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

In the matter of the application of Belport Oil, Inc. ) for an exception to the 10-year time limitation of K.A.R. 82-3-111 for its Oscar West #202 W, #204, ) CONSERVATION DIVISION #403, #406 and #407 wells located in the SW/4 of ) Section 15, and the NW/4 of Section 22, Township ) 22 South, Range 14 West, Stafford County, Kansas. )

Docket No.: 23-CONS-3327-CEXC License No.: 33809

## **STAFF RECOMMENDATION ON APPLICATION**

Comes now the Staff of the Kansas Corporation Commission (Staff and Commission, respectively) recommending the Commission grant the First Amended Application submitted by Belport Oil, Inc. (Operator) in the captioned docket. In support of Staff's recommendation, Staff states the following:

1. On May 15, 2023, Operator filed an Application in the captioned docket requesting an exception to the 10-year time limitation of K.A.R. 82-3-111 for its Oscar West #202 W, Oscar West #204, Oscar West #403, Oscar West #406, and Oscar West #407 wells (Subject Wells) located in Stafford County, Kansas. Operator previously conducted satisfactory casing integrity tests at each of the Subject Wells on May 10, 2023. On June 15, 2023, Operator filed affidavits of publication from the Wichita Eagle and the Stafford Courier.

2. On August 18, 2023, Commission Staff filed a Motion for the Designation of a Presiding Officer and the Scheduling of a Prehearing Conference. Operator's application was not clear about which of the Subject Wells it planned to use in the future, and the application also failed to provide a future use for each of the Subject Wells.

3. On August 24, 2023, the Commission issued an Order Designating Presiding Officer and Setting Prehearing Conference. Later, a procedural schedule was set and Commission Staff filed direct testimony regarding the application on January 26, 2024.

4. On March 1, 2024, Operator filed its First Amended Application. The First Amended Application provides a potential future use for each of the Subject Wells that Operator plans to implement before the exception application expires, if granted. This resolves most of Staff's issues with the Application. Based on the potential future use provided by Operator, Staff is willing to recommend a final exception be granted in order to provide Operator the opportunity to implement its plan or plug the Subject Wells within the time period allowed by the exception.

5. Operator has verified that notice of the application was properly served and met the requirements of K.A.R. 82-3-135a. Staff is satisfied the reasons articulated in the First Amended Application and the results of the casing integrity test are sufficient to support the granting of the First Amended Application.

WHEREFORE, for the reasons described above, Staff recommends approval of Operator's First Amended Application. Further, Staff recommends that the three-year exception runs from the date the Application was filed, May 15, 2023.

Respectfully submitted,

/s/ Kelcey A. Marsh Kelcey A. Marsh, #28300 Litigation Counsel | Kansas Corporation Commission 266 N. Main, Suite 220 | Wichita, Kansas 67202-1513 Phone: 316-337-6200 | k.marsh@kcc.ks.gov

## **CERTIFICATE OF SERVICE**

23-CONS-3327-CEXC

I, the undersigned, certify that a true and correct copy of the attached Staff Recommendation on Application has been served to the following by means of electronic service on March 26, 2024.

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<u>/s/ Paula J. Murray</u> Paula J. Murray