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 2:							_ feet from _ N / [=											
City: State: Zip: + Contact Person:																			
										Field Contact Person:				Well Type: (a	check one) 🗌 C	Dil Gas	OG WSW Oth	er:	
										Field Contact Person Phor				SWD Permit #: ENHR Permit #:					
											()				rage Permit #:				
				Spud Date:			Date Shut-In:												
	Conductor	Surface	Pro	duction	Intermedia	te	Liner	Tubing											
Size																			
Setting Depth																			
Amount of Cement																			
Top of Cement																			
Bottom of Cement																			
Casing Fluid Level from Su	urface:	How	Determined?				Date:												
Casing Squeeze(s):																			
Do you have a valid Oil & (Gas Lease? 🗌 Yes 🗌	No																	
Depth and Type: 🗌 Junk	in Hole at [Tools in Hole at	Ca	sing Leaks:	Yes No I	Depth of ca	sing leak(s):												
Type Completion:																			
.)							(depth)												
	Cine																		
Packer Type:																			
Packer Type:																			
Packer Type:	Plug Ba				od:		- mation												
Packer Type: Total Depth: Geological Date:	Plug Ba Formation	ck Depth:		Plug Back Metho	od:Comp	pletion Infor	mation Open Hole Interval	to	Feet										

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	enied Date:				

Mail to the Appropriate KCC Conservation Office:

$\begin{array}{ c c c c c c c c c c c c c c c c c c c$	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 Com	niss	sioners:	

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

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 Blout) #5-5 well in the Northeast Quarter of the) Southeast Quarter of Section 5, Township 33) South, Range 42 West, Morton County, Kansas.) Docket No. 23-CONS-3252-CEXC CONSERVATION DIVISION License No. 32446

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 Blout #5-5 well (Subject Well), API #15-129-21691.

4. On March 24, 2023, Operator filed an Application requesting an exception to the 10-year limit on TA status for the Subject Well.

5. On May 19, 2023, Operator successfully tested the Subject Well for mechanical integrity, indicating there is not a present threat to fresh and usable water.¹

6. Operator served and published notice at least 15 days before the issuance of this Order, as required under K.A.R. 82-3-135a. No protest was filed under K.A.R. 82-3-135b.

7. The reasons articulated in Operator's Application and the results of the mechanical integrity test are sufficient to support the administrative grant of Operator's Application.

III. CONCLUSIONS OF LAW

8. 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.

9. 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. <u>Operator's Application is being granted via summary proceedings; thus, this</u> <u>Order does not take effect until after the time for requesting a hearing has expired.² Any party</u> 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,

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

² See K.S.A. 77-537.

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

Date: 06/13/2023

Lynn M. Ref

Date Mailed: 06/13/2023

Lynn M. Retz Executive Director

KAM

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-3252-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 _06/13/2023

MICHAEL MAIER KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 m.maier@kcc.ks.gov

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

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

ROBYN STALKFLEET, ADMINISTRATIVE SPECIALIST KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 r.stalkfleet@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/

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

June 14, 2023

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

Re: Temporary Abandonment API 15-129-21691-00-00 Blout 5-5 SE/4 Sec.05-33S-42W Morton 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 06/24/2024.

Your exception application expires on 06/24/2026.

* 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 06/24/2024.

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

Very truly yours,

Michael Maier