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KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

REQUEST FOR CHANGE OF OPERATOR
TRANSFER OF INJECTION OR SURFACE PIT PERMIT

Form T-1
April 2004
Form must be Typed
Form must be Signed
All blanks must be Filled

Check Applicable Boxes:

- ☐ Oil Lease: No. of Oil Wells _____ **
- ☒ Gas Lease: No. of Gas Wells 1 **
- ☐ Gas Gathering System: _____
- ☐ Saltwater Disposal Well - Permit No.: _____
- Spot Location: 330 feet from ☒ N / ☐ S Line
- 660 feet from ☐ E / ☒ W Line
- ☐ Enhanced Recovery Project Permit No.: _____
- Entire Project: ☐ Yes ☐ No
- Number of Injection Wells _____ **

Field Name: KINSLER EAST

Side Two Must Be Completed

Effective Date of Transfer: 07/01/2010

KS Dept of Revenue Lease No.: 134967/222868

Lease Name: JENKINS C-3

N2 - NW - NW Sec. 22 Twp. 32 R. 39 ☐ E ☒ W

Legal Description of Lease: NW 1/4 of 22-32-39W

County: STEVENS

Production Zone(s): UPPER MORROW

Injection Zone(s): _____

Surface Pit Permit No.: _____
(API No. if Drill Pit, WO or Haul)

Type of Pit: ☐ Emergency ☐ Burn ☐ Settling

_____ feet from ☐ N / ☐ S Line of Section
_____ feet from ☐ E / ☐ W Line of Section
☐ Haul-Off ☐ Workover ☐ Drilling OR

Past Operator's License No. 32446 ✓

Past Operator's Name & Address: Merit Energy Company
13727 Noel Road, Suite 500 Dallas, Texas 75240

Title: Regulatory Manager

Contact Person: Lynne Moon

Phone: 972-628-1569

Date: 07/01/2010

Signature: [Signature]

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New Operator's License No. 34408 ✓

New Operator's Name & Address: Cisco Operating, LLC
6900 N. Dallas Parkway Suite 740 Plano, Texas 75024

Title: President

Contact Person: Randall K. Click

Phone: 214-291-9987

Oil / Gas Purchaser: _____

Date: 07/01/2010

Signature: [Signature]

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Acknowledgment of Transfer: The above request for transfer of injection authorization, surface pit permit # _____ has been noted, approved and duly recorded in the records of the Kansas Corporation Commission. This acknowledgment of transfer pertains to Kansas Corporation Commission records only and does not convey any ownership interest in the above injection well(s) or pit permit.

_____ is acknowledged as the
new operator and may continue to inject fluids as authorized by
Permit No.: _____ . Recommended action: _____

Date: _____
Authorized Signature

_____ is acknowledged as the
new operator of the above named lease containing the surface pit
permitted by No.: _____ .

Date: _____
Authorized Signature

DISTRICT _____ EPR 10-14-10 PRODUCTION 10/15/10 UIC 10-15-10
Mail to: Past Operator _____ New Operator _____ District _____

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

070110 Jenkins_C3.pdf

3-19-

* Location: SEC. 22-T32S-R39W

[illegible]

A separate sheet may be attached if necessary

* When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located.

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form KSONA-1
July 2010
Form Must Be Typed
Form must be Signed
All blanks must be Filled

**CERTIFICATION OF COMPLIANCE WITH THE
KANSAS SURFACE OWNER NOTIFICATION ACT**

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: ☐ C-1 (Intent) ☐ CB-1 (Cathodic Protection Borehole Intent) ☒ T-1 (Transfer) ☐ CP-1 (Plugging Application)

OPERATOR: License # 32446
Name: Merit Energy Company
Address 1: 13727 Noel Rd. Suite 500
Address 2: _____
City: Dallas State: TX Zip: 75240 + _____
Contact Person: Lynne Moon
Phone: (972) 628-1569 Fax: (972) 628-1869
Email Address: lynne.moon@meritenergy.com

Well Location:
____ - N2 - NW - NW Sec. 22 Twp. 32 S. R. 39 ☐ East ☒ West
County: Stevens
Lease Name: Jenkins Well #: C-3

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

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Surface Owner Information:

Name: Simmons Trust
Address 1: 214 N. Sage
Address 2: _____
City: Pearce State: AZ Zip: 85625 + _____

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When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

- ☒ I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- ☐ I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 07/01/2010 Signature of Operator or Agent: Lynne Moon Title: Regulatory Manager