KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

All blanks must be complete

TEMPORARY ABANDONMENT WELL APPLICATION

OPERATOR: License# Name: Address 1:				API No. 15-	API No. 15- Spot Description:					
				Spot Descr						
				_						
Address 2:				_		feet from N /				
City:	State:	Zip:	+	0001000	feet from E / W Line of Section					
Contact Person:				GPS Local	GPS Location: Lat: , Long: Datum: NAD27 NAD27 WGS84 County: Elevation: Well #:					
Field Contact Person:				Well Type: ((check one) 🗌 🤇	Dil 🗌 Gas 🗌 OG 🗌 WSW 📃 O	ther:			
Field Contact Person Phone					SWD Permit #: ENHR Permit #:					
	//()									
				Spud Date:		Date Shut-In:				
	Conductor	Surface	e	Production	Intermedia	ate Liner	Tubing	J		
Size										
Setting Depth										
Amount of Cement										
Top of Cement										
Bottom of Cement										
Casing Fluid Level from Sur	rface:		How Determir	ned?		Date	e:			
0						sacks of cement. Dat				
Do you have a valid Oil & Ga	as Lease? 🗌 Yes	No								
Depth and Type: 🗌 Junk i	in Hole at	Tools in Hole	at	Casing Leaks:	Yes No	Depth of casing leak(s):				
						Port Collar: w /	Sack U	n cement		
Packer Type:	Size: _			Inch Set at:		_ Feet				
Total Depth:	Plug B	ack Depth:		Plug Back Meth	od:					
Geological Date:										
	Formation Top Formation Base			Completion Information						
Formation Name			Foot F	Perforation Interval	to	Feet or Open Hole Interval_	to	Feet		
Formation Name	At:	to		choradon interval				1 000		

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	enied 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 - 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

Before Commissioners:

Susan K. Duffy, Chair Dwight D. Keen Andrew J. French

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In the matter of the application of Merit Energy Company, LLC, for an exception to the 10-year time limitation of K.A.R. 82-3-111 for its Victory Morrow Lime Unit 203 well in the West Half of the Northwest Quarter of the Northwest Quarter of Section 28, Township 30 South, Range 33 West, Haskell County, Kansas. Docket No. 20-CONS-3331-CEXC

CONSERVATION DIVISION

License No. 32446

ORDER GRANTING APPLICATION

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined its files and records, and being duly advised in the premises, the Commission makes the following findings:

I. JURISDICTION

1. The Commission has the exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.¹

2. A well shall not be eligible for temporary abandonment (TA) status if the well has been shut in for 10 years or more without an application for an exception pursuant to K.A.R. 82-3-100 and approval by the Commission.² An exception may be granted by the Commission, after considering whether the exception will prevent waste, protect correlative rights, and prevent pollution. Each party requesting an exception shall file an application with the conservation division.³

- ¹ K.S.A. 74-623.
- ² K.A.R. 82-3-111(b).
- ³ K.A.R. 82-3-100(b).

II. FINDINGS OF FACT

3. Merit Energy Company, LLC (Operator) conducts oil and gas activities in Kansas under active license number 32446.

4. On June 5, 2020, Operator filed an application requesting an exception to the 10year limit on TA status for the Victory Morrow Lime Unit #203 well (Subject Well), API #15-081-21015.

5. Operator has verified that notice was properly served and published at least 15 days before the issuance of this Order, as required under K.A.R. 82-3-135a.

6. No protest was filed under K.A.R. 82-3-135b.

7. On August 7, 2020, Operator successfully tested the Subject Well for mechanical integrity, indicating there is not a present threat to fresh and usable water.⁴

8. The Commission finds the reasons articulated in the application and the results of the mechanical integrity test sufficient to support the administrative grant of the application.

III. CONCLUSIONS OF LAW

9. The Commission concludes that it has jurisdiction over Operator and this matter.

10. The Commission concludes that Operator's application was filed in accordance with the rules and regulations of the Commission and in accordance with Kansas statutes.

11. The Commission concludes that notice was properly served and published.

12. Based on the above facts, the Commission concludes that the application should be granted to prevent waste and protect correlative rights, because Operator has demonstrated a potential future use for the Subject Well, and there is not a present threat to fresh and usable water.

⁴ To reach this finding, the Commission takes administrative notice of its records. See 82-1-230(h).

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.

B. Operator must file an annual TA form for the Subject Well. The first TA form shall be filed within 30 days.

C. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).⁵

BY THE COMMISSION IT IS SO ORDERED.

Duffy, Chair; Keen, Commissioner; French, Commissioner

Date: 08/20/2020

Lynn M. Ref

Date Mailed: _____08/20/2020

Lynn M. Retz Executive Director

KAM

⁵ K.S.A. 55-162; K.S.A. 55-606; K.S.A. 55-707; K.S.A. 77-503(c); K.S.A. 77-531(b).

CERTIFICATE OF SERVICE

20-CONS-3331-CEXC

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

first class mail and electronic service on 08/20/2020

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

KATHERINE MCCLURKAN, REGULATORY ANALYST MERIT ENERGY COMPANY, LLC 13727 NOEL ROAD, SUITE 1200 DALLAS, TX 75240 kathy.mcclurkan@meritenergy.com

STANFORD J. SMITH, JR., ATTORNEY MARTIN, PRINGLE, OLIVER, WALLACE & BAUER, LLP 645 E. DOUGLAS STE 100 WICHITA, KS 67202 Fax: 316-265-2955 sjsmith@martinpringle.com KELCEY MARSH, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION CENTRAL OFFICE 266 N. MAIN ST, STE 220 WICHITA, KS 67202-1513 Fax: 785-271-3354 k.marsh@kcc.ks.gov

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



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

Susan K. Duffy, Chair Dwight D. Keen, Commissioner Andrew J. French, Commissioner Laura Kelly, Governor

September 01, 2020

Katherine MCClurkan Merit Energy Company, LLC 13727 Noel Road, Suite 1200 DALLAS, TX 75240

Re: Temporary Abandonment API 15-081-21015-00-01 Victory Morrow Lime Unit 203 NW/4 Sec.28-30S-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 08/20/2021.

Your exception application expires on 08/20/2023.

* 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 08/20/2021.

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

Very truly yours,

Michael Maier