KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

All blanks must be complete

TEMPORARY ABANDONMENT WELL APPLICATION

OPERATOR: License#				AF	API No. 15					
Name:				Sp	Spot Description:					
Address 1:					Sec Twp S. R E W					
Address 2:				-				feet fromN		
City:	State:	Zip:	+		feet from L E / W Line of Section					
Contact Person:				_	GPS Location: Lat: , Long: Datum: NAD27 NAD27 NAD83 WGS84 County: Elevation: Well #:					
Field Contact Person:				W	Well Type: (check one) Oil Gas OG WSW Other:					
Field Contact Person Phone	e: ()							_ ENHR Perm	nit #:	
	Field Contact Person Phone: ()				Gas Storage Permit #: Spud Date: Date Shut-In:					
				Sp	oud Date:_			_ Date Shut-In:		
	Conductor	Surfa	ce	Productio	on	Intermediate		Liner	Т	Tubing
Size										
Setting Depth										
Amount of Cement										
Top of Cement										
Bottom of Cement										
Casing Fluid Level from Sur	face:		How Deter	mined?				D	ate:	
Casing Squeeze(s):	to w	/	sacks of ceme	ent,	to	/bottom) w /		sacks of cement. D	ate:	
Do you have a valid Oil & G	as Lease? 🗌 Yes	No								
Depth and Type: Dunk	in Hole at	Tools in Hol	e at	Casing L	eaks:	Yes 🗌 No	Depth of ca	asing leak(s):		
vpe Completion: ALT. I ALT. II Depth of: DV Tool:							(depth)			
Total Depth:	Plug Back Depth: F			Plug E	Plug Back Method:					
Geological Date:										
	ation Name Formation Top Formation Base				Completion Information					
Formation Name			F 4		linte in col	to	Feet or	· Open Hole Interva	l to	E Eoot
Formation Name	At:	to	Feet	Perforation	Interval_	10		open noie interva	· it	

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: Yes De	nied Date:				

Mail to the Appropriate KCC Conservation Office:

There has no no no as had been made and there have	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
Anno and and the second	KCC District Office #4 - 2301 E. 13th Street, Hays, KS 67601-2651	Phone 785.261.6250

2015.01.23 08:53:43 Kansas Corporation Commission /S/ Meesa Thomas

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Shari Feist Albrecht, Chair Jay Scott Emler Pat Apple

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 Stanton A-2 Well in the Southeast Quarter of the Southwest Quarter of Section 14, Township 29 South, Range 34 West, Haskell County, Kansas. Docket No. 15-CONS-171-CEXC

CONSERVATION DIVISION

) License No. 32446

ORDER GRANTING APPLICATION

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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.

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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 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

JAN 222015

Date Mailed:

LRP

Date:

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

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Neysa Thomas Acting Secretary

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CERTIFICATE OF SERVICE

I certify that on $\frac{1/23/2015}{2015}$, 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:

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

<u>/s/ Lane Palmateer</u> Lane Palmateer Litigation Counsel Kansas Corporation Commission

KCC OIL/GAS REGULATORY OFFICES

Date: <u>12/03/14</u>	District: 01	Case #:
	New Situation	Lease Inspection
	Response to Request	Complaint
	Follow- Up	Field Report
Operator License No: <u>32446</u>	API Well Number: 15-0	81-20916-00-00
Op Name: Merit Energy Company LLC		/See <u>14</u> Twp <u>29</u> S Rng <u>34</u> E /
Address 1: 13727 Noel Road, Ste 1200	660 (699)	Feet from N/V S Line of Section
Address 2:	1980 (1963)	Feet from E/V Line of Section
City: Dallas	GPS: Lat: <u>37.52041</u>	Long: 101.01025 Date: 12/3/14
State: Texas Zip Code: 75240 -	Lease Name: Stanton A	Well #: 2
Operator Phone #: <u>(972) 628-1659</u>	County: Haskell	
Reason for Investigation:		
Company requested state witness for 10 year	TA casing test	
Problem:		
None		
Persons Contacted:		
Jimmy 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'		
Observation of 5 50% accients 245 period hald for 20 minutes		
Chaosland pressured 5.50" casing to 315psi and held for 30 minutes		
Action/Recommendations: Follow U	Up Required Yes 🗸	No 🕫 Date:
Satisfactory casing test		
Gatera	din RADNS	12/4/14MP
Verification Sources:		A Photos Taken: 0
	. Program	V M XM
	urthouse By:	
✓ Other: <u>on-site witness</u>	<u>Ke</u>	nny Śullivan

Retain 1 Copy District Office Send 1 Copy to Conservation Division



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

Pat Apple, Chairman Shari Feist Albrecht, Commissioner Jay Scott Emler, Commissioner Sam Brownback, Governor

January 02, 2018

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 application for Temporary Abandonment (TA) for the above-listed well is denied for the following reasons(s):

Shut-in Over 10 years

Pursuant to K.A.R. 82-3-111, the well must be plugged or returned to service by January 30, 2018.

If you wish to instead file an application for an exception to the 10-year limitation of K.A.R. 82-3-111, demonstrating why it is necessary to TA the well for more than 10 years, then you must file the application for an exception by January 30, 2018.

This deadline does NOT override any compliance deadline given to you in any Commission Order.

You may contact me if you have any questions.

Sincerely, Michael Maier KCC DISTRICT 1