RECEIVED
MAY 30 2014
KCC WICHITA

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form T-1

March
2010 Form must be
Typed Form must be
Signed All blanks must
be Filled

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

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

| Check Applicable Boxes: | | | |
|---|--|--|--|
| Oil Lease: No. of Oil Wells** | Effective Date of Transfer: May 1, 2014 | | |
| Gas Lease: No. of Gas Wells** | KS Dept of Revenue Lease No.: | | |
| Gas Gathering System: | Lease Name: Black 'B' 2 | | |
| Saltwater Disposal Well- Permit No.: | _ | | |
| Spot Location:feet from N / S Linefeet from E / W Line | Legal Description of Lease: T30S R33W, Sec. 17, NW SE SE | | |
| Enhanced Recovery Project Permit No.: | | | |
| Entire Project: Yes No | County: <u>Haskell</u> | | |
| Number of Injection Wells** | Production Zone(s):Lansing-Kansas City | | |
| Field Name: VICTORY | Injection Zone(s): | | |
| ** Side Two Must Be Completed. | | | |
| | feet from N / S Line of Section | | |
| Surface Pit Permit No.: | feet from E / W Line of Section | | |
| Type of Pit: Emergency Burn Settling | □ Haul-Off □ Workover □ Drilling ぱ┥ | | |
| Past Operator's License No. 5447 | Contact Person: Brent G. Sonnier | | |
| Past Operator's Name & Address: OXY USA Inc | Phone: 713.366,5654 | | |
| 5 Greenway Plaza, Suite 110, Houston, TX 77046 | Date: April 15, 2014 | | |
| | | | |
| Title: Regulatory Manager | Signature: Bunta Ammin | | |
| New Operator's License No. 32446 | | | |
| | Contact Person: Arlene Valliquette | | |
| New Operator's Name & Address: Merit Energy Company, LLC | Phone: 972.628.1558 | | |
| 13727 Noel Rd., Ste. 1200, Dallas, TX 75240 | Oil/Gas Purchaser: Occidental Energy Marketing Inc | | |
| | Date: April 15, 2014 | | |
| Title: Regulatory Manager | Signature: Whene I alligentte | | |
| | Signature | | |
| Acknowledgment of Transfer: The above request for transfer of injection | ion authorization, surface pit permit.#has been | | |
| noted, approved and duly recorded in the records of the Kansas Corpora | ation 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. | | |
| flerit Energy Company, LLC is acknowledged as | s Merit Energy Company, LLC is acknowledged as | | |
| ne new operator and may continue to inject fluids as authorized by | the new operator of the above named lease containing the surface pit | | |
| ermit No.: Recommended action: | permitted by No.: | | |
| alone Vallimette | alene Valligentto | | |
| ate: April 15, 2014 | Date: April 15, 2014 | | |
| Authorized Signature | Authorized Signature | | |
| DISTRICT EPR 16-9-14 | PRODUCTION OCT 1 0 2014 UIC OCT 1 0 2014 | | |
| Mail to: Past Operator New Opera | ator District | | |

Side Two

RECEIVED MAY 30 2014 KCC WICHITA

Must Be Filed For All Wells

| | ease No.: | N/A | | |
|----------|------------------------------|--|-----------------------------------|--------------------------------------|
| *Lease N | ame: Black 'B' 2 | *Location:_T30S | R33W, Sec. 17, NW SE | <u>SE</u> |
| Well No. | API No. (YR DRLD/PRE "67) | Footage from Section Line (i.e. FSL= Feet from South Line) | Type of Well (Oil/Gas/INJ/WSW) | Well Status (PROD/TA'D/Abandoned) |
| 1 | 15-081-21909-0001 | FSL FEL 990 North, 990 West, from SE corner | Oil | Producina |

RECEIVED MAY 30 2014 KCC WICHITA

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form KSONA-1 January 2014 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) CE | 3-1 (Cathodic Protection Borehole Intent) X T-1 (Transfer) CP-1 (Plugging Application) | |
|--|---|--|
| OPERATOR: License # 32446 | Well Location: | |
| Name: Merit Energy Company, LLC | County: Haskell | |
| Address 1:13727 Noel Rd., Ste. 1200 | Lease Name: Black 'B' 2 | |
| City: <u>Dallas</u> State: <u>TX</u> Zip: <u>75240</u> | If filing a Form T-1 for multiple wells on a lease, enter the legal description of | |
| Contact Person: Arlene Valliquette | the lease below: | |
| Phone: (972) 628-1558 Fax: (972) 628-1858 | T30S R33W, Sec. 17, NW SE SE | |
| Email Address: Arlene.Valliquette@meritenergy.com | _ | |
| Surface Owner Information: | | |
| Jorja L. Poppe Rev. Trust | 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 | |
| 1522 Columbine Drive | | |
| Junction City, KS 66441 | county, and in the real estate property tax records of the county treasurer. | |
| Select one of the following: | on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. | |
| owner(s) of the land upon which the subject well is or will be | the Act (House Bill 2032), I have provided the following to the surface one located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form the series of the Form C-1 or Form CB-1, the plat(s) required by this series, and email address. | |
| KCC will be required to send this information to the surface | I acknowledge that, because I have not provided this information, the e owner(s). To mitigate the additional cost of the KCC performing this ress of the surface owner by filling out the top section of this form and lee KCC, which is enclosed with this form. | |
| If choosing the second option, submit payment of the \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form C | ing fee with this form. If the fee is not received with this form, the KSONA-1 P-1 will be returned. | |
| I hereby certify that the statements made herein are true and correct | t to the best of my knowledge and belief. | |
| Date: April 15, 2014 Signature of Operator or Agent: | Valliquette Title: Regulatory Manager | |