Kansas Corporation Commission 1241320

Form CP-111 June 2011 Form must be Typed Form must be signed

TEMPORARY ABANDONMENT WELL APPLICATION

All blanks must be complete

Casing Squeeze(s): to w / sacks of cement, to w / sacks of cement. Date: Do you have a valid Oil & Gas Lease?	OPERATOR: License#				API No. 15-					
	Name:				Spot Descr	iption:				
State Zip:	Address 1:									
Contact Person:	Address 2:									
Datum: NAD27 NAD83 NAD84 NAD85 NAD	City:	State:	Zip: +							f Section
Country:	Contact Person:				Datum:	NAD27 NAD83	.xxxxx) , Long.	(e.g.	-xxx.xxxxx)	
Well Type: (check one) OI Gas OS WSW Other:	Phone:()								_ GL	KB
SWD Permit #:	Contact Person Email:				Lease Nam	e:		_ Well #:		
Gas Storage Permit #: Date Shut-In: Spud Date:	Field Contact Person:									
Spud Date: Date Shut-In:	Field Contact Person Phon	e: ()			l —			R Permit #:		
Size Setting Depth Surface Production Intermediate Liner Tubing Size Setting Depth Setting D					_	•		ln:		
Size Setting Depth Amount of Cement Dot Cement Bottom of		0 1 1	0 (
Setting Depth	Cino	Conductor	Surrace	Pro	oduction	Intermediate	Liner		Tubing	
Amount of Cement Bottom of Ce										
Top of Cement Bottom of Cement Bottom of Cemen										
Bottom of Cement Casing Fluid Level from Surface:										
At: to Feet Perforation Interval to Feet or Open Hole Interval to	•									
Geological Date: Formation Name Formation Top Formation Base Completion Information At:	Type Completion: ALT	.I ALT. II Depth of	of: DV Tool:(depth)	w/_	sacks	s of cement Por	t Collar:(depth)			of cement
Formation Name Formation Top Formation Base Completion Information At: to Feet Perforation Interval to Feet or Open Hole In	Total Depth:	Plug Bad	ck Depth:		Plug Back Meth	od:				
At: to Feet Perforation Interval to Feet or Open Hole Interval to	Geological Date:									
At: to Feet Perforation Interval to Feet or Open Hole Interval to	Formation Name	Formation	Top Formation Base			Completi	on Information			
Submitted Electronically Do NOT Write in This	1	At:	to Feet	Perfo	ration Interval	to	Feet or Open Hole	Interval	to	Feet
Submitted Electronically Do NOT Write in This Space - KCC USE ONLY Review Completed by: Comments: TA Approved: Yes Denied Date:	2	At:	to Feet	Perfo	ration Interval	to	Feet or Open Hole	Interval	to	Feet
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Space - KCC USE ONLY Review Completed by: Comments: TA Approved:										
TA Approved: Yes Denied Date:			R	esults:		Date Plugged:	Date Repaired:	Date Put Ba	ack in Serv	rice:
	Review Completed by:			Comn	nents:					
Mail to the Appropriate KCC Concernation Office.	TA Approved: Yes	Denied Date:								
mail to the Appropriate ACC Conservation Office:			Mail to the App	ropriate	KCC Conserv	ation Office:				

100 100	KCC District Office #1 - 210 E. Frontview, Suite A, Dodge City, KS 67801	Phone 620.225.8888
	KCC District Office #2 / UPGS - 3450 N. Rock Road, Building 600, Suite 601, Wichita, KS 67226	Phone 316.630.4000
	KCC District Office #3 - 1500 SW Seventh Steet, Chanute, KS 66720	Phone 620.432.2300
	KCC District Office #4 - 2301 E. 13th Street, Hays, KS 67601-2651	Phone 785.625.0550

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Shari Feist Albrecht, Jay Scott Emler Pat Apple	Cha	ir
In the Matter of the Applicati	on of Merit Energy)	Docket No. 15-CONS-172-CEXC
Company for an Exception to	the 10-year Time)	
Limitation of K.A.R. 82-3-11	1 for its Wander 2-2)	CONSERVATION DIVISION
Well in the Northwest Quarte	er of the Northeast)	
Quarter of Section 2, Townsh	nip 30 South, Range 35)	License No. 32446
West, Grant County, Kansas.		Í	

ORDER GRANTING APPLICATION

The above-captioned matter comes before the State Corporation Commission of the State of Kansas for consideration and determination. Having examined its files and records, and being duly advised in the premises, the Commission makes the following findings:

I. JURISDICTION

- 1. K.S.A. 74-623 provides that the Commission has the exclusive jurisdiction and authority to regulate oil and gas activities, with licensing authority under K.S.A. 55-155.
- 2. K.A.R. 82-3-100 provides that the Commission may grant an exception to any regulation after application and notice.
- 3. K.A.R. 82-3-111 requires wells that are inactive for more than 90 days to be plugged or approved for temporary abandonment ("TA") status. The regulations provides that wells having been shut-in for more than 10 years shall not be approved TA status without Commission approval of an application for an exception pursuant to K.A.R. 82-3-100.

II. FINDINGS OF FACT

4. Commission records indicate the operator is currently licensed to conduct oil and gas activities in Kansas under K.S.A. 55-155.

- 5. The above-captioned operator filed an application requesting an exception to the 10-year limit on TA status for the subject well(s).
- 6. The operator has verified that notice was properly served and published, as required under K.A.R. 82-3-135a, at least 15 days before the issuance of this Order.
 - 7. No protest was filed under K.A.R. 82-3-135b.
 - 8. The operator successfully tested the subject well(s) for mechanical integrity.
- 9. Commission Staff met internally and reviewed the application. Staff determined that the application and the mechanical integrity test(s) were sufficient to support the administrative grant of this application. Accordingly, Staff has proposed to the Commission this Order granting the application without the need for a hearing.

III. CONCLUSIONS OF LAW

- 10. The Commission has jurisdiction over the operator and this matter.
- 11. The application was filed in accordance with the rules and regulations of the Commission and Kansas statutes.
 - 12. Notice was properly served and published.
- 13. Based on the available facts, the Commission finds that the application should be granted to prevent waste and protect correlative rights, because the operator has demonstrated a potential future use for the well(s), and there is not a present a threat to fresh and usable water.

THEREFORE, THE COMMISSION ORDERS:

A. The application for an exception to the 10-year limit on TA status for the subject well(s) is granted for three years. The operator must file annual TA forms for the subject well(s). The first TA form(s) shall be filed within 30 days.

B. This Order is a summary proceeding pursuant to K.S.A. 77-537, which provides in paragraph (b)(4) that summary proceedings are not effective until the time for requesting a hearing has expired. K.S.A. 77-542 provides that a request for hearing shall be filed within 15 days of any agency notice resulting in a right to request a hearing. If service of this Order is by mail, three days are added to the deadline. Any party taking an action permitted by this summary proceeding before the deadline for requesting a hearing has expired shall be deemed to have waived their right to a hearing pursuant to K.S.A. 77-504.

C. Any party affected by this Order may file with the Commission a petition for reconsideration pursuant to K.S.A. 77-529(a). The petition shall be filed within 15 days after service of this Order. If service of this Order is by mail, three days are added to the deadline. The petition shall be addressed to the Commission and sent to 266 N. Main, Ste. 220, Wichita, Kansas 67202. Pursuant to K.S.A. 55-606, K.S.A. 66-118b, and K.S.A. 77-529(a), reconsideration is prerequisite for judicial review of this Order. Any party taking an action permitted by this summary proceeding before the deadline for a petition for reconsideration does so at their own risk of further proceedings.

D. The Commission retains jurisdiction of the subject matter and the parties and may enter additional orders as it deems appropriate.

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Apple, Commissioner

Date: JAN 2 2 2015

Date Mailed: 1/23/2015

CERTIFY THE ORIGINAL COPY IS ON FILE WITH

The State Corrected on Comprise for

JAN 2 2 2013

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re thomas

Acting Secretary

CERTIFICATE OF SERVICE

I certify that on	1/23	12015	, I caused a complete and accurate copy
of this Order to be served via	United (States mail	, with the postage prepaid and properly
addressed to the following:			

Stanford J. Smith, Jr.
Martin, Pringle, Oliver, Wallace & Bauer, L.L.P.
100 North Broadway, Suite 500
Wichita, Kansas 67202
Attorney for Merit Energy Company

Arlene Valliquette Merit Energy Company, LLC 13727 Noel Road Suite 1200 Dallas, Texas 75240

Stephen Pfeifer, KCC District #1 210 E. Frontview, Suite A Dodge City, KS 67801

/s/ Lane Palmateer
Lane Palmateer
Litigation Counsel
Kansas Corporation Commission

KCC OIL/GAS REGULATORY OFFICES

Date: <u>12/03/14</u>	District: <u>01</u>	
	New Situation Lease Inspection	
	Response to Request Complaint	
	Follow- Up Field Report	
Operator License No: 32446	API Well Number: 15-067-20838-00-02	
Op Name: Merit Energy Company LLC	Spot: SE NW NW NE Sec 2 Twp 30 S Rng 35	
Address 1: 13727 Noel Road, Ste 1200	4562 (4593) Feet from N/V S Li	
Address 2:		
City: Dallas	GPS: Lat: <u>37.47310</u> Long: <u>101.11445</u> Date: <u>12/3</u>	
State: Texas Zip Code: 75240 -	Lease Name: Wander Well #: 2-2	
Operator Phone #: <u>(972) 628-1659</u>	County: Grant	
Reason for Investigation:		1
Company requested state witness for 10 year	r TA casing test	
Problem:		
None		
TVOEIC		
Persons Contacted:		
Jimmy Welch on location		
Findings:		
TD: 5730' Surface Casing: 8.625" @ 1861' Production Casing: 5.500" @ 5729' DV Tool @ 3179' Chester Perfs: 5599'-5606' CIBP @ 5580' CIBP @ 4608' KC Perfs: 4560'-4564' Lansing Perfs: 4172'-4182', 4364'-4374' CIBP @ 4133'		
Chaosland Services pressure 5.50" casing to 310psl and held for 30 m	inutes	
Action/Recommendations: Follow	Up Required	
Satisfactory casing test		
and desiry sacring tool		
Entered	1 in RBoms 12/4/14MP	
Verification Sources:	A / Photos Taken:	
	1) # 1	.U
	A Program ourthouse By: M M M	
	ourthouse Kenny Sullivan	
✓ Other: on-site witness		<u></u>
Retain 1 Copy District Office Send 1 Copy to Conservation Division		

Conservation Division District Office No. 1 210 E. Frontview, Suite A Dodge City, KS 67801



Phone: 620-225-8888 Fax: 620-225-8885 http://kcc.ks.gov/

Sam Brownback, Governor

Shari Feist Albrecht, Chair Jay Scott Emler, Commissioner Pat Apple, Commissioner

February 04, 2015

Janna Burton Merit Energy Company, LLC 13727 NOEL RD STE 1200 DALLAS, TX 75240

Re: Temporary Abandonment API 15-067-20838-00-02 Wander 2-2 NE/4 Sec.02-30S-35W Grant County, Kansas

Dear Janna Burton:

Your temporary abandonment (TA) application for the well listed above has been approved. In accordance with K.A.R. 82-3-111 the TA status of this well will expire 01/22/2016.

Your exception application expires on 01/22/2018.

- * If you return this well to service or plug it, please notify the District Office.
- * If you sell this well you are required to file a Transfer of Operator form, T-1.
- * If the well will remain temporarily abandoned, you must submit a new TA application, CP-111, before 01/22/2016.

You may contact me at the number above if you have questions.

Very truly yours,

Michele Pennington