

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

IN THE MATTER OF THE APPLICATION OF)	DOCKET NO. 17-CONS- <u>3676</u> -CIDW
MERIT ENERGY COMPANY, LLC, FOR A)	
LOCATION EXCEPTION AND THE)	
ASSIGNMENT OF AN ALLOWABLE TO ITS)	CONSERVATION DIVISION
EDWARD 1-31 WELL AS AN INCREASED)	
DENSITY WELL, LOCATED IN SECTION 31,)	
TOWNSHIP 32 SOUTH, RANGE 42 WEST,)	LICENSE NO. 32446
MORTON COUNTY, KANSAS)	

**APPLICATION FOR A LOCATION EXCEPTION
AND AN INCREASED DENSITY WELL**

COMES NOW, Applicant, Merit Energy Company, LLC, ("Merit"), by and through its attorney, Stanford J. Smith, Jr., and in support of its Application in the captioned matter states as follows:

1. Merit is a corporation authorized to do business in the State of Kansas, and has a street address of 13727 Noel Road, Suite 1200, Dallas, Texas, 75240.

2. Merit has been issued by the Kansas Corporation Commission operator's license 32446, which expires on May 30, 2018.

3. Merit is the owner and operator of the oil and gas leases forming a gas unit (hereinafter "subject gas unit") comprising the following lands:

The W/2 of Section 29, Township 32 South, Range 42 West, SW/4 of Section 31, Township 32 South, Range 42 West, and the NW/4 of Section 6, Township 33 South, Range 42 West, all in Morton County Kansas, consisting of 640 acres, more or less.

4. The subject gas unit is located within the confines of the Greenwood Gas Field, and the production of gas from said unit is now governed by the Basic Proration Order for the said Field, as revised and amended (hereinafter "BPO"). Section (g) of said BPO allows the drilling of a second well by administrative approval, absent protest, on any gas unit subject to the BPO comprised of at least 480 acres.

5. Merit is the owner and operator of the Newlin 1-31 well, API 15-129-21745, located 2220 feet from the South line (2220' FSL) and 2310 feet from the West line (2310' FWL) of Section 31, Township 32 South, Range 42 West, Morton County, Kansas, within the confines of the subject gas unit. That well is currently producing from the Greenwood Gas Field.

6. Merit proposes to recomplete the Edward 1-31 well as a Greenwood well (hereinafter "subject well"), located 660 feet from the South line and 660 feet from the West line of Section 31, Township 32 South, Range 42 West, Morton County, Kansas, within the confines of the subject gas unit.

7. This Application seeks an Order from the Commission allowing Merit to recomplete the subject well in the Greenwood Gas Field as an increased density well constituting the second producing well on the subject gas unit, as provided in Section (g) of the BPO.

8. The Edward 1-31 well will be less than 1,250 feet from the east boundary of the unit. The well was originally drilled to the Morrow Formation at a legal location, but is currently temporarily abandoned there. Merit requests an exception to the well location restrictions pursuant to subparagraph (e)(3) of the BPO and an unrestricted gas allowable as allowed under said BPO.

9. The subject well will not cause uncompensated material drainage from adjacent gas units, nor will the granting of this Application violate the correlative rights of any operator or other interested party in the Greenwood Gas Field.

10. Based on the foregoing, in order to prevent waste and to protect the correlative rights of Merit and its royalty interest owners in the subject gas unit, Merit respectfully requests the Commission grant this Application to allow the recovery of additional gas reserves that would not be recovered otherwise.

11. To the extent known or reasonably determinable by Merit, listed in "Exhibit A" attached hereto 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 the subject well (provided that such mineral interest is not covered by any oil and gas lease).

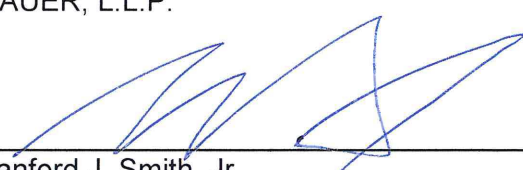
12. Notice of this Application will be published pursuant to K.A.R. 82-3-135a.

13. Attached to this Application as "Exhibit B" is plat map showing the location of the subject well proposed for recompletion, and all pertinent wells within one-half (1/2) mile of the subject well.

WHEREFORE, Applicant prays that this matter be set for administrative determination, and absent a protest within fifteen (15) days after Notice of Application is published and duly provided to all interested parties as required by the Commission's rules and regulations, that the Commission grant Applicant's request without hearing and allow Merit to recomplete the subject well in the Greenwood Gas Field as an increased density well at an exception location as provided in the BPO.

Respectfully submitted,

MARTIN, PRINGLE, OLIVER, WALLACE
& BAUER, L.L.P.

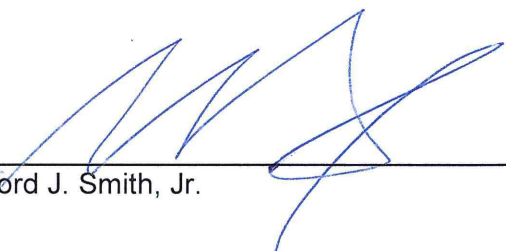
By 
Stanford J. Smith, Jr.
100 North Broadway, Suite 500
Wichita, KS 67202
(316) 265-9311
Attorneys for Merit Energy Company, LLC

VERIFICATION

STATE OF KANSAS)
) ss:
COUNTY OF SEDGWICK)

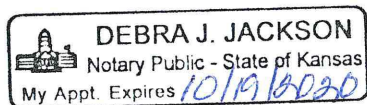
Stanford J. Smith, Jr., of lawful age, being first duly sworn, upon oath states:

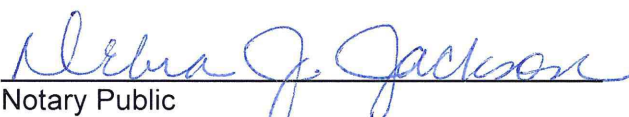
That he is the attorney for Merit Energy Company, LLC, Applicant herein; that he has read the above and foregoing Application of Merit Energy Company, LLC, and is familiar with the contents thereof; and, that the statements made therein are true and correct to the best of his knowledge and belief.



Stanford J. Smith, Jr.

SUBSCRIBED and sworn to before me this 31st day of May, 2017.





Notary Public

My Appointment Expires:
10/19/2020

EXHIBIT A

XTO Energy
210 Park Avenue, Suite 2350
Oklahoma City, OK 73102

Edison Operating Company
8100 East 22nd North, Building 1900
Wichita, KS 67226

FRANK NIMS
1000 N LAKE SHORE DR NO 905
CHICAGO, IL 60611

GEORGE L HAY II ESTATE
NELLIEANNA HAY
INDEPENDENT ADMINISTRATOR
10517 WYATT RD
DALLAS, TX 75218

HERBERT LEE STANGE
10645 EAST SNOKOMO
HUTCHINSON, KS 67502

MAX THODE
108350 SOUTH 4701 ROAD
MULDROW, OK 74948

DAVID L. HOOVER
1309 FORREST
HUTCHINSON, KS 67501

C W GLENN
1401 PATTIE
WICHITA, KS 67211

WANDA L WILLIAMS
1561 NIGHTHAWK
MARION, KS 66861

WILLIAM B SCHROE &
VERA SCHROE
1807 N WACO
WICHITA, KS 67203

ORLIN V HEYEN FAMILY TRUST
ROBERT D HEYEN, DON W HEYEN &
KIMELA K TIPTON CO TRUSTEES
19423 DESERT IVY DRIVE
HOUSTON, TX 77094

GEORGE T BAKER
2812 WALT STEPHENS RD
JONESBORO, GA 30236

HERBERT METZ
BARBARA E METZ
3115 DR BRAMBLETT ROAD
CUMMING, GA 30028

SALLY NIMS MARTIN
3128 SW 126TH TER
ARCHER, FL 32618

CONNIE & JOE WILSON
WITH RIGHT OF SURVIVORSHIP
3226 14TH AVE SE
CEDAR RAPIDS, IA 52403

VICKI L HORTON
3310 THUNDERBIRD DRIVE
HUTCHINSON, KS 67502

KIEL NIMS
4111 DRINKWATER BLVD APT G305
SCOTTSDALE, AZ 85251

DONNITA L THODE CASE
6119 S CENTENNIAL ROAD
PARTRIDGE, KS 67566

JANICE K STEWART
800 MADISON
NICKERSON, KS 67561

MACLURE & SHIRLEY STILLWELL
9003 S 77TH E PLACE
TULSA, OK 74133-4881

PATRICIA BEAVER
P O BOX 1069
PARKER, AZ 85344

HARRISON LANDS LLC
P O BOX 1221
SALIDA, CO 81201

MARY ANN HEYEN
P O BOX 607
SAINT JOHN, KS 67576

XTO ENERGY INC.
P O BOX 730586
DALLAS, TX 75373

OLGA E SMITH TRUST
OLGA E SMITH & JOHN B SMITH &
HOWARD C SMITH TRUSTEES
P O BOX 917
ELKHART, KS 67950

JUNE HEYEN
P O BOX 97
MANTER, KS 67862

JOHN B SMITH TRUST
JOHN B & SHIRLEY M SMITH TTEES
PO BOX 129
ELKHART, KS 67950

JANIS R. SMITH TRUST
JANIS R & HOWARD C SMITH TTEES
PO BOX 1350
ELKHART, KS 67950

HANKE PROPERTIES LLC
FARMERS NATIONAL COMPANY AGENT
OIL & GAS DEPT.
PO BOX 3480
OMAHA, NE 68103-0480

PORTALES PETROLEUM CORPORATION
PO BOX 5130
FRISCO, TX 75035

Kansas Oil and Gas

Kansas Geological Survey

Statewide View | Zoom to Location | Filter Wells | Label Wells | Download Wells | Print to PDF | Clear Highlight |

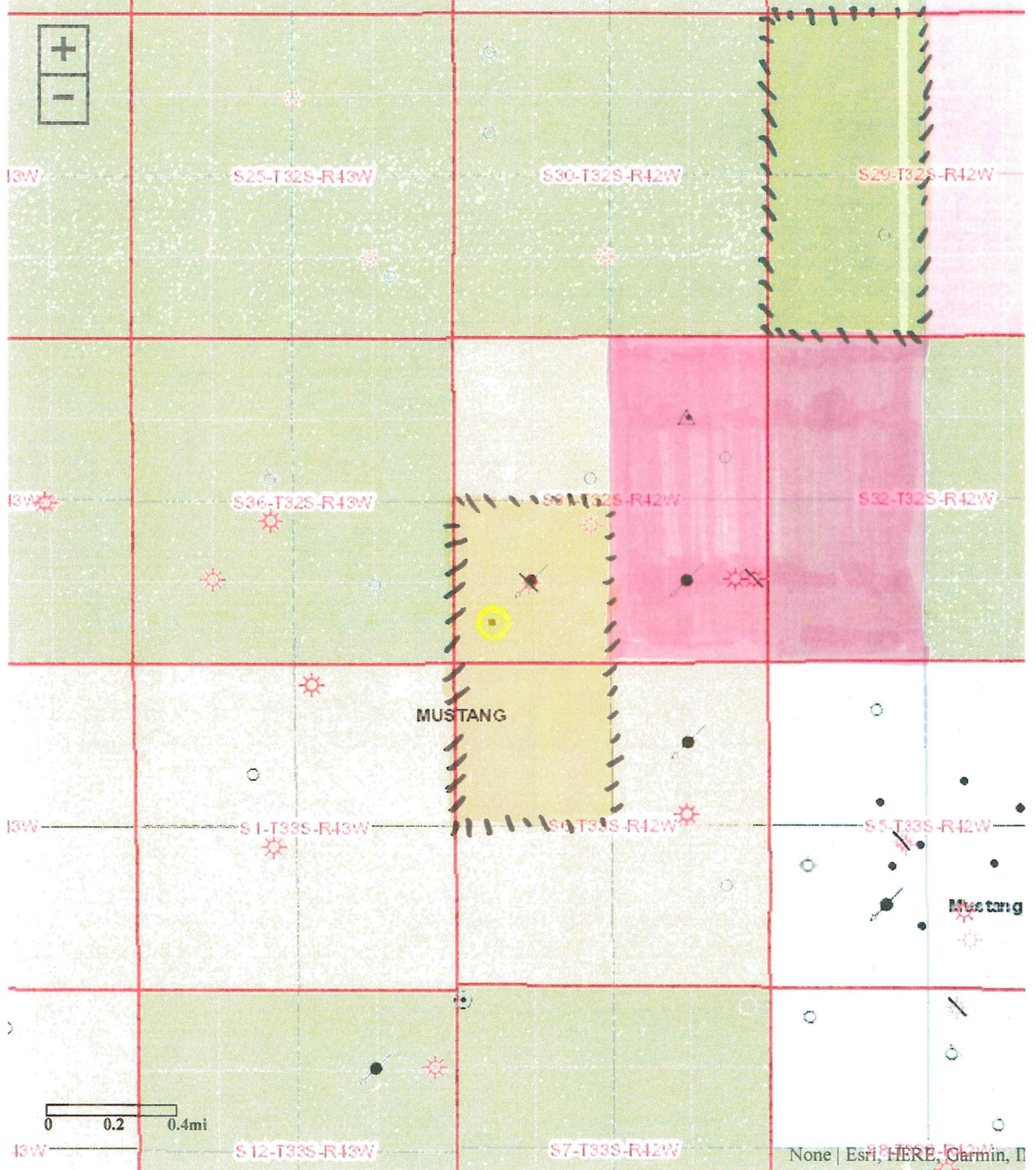


EXHIBIT B

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

IN THE MATTER OF THE APPLICATION OF)	DOCKET NO. 17-CONS-_____-CIDW
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ASSIGNMENT OF AN ALLOWABLE TO ITS)	CONSERVATION DIVISION
EDWARD 1-31 WELL AS AN INCREASED)	
DENSITY WELL, LOCATED IN SECTION 31,)	
TOWNSHIP 32 SOUTH, RANGE 42 WEST,)	LICENSE NO. 32446
MORTON COUNTY, KANSAS)	

NOTICE OF PENDING APPLICATION

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS:

ALL OIL AND GAS PRODUCERS AND OIL
AND GAS PURCHASERS, ROYALTY OWNERS,
LAND OWNERS, AND ALL PERSONS
WHATSOEVER CONCERNED:

YOU, and each of you, are hereby notified that Merit Energy Company, LLC, has filed an Application with the State Corporation Commission of the State of Kansas requesting an Order for an assignment of an allowable for its Edward 1-31 well as an increased density well located 660 feet from the South line and 660 feet from the West line of Section 31, Township 32 South, Range 42 West, Morton County, Kansas.

YOU are further notified that unless written protest is received by the State Corporation Commission within 15 days after publication of this Notice, the Application in this matter will be granted by administrative approval after said 15 day period. Any such protest should be mailed to the State Corporation Commission of the State of Kansas, Conservation Division, 266 North Main, Suite 220, Wichita, KS 67202, and to the Applicant at the address below.

All parties in any wise interested or concerned shall take notice of the foregoing and govern themselves accordingly.

Merit Energy Company, LLC
By: Katherine McClurkan
Regulatory Analyst
13727 Noel Road, Suite 1200
Dallas, Texas, 75240
(972) 628-1660