



TEMPORARY ABANDONMENT WELL APPLICATION

OPERATOR: License# _____
 Name: _____
 Address 1: _____
 Address 2: _____
 City: _____ State: _____ Zip: _____ + _____
 Contact Person: _____
 Phone: (_____) _____
 Contact Person Email: _____
 Field Contact Person: _____
 Field Contact Person Phone: (_____) _____

API No. 15- _____
 Spot Description: _____
 _____ - _____ - _____ - _____ Sec. _____ Twp. _____ S. R. _____ E W
 _____ feet from N / S Line of Section
 _____ feet from E / W Line of Section
 GPS Location: Lat: _____, Long: _____
(e.g. xx.xxxxx) (e.g. -xxx.xxxxx)
 Datum: NAD27 NAD83 WGS84
 County: _____ Elevation: _____ GL KB
 Lease Name: _____ Well #: _____
 Well Type: (check one) Oil Gas OG WSW Other: _____
 SWD Permit #: _____ ENHR Permit #: _____
 Gas Storage Permit #: _____
 Spud Date: _____ Date Shut-In: _____

| | Conductor | Surface | Production | Intermediate | Liner | Tubing |
|------------------|-----------|---------|------------|--------------|-------|--------|
| Size | | | | | | |
| Setting Depth | | | | | | |
| Amount of Cement | | | | | | |
| Top of Cement | | | | | | |
| Bottom of Cement | | | | | | |

Casing Fluid Level from Surface: _____ How Determined? _____ Date: _____

Casing Squeeze(s): _____ to _____ w / _____ sacks of cement, _____ to _____ w / _____ sacks of cement. Date: _____
(top) (bottom) (top) (bottom)

Do you have a valid Oil & Gas Lease? Yes No

Depth and Type: Junk in Hole at _____ Tools in Hole at _____ Casing Leaks: Yes No Depth of casing leak(s): _____
(depth) (depth)

Type Completion: ALT. I ALT. II Depth of: DV Tool: _____ w / _____ sacks of cement Port Collar: _____ w / _____ sack of cement
(depth) (depth)

Packer Type: _____ Size: _____ Inch Set at: _____ Feet

Total Depth: _____ Plug Back Depth: _____ Plug Back Method: _____

Geological Data:

| Formation Name | Formation Top | Formation Base | Completion Information |
|----------------|---------------|----------------|--|
| 1. _____ | At: _____ | to _____ Feet | Perforation Interval _____ to _____ Feet or Open Hole Interval _____ to _____ Feet |
| 2. _____ | At: _____ | to _____ Feet | Perforation Interval _____ to _____ Feet or Open Hole Interval _____ to _____ Feet |

~~UNDER PENALTY OF PERJURY I HEREBY ATTEST THAT THE INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE~~

Submitted Electronically

| | | | | | |
|---|--|----------------|---------------------|----------------------|---------------------------------|
| Do NOT Write in This Space - KCC USE ONLY | Date Tested: _____ | Results: _____ | Date Plugged: _____ | Date Repaired: _____ | Date Put Back in Service: _____ |
| | Review Completed by: _____ Comments: _____ | | | | |
| TA Approved: <input type="checkbox"/> Yes <input type="checkbox"/> Denied Date: _____ | | | | | |

Mail to the Appropriate KCC Conservation Office:

| | | |
|--|--|--------------------|
| | 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 |
| | 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 785.261.6250 |

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 Energy) Docket No. 17-CONS-3546-CEXC
Company, LLC, for an exception to the 10-year)
time limitation of K.A.R. 82-3-111 for its Israel) CONSERVATION DIVISION
A-11 well in the Northwest Quarter of the)
Northwest Quarter of the Southwest Quarter of) License No. 32446
Section 4, Township 32 South, Range 39 West,)
Morton 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 Israel A-11 well, API #15-129-20930-00-01.

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.

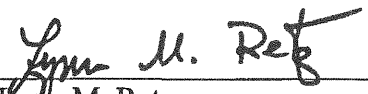
C. Any party affected by this Order may file with the Commission a petition for reconsideration pursuant to K.S.A. 77-529(a). The petition shall be filed within 15 days after service of this Order. If service of this Order is by mail, three days are added to the deadline. The petition shall be addressed 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: JUL 27 2017

Date Mailed: July 27, 2017



Lynn M. Retz
Secretary to the Commission

JRM

CERTIFICATE OF SERVICE

I certify that on July 27, 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, TX 75240

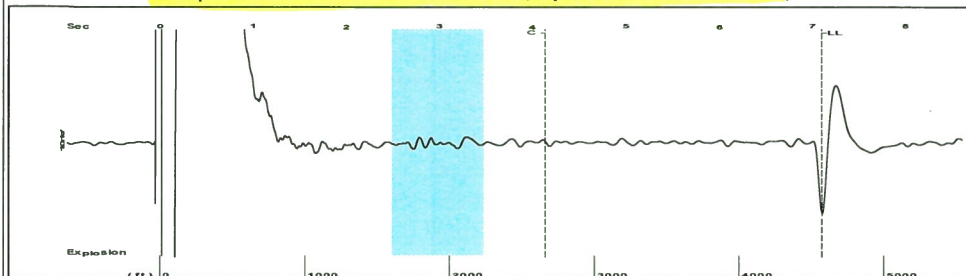
Stanford J. Smith, Jr.
Martin, Pringle, et al.
100 North Broadway, Suite 500
Wichita, KS 67202
Attorney for Merit Energy Company

and delivered by e-mail to:

Scott Alberg
KCC District #1

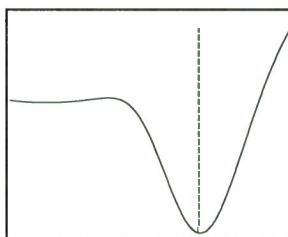
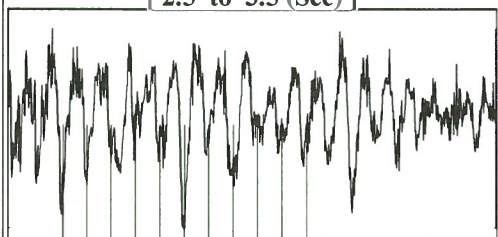
/s/ Cynthia K. Maine
Cynthia K. Maine
Administrative Assistant
Kansas Corporation Commission

Group: TA'D WELLS Well: ISRAEL A-11 (acquired on: 03/16/17 12:48:31)



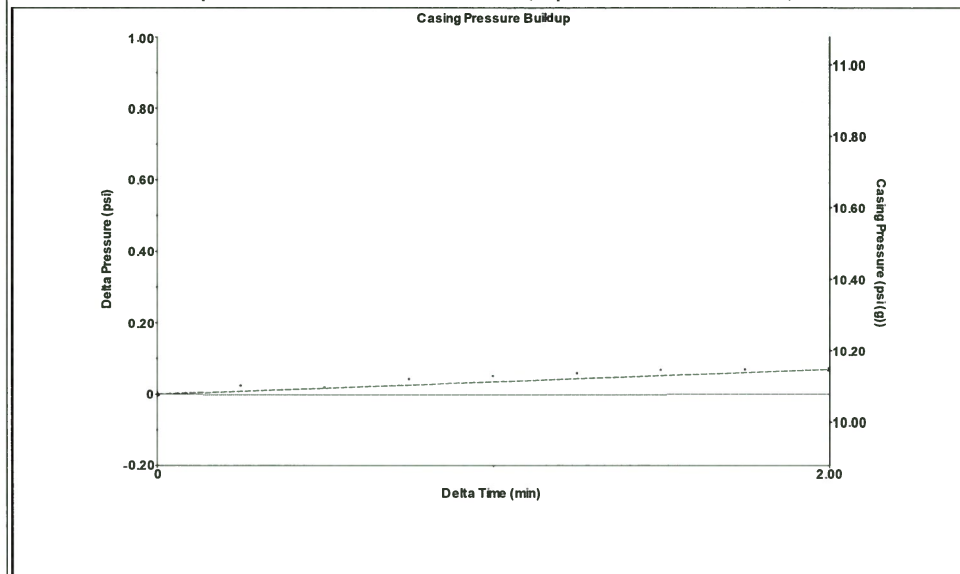
Filter Type High Pass Automatic Collar Count Yes Time 7.102 sec
 Manual Acoustic Velocity 1268 ft/s Manual JTS/sec 20 Joints 144.259 Jts
 Depth 4573.02 ft

[2.5 to 3.5 (Sec)]



Analysis Method: Automatic

Group: TA'D WELLS Well: ISRAEL A-11 (acquired on: 03/16/17 12:48:31)



Change in Pressure 0.07 psi PT9424
 Change in Time 2.00 min Range 0 - ? psi

Group: TA'D WELLS Well: ISRAEL A-11 (acquired on: 03/16/17 12:48:31)

Production Current Potential
 Oil - * - - * - BBL/D
 Water - * - - * - BBL/D
 Gas - * - - * - Mscf/D

IPR Method Vogel
 PBHP/SBHP - * -
 Production Efficiency 0.0

Oil 40 deg.API
 Water 1.05 Sp.Gr.H2O
 Gas 0.71 Sp.Gr.AIR

Acoustic Velocity 1287.81 ft/s

Formation Submergence
 Total Gaseous Liquid Column HT (TVD) 1296 ft
 Equivalent Gas Free Liquid HT (TVD) 1214 ft

Acoustic Test

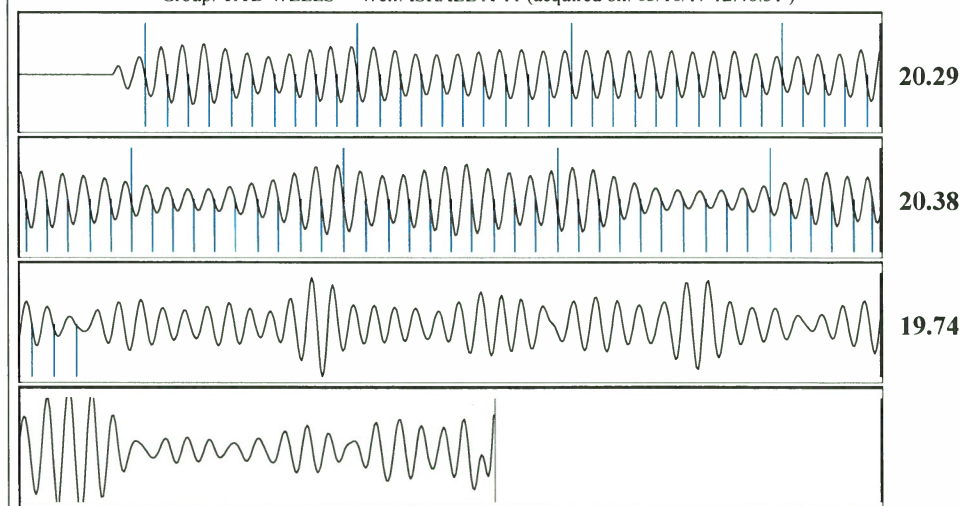
Casing Pressure 10.1 psi (g)
 Casing Pressure Buildup 0.1 psi
 2.00 min
 Gas/Liquid Interface Pressure 12.9 psi (g)
 Liquid Level Depth 4573.02 ft
 Pump Intake Depth 5869.00 ft
 Formation Depth 5875.00 ft



Producing Annular Gas Flow 2 Mscf/D
 % Liquid 94 %

Pump Intake 419.8 psi (g)
 Producing BHP 422.4 psi (g)
 Static BHP - * - psi (g)

Group: TA'D WELLS Well: ISRAEL A-11 (acquired on: 03/16/17 12:48:31)



Acoustic Velocity 1287.81 ft/s Joints counted 78
 Joints Per Second 20.3125 jts/sec Joints to liquid level 144.259
 Depth to liquid level 4573.02 ft Filter Width 18 22
 Automatic Collar Count Yes Time to 1st Collar 0.292 4.132

August 01, 2017

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

Re: Temporary Abandonment
API 15-129-20930-00-01
Isreal A 11
SW/4 Sec.04-32S-39W
Morton County, Kansas

Dear Katheirne 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 04/18/2018.

Your exception application expires on 04/18/2020.

- * 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 04/18/2018.

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

Very truly yours,

Michele Pennington