KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

All blanks must be complete

TEMPORARY ABANDONMENT WELL APPLICATION

OPERATOR: License#					API No. 15					
Name:					Spot Description:					
Address 1:					Sec Twp S. R E W					
Address 2:								feet from N /		
City:					GPS Location: Lat:, Long:, Long:					
Contact Person:					GPS Location: Lat:, Long:, e.gxxx.xxxxx) Datum: NAD27 NAD83 WGS84					
Phone:()					County:					
Contact Person Email:										
Field Contact Person:					Well Type: (check one) Oil Gas OG WSW Other: SWD Permit #: ENHR Permit #:					
Field Contact Person Pho	ne:()									
	()					rage Permit #: _				
					Spud Date: -			_ Date Shut-In:		
	Conductor	Surfa	се	Produ	ction	Intermedi	ate	Liner	Tubing	1
Size										
Setting Depth										
Amount of Cement										
Top of Cement										
Bottom of Cement										
Casing Fluid Level from S	urface:		How Detern	nined?				Date		
Casing Squeeze(s):										
Do you have a valid Oil &	Gas Lease? Yes	No								
Depth and Type:	in Hole at	Tools in Hol	e at	Casin	a Leaks	Yes No	Depth of ca	asing leak(s):		
Depth and Type: Juni										
Type Completion: AL								: W / (depth)	sack o	it cement
Packer Type:	Size: _			_ Inch Se	t at:		_ Feet			
Total Depth:	Plug Back Depth:			Plu	Plug Back Method:					
Geological Date:										
Formation Name	Formation	Formation Top Formation Base			Completion Information					
	At:	to	Feet	Perforati	on Interval _	to	Feet o	r Open Hole Interval	to	Feet
1										-
	At:	to	Feet	Perforati	on Interval –	to		r Open Hole Interval –	to	⊦eet

Submitted Electronically

<i>Do NOT Write in This Space -</i> KCC USE ONLY	Date Tested:	Results:	Date Plugged:	Date Repaired:	Date Put Back in Service:
Review Completed by:		Comments:			
TA Approved: 🗌 Yes 🗌 D	Denied Date:				

Mail to the Appropriate KCC Conservation Office:

$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	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 - 137 E. 21st St., Chanute, KS 66720	Phone 620.902.6450
	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

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Shari Feist Albrecht, Chair Jay Scott Emler Dwight D. Keen

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In the matter of the application of Merit Energy Company for an exception to the 10-year time limitation of K.A.R. 82-3-111 for its Garden City H-8 well in the north half of the south half of the northwest quarter of the northeast quarter of Section 23, Township 23 South, Range 34 West, Finney County, Kansas. Docket No. 18-CONS-3358-CEXC CONSERVATION DIVISION License No. 32446

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 Garden City H #08 well, API #15-055-21178.¹

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. On March 21, 2018, Operator successfully tested the subject well for mechanical integrity.

9. The Commission finds the application and the mechanical integrity test sufficient to support the administrative grant of this application.

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.

¹ In its application, Operator refers to the well as the Garden City H-8 well, with an API extension of 00-01. In Commission databases, the well is known as the Garden City H #08, with an API extension of 00-02. There is no doubt, however, as to the physical identity of the well in question.

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.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

06/12/2018 Date:

Lynn M. Reg

Lynn M. Retz Secretary to the Commission

Date Mailed:

JRM

CERTIFICATE OF SERVICE

18-CONS-3358-CEXC

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of

electronic service on 06/12/2018

SCOTT ALBERG, DISTRICT #1 SUPERVISOR KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 Fax: 785-271-3354 s.alberg@kcc.ks.gov

JONATHAN R. MYERS, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION Conservation Division 266 N. Main St. Ste. 220 WICHITA, KS 67202-1513 Fax: 316-337-6211 j.myers@kcc.ks.gov

STANFORD J. SMITH, JR., ATTORNEY MARTIN, PRINGLE, OLIVER, WALLACE & BAUER, LLP 100 N BROADWAY STE 500 WICHITA, KS 67202 Fax: 316-265-2955 sjsmith@martinpringle.com KATHERINE MCCLURKAN, REGULATORY ANALYST MERIT ENERGY COMPANY, LLC 13727 NOEL ROAD, SUITE 1200 DALLAS, TX 75240 kathy.mcclurkan@meritenergy.com

MICHELE PENNINGTON KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 Fax: 785-271-3354 m.pennington@kcc.ks.gov

/S/ DeeAnn Shupe DeeAnn Shupe

STATE OF KANSAS

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



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

GOVERNOR JEFF COLYER, M.D. Shari Feist Albrecht, Chair | Jay Scott Emler, Commissioner | Dwight D. Keen, Commissioner

June 19, 2018

Katherine McClurkan Merit Energy Company, LLC 13727 NOEL RD STE 1200 DALLAS, TX 75240

Re: Temporary Abandonment API 15-055-21178-00-02 GARDEN CITY H 08 NE/4 Sec.23-23S-34W Finney 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 06/12/2019.

Your exception application expires on 06/12/2019.

* 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 06/12/2019.

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

Very truly yours,

Michael Maier