

OCT 23 2017  
LEGAL SECTION

THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

Before Commissioners: Shari Feist Albrecht, Chair  
Jay Scott Emler  
Pat Apple

In the Matter of the Application of Casillas	)	Docket No. <sup>18</sup> 15-CONS-3191-CEXC
Petroleum Corp. for an Exception to the 10-year	)	
Time Limitation of K.A.R. § 82-3-111 for	)	CONSERVATION DIVISION
1 Well Located in the Pleasant Prairie	)	License No. 34997
Field in Haskell County, Kansas	)	
_____	)	

APPLICATION

COMES NOW Casillas Petroleum Corp. ("Applicant") in support of its Application in the captioned matter and states as follows:

1. Casillas Petroleum Corp. is an Oklahoma corporation and is duly authorized to do business within the State of Kansas. Casillas's correct mailing address is: Casillas Petroleum Corp. 401 S. Boston Ave., Suite 2400, Tulsa, OK 74103.

2. Applicant has been issued by the Kansas Corporation Commission Operator's License 34997 which expires on 11/30/2017.

3. Casillas Petroleum Corp. owns and operates the following described well located within the boundaries of the Pleasant Prairie Field in Haskell County, Kansas:

<u>Well Name</u>	<u>API #</u>	<u>Legal Description</u>
Pleasant Prairie Unit #53	15-081-00026-0000	NENW Sec. 5-T27S-R34W

(collectively the "Subject Well"). The Subject Well is located on a valid and active oil and gas lease, and are located within the boundaries of a producing oil field known as the Pleasant Prairie

Field. Casillas Petroleum Corp. uses injection wells to enhance the recovery of oil from the Pleasant Prairie Field.

4. Pursuant to K.A.R. § 82-3-111, Casillas applied for and obtained from the Commission temporary abandonment status for the Subject Well on the following dates:

<u>Well Name</u>	<u>Initial TA Date</u>
Pleasant Prairie Unit #53	05/23/1970

That status had been maintained in effect by Casillas Petroleum since those dates.

5. By letters dated 09-05-2017, the Commission Staff notified Casillas that the continued temporary abandonment status of the Subject Well was being denied by the Commission from and after 10-14-2017, because the Subject Wells had been temporarily abandoned for more than ten (10) years.

6. 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 regulation through an application filed with the commission pursuant to K.A.R. 82-3-100. Applicant seeks such an exception

7. On 10-05-2017, the subject well passed a commission staff-witnessed mechanical integrity test of the casing between the surface and a point within fifty (50) feet above the uppermost perforation or open hole in the well.

8. Applicant wishes to continue TA status for the subject well, because Applicant intends to use the well for the following purpose: The Pleasant Prairie Field is an active waterflood unit and Casillas Petroleum Corp. desires these well to be saved for potential future use in injection wells.

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

9a. 11 water injection wells, 46 production wells, 9 TA'd, 3 SI wells.

9b. Estimated cost to plug this well is \$25,000. Estimated cost to plug all wells on lease is \$1,350,000.

9c. 360 BOPD & 11,900 BWPB.

9d. Converting this well to injection will increase the reserves will recover an additional 5000 BO from surrounding oil wells. This is an estimate based on results from well conversions on the north end of the PPU.

9e. Conversion of this well to injection has not been started. Appropriate down hole equipment and surface injection facilities will need to be installed and work will need to be completed in accordance with the KCC regulations.

9f. The estimated cost to convert the well to injection is \$425,000.

10. Applicant has included a plat map showing the locations of all producing, injection, temporarily abandoned, abandoned, and plugged wells located on the same leased premises as the subject well.

11. Based on the foregoing, Applicant 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 three (3) years following the expiration of the 10-year limitation. Applicant understands that the exception would be valid for three (3) years, but Applicant would still need to apply annually to the Conservation Division District Office for approval of an application for temporary abandonment status.

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


13. Notice of this Application will be 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.

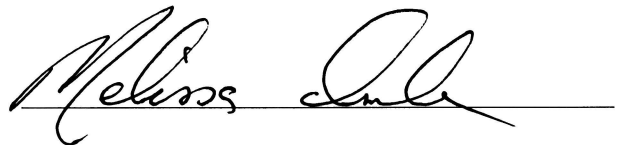
Respectfully Submitted,

Melissa Imler  
348 Rd. DD  
Satanta, KS 67870  
620-276-3693 ext. 105  
620-276-8963 Fax

BY:   
Melissa Imler

**CERTIFICATE OF SERVICE**

I hereby certify on this 19 day of October, 2017, true and correct copies of the above and foregoing Application and the Notice of Application were served by depositing copies of the same in the United State Mail, postage prepaid, and properly addressed to the landowner/s set forth in paragraph 14 of said application and each part set forth in Exhibit "A" attached to said application filed by Applicant, and the original and seven (7) copies ere hand delivered to the Kansas Corporation Commission.



Melissa Imler

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

RE: CASILLAS PETROLEUM CORP. APPLICATION  
FOR AN EXCEPTION TO THE 10 YEAR TIME  
LIMITATION OF K.A.R. 82-3-111 FOR THE  
PLEASANT PRAIRIE UNIT 53, LOCATED IN  
HASKELL COUNTY, KANSAS.

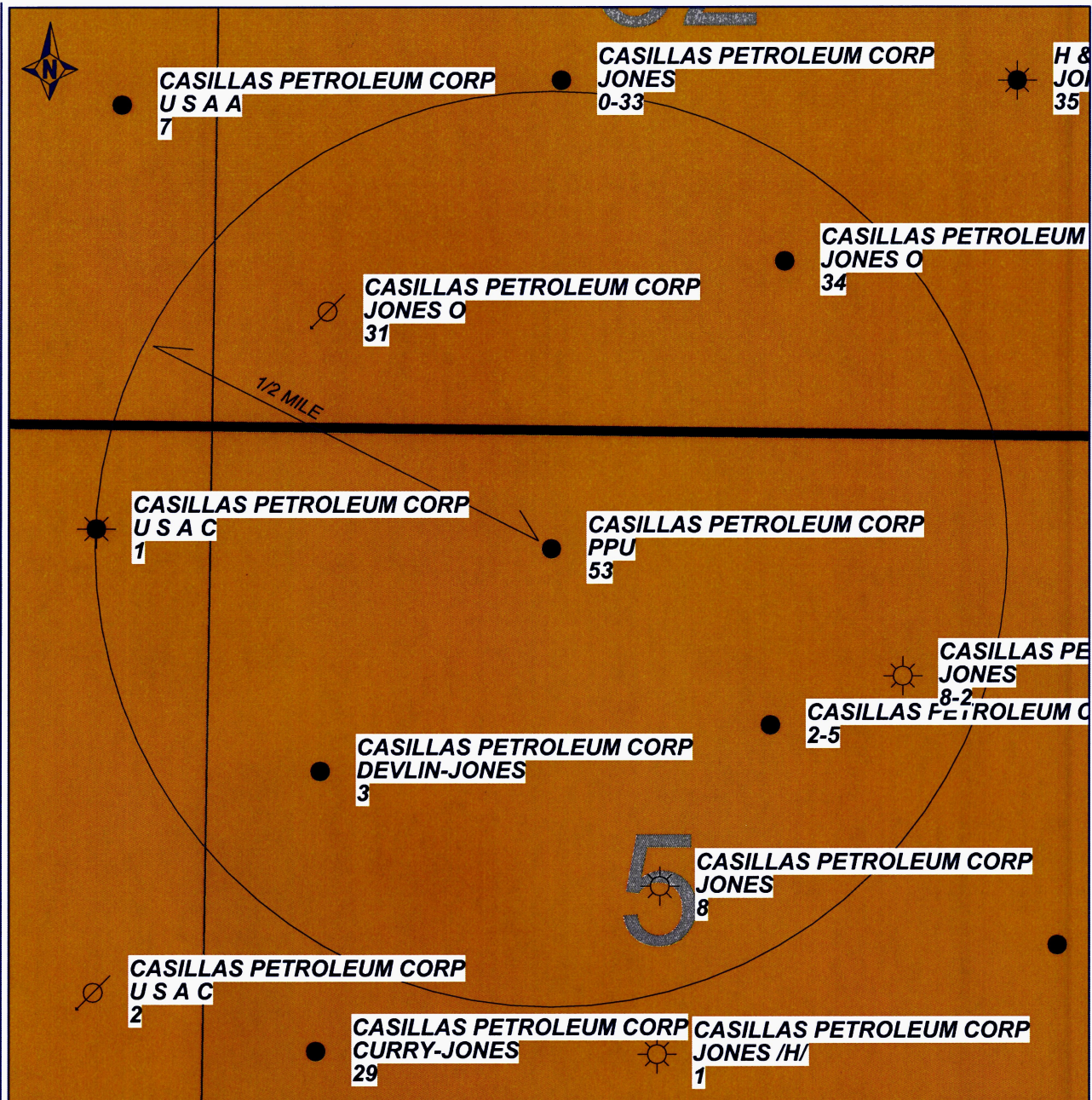
TO: ALL OIL & GAS PRODUCERS, UNLEASED  
MINERAL INTEREST OWNERS, LANDOWNERS,  
AND ALL PERSONS WHOMEVER CONCERNED.

YOU, and each of you, are hereby notified that  
Casillas Petroleum Corp. has filed an application  
for an exception to the 10 year time limitation  
of the K.A.R. 82-3-111 for the Pleasant Prairie  
Unit 53 located in NE, NW Section 5, T27S,  
R34W Haskell County.

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.

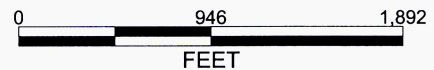
Casillas Petroleum Corp.  
348 Rd. DD  
Satanta, KS 67870  
620-276-3693



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PLEASANT PRAIRIE UNIT #53



POSTED WELL DATA

● Operator  
Well Name  
Well Number