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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.

| Oil Lease: No. of Oil Wells** Gas Lease: No. of Gas Wells** | Effective Date of Transfer: May 1, 2014 | | |
|---|---|--|--|
| Gas Gathering System: | KS Dept of Revenue Lease No.: 135038 | | |
| Saltwater Disposal Well- Permit No.: | Lease Name: Blair 'G' 1 (VMLU 701) | | |
| Spot Location:feet from N / S Line | Victory Morrow Lime Unit | | |
| feet from E / W Line | Legal Description of Lease: T30S R33W, Sec. 29, SE SE SE | | |
| Enhanced Recovery Project Permit No.: | | | |
| Entire Project: Yes No | County: Haskell | | |
| Number of Injection Wells** | Production Zone(s): Morrow | | |
| Field Name: VICTORY | • | | |
| ** Side Two Must Be Completed. | - Injection Zone(s): | | |
| · | feet from N / S Line of Section | | |
| Surface Pit Permit No.: (API No. if Drill Pit, WO or Haul) | feet from E / W Line of Section | | |
| Type of Pit: Emergency Burn Settling | Haul-Off Workover Drilling | | |
| | Haul-Off Workover Drilling χ_{H} | | |
| 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 Amous | | |
| | | | |
| New Operator's License No. 32446 | | | |
| New Operator's Name & Address: Merit Energy Company, LLC | Contact Person: Arlene Valliquette | | |
| 13727 Noel Rd., Ste. 1200, Dallas, TX 75240 | Phone: 972.628.1558 | | |
| 10727 1001 (d., 0tt. 1200, 2011d3, 17/102-10 | Oil/Gas Purchaser: Occidental Energy Marketing Inc | | |
| | Date: April 15, 2014 | | |
| Title: Regulatory Manager | Signature: Ulesce Valligenette | | |
| | | | |
| Acknowledgment of Transfer: The above request for transfer of injection | | | |
| Commission records only and does not convey any ownership interest in the | on Commission. This acknowledgment of transfer pertains to Kansas Corporation | | |
| Commission records only and does not convey any ownership interest in the | e above injection well(s) or pit permit. | | |
| Merit Energy Company, LLC is acknowledged as | Merit Energy Company, LLC is acknowledged as | | |
| the new operator and may continue to inject fluids as authorized by | - | | |
| | the new operator of the above named lease containing the surface pit | | |
| Permit No.: Recommended action: | permitted by No.: | | |
| Date: April 15 2014 | Date: April 15, 2014 | | |
| Date: April 15, 2014 Authorized Signature | Authorized Signature | | |
| DISTRICTEPR | PRODUCTION OCT 1 0 2014 UIC OCT 1 0 2014 | | |
| | | | |

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Must Be Filed For All Wells

| | ease No.: | , /35038 | | |
|----------|---|--|-----------------------------------|--------------------------------------|
| *Lease N | ame: <u>Blair 'G' 1 (</u> | *Location: T30S | R33W, Sec. 29, SE SE S | <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 | 15-081-21055 | F5L FEL 330 N orth, 330 West, from SE corner | 01L 0 80 | Producing |

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.

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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) | CB-1 (Cathodic Protection Borehole Intent) 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: Blair 'G' 1 | |
| City: <u>Dallas</u> State: <u>TX</u> Zip:75240 | 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 | T30S R33W, Sec. 29, SE SE SE | |
| Email Address: Arlene.Valliquette@meritenergy.com | | |
| Surface Owner Information: | When filing a Form T-1 involving multiple surface owners, attach an additional | |
| Maxine Branam Living Trust | 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 | |
| 9800 W. 9th St. Wichita, KS 67212 | county, and in the real estate property tax records of the county treasurer. | |
| are preliminary non-binding estimates. The locations may be entere Select one of the following: | ed 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 wi | otice Act (House Bill 2032), I have provided the following to the surface ill be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form form being filed is a Form C-1 or Form CB-1, the plat(s) required by this fax, and email address. | |
| KCC will be required to send this information to the surfa- | (s). I acknowledge that, because I have not provided this information, the ace owner(s). To mitigate the additional cost of the KCC performing this ddress of the surface owner by filling out the top section of this form and the KCC, which is enclosed with this form. | |
| If choosing the second option, submit payment of the \$30.00 han form and the associated Form C-1, Form CB-1, Form T-1, or Form | adling fee with this form. If the fee is not received with this form, the KSONA-1 in CP-1 will be returned. | |
| I hereby certify that the statements made herein are true and com- | ect to the best of my knowledge and belief. | |
| Date:April 15, 2014 Signature of Operator or Agent: Utles | Title: Regulatory Manager | |