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 ** | KS Dept of Revenue Lease No.: 202676 | | |
| Gas Gathering System: | Lease Name: J. MILLER 1 | | |
| Saltwater Disposal Well- Permit No.: | | | |
| Spot Location:feet from N / S Line | Land Description of Lance Table Dativi Con 20 CW CW CW NE | | |
| feet from E / W Line | Legal Description of Lease: <u>T23S R35W, Sec. 28, SW SW SW NE</u> RECEIVED | | |
| Enhanced Recovery Project Permit No.: | | | |
| Entire Project: Yes No | County: Kearny | | |
| Number of Injection Wells** | Production Zone(s): Chase Group | | |
| Field Name: HUGOTON GAS AREA | CONSERVATION DIVISION Injection Zone(s): WICHITA, KS | | |
| ** Side Two Must Be Completed. | | | |
| Surface Dit Domit No | feet fromN / 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 KH | | |
| Book Our control Linears No. 5447 | | | |
| 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: Brent Amnin | | |
| New Operator's License No. 32446 / New Operator's Name & Address: Merit Energy Company, LLC 13727 Noel Rd., Ste. 1200, Dallas, TX 75240 Title: Regulatory Manager | Contact Person: Arlene Valliquette Phone: 972.628.1558 Oil/Gas Purchaser: Occidental Energy Marketing Inc Date: April 15, 2014 Signature: | | |
| Acknowledgment of Transfer: The above request for transfer of injection noted, approved and duly recorded in the records of the Kansas Corporation Commission records only and does not convey any ownership interest in the | on Commission. This acknowledgment of transfer pertains to Kansas Corporation | | |
| lerit Energy Company, LLC is acknowledged as | 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.: | | |
| Vilence Vallimette | alere Valliguette | | |
| Pate: April 15, 2014 | Date: April 15, 2014 | | |
| Authorized Signature | Authorized Signature | | |
| DISTRICT EPR //-6-/4 PI | RODUCTION NOV 0 7 2014 UIC NOV 0 7 2014 | | |
| Mail to: Past OperatorNew Operator | rDistrict | | |

Side Two

Must Be Filed For All Wells

| KDOR L | ease No.: | | | |
|---------------------------------|------------------------------|--|-----------------------------------|--------------------------------------|
| *Lease Name: <u>J. MILLER 1</u> | | *Location: T23S R35W, Sec. 28, SW SW SW NE | | |
| 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 | 15-093-00101 🗸 | FNL FEL 2540 South, 2540 West, from NE 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

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

Form KSONA-1 January 2014 Form Must Be Typed Form must be Signed All blanks must be Filled

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) C | 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: Kearny | |
| Address 1:13727 Noel Rd., Ste. 1200 | Lease Name: J. MILLER 1 | |
| City: Dallas State: TX 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 Fax: (972) 628-1858 | T23S R35W, Sec. 28, SW SW NE | |
| Email Address: Arlene.Valliquette@meritenergy.com | | |
| | | |
| Surface Owner Information: | When filing a Form T-1 involving multiple surface owners, attach an additional | |
| TILLOTSON, SHIRLEY A REVOCABLE TRUST | sheet listing all of the information to the left for each surface owner. Surface | |
| PO BOX 366 | owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer. | |
| ULYSSES, KS 67880-0366 | | |
| are preliminary non-binding estimates. The locations may be entere Select one of the following: I certify that, pursuant to the Kansas Surface Owner Notiowner(s) of the land upon which the subject well is or will | 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 CB-1, Form T-1, or Form | |
| form; and 3) my operator name, address, phone number, fa | orm being filed is a Form C-1 or Form CB-1, the plat(s) required by this x, 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 se 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 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 | ling fee with this form. If the fee is not received with this form, the KSONA-1 CP-1 will be returned. | |
| hereby certify that the statements made herein are true and correct | | |
| Date: April 15, 2014 Signature of Operator or Agent: | Valligenette Title: Regulatory Manager | |

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