Form CP-111 Oct 2016 Form must be Typed Form must be signed

TEMPORARY ABANDONMENT WELL APPLICATION

All blanks must be complete

OPERATOR: License#				API No. 15 Spot Description:					
Name:									
Address 1:					· Sec	Twp	S. R	[E	≣
Address 2:									
City:		GPS Location: Lat:, feet from E / W Line of Section GPS Location: Lat:, Long:							
Contact Person:				Datum:	(e.g. xx.x NAD27 NAD83	xxxx) WGS84	(0.	gxxx.xxxxx)	
Phone:()	County: Elevation: Well #:								
Contact Person Email:									
Field Contact Person:	Well Type: (check one) Oil Gas OG WSW Other:								
Field Contact Person Phone:	()			l —	ermit #: orage Permit #:	_	R Permit #:_		
				_			ln:		
			_						
0:	Conductor	Surface	Pro	duction	Intermediate	Liner		Tubing	
Size									
Setting Depth Amount of Cement									
Top of Cement									
Bottom of Cement									
	ı					1			
Casing Fluid Level from Surfa									
Casing Squeeze(s):	to w /	sacks of ce	ment,	to	(bottom) W /	sacks of cem	nent. Date: _		
Do you have a valid Oil & Ga	s Lease? Yes	No							
Depth and Type:	Hole at	Tools in Hole at	Ca:	sing Leaks:	Yes No Dept	h of casing leak(s):			
									f cement
Type Completion: ALT. I									
-									
Total Depth:	Plug Bacl	C Depth:		Plug Back Meth	od:				
Geological Date:									
Formation Name	Formation 1	op Formation Base			Completio	n Information			
1	At:	to Feet	Perfo	ration Interval .	to F	eet or Open Hole	Interval	to	Feet
2	At:	to Feet	Perfo	ration Interval	to F	eet or Open Hole	Interval	to	Feet
UNDER BENALTY OF BER	HIDVILLEDEDY ATTE	TTUATTUE INCORMA	TION COL	ITAINED HED	TEN IO TOUE AND O		SECT OF M	V KNOW! F	DOE
							3221712	.	
		Submitt	ed Ele	ctronicall	у				
Do NOT Write in This Space - KCC USE ONLY	Date Tested:	R-	esults:		Date Plugged:	Date Repaired:	Date Put	Back in Serv	ice:
Review Completed by:			Comm	nents:					
TA Approved: Yes									_
"TAPPIOVEG. 165									
		Mail to the App	ropriate I	CC Conserv	ation Office:				

from both from two tube has not been been made to be for	KCC District Office #1 - 210 E. Frontview, Suite A, Dodge City, KS 67801	Phone 620.225.8888
	KCC District Office #2 - 3450 N. Rock Road, Building 600, Suite 601, Wichita, KS 67226	Phone 316.337.7400
	KCC District Office #3 - 1500 SW Seventh Steet, Chanute, KS 66720	Phone 620.432.2300
Same from the first field of tensor fairs age from the tensor that the field from the field field from the fiel	KCC District Office #4 - 2301 E. 13th Street, Hays, KS 67601-2651	Phone 785.625.0550

KCC OIL/GAS REGULATORY OFFICES

Date:		District:			Case #:			
		New Si	ituation		Lease Insp	ection		
		Respon	nse to Request	t	Complain	t		
		Follow- Up			Field Rep			
Operator License No:		API Well Nu	ımber:					
Op Name:				Sec	Twp	_S Rng _	E / W	
Address 1:							S Line of Section	
Address 2:							W Line of Section	
City:							:	
State: Z								
Operator Phone #:								
Reason for Investigation:								
Reason for investigation:								
Problem:								
Persons Contacted:								
Findings:								
Action/Recommendations:		Follow Up Required	Yes	No				
Verification Sources:						Photos	Taken:	
RBDMS	KGS	TA Program						
T-I Database	District Files	Courthouse	By:					
Other:								

Retain 1 Copy District Office Send 1 Copy to Conservation Division

Form: _____

Date:		_	District:			Li	cense #:		
Op Name:			Spot:		Sec	Twp _	S Rng	E /	\mathbf{W}
County:				me:			Well #:		
I.D. Sign Yes	No			Gas Venting	Yes	No			
Tank Battery Con Condition: Good	dition Questional	ole Overflow	ing	Pits Fluid Depth:	ft;	Approx. S	ize:ft. x _		ft.
Pits, Injection Site		Size:ft.	. xft.	Saltwater Pi Leaks Visible	_	N	Tested for Leaks:	Y	N
Oil Spill Evidence				Flowing Hol	les				
Abandoned Well	Potential Polls	ution Problem	Yes No	TA Wells					
Lease Cleanliness				Monitoring	Records				
Very Good	Satisfactory	Poor Very	Bad Bad						
SWD/ER Injection We		No		Gauge Connect	ions Y	es No	•		
Permit #: 1			horized: psi	_			; C/SP Ann	ulus:	
Permit #: 1	Pressure – Actu	al: psi; Aut	horized: psi	Tubing:	; T/C	Annulus: _	; C/SP Ann	ulus:	
Permit #: 1	Pressure – Actu	al: psi; Aut	horized: psi	Tubing:	; T/C	Annulus: _	; C/SP Ann	ulus:	
Permit #: 1	Pressure – Actu	al: psi; Aut	horized: psi	Tubing:	; T/C	Annulus: _	; C/SP Annı	ulus:	
API Number	Footages	Spot Location	GPS	Well #			Well Status		

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 Application	n of Merit Energy)	Docket No. 15-CONS-185-CEXC
Company for an exception to the	he 10-year time)	
limitation of K.A.R. 82-3-111 for its McHargue A-2			CONSERVATION DIVISION
well in the Northeast Quarter of	of the Southwest Quarter)	
of Section 2, Township 33 Sou)	License No. 32446	
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

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.

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

This Order is a summary proceeding pursuant to K.S.A. 77-537, which provides

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

Neysa Thomas
Acting Secretary

Date Mailed: 1/23

B.

1/23/2015

LRP

I CERTIFY THE ORIGINAL COPY IS ON FILE WITH The State Corporation Commission

JAN 2 8 2010

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CERTIFICATE OF SERVICE

I certify that on	23/	2015	, I caused a complete and accurate copy
of this Order to be served via U	Inited	l 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

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

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

January 03, 2017

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

Re: Temporary Abandonment API 15-175-20526-00-00 McHargue A 2 SW/4 Sec.02-33S-34W Seward 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 01/22/2018.

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 01/22/2018.

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

Very truly yours,

Michele Pennington