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: | MUST be subm | intted with this form. | |
|--|---------------------------------------|--|---|
| Oil Lease: No. of Oil Wells | ** - | Effective Date of Transfer: May 1, 2014 | |
| Gas Lease: No. of Gas Wells 1 | ** | KS Dept of Revenue Lease No.: | R00726 |
| Gas Gathering System: | | Lease Name: CARPENTER 5 | |
| Saltwater Disposal Well- Permit No.: | | 25455 (4.115) | |
| Spot Location:feet from | N / S Line | | |
| feet from | E / W Line | Legal Description of Lease: T33S R36W, S | Sec. 17, C SW RECEIVED |
| Enhanced Recovery Project Permit No.: | | | KANSAS CORPORATION COMMISSIO |
| Entire Project: Yes No | | County: Stevens | MAY 1 6 2014 |
| Number of Injection Wells | ** | Production Zone(s): Chase Group | |
| Field Name: HUGOTON GAS AREA | | Injection Zone(s): | CONSERVATION DIVISION WICHITA, KS |
| ** Side Two Must Be Compl | eted. | | _ |
| Surface Pit Permit No.: | | feet fromN / | S Line of Section |
| (API No. if Drill Pit, V | VO or Haul) | feet fromE / | W Line of Section |
| Type of Pit: Emergency Burn | Settling | Haul-Off Workover [| Orilling KHi |
| Boot Onested Lineman No. 5447 | | Contact Person: Brent G. Sonnier | |
| Past Operator's License No. 5447 | | | |
| 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: Brent & Sonnin | ! |
| | | | |
| New Operator's License No. 32446 | | Contact Person: Arlene Valliquette | |
| New Operator's Name & Address: Merit Energy Company, LLC | | • | |
| 13727 Noel Rd., Ste. 1200, Dallas, TX 75240 | | Phone: 972.628.1558 | |
| | | Oil/Gas Purchaser: Occidental Energy Ma | rketing Inc |
| Title: Regulatory Manager | | Date: April 15, 2014 | |
| rue. Regulatory Manager | | Signature: When I allientte | |
| | | | |
| Acknowledgment of Transfer: The above reque- | st for transfer of injection | authorization, surface pit permit # | has been |
| noted, approved and duly recorded in the records | | | er pertains to Kansas Corporation |
| Commission records only and does not convey any | | | |
| | · · · · · · · · · · · · · · · · · · · | | |
| Merit Energy Company, LLC | _is acknowledged as | Merit Energy Company, LLC | is acknowledged as |
| he new operator and may continue to inject fluids as authorized by | | the new operator of the above named lea | ase containing the surface pit |
| | | | - · · · · · · · · · · · · · · · · · · · |
| Permit No.: Recommended ac | | permitted by No.: | Valligenti |
| alene Vall | iguetto. | Date: April 15, 2014 | Valliguelle |
| Date: April 15, 2014 Authorized Signs | ature | | thorized Signature |
| DISTRICT EPR | 11 12 111 | RODUCTION NOV 1 3 2014 | uidNOV 1 3 2014 |
| Mail to: Past Operator | New Operator | | ct |

Side Two

Must Be Filed For All Wells

| KDOK L | ease No.: | KUO 126 | | |
|------------|------------------------------|--|-----------------------------------|--------------------------------------|
| Lease N | ame: <u>CARPENTER 5</u> | *Location:_T33S I | R36W, Sec. 17, C SW | |
| Vell 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) |
| 4 5 | 15-189-10056 | FSL FEL C SW 1330 North, 3980 West, from SE-4 | corner GAS | Producing |

RECEIVED KANSAS CORPORATION COMMISSION

MAY 1 6 2014

CONSERVATION DIVISION WICHITA, KS

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
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) CI | B-1 (Cathodic Protection Borehole Intent) X T-1 (Transfer) CP-1 (Plugging Application) | |
|---|--|--|
| OPERATOR: License # 32446 | Well Location: | |
| Name: Merit Energy Company, LLC | County: Stevens | |
| Address 1:13727 Noel Rd., Ste. 1200 | Lease Name: CARPENTER 5 | |
| City: Dallas State: TX Zip: 75240 | If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below: | |
| Contact Person: Arlene Valliquette | | |
| Phone: (972) 628-1558 Fax: (972) 628-1858 | T33S R36W, Sec. 17, C SW | |
| Email Address: Arlene.Valliquette@meritenergy.com | | |
| | | |
| Surface Owner Information: | When filing a Form T-1 involving multiple surface owners, attach an additional | |
| David J. & Jeffrey T. Hawkins | 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 | |
| 14622 Floyd St. | county, and in the real estate property tax records of the county treasurer. | |
| Overland Park, KS | | |
| Select one of the following: I certify that, pursuant to the Kansas Surface Owner Noti owner(s) of the land upon which the subject well is or will CP-1 that I am filing in connection with this form; 2) if the form; and 3) my operator name, address, phone number, fa I have not provided this information to the surface owner(s) KCC will be required to send this information to the surface | ice Act (House Bill 2032), I have provided the following to the surface be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form orm being filed is a Form C-1 or Form CB-1, the plat(s) required by this ex, and email address. 1. I acknowledge that, because I have not provided this information, the ce owner(s). To mitigate the additional cost of the KCC performing this dress of the surface owner by filling out the top section of this form and | |
| that I am being charged a \$30.00 handling fee, payable to t | the KCC, which is enclosed with this form. | |
| If choosing the second option, submit payment of the \$30.00 hands form and the associated Form C-1, Form CB-1, Form T-1, or Form C | lling fee with this form. If the fee is not received with this form, the KSONA-1 CP-1 will be returned. | |
| I hereby certify that the statements made herein are true and correct | ct to the best of my knowledge and belief. | |
| Date: April 15, 2014 Signature of Operator or Agent: | Title: Regulatory Manager | |
| | RECEIVED | |

KANSAS CORPORATION COMMISSION

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

MAY 1 6 2014