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: | submitted with this form. | | |
|--|--|--|--|
| 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: Hoffman 'T' 1 | | |
| Saltwater Disposal Well- Permit No.: | | | |
| Spot Location:feet from N / S Linefeet from E / W Line | Legal Description of Lease: T32S R33W, Sec. 7, NW NW SW | | |
| Enhanced Recovery Project Permit No.: Entire Project: Yes No | County: Seward KCC WICHITA | | |
| Number of Injection Wells** | Production Zone(s): MAY 1 5 2014 | | |
| Field Name: ANGMAN SOUTH | Injection Zana(c): | | |
| ** Side Two Must Be Completed. | RECEIVED | | |
| | feet from N / S Line of Section | | |
| Surface Pit Permit No.: (API No. if Drill Pit, WO or Haul) | feet from N / S Line of Section feet from E / W Line of Section | | |
| Type of Pit: Emergency Burn Settling | Haul-Off Workover Drilling KH | | |
| Past Operator's License No. 5447 V | s | | |
| Past Operator's Name & Address: OXY USA Inc | Phone: 713.366.5654 | | |
| 5 Greenway Plaza, Suite 110, Houston, TX 77046 | Date: April 15, 2014 | | |
| | a del | | |
| Title: Regulatory Manager | Signature: New Olynomy | | |
| New Operator's License No. 32446 | Contact Person: Arlene Valliquette | | |
| New Operator's Name & Address: Merit Energy Company, LLC | <u></u> | | |
| 13727 Noel Rd., Ste. 1200, Dallas, TX 75240 | Phone: 972.628.1558 | | |
| | Oil/Gas Purchaser: Occidental Energy Marketing Inc | | |
| | Date: April 15, 2014 | | |
| Title: Regulatory Manager | Signature: Welling Vallingto | | |
| Acknowledgment of Transfer: The above request for transfer of inje | ection authorization, surface pit permit.#has been | | |
| noted approved and duly recorded in the records of the Kansas Corpo | oration Commission. This acknowledgment of transfer pertains to Kansas Corporation | | |
| Commission records only and does not convey any ownership interest i | | | |
| | is californiated as | | |
| Merit Energy Company, LLC is acknowledged | | | |
| he new operator and may continue to inject fluids as authorized | | | |
| Permit No.: Recommended action: | permitted by No.: | | |
| Orlene Valligenette | Orlene Valljentto | | |
| Date: April 15, 2014 | Date: April 15, 2014 Authorized Signature 2014 | | |
| 10 1-111 | PRODUCTIONUIC | | |
| DISTRICT EPR 0 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - | - Nobolion | | |
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Side Two

Must Be Filed For All Wells

| KDOR Le | ease No.: | 139612 | | |
|----------|------------------------------|--|-----------------------------------|--------------------------------------|
| *Lease N | ame: <u>Hoffman 'T' 1</u> | *Location: T32S F | R33W, Sec. 7, NW NW S | <u>SW</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 | 15-175-22148-0001 | FIL FWL 2480 North, 500 East, from SW corner | OIL | Producing |

KCC WICHITA
MAY 15 2014
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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 (Ca | athodic Protection Borehole Intent) X T-1 (Transfer) CP-1 (Plugging Application) | |
|---|---|--|
| OPERATOR: License # 32446 | Well Location: | |
| Name: Merit Energy Company, LLC | County: Seward | |
| Address 1:13727 Noel Rd., Ste. 1200 City: | Lease Name: Hoffman 'T' 1 | |
| Dallas State: TX Zip: 75240 | If filing a Form T-1 for multiple wells on a lease, enter the legal description | |
| Contact Person: Arlene Valliquette | the lease below: T32S R33W, Sec. 7, NW NW SW | |
| Phone: (972) 628-1558 Fax: (972) 628-1858 | | |
| Email Address: Arlene.Valliquette@meritenergy.com | | |
| Surface Owner Information: BOLES LAND & CATTLE LP | 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 | |
| | | |
| PO BOX 919 Liberal, KS 67905 | county, and in the real estate property tax records of the county treasurer. | |
| are preliminary non-binding estimates. The locations may be entered on the Select one of the following: | le Form C-1 piat, Form CB-1 piat, of a separate piat may be submitted. | |
| I certify that, pursuant to the Kansas Surface Owner Notice Acowner(s) of the land upon which the subject well is or will be loce CP-1 that I am filing in connection with this form; 2) if the form beform; and 3) my operator name, address, phone number, fax, and | pocated: 1) a copy of the Form C-1, Form CB-1, Form I-1, or Form ceing filed is a Form C-1 or Form CB-1, the plat(s) required by this | |
| KCC will be required to send this information to the surface ow | cknowledge that, because I have not provided this information, the rner(s). To mitigate the additional cost of the KCC performing this of the surface owner by filling out the top section of this form and CC, 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 CP-1 | ee with this form. If the fee is not received with this form, the KSONA-1 will be returned. | |
| I hereby certify that the statements made herein are true and correct to t | the best of my knowledge and belief. | |
| Date: April 15, 2014 Signature of Operator or Agent: | dlignette Title: Regulatory Manager | |

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

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MAY 15 2014
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