1357347

Form CP-111

March 2017

Form must be Typed

Form must be signed

TEMPORARY ABANDONMENT WELL APPLICATION

All blanks must be complete

OPERATOR: License#				API No. 15-	·				
Name:				Spot Description:					
Address 1:					Sec	Twp \$	S. R	_	\square W
Address 2:						feet from			
City:	State:	Zip: +		feet from E / W Line of Section					
Contact Person:				GPS Location: Lat:, Long:					
Phone:()									
Contact Person Email:				Lease Name: Well #:					
Field Contact Person:				Well Type: (check one) Oil Gas OG WSW Other:					
Field Contact Person Phone	e: ()			SWD Permit #: ENHR Permit #:					
, ,									
	Conductor	Surface	Pro	duction	Intermediate	Liner		Tubing	
Size	- Conductor	Gundos			ouidie				
Setting Depth									
Amount of Cement									
Top of Cement									
Bottom of Cement									
Depth and Type: Junk Type Completion: ALT Packer Type: Total Depth:	.I ALT. II Depth o	f: DV Tool:(depth)	w / _ Inch	Set at:	s of cement Por	t Collar:v eet			cement
Geological Date:									
Formation Name	Formation	Top Formation Base			Completi	on Information			
1	At:	to Fee	t Perfo	ration Interval	to	Feet or Open Hole Inte	erval	to	_Feet
2	At:	to Fee	t Perfo	ration Interval	to	Feet or Open Hole Inte	erval	to	Feet
IINDED DENALTY OF DEE	D IIIDV I LIEDEDV ATTE			ctronicall		COBBECT TO THE BEG	PT OF MV I/M	IOMI ED	CE.
Do NOT Write in This Space - KCC USE ONLY	Date Tested:	F	Results:		Date Plugged:	Date Repaired:	Date Put Back	in Servic	e:
Review Completed by:			Comn	nents:					_
TA Approved: Yes	Denied Date:								
		Mail to the App	oropriate	KCC Conser	vation Office:				
2.0.		man to the App	o. op. iate						

Notes took took too too too to an Anne being took took too	KCC District Office #1 - 210 E. Frontview, Suite A, Dodge City, KS 67801	Phone 620.682.7933
	KCC District Office #2 - 3450 N. Rock Road, Building 600, Suite 601, Wichita, KS 67226	Phone 316.337.7400
The state of the s	KCC District Office #3 - 1500 SW Seventh Steet, Chanute, KS 66720	Phone 620.432.2300
Same Street Street State State State State Street S	KCC District Office #4 - 2301 E. 13th Street, Hays, KS 67601-2651	Phone 785.261.6250

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Pat Apple, Chairman Shari Feist Albrecht Jay Scott Emler

In the matter of the application of Merit)	Docket No. 17-CONS-3536-CEXC
Energy Company, LLC, for an exception to)	
the 10-Year time limitation of K.A.R. 82-3-)	CONSERVATION DIVISION
111 for its BCU 403 well in the Southwest)	
Quarter of the Northeast Quarter of the)	License No. 32446
Northeast Quarter of Section 31, Township)	
27 South, Range 33 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 be plugged or approved for temporary abandonment ("TA") status. The regulation provides that wells having been shut-in for more than 10 years shall not be approved for 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 Merit Energy Company, LLC ("Operator") is currently licensed to conduct oil and gas activities in Kansas under K.S.A. 55-155.
- 5. Operator filed an application requesting an exception to the 10-year limit on TA status for the Branstetter Chester Unit (BCU) 403 well, API #15-081-21477-00-00.
- 6. 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. Operator successfully tested the subject well for mechanical integrity.
- 9. Commission Staff met internally and reviewed Operator's application. Staff determined that the application and the mechanical integrity test 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 Operator and this matter.
- 11. Operator's 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 Operator has demonstrated a potential future use for the well, and there is not a present threat to fresh and usable water.

THEREFORE, THE COMMISSION ORDERS:

A. Operator's application for an exception to the 10-year limit on TA status for the subject well is granted for three years, calculated from the date the application was filed.

Operator must file an annual TA form for the subject well. The first TA form 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.

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.

BY THE COMMISSION IT IS SO ORDERED.

Apple, Chairman; Albrecht, Commissioner; Emler, Commissioner

Date:	N 0 8 5017	Lym M. Keg
		Lynn M. Retz
Date Mailed:	June 6, 2017	Secretary to the Commission

JDW

CERTIFICATE OF SERVICE

I certify that on June 6, 2017, 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:

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

Stanford J. Smith Martin, Pringle, et al. 100 North Broadway, Suite 500 Wichita, Kansas 67202

And delivered electronically to:

Scott Alberg KCC District #1

/s/ Cynthia K. Maine
Cynthia K. Maine
Administrative Assistant
Kansas Corporation Commission

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



Phone: 620-682-7933 http://kcc.ks.gov/

Sam Brownback, Governor

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

June 15, 2017

Katherine McClurkan Merit Energy Company, LLC 13727 Noel Road, Suite 1200 Dallas, TX 75240

Re: Temporary Abandonment API 15-081-21477-00-00 Branstetter Chester Unit 403 NE/4 Sec.31-27S-33W 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 06/06/2018.

Your exception application expires on 06/06/2020.

- * 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 06/06/2018.

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

Very truly yours,

Michele Pennington