

BELL /E/ 2
MERIT ENERGY CO
TD:5700
ELEV: 3092

Kansas

02

37°38'30"N

37°38'30"N

JONES C 4
MERIT ENERGY CO
TD:5800
ELEV: 3095

JONES C-5
MERIT ENERGY CO
TD:
ELEV:

JONES /C/ 1
MERIT ENERGY CO
TD:2865
ELEV: 3076

04 E2 SE4
SEC 4

JONES 'C' 2
MERIT ENERGY CO
TD:3003
ELEV: 3087

EVA E
JONES

T28S
R34W

Haskell
Co.

37°38'0"N

37°38'0"N

09

10

11

Copyright:© 2013

101°2'30"W

101°2'0"W

101°1'30"W

101°1'0"W

- Legend
- OIL; OIL-WO
 - ⊗ ABD-GW
 - PERMIT
 - ▬ McNemey_1_Bfr
 - Merit Leasehold
 - GAS
 - ⊗ AB-LOC
 - TA

0 550 1,100 Feet



MERIT ENERGY COMPANY
MCNERNEY 1
0.5 MILE BUFFER

Map by: Richard Norzagaray Scale: 1:13,200
Date: JANUARY 12, 2013
Projection: State Plane Kansas South NAD 27



LEGAL PROOF OF PUBLICATION

Account #	Ad Number	Identification	PO	Amount	Cols	Lines
457658	0002202633	BEFORE THE STATE CORPORATION CO		\$337.52	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 L. Morrow & Chester sources of supply in MCNERNEY 1 well, located in Sec. 3-28-34W, Haskell County, Kansas.

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

You, and each of you, are hereby notified that Merit Energy Company has filed an application to commingle the production from the L. Morrow & Chester sources of supply in the MCNERNEY 1 well, located in the SW-SE-SE-NW of Sec 3 Twp 28S R 34W 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
P.O. Box 1293
Liberal, KS 67905
(620)-629-4200

In The STATE OF KANSAS
In and for the County of Sedgwick
AFFIDAVIT OF PUBLICATION

1 Insertions

Beginning issue of: 01/09/2016

Ending issue of: 01/09/2016

STATE OF KANSAS)

.SS

County of Sedgwick)

Mark Fletchall, 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 1/9/2016 to 01/09/2016.

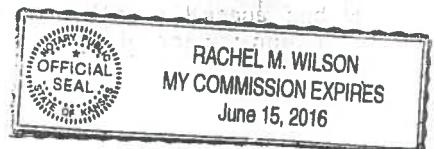
I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Mark Fletchall

(Signature of Principal Clerk)

DATED: 1/11/2016

Rachel M. Wilson
Notary Public Sedgwick County, Kansas



Proof of Publication

State of Kansas,
County of Haskell, ss:

Becky Tyler

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 20 day of Jan, 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 \$ 55.80

Affidavit, Notary's Fees \$ _____

Additional Copies _____ @ _____ \$ _____

Total Publication Fee \$ 55.80

Becky Tyler

(Signed)

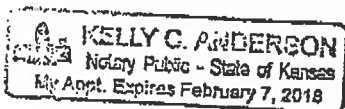
Witness my hand this 20 day of Jan, 20 16

SUBSCRIBED and SWORN to before me this 20

day of Jan, 20 16.

Kelly C Anderson
(Notary Public)

My commission expires 2-7-2018



(Published in the Haskell County Monitor-Chief on Wednesday, January 20, 2016.)
BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS NOTICE OF FILING APPLICATION

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Merit Energy Company
P.O. Box 1293
Liberal, KS 67905
(620) 629-4200

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

February 8, 2016

Idania Medina
Merit Energy Company
13727 Noel Rd Ste 1200
Dallas, TX 75240

RE: Approved Commingling CO011601
McNerney 1
API No. 15-081-22107-00-00

Dear Ms. Medina:

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

Sincerely,

Rick Hestermann
Production Department