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

All blanks must be complete

TEMPORARY ABANDONMENT WELL APPLICATION

Name:				Spot Descri	ption:			
Address 1:					Sec	Twp	S. R	E []\
Address 2:								
City:	State:	_ Zip: +			on. Lat.			
Contact Person: Phone:()				GPS Location: Lat:, Long:, Long:				
				Datum: NAD27 NAD83 WGS84 County: Elevation: GL KB				
Contact Person Email:				Lease Name: Well #:				
Field Contact Person:				Well Type: (check one) Oil Gas OG WSW Other: SWD Permit #: ENHR Permit #:				
Field Contact Person Phone: (
				_	rage Permit #:			
				Spud Date:		Date Shut-	-ln:	
	Conductor	Surface	Pro	oduction	Intermediate	Liner		Tubing
Size								
Setting Depth								
Amount of Cement								
Top of Cement								
Bottom of Cement								
Casing Squeeze(s):(top) Do you have a valid Oil & Gas Le	to w / w / wase? Yes	sacks of c	ement,	(top) to	(bottom) w /	sacks of cem	nent. Date:	
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	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

KCC OIL/GAS REGULATORY OFFICES

Date: <u>03/18/15</u>	District: _)1	Case	#:
	✓ New !	Situation	Lease Ins	pection
	Resp	onse to Request	Complair	ıt
	Follo	w-Up	Field Rep	ort
Operator License No: 32446	API Well N	umber: <u>15-175-2</u>	1722-00-00	and the state of t
Op Name: Merit Energy Company LLC	Spot: <u> </u>	<u>IE SW NE NW</u> Se	e <u>11 </u>	_S Rng_ <u>34</u> E / \sqrt{W}
Address 1: 13727 Noel Road, Ste 1200	<u>760 (</u>	764)	Feet from	N/ S Line of Section
Address 2:		1736)	Feet from	E/√W Line of Section
City: Dallas	GPS: Lat:	37.02296 Loi	ng: <u>100.98859</u>	Date: <u>3/18/15</u>
State: Texas Zip Code: 75240 -	Lease Name	Boles C		Well #: 2
Operator Phone #: (972) 628-1659	County: S	eward		2-1-1-2-1-2-1-1-1-1-1-1-1-1-1-1-1-1-1-1
Reason for Investigation:				
Company requested state witness for 10	year TA casing	g test		
Problem:	100			COMMISSION AND AND AND AND AND AND AND AND AND AN
None				
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Persons Contacted:				
None			······································	
Findings:	· · · · · · · · · · · · · · · · · · ·			
3:10pm				
Perfs: 6521'-6526'				
CIBP: 6457'				
Nichols Fluid Service pressured up well t	o 500nei and h	ald for 30 minute	ne.	
Michols Fluid Service pressured up well t	o soopsi and n	aid ioi 30 illiildid	35.	
Action/Recommendations:	Follow Up Required	Yes √No	Date: _	
Satisfactory				
Verification Sources:		and the second s		Photos Taken: ()
✓ RBDMS KGS	TA Program			
T-I Database J District Files	Courthouse	Ву:		
Other: on-site witness		<u>Kenny S</u>	ullivan	
Send I Copy District Office				

Form:

32609-5 APR 0 8 2015

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Shari Feist Albrecht, Chair
	Jay Scott Emler
	Pat Apple

In the Matter of the Application of Merit Energy)	Docket No. 15-CONS-756-CEXC
Company for an exception to the 10-year time)	
limitation of K.A.R. 82-3-111 for its Boles C-2 well)	CONSERVATION DIVISION
in the Southwest Quarter of the Northeast Quarter of)	
the Northwest Quarter of Section 11, Township 35)	License No. 32446
South, Range 34 West, Seward County, Kansas.)	

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

 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.
- 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, which is calculated from the date the application was filed.

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 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.

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Leve homes
Neysa Thomas
Acting Secretary

LRP

CERTIFICATE OF SERVICE

I certify that on April 7, 2015, 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, LLC

Arlene Valliquette Merit Energy Company, LLC 13727 Noel Rd., Ste. 1200 Dallas, Texas 75240

Scott Alberg, KCC District #1 210 E. Frontview, Suite A Dodge City, KS 67801

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

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

April 17, 2015

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

Re: Temporary Abandonment API 15-175-21722-00-00 BOLES C 2 NW/4 Sec.11-35S-34W Seward 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 04/07/2016.

Your exception application expires on 04/07/2018.

- * 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 04/07/2016.

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

Very truly yours,

Michele Pennington