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

All blanks must be complete

TEMPORARY ABANDONMENT WELL APPLICATION

PERATOR: License#				API No. 15-	·														
lame:				Spot Description:															
Address 1:					Sec	Twp	_ S. R	DE W											
address 2:							=												
City:	State:	Zip: +		feet from L E / L W Line of Section															
Contact Person:				GPS Location: Lat:, Long:, Long:															
Phone: ()				County:															
										Field Contact Person Phone	:()			SWD Permit #: ENHR Permit #: Gas Storage Permit #: Date Shut-In:					
											,								
				Opua Bato.		Bato onat													
	Conductor	Surface	Pro	duction	Intermediate	Liner		Tubing											
Size																			
Setting Depth																			
Amount of Cement																			
Top of Cement																			
Bottom of Cement																			
Casing Fluid Level from Surf																			
o you have a valid Oil & Ga	as Lease? Yes	No																	
Pepth and Type:			Ca	sing Leaks:	Yes No Depth	of casing leak(s):													
ype Completion: ALT.																			
Packer Type:																			
otal Depth:	Plug Bac	k Depth:	!	Plug Back Meth	od:														
Geological Date:																			
ormation Name	Formation 7	Top Formation Base			Completion	Information													
·	At:	to Feet	Perfo	ration Interval	to Fe	et or Open Hole I	nterval	toFeet											
	At:	to Feet	Perfo	ration Interval	to Fe	et or Open Hole I	nterval	toFeet											
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		Submitte	ed Ele	ctronicall	у														
Do NOT Write in This	Date Tested:	Res	sults:		Date Plugged:	Date Repaired:	Date Put Ba	ack in Service:											
Space - KCC USE ONLY																			
Review Completed by:			_ Comm	nents:															
TA Approved: Yes	Denied Date:																		
		Mail to the Appro	opriate I	CC Conserv	vation Office:														

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, C Jay Scott Emler Pat Apple	Cha	ir
In the Matter of the Applicati	ion of Merit Energy)	Docket No. 15-CONS-171-CEXC
Company for an Exception to	the 10-year Time)	
Limitation of K.A.R. 82-3-11	11 for its Stanton A-2)	CONSERVATION DIVISION
Well in the Southeast Quarte	r of the Southwest)	
Quarter of Section 14, Towns	ship 29 South, Range 34)	License No. 32446

West, Haskell 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

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

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

have waived their right to a hearing pursuant to K.S.A. 77-504.

Date Mailed: 123 20(5

CERTIFY THE ORIGINAL COPY IS ON FILE WITH

JAN 2 2 2015

Neysa Thomas
Acting Secretary

LRP

JAN 2 2 2015

3

CERTIFICATE OF SERVICE

I certify that on	1/23/2015	, I caused a complete and accurate copy
of this Order to be served via	United States mai	l, 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			
0	45 004 00040 00			
Operator License No: 32446	API Well Number: 15-081-20916-00-00			
Op Name: Merit Energy Company LLC	Spot: SE NW SE SW See 14 Twp 29 S Rng 34 E / W			
Address 1: 13727 Noel Road, Ste 1200	660 (699) Feet from N/ S Line of Section			
Address 2:City: Dallas	1980 (1963) Feet from □E/VW Line of Section GPS: Lat: 37.52041 Long: 101.01025 Date: 12/3/14			
State: Texas Zip Code: 75240 -	Lease Name: Stanton A Well #: 2			
Operator Phone #: (972) 628-1659	County: Haskeli			
	County. Maskell			
Reason for Investigation:				
Company requested state witness for 10 year	TA casing test			
Problem:				
None				
Persons Contacted:				
Jimmy Welch on location				
Jiminy Welch on location				
Findings:				
11:20am				
TD: 5600'				
Surface Casing: 8.625" @ 1783' Production Casing: 5.500" @ 4911' (TOC 3900')				
Port Collar @ 2919' w/ 90sx cement TOC 2260' Morrow Perfs: 5308'-5319'				
CIBP @ 4855' Marmaton Perfs: 4678'-4698'				
CIBP @ 4655' KC Perfs: 4590'-4600'				
Squeezed Casing leaks 3125'-3458' Drilled out to 3020'				
Chaosland pressured 5.50" casing to 315pst and held for 30 minutes				
Character pressured 0.00 casing to proparate field to 00 minutes				
Action/Recommendations: Follow	Up Required Yes No Date:			
Satisfactory casing test				
	, 00			
Gater	ed in RDW 12/4/14M			
Verification Sources:	O A Photos Taken: O			
✓RBDMS KGS ✓TA	A Program			
T-I Database	ourthouse By: K W			
✓ Other: on-site witness	Kenny Śullivan			
Retain 1 Copy District Office				

Retain 1 Copy District Office Send 1 Copy to Conservation Division

Form:

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

January 04, 2016

katherine McClurkan Merit Energy Company, LLC 13727 Noel Road Suite1200 Dallas, TX 75240

Re: Temporary Abandonment API 15-081-20916-00-00 Stanton A 2 SW/4 Sec.14-29S-34W Haskell County, Kansas

Dear katherine McClurkan:

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 01/22/2017.

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 01/22/2017.

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

Very truly yours,

Michele Pennington