

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

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

In the matter of the application of Merit) Docket No. 20-CONS-3227-CHOR
Energy Company, LLC to drill the Connor)
19-1 well as a deviated wellbore pursuant to) CONSERVATION DIVISION
K.A.R 82-3-103a to be located in Section 19,)
Township 30 South, Range 32 West, Haskell) License No. 32446
County, Kansas.)

ORDER GRANTING APPLICATION

The above captioned matter comes before the State Corporation Commission of the State of Kansas (Commission.) Having examined its files and records, and being duly advised in the premises, the Commission makes the following findings:

I. JURISDICTION

1. The Commission has the exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.¹
2. K.S.A. 55-155 provides licensing authority to the Commission.
3. The owner, operator, or persons responsible for a drilling operation shall submit written notice of the intention to drill for approval by the Conservation Division before the commencement of drilling operations, for any hole where intended deviation from the surface to the top of the producing formation exceeds 7 degrees.² Any hole drilled horizontally into a formation for production or deviated in the manner stated in subsection (a) may only be permitted after application and notice under K.A.R. 82-3-135a.³

¹ K.S.A. 74-623.

² K.A.R. 82-3-103a(a).

³ K.A.R. 82-3-103a(b).

II. FINDINGS OF FACT

4. Operator conducts oil and gas activities in Kansas under active license number 32446.

5. On February 17, 2020, Merit Energy Company, LLC (Operator) filed an Application, pursuant to K.A.R. 82-3-103a, requesting permission to drill and complete its proposed Connor #19-1 well (subject well) into the Marmaton formation and the St. Louis formation, in Haskell County, Kansas.⁴ Operator also requested the Commission assign the subject well a full production allowable upon its completion.⁵

6. The subject well shall be completed with a deviation from the surface to the top of the producing formation in excess of 7 degrees. The surface location of the subject well shall be 206 feet from the North line (FNL) and 2,295 feet from the West line (FWL) of Section 19, Township 30 South, Range 32 West.⁶ The subject well will have approximately 12 degrees of deviation from the surface location to the top of the producing formation.⁷

7. The subject well shall be drilled to a True Vertical Depth (TVD) of 1,800 feet at which point the drilling will turn southwest at a rate of 3 degrees per 100 feet until reaching approximately 20.6 degrees of deviation.⁸ The subject well will remain at a deviation of 20.6 degrees until reaching the top of the producing formations at a location of 4,821 feet TVD approximately 859 feet FNL and 1,531 feet FWL.⁹ As drilling of the subject well continues into the producing formations, the deviation will begin to build back at the rate of 1 degree per 100

⁴ Application ¶4, (Feb. 17, 2020).

⁵ *Id.* at ¶9.

⁶ *Id.* at ¶5. While the surface location is less than 330 feet from the boundary of the subject lease, a well location exception is not necessary because the wellbore shall not enter the producing formations until it has reached a location that is 859 feet from the nearest boundary of the subject lease per paragraph 8 of the application. *See* K.A.R. 82-3-108.

⁷ *Id.* at ¶6.

⁸ *Id.* at ¶5.

⁹ *Id.*

feet.¹⁰ Drilling shall continue along this deviation until the subject well reaches a bottom-hole location of 5,601 feet TVD approximately 983 feet FNL and 1,334 feet FWL.¹¹ The completion interval of the subject well shall meet the setback requirements of K.A.R. 82-3-108.¹²

8. Operator has verified that notice was acceptably served and published at least 15 days before the issuance of this Order.¹³ No protests to the grant of the application have been received.

9. Commission Staff recommends approval of Operator's Application.

III. CONCLUSIONS OF LAW

10. The Commission concludes that it has jurisdiction over Operator and this matter.

11. The Commission concludes the Application was filed in accordance with the rules and regulations of the Commission and in accordance with Kansas statutes.

12. The Commission concludes that notice was acceptably served and published.

13. Based on the above facts, the Commission concludes that granting the Application will prevent waste and protect correlative rights.

THEREFORE, THE COMMISSION ORDERS:

A. Operator's Application to drill a deviated well under K.A.R. 82-3-103a is granted, and a full allowable is assigned to the subject well.¹⁴

¹⁰ *Id.*

¹¹ *Id.*

¹² *Id.* at ¶8.

¹³ K.A.R. 82-3-135a(b) states that each applicant for an order filed pursuant to K.A.R. 82-3-100 through K.A.R. 82-3-314 shall give notice of the application on or before the date the application is filed with the conservation division. However, the Corrected Certificate of Service filed by applicant indicates that notice of the Application was given the day after the Application was filed. Nonetheless, the Commission finds that notice was sufficient to inform interested parties of their rights, and in the absence of a protest, that notice was adequate.

¹⁴ The full allowable applied shall be pursuant to K.A.R. 82-3-203 for oil and K.A.R. 82-3-312 for gas.


B. This order does not take effect until after the time for requesting a hearing has expired.¹⁵ Any party may request a hearing on the above issues by submitting a written request, pursuant to K.S.A. 77-537, setting forth the specific grounds upon which relief is sought, to the Commission at 266 N. Main, Suite 220, Wichita, Kansas 67202, within 15 days from the date of service of this Order. Hearings will be scheduled only upon written request. Failure to timely request a hearing will result in a waiver of the right to a hearing.

C. If this order takes effect, any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).¹⁶

BY THE COMMISSION IT IS SO ORDERED.

Duffy, Chair; Albrecht, Commissioner; Keen, Commissioner.

Dated: 03/19/2020



Lynn M. Retz
Executive Director

Mailed Date: 03/19/2020

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¹⁵ See K.S.A. 77-537.

¹⁶ See K.S.A. 77-529; K.S.A. 55-606; K.S.A. 55-707; K.S.A. 55-1314; K.S.A. 77-503(c); K.S.A. 77-531(b).

CERTIFICATE OF SERVICE

20-CONS-3227-CHOR

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of first class mail and electronic service on 03/19/2020.

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/S/ DeeAnn Shupe

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