

APR 06 2020

CONSERVATION DIVISION
WICHITA, KS

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

IN THE MATTER OF THE APPLICATION)	20-CONS-3267-CEXC
OF COBALT ENERGY, LLC, FOR AN)	DOCKET NO. 19-CONS- _____ -CEXC
EXTENSION TO THE PIT CLOSURE TIME)	
REQUIREMENT OF K.A.R. 82-3-602 FOR)	LICENSE NO. 34579
THE HORSCH "A" #1-5 WELL)	
LOCATED IN THE NE/4 OF SECTION 5-)	CONSERVATION DIVISION
T32S-R01E, SUMNER COUNTY, KANSAS)	

APPLICATION

COMES NOW Cobalt Energy, LLC, ("Operator") in support of its application in the captioned matter states as follows:

1. Operator is a Kansas limited liability company licensed to do business in the State of Kansas. Applicant's mailing address is PO Box 8037, Wichita, Kansas 67208.
2. Operator has been issued license no. 34579 by the Commission, which license expires on July 30, 2020.
3. Operator is the owner and operator of the Horsch "A" #1-5 well, API #15-191-22805-00-00, which was completed as a dry hole in the NE/4 of Section 5-T32S-R01E, Sumner County, Kansas.
4. Pursuant to K.A.R. 82-3-601a, Operator constructed temporary reserve and working pits in order to contain the drilling fluids associated with the drilling of the Horsch "A" #1-5 wellbore. The pits were constructed in September, 2018.
5. On February 13, 2020, the Commission notified Operator that the request for an extension to the 365 day requirement to close the pits had been approved, and the new deadline for closing the drilling pits was March 18, 2020. On March 11, 2020, the Commission informed the Operator that an Extension of Time to close the subject pits was unavailable, and that any exception to K.A.R. 82-3-602 must be applied for via formal application with notice published under K.A.R. 82-3-100.
6. K.A.R. 82-3-602(a)-1 sets a 365 day limit to close all pits associated with the drilling of a new wellbore. K.A.R. 82-3-602(a)-2 allows for any extension of the pit closure by written request and approval of the director.
7. Operator requests this application be approved for the following reasons: a) It is accepted best practice by industry and landowners alike not to close any open earthen pit until they have thoroughly dried out. Closing pits prior to thoroughly drying commonly results in future issues, such as collapse and

erosion. The Horsch "A" #1-5 pits are not dry as of the date of this application; b) the precipitation levels in south-central Kansas have been extraordinarily high in 2019, not allowing the subject pits to be filled, despite efforts to facilitate drying by the Operator, constructing a berm on the uphill side of the pits to divert runoff, removing free fluids from the pits, cutting "windows" in the pits, and crowding the pits. Granting a nine-month extension to the deadline to fill the subject pits will likely allow the pits to dry and be filled during the summer of 2020, when the warm and dry conditions are most conducive to drying.

8. Based on the foregoing, Operator requests that the Commission grant an exception to the 365-day deadline and subsequent 180-day extension of K.A.R. 82-3-602, to allow the subject pits to remain open and properly dry before being filled. Operator requests this extension be for 270 days.

9. There are no oil and gas operator within a one-half mile radius of the subject wellbore.

10. There are several un-leased mineral and surface owners within a one-half mile radius of the subject wellbore:

Reitzel & Clara Zimmerman Trust
170 N. Seneca Road
Wellington, KS 67152

Minor Emergency Center, PA
3122 N. Cypress St., Suite 500
Wichita, KS 67226

Betty Kay Zeka
1506 W. Orchard Lane
Wellington, KS 67152

Dane & Debra Horsch
1201 N. A Street
Wellington, KS 67152

Travis Horsch
654 E. 20th Ave. N
Wellington, KS 67152

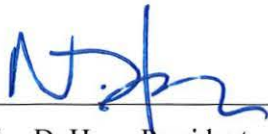
H&A Schierling Trust
Attn: Valgene Schierling
5723 Override Drive.
Arlington, TX 76017

The attached Exhibit "B" is a plat showing the pits location and grounds, mineral owners, mineral lessees, and surface owners within a one-half mile radius.

11. Notice of this application and any required hearing will be published pursuant to K.A.R. 82-3-135a and K.A.R. 82-3-135.

WHEREFORE, Operator kindly requests that this matter be granted administratively without a hearing, or in the alternative be set for hearing, and upon hearing that the Commission grant Operator's request for a 270-day extension to the pit closure requirement set forth in K.A.R. 82-3-602.

Respectfully Submitted,



Nicholas D. Hess, President


Cobalt Energy, LLC
PO Box 8037
Wichita, KS 67208
316-201-4101

CERTIFICATE OF SERVICE

I hereby certify on this 12th of March, 2020, true and correct copies of the above and foregoing Application were served by depositing copies of the same in the United States Mail, postage prepaid, and properly addressed to the following persons:


The undersigned hereby certifies that he is a duly authorized agent for the applicant and that on the 12 day of MARCH, 2020 notice was mailed or delivered to the above listed parties.

COBALT ENERGY, LLC

X 

Nicholas D. Hess, President

Subscribed and sworn to me this 16th day of March, 2020.

X 

William Taylor Hess

My commission expires: 6-28-2022

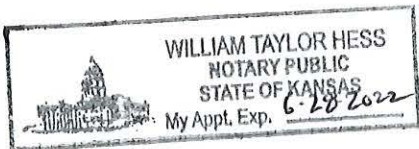




EXHIBIT "B"
Application for Extension to Pit Closure Time Requirement K.A.R. 82-3-605

