



Oil and Gas Exploration,  
Production and Operations

# CANADAY OIL CORPORATION

2019-12-12 11:15:18  
Kansas Corporation Commission  
/s/ Lynn M. Retz

**FEDEX OVERNIGHT**

December 11, 2019

Kansas Corporation Commission  
ATTN: Michael Goamann  
266 N Main, Suite 220  
Wichita, KS 67202

**Re: Docket #20-CONS-3094-CEXC  
Irons #1-8  
API 15-025-21013-00-00  
SW/4 Section 8-30S-24W  
Clark County, Kansas**

This is a follow-up letter explaining the attachment discrepancy of our recent correspondence with the KCC. We recently sent the KCC a revised mineral ownership and addresses exhibit but not the entire paperwork served the mineral owners. To clarify:

Attached is the paperwork which was served the mineral owners and operators within one-half mile of the Irons Unit #1-8 well and Exhibit 'B' of our application to the KCC.

If you need anything further, please contact me at 918-645-4150.

Thank you,

Very truly yours,

  
G. M. Canaday

RECEIVED  
KANSAS CORPORATION COMMISSION

**DEC 12 2019**

CONSERVATION DIVISION  
WICHITA, KS



*Oil and Gas Exploration,  
Production and Operations*

# CANADAY OIL CORPORATION

September 23, 2019

TO WHOM IT MAY CONCERN,

**Re:     *Temporary Abandonment Extension***  
***Irons #1-8***  
***API 15-025-21013-00-00***  
***SW/4 Section 8-30S-24W***  
***Clark County, Kansas***

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Canaday Oil Corporation, as Operator of the Irons #1-8 well located in Clark County, Kansas as referenced above, is in process of submitting to the Kansas Corporation Commission (KCC) an application to extend temporary abandonment status of said Irons #1-8 well.

In accordance with KCC regulations, we are required to give notice of our intent to all mineral interest owners within one-half mile of the well. We therefore, submit herewith a copy of Canaday Oil Corporation's Application to The State Corporation Commission of the State of Kansas, regarding the Irons #1-8 well temporary abandonment extension request.

This correspondence serves to provide the required notice to mineral interest owners.

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

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

In the matter of the Application of Canaday	)	Docket No. _____
Oil Corporation for an exception to the	)	
10-year time limitation of K.A.R. 82-3-111	)	CONSERVATION DIVISION
For its Irons Unit #1-8 Well located in the	)	
Southwest Quarter (SW/4) of Section 8,	)	License No. 5303
Township 30 South, Range 24 West,	)	
Clark County, Kansas	)	
_____	)	

**APPLICATION**

COMES NOW Canaday Oil Corporation ("Applicant") and for its Application herein states as follows:

1.       Applicant is a Kansas Corporation with its correct post office address being 2407 Saint Andrew St, Goddard, Kansas 67052.
2.       Applicant holds valid Kansas Oil and Gas Operator's License Number 5303.
3.       Applicant is the owner and operator of the Irons Unit #1-8 well, API Well Number 15-025-21013-00-00, which is located in the West Half (W2) of the West Half (W2) of the Southwest Quarter (SW/4) Section 8, Township 30 South, Range 24 West, Clark County, Kansas. The Irons Unit is on an active oil and gas lease comprised of the following lands:

Southwest Quarter Section 8, Township 30 South, Range 24 West  
Clark County, Kansas
4.       Pursuant to K.A.R. 82-3-111, Applicant obtained temporary abandonment status for the Irons Unit in January 2009, and has maintained such status to the present date.

5. On or about September 10, 2019, the Kansas Corporation Commission notified Applicant that temporary abandonment status for the said well would be denied from and after October 8, 2019 because the well has been temporarily abandoned for more than ten (10) years.

6. K.A.R. 82-3-111 imposes a ten-year limitation on the length of time during which wells may be temporarily abandoned and provides that an exception to the ten-year limitation may be obtained by an Application filed with the Commission in accordance with K.A.R. 82-3-111. Applicant herewith seeks such an exception.

7. On, to be completed, the subject well will pass a Commission Staff approved mechanical integrity test of the casing between the surface and point within fifty (50) feet above the uppermost perforation or open hole in the well.

8. Applicant wishes to continue the temporarily abandoned status for the said well to permit completion of a waterflood unitization. The Irons Unit #1-8 Well is critical to the waterflood project and ultimate oil recovery. Applicant owns and operates other wells located directly to the north and south of the Irons Unit #1-8 which would also be included in the waterflood project. If this Application is granted, Operator intends to continue the unitization process which includes the Irons Unit #1-8 Well. The Plan of Unitization and the Waterflood and Unitization Study have both been completed and sent to all working interest and all mineral owners. Ninety-five percent (95%) of the working interest owners and twenty percent (20%) of the mineral owners have ratified the Plan. Canaday Oil expects the necessary ratification approval then will proceed with the project. Applicant estimates that the expense to plug the well would be approximately \$15,000 and the expense to drill and complete a replacement well would cost approximately \$450,000. If the well is required to be plugged, the expense of

plugging the existing well and then drilling the replacement well would likely render the waterflood project uneconomic. Therefore, the granting of this Application would prevent physical and economic waste while protecting correlative rights.

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

There are currently 2 wells on this lease, one shut in and one oil well producing 2 BOPD. This lease will be included in the waterflood.

Primary production from this 2 well lease is 97,400 BO and secondary recovery reserves should approach that number.

This well is to be an oil producer in the waterflood.

Attached is a plat of the Irons 1-8 and surrounding wells.

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

11. Attached here and marked Exhibit 'B' are the names and address of all operators and mineral owners located within one-half mile of the subject well.

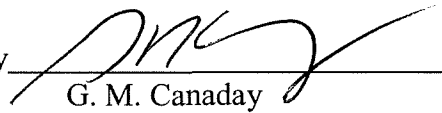
12. Notice of this Application will be published as required by K.A.R. 82-3-135a.

WHEREFORE, Applicant prays that this matter be granted administratively without a hearing or in the alternative be set for hearing and thereafter that the Commission enter its Order granting an exception to the ten-year temporary abandonment status set out in K.A.R. 32-3-111 and to allow the well to remain temporarily abandoned for three (3) additional years.

Respectfully submitted,

CANADAY OIL CORPORATION  
2407 Saint Andrew St  
Goddard, KS 67052

By



G. M. Canaday

918.645-4150 Phone  
918.592-0843 Fax

## EXHIBIT B

### OPERATORS AND MINERAL OWNERS WITHIN ONE-HALF MILE OF THE IRONS UNIT #1-8

Karen L. Byerley  
515 Amethyst Avenue  
Stillwater, OK 74075

Louise West  
P. O. Box 475  
Minneola, KS 67865

Darren Irons  
2001 Worthington Lane  
Edmond, OK 73013

Daryl Barnes  
401 CR 9  
Minneola, KS 67865

John Bair  
3408 Syler Drive  
Hutchinson, KS 67502

Joyce Bria  
2508 w Caribbean Lane, Unit 5  
Phoenix, AZ 85023

Billy Irons  
4001 N. E. Channel Dr.  
Lees Summit, MO 64064-1530

Kerry Irons  
2712 Cresthill Circle  
Waco, TX 76710-1016

Linda Mahieu & Edward  
912 W. Beason Road  
Dodge City, KS 67801

Mark Mahieu & Michele  
304 CR 7  
Minneola, KS 67865

Alice & John O'Brien  
P. O. Box 81  
Newfields, NH 03858

Canaday Oil Corporation (*only Operator*)  
2407 Saint Andrew St  
Goddard, KS 67052