## 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 1                       | <b>.</b>   | KS Dept of Revenue Lease No.:                 | 219455                                  |  |
| Gas Gathering System:                               |  | Lease Name: HILL 'B' 2                        |   |  |
| Saltwater Disposal Well- Permit No.:                |  |   |   |  |
| Spot Location:feet from                             | N / S Line   |   |   |  |
| feet from   | E / W Line   | Legal Description of Lease: T23S R35W         | /, Sec. 12, SE NW SE<br>RECEIVED        |  |
| Enhanced Recovery Project Permit No.:               |  |   | KANSAS CORPORATION COMMISSIO            |  |
| Entire Project: Yes No                              |  | County: Kearny                                | MAY 1 6 2014                            |  |
| Number of Injection Wells                           | **   | Production Zone(s): Chase Group               |   |  |
| Field Name: HUGOTON GAS AREA                        |  | Injection Zone(s):                            | WICHITA KS                              |  |
| ** Side Two Must Be Comple                          | ted.   |   |   |  |
| Surface Pit Permit No                               |  | feet from [ N /                               |   |  |
| Surface Pit Permit No.: (API No. if Drill Pit, WC   | or Haul)   | feet fromE /                                  | W Line of Section                       |  |
| Type of Pit: Emergency Burn                         | Settling   | Haul-Off Workover                             | Drilling KH                             |  |
| Past Operator's License No. 5447                    |  | Contact Person: Brent G. Sonnier              |   |  |
| Past Operator's License No. 5447                    |  |   |   |  |
| Past Operator's Name & Address: OXY USA Inc         | Mana   | Phone: 713.366.5654                           |   |  |
| 5 Greenway Plaza, Suite 110, Houston, TX 77046      |  | Date: April 15, 2014                          |   |  |
| Title: Regulatory Manager                           |  | Signature: Brent & Sourier                    |   |  |
| No. Constant lines No. 2040                         |  |   |   |  |
| 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: <u>Occidental Energy N</u> | Marketing Inc                           |  |
| Title: Regulatory Manager                           |  | Date: April 15, 2014                          |   |  |
|   |  | Signature: Ullene Valliguelle                 | Commentered and the second              |  |
|   |  |   |   |  |
| 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 | f the Kansas Corporatio  | n Commission. This acknowledgment of trans    | sfer pertains to Kansas Corporation     |  |
| Commission records only and does not convey any o   | wnership interest in the   | above injection well(s) or pit permit.        |   |  |
|   |  |   |   |  |
| Merit Energy Company, LLC                           | is acknowledged as   | Merit Energy Company, LLC                     | is acknowledged as                      |  |
| ne new operator and may continue to inject fluid    | ds as authorized by  | the new operator of the above named           | lease containing the surface pit        |  |
| Permit No.: Recommended acti                        | on:  | permitted by No.:                             |   |  |
| Orlene Valle  |  | alene   | Valliquette                             |  |
| Pate: April 15, 2014                                | And the second s | Date: April 15, 2014                          |   |  |
| Authorized Signate                                  | ure  |   | Authorized Signature                    |  |
| DISTRICTEPR//                                       | -6-14 PF   | RODUCTION NOV 0 7 2014                        | UIC NOV 0 7 2014<br>strict NOV 0 7 2014 |  |
| Mail to: Past Operator                              | New Operator   | Dis   | strict 40 7 2014                        |  |

#### Side Two

### Must Be Filed For All Wells

| KDOR L                         | ease No.:                    |  |                                   |                                      |  |
|--------------------------------|------------------------------|--|-----------------------------------|--------------------------------------|--|
| *Lease Name: <u>HILL 'B' 2</u> |                              | *Location: T23S R35W, Sec. 12, SE NW SE                    |                                   |                                      |  |
| Well No.                       | API No.<br>(YR DRLD/PRE "67) | Footage from Section Line (i.e. FSL= Feet from South Line) | Type of Well<br>(Oil/Gas/INJ/WSW) | Well Status<br>(PROD/TA'D/Abandoned) |  |
| X2                             | 15-093-21348                 | FSL FEL  1325 North 1495 West, from SE corner              | GAS                               | Producing                            |  |

RECEIVED KANSAS CORPORATION COMMISSION

MAY 1 6 2014

CONSERVATION DIVISION WICHITA, KS

### 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:  | 1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)  |  |
|---|---|--|
| OPERATOR: License # 32446   | Well Location:  |  |
| Name: Merit Energy Company, LLC   | County: Kearny  |  |
| Address 1:13727 Noel Rd., Ste. 1200   | Lease Name: HILL 'B' 2  |  |
| 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:  T335 P35W Soc 13, SE NW SE.  |  |
| Contact Person: Arlene Valliquette  |   |  |
| Phone: (972) 628-1558 Fax: (972) 628-1858   | T23S R35W, Sec. 12, SE NW SE  |  |
| Email Address: Arlene Valliquette@meritenergy.com   |   |  |
| Surface Owner Information:  |   |  |
| SYNERGY LAB LLC   | 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   |  |
| 2150 ROAD 220   | owner information can be found in the records of the register of deeds for the  |  |
| DEERFIELD, KS 67838   | 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  | Act (House Bill 2032), I have provided the following to the surface clocated: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form n being filed is a Form C-1 or Form CB-1, the plat(s) required by this and email address.                         |  |
| KCC will be required to send this information to the surface of   | acknowledge that, because I have not provided this information, the owner(s). To mitigate the additional cost of the KCC performing this so of the surface owner by filling out the top section of this form and 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 CP | g fee with this form. If the fee is not received with this form, the KSONA-1<br>-1 will be returned.  |  |
| I hereby certify that the statements made herein are true and correct to  | o the best of my knowledge and belief.  |  |
| Date: April 15, 2014 Signature of Operator or Agent:  | Title: Regulatory Manager   |  |

RECEIVED

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