

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

In the matter of the Application of TriPower Resources, LLC for an exception to the 10-year time limitation of K.A.R. 82-3-111 for its Bluestem (aka Blackstone) #4B well located in the SE/4 of Section 20, Township 24 South, Range 05 East, Butler County, Kansas.) Docket No. 19-CONS-³²⁸⁸____-CEXC) CONSERVATION DIVISION) License No.: 33971

COMES NOW TriPower Resources, LLC ("Applicant") in support of its Application in the captioned mater and states as follows:

1. Applicant is a Limited Liability Company authorized to do business in the State of Kansas.

Applicant's address is: P.O. Box 849, Ardmore, OK 73402-0849.

2. Applicant has been issued by the Kansas Corporation Commission Operator's License No. 33971, which expires on June 30, 2019.

3. Applicant is the owner and operator of the Bluestem (aka Blackstone) #4B well, API No. 15-015-22,333-00-00 ("the subject well"), which is located in the Northeast Quarter of the Southwest Quarter of the Northeast Quarter of the Southeast Quarter of Section 20, Township 24 South, Range 05 East, Butler County, Kansas. The subject well is located on an active oil and gas lease or unit comprising the following lands:

South Half of Section 16, All of Section 20, All of Section 21, All of Section 29, all located in Township 24 South, Range 05 East, Butler County, Kansas containing 2240 acres more or less ("leased premises").

4. Pursuant to K.A.R. 82-3-111, the well was shut in, or Applicant obtained temporary abandonment status, for the subject well on May 24, 1983, to the present date.

5. On or about February 23, 2016, the Kansas Corporation Commission granted Applicant an exception to the K.A.R. 82-3-111 ten (10) year limitation, to allow the subject well to remain temporarily abandoned for three (3) years. On or about February 21, 2019, Applicant was notified that

the three (3) year extension had expired and that a new application for a three (3) year extension was necessary.

6. 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.

7. On March 1, 2019, the subject well passed a Commission Staff-witnessed mechanical integrity test of the casing between the surface and a point within approximately fifty (50) feet above the uppermost perforation in the well.

8. Applicant wished to continue TA status for the subject well, because Applicant intends to use the well for the following purpose: To be used as an additional injection well or to be recompleted as a producer should economic conditions improve.

9. Applicant submits the following information regarding the well in support of the Application.

A. There are currently 17 producing wells, 5 injection wells, 1 water supply well, 1 TA, the subject well, and 6 plugged and abandoned wells on the Bluestem Unit.

B. It is estimated that the total cost to plug the subject well, including work done to set a plug above the current perforations in order to perform the MIT required for this application, is approximately \$10,000.

C. Current production on the Bluestem Unit is 10 barrels of oil per day.

D. Remaining reserves on the Bluestem Unit are, at a minimum, 10,000 barrels of oil based on current production levels and a decline rate of less than 10% per year.

E. The subject well is currently perforated in the Mississippian formation at a depth of 2617'-2620'. On December 22, 2015, sand was dumped into the well to plug back above the current perforations to a depth of 2565'. On December 23, 2015, 2 sacks of common cement were dumped bailed on top of the sand. The subject well is filled with fresh water to surface. On March 1, 2019, the subject well was pressure tested to 300 PSIG as proof of mechanical integrity of the casing. Said MIT was witnessed by Kansas Corporation Commission Staff. Wellhead equipment was installed to shut-in the subject well pending the approval of this application.

F. The estimated cost to convert and equip the subject well as an injection well is \$30,000 not including the cost to install the extension of the high pressure injection system.

10. Applicant has included a plat map showing the locations of all producing, injection, temporarily abandoned, abandoned and plugged wells located on the same leased premises as the subject well.

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

12. Listed in the Attached Exhibit "A" are the names and addresses of the following persons:

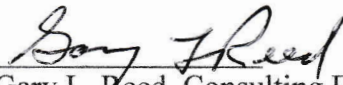
- A. Each operator of each oil and gas lease covering lands within one-half (1/2) mile radius of the subject well; and
- B. Each person who owns any mineral interest of record in and under any lands located within one-half (1/2) mile radius of subject well (provided that such mineral interest is not covered by any oil and gas lease).

13. Notice of this Application will be published pursuant to K.A.R. 82-3-135a. In addition, notice of the hearing to be held in this matter will be provided as prescribed by K.A.R. 82-3-135.

WHEREFORE, Applicant 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 Applicant's request for an exception to the K.A.R. 82-3-111 ten (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

TriPower Resources, LLC.
P.O. Box 890
Ardmore, OK 73402-0846
Phone 580-226-6700
Fax 580-223-1570

By 
Gary L. Reed, Consulting Engineer
As Agent for TriPower Resources, LLC

CERTIFICATE OF SERVICE

I hereby certify on this 1st day of March, 2019, true and correct copies of the above and foregoing Application and Notice of Application were served by depositing copies of the same in the United States Mail, postage prepaid, and properly addressed to the landowner/s set forth in paragraph 12 of said Application and each party set forth in Exhibit "A" attached to said Application filed by Applicant, and the original was filed with the Kansas Corporation Commission by e-filing EXPRESS.



Gary L. Reed, Consulting Engineer
As Agent for TriPower Resources, LLC

Exhibit A

Kilday Ranch Co., Inc.
P.O. Box 611
Fullerton, NE 68638-0611

Landowner NW/4 NW/4 Section 28-T24S-R5E
and N/2 N/2 Section 29-T24S-5E
Butler County, Kansas

