

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

Before Commissioners: Shari Feist Albrecht, Chairman
 Jay Scott Emler
 Dwight D. Keen

In the Matter of the Application of Merit) Docket No. 19-CONS-3058-CHOR
Energy Company, LLC, (Operator) to Drill)
the Tait B-6 as a Deviated Wellbore Pursuant) CONSERVATION DIVISION
to K.A.R. 82-3-103a to be Located in Section)
3, Township 25 South, Range 33 West,) License No. 32446
Finney County, Kansas.)

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 and conclusions:

I. JURISDICTION

1. The Commission has the exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.¹
2. K.S.A. 55-155 provides licensing authority to the Commission.
3. K.A.R. 82-3-103a(a) provides that the owner, operator, or persons responsible for a drilling operation shall submit written notice of the intention to drill for approval by the Conservation Division before the commencement of drilling operations, for any hole where intended deviation from the surface to the top of the producing formation exceeds 7 degrees.
4. K.A.R. 82-3-103a(b) provides that any hole drilled horizontally into a formation for production or deviated in the manner stated in subsection (a) may only be permitted after application and notice under K.A.R. 82-3-135a.

¹ K.S.A. 74-623.

II. BACKGROUND

5. On August 10, 2018, Merit Energy Company, LLC (Operator) filed an Application requesting permission to drill and complete its proposed Tait #B-6 well (subject well) into the Morrow formation in Finney County, Kansas.²

6. On August 15, 2018, the Operator published notice of its Application in both the Wichita Eagle and The Garden City Telegram.³

III. FINDINGS OF FACT

7. The Operator conducts oil and gas activities in Kansas under active license number 32446.

8. The Operator filed an Application, pursuant to K.A.R. 82-3-103a, requesting permission to drill and complete its proposed Tait #B-6 well (subject well) into the Morrow formation in Finney County, Kansas.⁴ The Operator also requested the Commission assign the subject well a full allowable pursuant to K.A.R. 82-3-1303.⁵

9. The surface location of the subject well shall be 288 feet from the South line (FSL) and 185 feet from the West line (FWL) in Section 3, Township 25 South, Range 33 West.⁶ The bottom-hole location of the subject well shall be 1,032 feet FSL and 965 feet FWL.⁷ The completion interval of the subject well shall meet the setback requirements of K.A.R. 82-3-1302(b).⁸

² Application ¶4, (Aug. 10, 2018).

³ Affidavit of Publication – Wichita Eagle (August 17, 2018); Affidavit of Publication – The Garden City Telegram (August 17, 2018).

⁴ Application ¶4.

⁵ *Id.* at ¶8.

⁶ *Id.* at ¶5.

⁷ *Id.*

⁸ *Id.*

10. The Operator states that a portion of the subject tract will be attributed to the subject well for the purpose of establishing a production allowable.⁹

11. 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.

12. Staff recommended approval of the Operator's Application and the assignment of a full allowable to the subject well pursuant to K.A.R. 82-3-1303 to protect correlative rights and prevent waste.

III. CONCLUSIONS OF LAW

13. The Commission finds and concludes that it has jurisdiction over the Operator and this matter.

14. The Commission finds and concludes the Application was filed in accordance with the rules and regulations of the Commission and in accordance with Kansas statutes.

15. The Commission finds and concludes that notice was properly served and published.

16. Based on the above facts, the Commission finds and concludes that granting the Application will not cause waste or harm correlative rights.

THEREFORE, THE COMMISSION ORDERS:

A. The Operator's Application to drill a deviated well under K.A.R. 82-3-103a is granted. A full allowable pursuant to K.A.R. 82-3-1303 is also granted.

B. 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).¹⁰

⁹ *Id.* at ¶8.

¹⁰ 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).

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen; Commissioner.

Dated: 09/06/2018



Lynn M. Retz
Secretary to the Commission

Mailed Date: 09/07/2018

LW

CERTIFICATE OF SERVICE

19-CONS-3058-CHOR

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of first class mail and electronic service on 09/06/2018.

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/S/ DeeAnn Shupe

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