

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISIONForm T-1  
July 2014Form must be Typed  
Form must be Signed  
All blanks must be FilledREQUEST FOR CHANGE OF OPERATOR  
TRANSFER OF INJECTION OR SURFACE PIT PERMITForm 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 \_\_\_\_\_ \*\*
- ☒ Gas Lease: No. of Gas Wells 1 \*\*
- ☐ Gas Gathering System: \_\_\_\_\_
- ☐ Saltwater Disposal Well - Permit No.: \_\_\_\_\_
- Spot Location: \_\_\_\_\_ feet from ☐ N / ☐ S Line  
\_\_\_\_\_ feet from ☐ E / ☐ W Line
- ☐ Enhanced Recovery Project Permit No.: \_\_\_\_\_
- Entire Project: ☐ Yes ☐ No
- Number of Injection Wells \_\_\_\_\_ \*\*

Field Name: KANSAS HUGOTON**\*\* Side Two Must Be Completed.**Effective Date of Transfer: November 1, 2016KS Dept of Revenue Lease No.: 202854Lease Name: MCCANDLESS\_\_\_\_\_-\_\_\_\_\_-\_\_\_\_\_- Sec. 35 Twp. 30 R. 37 ☐ E ☒ WLegal Description of Lease: T 30S R 37W Sec 35 All 6TH PRINCIPALCounty: GrantProduction Zone(s): CHASE

Injection Zone(s): \_\_\_\_\_

Surface Pit Permit No.: \_\_\_\_\_  
(API No. if Drill Pit, WO or Haul)Type of Pit: ☐ Emergency ☐ Burn ☐ Settling ☐ Haul-Off ☐ Workover ☐ Drilling **Received**  
KANSAS CORPORATION COMMISSIONPast Operator's License No. 33136Past Operator's Name & Address: Anadarko E&P Onshore LLCP.O. Box 1330, Houston, Texas 77251Title: Regulatory ManagerContact Person: Nathan S. BennettPhone: (832) 636 - 3283Date: 10/27/2016Signature: [Signature]**NOV 08 2016**CONSERVATION DIVISION  
WICHITA, KSNew Operator's License No. 32446New Operator's Name & Address: Merit Energy Company, LLC13727 Noel Rd., Suite 1200Dallas, Texas 75240Title: N. Division Regulatory ManagerContact Person: Arlene ValliquettePhone: (972) 628 - 1558Oil / Gas Purchaser: Merit Energy Company, LLCDate: 10/27/16Signature: [Signature]

**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 the Kansas Corporation Commission. This acknowledgment of transfer pertains to Kansas Corporation Commission records only and does not convey any ownership interest in the above injection well(s) or pit permit.

\_\_\_\_\_ is acknowledged as  
the new operator and may continue to inject fluids as authorized by  
Permit No.: \_\_\_\_\_. Recommended action: \_\_\_\_\_

Date: \_\_\_\_\_  
Authorized Signature

\_\_\_\_\_ is acknowledged as  
the new operator of the above named lease containing the surface pit  
permitted by No.: \_\_\_\_\_

Date: \_\_\_\_\_  
Authorized Signature

DISTRICT \_\_\_\_\_ EPR 1-19-17 PRODUCTION 1/20/17 UI JAN 20 2017  
Mail to: Past Operator \_\_\_\_\_ New Operator \_\_\_\_\_ District \_\_\_\_\_

\* Lease Name: MCCANDLESS \* Location: 35,30S,37W

[illegible]

*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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CONSERVATION DIVISION  
WICHITA, KS

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form KSONA-1

July 2014

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**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  
Name: Merit Energy Company, LLC  
Address 1: 13727 Noel Rd., Suite 1200  
Address 2: \_\_\_\_\_  
City: Dallas State: TX Zip: 75240 + \_\_\_\_\_  
Contact Person: Arlene Valliquette  
Phone: (972) 628 - 1558 Fax: ( ) \_\_\_\_\_  
Email Address: Arlene.Valliquette@meritenergy.com

Well Location:  
- - - Sec. 35 Twp. 30 S. R. 37 ☐ East ☒ West  
County: Grant  
Lease Name: MCCANDLESS Well #: 1-35  
*If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:*

**Surface Owner Information:**

Name: Fred McCandless Inc., et al c/o Dean McCandless  
Address 1: 78365 Hwy 111 #345  
Address 2: \_\_\_\_\_  
City: La Quinta State: CA Zip: 92253 + \_\_\_\_\_

*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 county, and in the real estate property tax records of the county treasurer.*

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WICHITA, KS

*If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.*

**Select one of the following:**

☒ I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.

☐ I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I must provide the name and address 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 the KCC, which is enclosed with this form.

*If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.*

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

**North Division Regulatory Manager**

Date: 10/28/16 Signature of Operator or Agent: Arlene Valliquette Title: \_\_\_\_\_