

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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 - 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

**BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

IN THE MATTER OF THE APPLICATION) DOCKET NO. 21-CONS- 3147 -CEXC
OF MERIT ENERGY COMPANY, LLC,)
FOR AN EXCEPTION TO THE 10-YEAR)
TIME LIMITATION OF K.A.R. 82-3-111) CONSERVATION DIVISION
FOR ITS KINNEY CHESTER SAND UNIT)
502 WELL IN THE SOUTHWEST)
QUARTER OF THE SOUTHWEST) LICENSE NO. 32446
QUARTER OF SECTION 25, TOWNSHIP)
34 SOUTH, RANGE 35 WEST, STEVENS)
COUNTY, KANSAS.)
_____)

APPLICATION

COMES NOW, Merit Energy Company ("Merit"), by and through its attorney, Stanford J. Smith, Jr., and in support of its Application in the above captioned matter states as follows:

1. Merit is authorized to do business in the State of Kansas, and has a street address of 13727 Noel Road, Suite 1200, Dallas, Texas, 75240.
2. The Kansas Corporation Commission has issued Merit operator's license 32446, which expires on May 30, 2021.
3. Merit is the owner and operator of the Kinney Chester Sand Unit 502 well, which is located in the Southwest Quarter of the Southwest Quarter of Section 25, Township 34 South, Range 35 West, Stevens County, Kansas, API # 15-189-20665-00-01. The subject well is located on an active oil and gas lease or unit comprising the following lands:

Southwest Quarter of Section 25, Township 34 South,
Range 35 West, Stevens County, Kansas.

4. The Kinney Chester Sand Unit 502 was originally perforated in the Chester Formation but was shut-in due to uneconomic production.

5. Pursuant to K.A.R. 82-3-111, Merit sought and obtained temporary abandonment status for said well on or about October 1, 2006, and on December 12, 2017.

6. On or about December 17, 2020, the Kansas Corporation Commission notified Merit of the KCC's denial of renewal of temporary abandonment status for the well due to the limitation period of ten (10) years imposed by K.A.R. 82-3-111.

7. K.A.R. 82-3-111 imposes a 10-year limitation on the amount of time during which wells may be temporarily abandoned, but an exception to the 10-year limitation may be obtained pursuant to said regulation through an Application filed with the Commission pursuant to K.A.R. 82-3-100. Applicant seeks such an exception.

8. Merit wishes to continue temporary abandonment status for the subject well because Merit intends to use the well for production from new zones behind pipe. The Chase Zone is the intended target with this recompletion. It is estimated that this recomplete has the potential to initially produce 50 MCFD and have an EUR of 200 MMCF. This is based on analog well Green D6 completed in 2005 located in Section 25 Township 34 South, Range 35 West.

9. On January 7, 2021, the subject well passed a Commission Staff-witnessed mechanical integrity test of the casing between the surface and a point within fifty (50) feet above the uppermost perforations.

10. The Kinney Chester Sand Unit 502 is part of a unit consisting of thirty (30) wells as follows: Five (5) producer wells, one (1) injector well, four (4) temporarily

abandoned wells, two (2) shut-in wells, one (1) inactive well, one (1) intent to drill expired and sixteen (16) plugged and abandoned wells. It would cost an estimated Four Hundred Ninety Thousand Dollars (\$490,000.00) to plug this well and the remaining fourteen (14) wells on the lease. A current production rate for the unit averages 17 bopd and 26 mcf. A basic estimation of remaining reserves and an explanation of the basis is 105 Mbo and gas 100 MMcf. In order to reactivate the Kinney Chester Sand Unit 502 well and recomplete to the Chase, it would cost approximately One Hundred Thousand Dollars (\$100,000.00) based on current prices. It would cost an estimate of Six Hundred Thousand Dollars (\$600,000.00) based on current prices to drill and complete a replacement well in the Chase.

11. Merit has included a plat map, attached as Exhibit A, showing the locations of all producing, injection, temporarily abandoned, abandoned and plugged wells located on the same lease premises as the subject well.

12. Based on the foregoing, Merit requests the Commission grant an exception to the 10-year limitation, specifically to allow the Kinney Chester Sand Unit 502 well to remain eligible for temporary abandonment status for three (3) years following the expiration of 10-year limitation. Merit understands that the exception would be valid for three (3) years, but Merit would still need to apply annually to the Conservation Division District Office for approval of an Application for temporary abandonment status.

13. Listed in attached Exhibit B are the names and addresses of the following persons:

- A. Each operator of each oil and gas lease covering lands within one-half (1/2) mile radius of the subject well; and
- B. Each person who owns any mineral interest of record in and under any lands located within one-half (1/2) mile radius of the subject well if unleased.

14. That the Applicant has sent by regular mail a copy of this Application and Notice of Pending Application to all persons listed on the attached Exhibit B.

15. Notice of this Application will be published pursuant to K.A.R. 82-3-135a.

16. WHEREFORE, Merit prays that this matter be granted administratively without a hearing, or in the alternative be set for hearing, and upon hearing that the Commission grant Merit's request for an exception to the K.A.R. 82-3-111 10-year limitation, to allow the subject well to remain temporarily abandoned for three (3) years, subject to annual approval by the Conservation Division District Office of an application for temporary abandonment status.

Respectfully submitted,

MARTIN, PRINGLE, OLIVER, WALLACE
& BAUER, L.L.P.

By




Stanford J. Smith, Jr.
645 East Douglas, Suite 100
Wichita, KS 67202
(316) 265-9311
Attorney for Merit Energy Company

VERIFICATION

STATE OF KANSAS)
) ss:
COUNTY OF SEDGWICK)

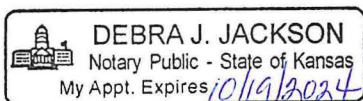
Stanford J. Smith, Jr., of lawful age, being first duly sworn, upon oath states:

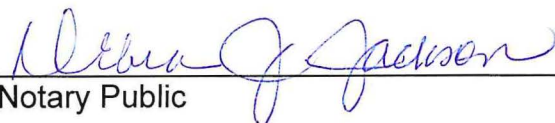
That he is the attorney for Merit Energy Company, applicant herein; that he has read the above and foregoing Application of Merit Energy Company and is familiar with the contents thereof; and, that the statements made therein are true and correct to the best of his knowledge and belief.



Stanford J. Smith, Jr.

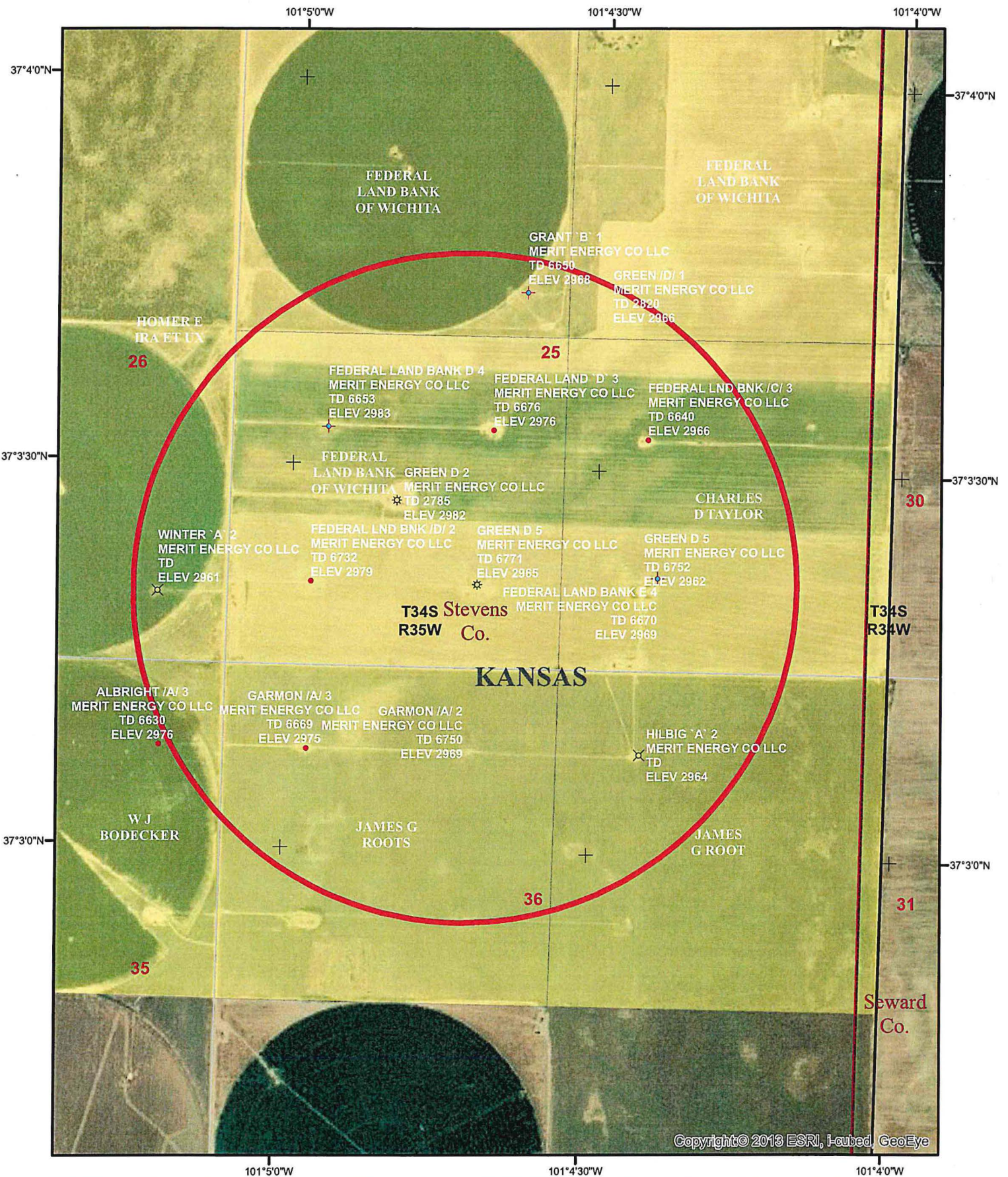
SUBSCRIBED AND SWORN to before me this 11th day of January, 2021.





Notary Public

My Appointment Expires:
10/19/2024



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- ✕ AB-LOC; ABANDON LOCATION
- ⚡ ABD-OW
- ⚡ GAS; GAS-WO; GAS PRODUCER
- OIL; OIL PRODUCER
- 📏 KCSU 502 1/2 Mi Buffer

World Imagery

0 500 1,000 Feet

Scale: 1:12,000



	EXHIBIT A MERIT ENERGY COMPANY
	KINNEY CHESTER SAND UNIT 502 W/HALF MI BUFFER STEVENS CO., KANSAS
Map by: Richard Norzagaray Date: SEPTEMBER 21, 2017 PROJECTION: NAD 1983 StatePlane Kansas South FIPS 1502 Feet	

EXHIBIT B

None

**BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

IN THE MATTER OF THE APPLICATION)	DOCKET NO. 21-CONS-_____-CEXC
OF MERIT ENERGY COMPANY, LLC,)	
FOR AN EXCEPTION TO THE 10-YEAR)	
TIME LIMITATION OF K.A.R. 82-3-111)	CONSERVATION DIVISION
FOR ITS KINNEY CHESTER SAND UNIT)	
502 WELL IN THE SOUTHWEST)	
QUARTER OF THE SOUTHWEST)	LICENSE NO. 32446
QUARTER OF SECTION 25, TOWNSHIP)	
34 SOUTH, RANGE 35 WEST, STEVENS)	
COUNTY, KANSAS.)	
_____)	

NOTICE OF PENDING APPLICATION

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

TO: ALL OIL AND GAS PRODUCERS, UNLEASED MINERAL INTEREST OWNERS, LANDOWNERS, AND ALL PERSONS WHOMSOEVER CONCERNED:

YOU, and each of you, are hereby notified that Merit Energy Company has filed an Application for an exception to the ten-year time limitation of K.A.R. 82-3-111 for the Kinney Chester Sand Unit 502 well, located in the Southwest Quarter of the Southwest Quarter of Section 25, Township 34 South, Range 35 West, Stevens County, Kansas, API # 15-189-20665-00-01.

YOU are further notified that unless written protest is received by the State Corporation Commission within fifteen (15) days after publication of this Notice, the Application in this matter will be granted by administrative approval after said 15 day period. Any such protest should be mailed to the State Corporation Commission of the State of Kansas, Conservation Division, 266 North Main, Suite 220, Wichita, Kansas, 67202, and to the Applicant at the address shown.

All parties in any wise interested or concerned shall take notice of the foregoing and govern themselves accordingly.

Merit Energy Company.
By: Katherine McClurkan
Regulatory Analyst
13727 Noel Road, Suite 1200
Dallas, Texas 75240
(972) 628-1660

April 20, 2021

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

Re: Temporary Abandonment
API 15-189-20665-00-01
KINNEY CHESTER SAND UNIT 502
SW/4 Sec.25-34S-35W
Stevens 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 04/13/2022.

Your exception application expires on 04/13/2024.

- * 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 04/13/2022.

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

Very truly yours,

Michael Maier