KOLAR Document ID: 1713780

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

July 2017 Form must be Typed

TEMPORARY ABANDONMENT WELL APPLICATION

Form must be signed All blanks must be complete

Phone 620.902.6450

Phone 785.261.6250

ODEDATOR: License#				ADIN- 45					
OPERATOR: License# Name:				API No. 15- Spot Description:					
					'		R DE W		
Address 1:				1			N / S Line of Section		
Address 2:						feet from E	E / W Line of Section		
City:				GPS Location: Lat:, Long:					
Contact Person:				Datum: _	NAD27 NAD83	WGS84			
Phone:()				County: Elevation: GL KB Lease Name: Well #:					
Contact Person Email:									
Field Contact Person:				Well Type: (check one) Oil Gas OG WSW Other:					
Field Contact Person Phone	:()			Gas Storage Permit #:					
				Spud Date	:	Date Shut-In:			
	Conductor	Surface	Pro	oduction	Intermediate	Liner	Tubing		
Size	o o o o o o o o o o o o o o o o o o o	- Canado	1		ouidio		1.02.1.9		
Setting Depth									
Amount of Cement									
Top of Cement									
Bottom of Cement									
On air an Elvid I avent frame Over		D	-				D-1		
Casing Fluid Level from Surf									
Casing Squeeze(s):	to w w .	Sacks of Co	ement,	to	(bottom) W /	sacks of cement.	Date:		
Do you have a valid Oil & Ga	s Lease? Yes	No							
Depth and Type: Junk in	Hole at	Tools in Hole at	Ca	sing Leaks	Yes No Depth o	f casing leak(s):			
Depth and Type:									
Packer Type:						(depth)			
Total Depth:									
	ug 20	on 2 opt							
Geological Date:									
Formation Name									
1	At:	to Fee	t Perfo	ration Interval	toFeet	or Open Hole Interv	al toFeet		
2	At:	to Fee	t Perfo	ration Interval	to Feet	or Open Hole Interv	al toFeet		
UNDER BENALTY OF BER	IIIDV I LIEDEDV ATTI	EST TUAT THE INCODM	ATION CO	NITAINIED LIEF	DEIN IS TRUE AND COR	DECTTO THE DEST	OF MY KNOW! EDGE		
		Cubmit	tod Elo	otropical	.,				
		Submit	tea Ele	ctronical	у				
Do NOT Write in This	Date Tested:	F	Results:		Date Plugged:	Date Repaired: Da	ite Put Back in Service:		
Space - KCC USE ONLY		_							
Review Completed by:			Comn	nents:					
TA Approved: Yes	Denied Date:								
		Mail to the Am	oropriote	VCC Canaca	votion Office:				
		Mail to the App					Dh		
Norm Parks (1000 1000 Page (100 Jun 2000 Page (1000) P		rict Office #1 - 210 E. Fro					Phone 620.682.7933		
	KCC Dist	rict Office #2 - 3450 N. R	Rock Road,	Building 600,	Suite 601, Wichita, KS 6	7226	Phone 316.337.7400		

KCC District Office #3 - 137 E. 21st St., Chanute, KS 66720

KCC District Office #4 - 2301 E. 13th Street, Hays, KS 67601-2651

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Susan K. Duffy, Chair		
	Dwight D. Keen		

Andrew J. French

In the matter of the application of Merit Energy)	Docket No: 23-CONS-3202-CEXC
Company for an exception to the 10 year time)	
limitation of K.A.R. 82-3-111 for its Frey)	CONSERVATION DIVISION
Morrow Unit #301 well in the SE/4 of the NW/4)	
of the NE/4 of Section 25, Township 27 South,)	License No: 35523
Range 34 West, Haskell County, Kansas.)	

ORDER GRANTING APPLICATION

The Commission rules as follows:

I. JURISDICTION

- 1. K.S.A. 74-623 provides the Commission exclusive jurisdiction and authority to regulate oil and gas activities in Kansas. K.A.R. 82-3-100 provides that the Commission may grant an exception to any regulation after application and notice, and after considering whether the exception will prevent waste, protect correlative rights, and prevent pollution.
- 2. K.A.R. 82-3-111 requires wells that are inactive for more than 90 days, or in some circumstances more than 364 days, to be plugged or approved for temporary abandonment (TA) status. Under K.A.R. 82-3-111(b), a well shall not be eligible TA status if it has been shut-in for ten or more years, unless the Commission has granted an application for a regulatory exception.

II. FINDINGS OF FACT

3. Merit Energy Company, LLC (Operator) is licensed to conduct oil and gas activities in Kansas and is responsible for the Frey Morrow Unit #301 well (Subject Well), API #15-081-21340.¹ On February 10, 2023, Operator filed an Application requesting an exception to

¹ In its Application, Operator calls the Subject Well the FMU 301, but the API number and location listed in the Application describe what is known in Commission databases as the Frey Morrow Unit #301. Based upon the contents of the Application, there is no doubt Operator requests approval for the Frey Morrow Unit #301.

the 10-year limit on TA status for the Subject Well. On April 18, 2023, Commission Staff motioned for the designation of a presiding officer and the setting of a prehearing conference, citing the lack of a casing integrity test for the Subject Well. On May 4, 2023, the Commission granted Staff's motion. On May 10, 2023, Staff filed a recommendation that Operator's application be granted, stating Operator has now demonstrated casing integrity.

4. The Commission finds that Operator served and published notice of its Application at least 15 days before the issuance of this Order, as required under K.A.R. 82-3-135a, and that no protest was filed under K.A.R. 82-3-135b. The Commission further finds that the reasons articulated in Operator's Application and the results of the casing integrity test are sufficient to support the administrative grant of Operator's Application.

III. CONCLUSIONS OF LAW

- 5. The Commission has jurisdiction over Operator and Operator's Application.

 Operator's Application was filed in accordance with the rules and regulations of the Commission and in accordance with Kansas statutes. Operator properly served and published notice.
- 6. Based on the above facts, Operator's Application should be granted. Operator has demonstrated a potential future use for the Subject Well that is preventative of waste. There is no apparent present pollution threat, and correlative rights will not be affected.

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. The May 18, 2023, prehearing conference is cancelled.

D. Operator's Application is being granted via summary proceedings; thus, this Order does not take effect until after the time for requesting a hearing has expired.² Any party may request a hearing on the above issues by submitting a written request setting forth the specific grounds upon which relief is sought, to the Commission at 266 N. Main, Suite 220, Wichita, Kansas 67202, within 15 days from the date of service of this Order.³ If a hearing is not requested, then this Order shall become effective upon expiration of the time for requesting hearing.⁴ If this Order becomes effective, then 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

> Lynn M. Retz Executive Director

Date Mailed: <u>05/16/2023</u>

JRM

² See K.S.A. 77-537.

³ See K.S.A. 77-542.

⁴ See K.S.A. 77-537.

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

CERTIFICATE OF SERVICE

23-CONS-3202-CEXC

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

first class mail and electronic service on _05/16/2023

ROBYN HAYES, ADMINISTRATIVE SPECIALIST KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 r.hayes@kcc.ks.gov

KELCEY MARSH, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION CENTRAL OFFICE 266 N. MAIN ST, STE 220 WICHITA, KS 67202-1513 k.marsh@kcc.ks.gov

KENNY SULLIVAN, DISTRICT #1 SUPERVISOR KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 k.sullivan@kcc.ks.gov

KATHERINE MCCLURKAN, REGULATORY ANALYST MERIT ENERGY COMPANY, LLC 13727 NOEL ROAD, SUITE 1200 DALLAS, TX 75240 kathy.mcclurkan@meritenergy.com MICHAEL MAIER
KANSAS CORPORATION COMMISSION
DISTRICT OFFICE NO. 1
210 E. FRONTVIEW SUITE A
DODGE CITY, KS 67801
m.maier@kcc.ks.gov

JONATHAN R. MYERS, ASSISTANT GENERAL COUNSEL KANSAS CORPORATION COMMISSION 266 N. Main St., Ste. 220 WICHITA, KS 67202-1513 j.myers@kcc.ks.gov

ZACH K. WIGGINS
MARTIN, PRINGLE, OLIVER, WALLACE & BAUER, LLP
645 E. DOUGLAS STE 100
WICHITA, KS 67202-3557
zkwiggins@martinpringle.com

/S/ KCC Docket Room

KCC Docket Room

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



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

Laura Kelly, Governor

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

May 17, 2023

Katherine McClurkan Merit Energy Company, LLC 13727 Noel Road, Suite 1200 Dallas, TX 75240-7362

Re: Temporary Abandonment API 15-081-21340-00-01 FMU (Frey Morrow Unit) 301 NE/4 Sec.25-27S-34W 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 02/10/2024.

Your exception application expires on 02/10/2026.

- * 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 02/10/2024.

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

Very truly yours,

Michael Maier