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CONSERVATION DIVISION WICHITA, KS

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Shari Feist Albrecht, Chairman Jay Scott Emler Pat Apple

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In the matter of the application of Berexco LLC for an exception to the 10-year time limitation of K.A.R. 82-3-111 for its Tobias Simpson Unit #3-8 well located in the SE SW NW of Sec 36, T20S, R9W Rice County, Kansas. 634 Docket No. 15-CONS- -CEXC

CONSERVATION DIVISION

License No.: 34318

APPLICATION

COMES NOW Berexco LLC ("Operator") for its application in the captioned matter states as follows:

1. Operator is a limited liability company authorized to do business in the State of Kansas. Operator's address is 2020 North Bramblewood, Wichita, Kansas 67206.

2. Operator has been issued by the Kansas Corporation Commission Operator's License #34318, which expires on October 30, 2015.

3. Operator is the owner and operator of the Tobias Simpson Unit #3-8 well, API #15-159-02878-0001 which is located in the Southeast Quarter of the Southwest Quarter of the Northwest Quarter of Section 36, Township 20 South, Range 9 West, Rice County, Kansas. The subject well is located on an active oil and gas lease comprising the following lands: The West Half of Section 25, the Southeast Quarter of Section 26, the East Half and the Southwest Quarter of Section 35, and the West Half of Section 36, all in Township 20 South, Range 9 West, and the North Half of Section 2, Township 21 South, Range 9 West, Rice County, Kansas.

4. Pursuant to K.A.R. 82-3-111, Operator obtained temporary abandonment status for the Tobias Simpson Unit #3-8 well on July 1, 2001. The subject well has maintained such status from July 2001 to the present date.

5. 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 regulations through an application filed with the Commission pursuant to K.A.R. 82-3-100.

 Operator filed for and was granted an initial 10-year limitation exception by the Kansas Corporation Commission. Such exception will expire on or about February 1, 2015.
 Operator seeks a second exception.

7. The subject well demonstrated mechanical integrity as evidenced by passage of Commission Staff-witnessed mechanical integrity test on or about January 22, 2015.

8. Operator is keeping the subject well for potential reinjection into the Simpson Sand. The subject well is currently docketed for injection into the Simpson Sand (Docket #E-10,559). The subject well should not be plugged to prevent economic waste associated with re-drilling for future needs as an injection well. Estimated cost to plug this well is \$20,000. The cost to convert this well to injection capability is estimated to be \$60,000. Production from the Tobias Simpson Unit is around 9 BOPD with potential reserves estimated at 30,000 barrels of oil.

9. Operator has included a plat map showing the locations of all producing, injection, saltwater disposal, temporarily abandoned, and plugged wells located on the same leased

premises as the subject well. There are five active producing wells, one active injection well, one temporarily abandoned injection well, and two temporarily abandoned oil wells, including the subject well, on the lease.

10. Based on the foregoing, Operator 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 the three (3) years following the expiration of the 10-year limitation, subject to yearly renewal with the appropriate Conservation Division District, but without further need to re-apply for a new exception each of the three (3) years prayed for in this application to the Commission.

11. 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 the subject well (provided that such mineral interest is not covered by any oil and gas lease).

12. Notice of this application has been 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,

Bruce E. Meyer 2020 No Bramblewood Wichita, KS 67206 316-265-3311 Fax #316-681-4712

ď By: Signature of Submitter

CERTIFICATE OF SERVICE

I hereby certify on this 30 day of Trullary, 2015, true and correct copies of the attached Notice of Filing Application were served by depositing copies of the same in the United States Mail, postage prepaid, and properly addressed to each of the unleased mineral owner(s) and operator(s) set forth in Exhibit "A" attached to said Application filed by Operator, and the above and foregoing original Application and seven (7) copies were delivered to the Kansas Corporation Commission.

Rame of Signed

EXHIBIT A

Tobias Simpson #3-8 notice area

Operator – SW/4 Sec. 25, SE/4 Sec. 26; E/2 Sec. 35; W/2 Sec. 36-20S-9W Berexco LLC.

2020 N. Bramblewood Wichita, KS 67206

Surface owner - NW/4 Sec. 36-20S-9W

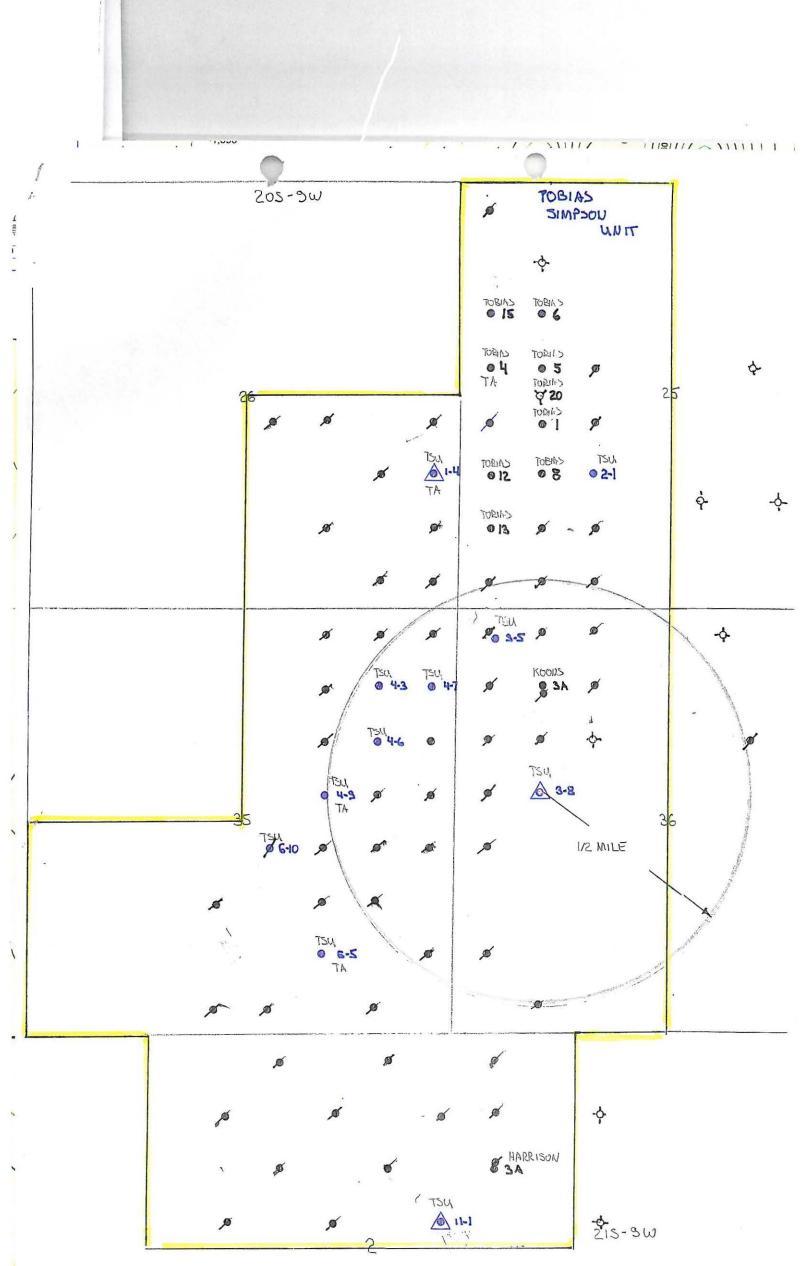
Paradise Ranch, LLC P. O. Box 47 Great Bend, KS 67530

Unleased mineral owner - NE/4 Sec. 36-20S-9W

Judith Engelland Trust 1680 Avenue T Sterling, KS 67579

Leasehold owner - SE/4 Sec. 36-20S-9W

DeltaCore Energy, Inc. 5929 N. May Ave., #411 Oklahoma City, OK 73112



BEREXCO LLC

1 A A

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS NOTICE OF FILING APPLICATION

RE: BEREXCO LLC. - - Application for an exception to the 10 year time limitation of K.A.R. 82-3-111 for the Tobias Simpson Unit #3-8 well, located in Rice County, Kansas.

TO: All Oil & Gas Producers, Unleased Mineral Interest Owners, Landowners, and all persons whomever concerned.

You, and each of you, are hereby notified that Berexco LLC has filed an application for an exception to the 10 year time limitation of K.A.R. 82-3-111 for the Tobias Simpson Unit #3-8 well located in the SE SW NW of Section 36-20S-9W, Rice County, Kansas.

Any persons who object to or protest this application shall be required to file their objections or protest with the Conservation Division of the State Corporation Commission of the State of Kansas within fifteen (15) days from the date of this publication. These protests shall be filed pursuant to Commission regulations and must state specific reasons why the grant of the application may cause waste, violate correlative rights or pollute the natural resources of the State of Kansas.

All persons interested or concerned shall take notice of the foregoing and shall govern themselves accordingly.

BEREXCO LLC 2020 No Bramblewood Wichita, Kansas 67206 316-265-3311