# THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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

In the Matter of the Application of Merit	)	Docket No. 19-CONS-3327-CEXC
Energy Company, LLC for an Exception to	)	
the 10-Year Time Limitation of K.A.R. 82-	)	CONSERVATION DIVISION
3-111 for its Winter Morrow Unit 105W	)	
Well in the South Half of the Southeast	)	License No. 32446
Quarter of the Northwest Quarter of Section	)	
13, Township 33 South, Range 43 West,	)	
Morton 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:

#### I. JURISDICTION

- 1. The Commission has the exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.<sup>1</sup>
- 2. K.A.R. 82-3-111 provides that wells having been shut-in for more than 10 years shall not be approved for TA status without Commission approval of an application for an exception.
- 3. K.A.R. 82-3-100 provides that the Commission may grant an exception to any regulation after application and notice.

<sup>&</sup>lt;sup>1</sup> K.S.A. 74-623

#### II. FINDINGS OF FACT

- 4. Merit Energy Company, LLC (Operator) conducts oil and gas activities in Kansas under active license number 32446.
- 5. Operator filed an application requesting an exception to the 10-year limit on TA status for the Winter Morrow Unit #105W, API #15-129-21741-00-01.
- 6. 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.
  - 7. No protest was filed under K.A.R. 82-3-135b.
- 8. On April 10, 2019, Operator successfully tested the subject well for mechanical integrity.
- 9. The Commission finds the application and the mechanical integrity test sufficient to support the administrative grant of this application.

#### III. CONCLUSIONS OF LAW

- 10. The Commission finds and concludes that it has jurisdiction over Operator and this matter.
- 11. The Commission finds and concludes that the Operator's application was filed in accordance with the rules and regulations of the Commission and in accordance with Kansas statutes.
- 12. The Commission finds and concludes that notice was properly served and published.
- 13. Based on the above facts, the Commission finds and concludes that the application should be granted to prevent waste and protect correlative rights, because Operator

has demonstrated a potential future use for the well, and there is not a present threat to fresh and usable water.

### 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.

Operator must file an annual TA form for the subject well. The first TA form shall be filed within 30 days.

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).<sup>2</sup>

#### BY THE COMMISSION IT IS SO ORDERED.

Keen, Chair; Albrecht, Commissioner; Duffy, Commissioner

Date: 06/18/2019	Lynn M. Reg
Date Mailed:06/18/2019	Lynn M. Retz Secretary to the Commission

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<sup>&</sup>lt;sup>2</sup> 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).

## **CERTIFICATE OF SERVICE**

#### 19-CONS-3327-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 on06/18/2019	·
SCOTT ALBERG, DISTRICT #1 SUPERVISOR KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 Fax: 785-271-3354 s.alberg@kcc.ks.gov	KATHERINE MCCLURKAN, REGULATORY ANALYST MERIT ENERGY COMPANY, LLC 13727 NOEL ROAD, SUITE 1200 DALLAS, TX 75240 kathy.mcclurkan@meritenergy.com
MICHELE PENNINGTON KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 Fax: 785-271-3354 m.pennington@kcc.ks.gov	STANFORD J. SMITH, JR., ATTORNEY MARTIN, PRINGLE, OLIVER, WALLACE & BAUER, LLP 100 N BROADWAY STE 500 WICHITA, KS 67202 Fax: 316-265-2955 sjsmith@martinpringle.com
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	/S/ DeeAnn Shupe