THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Shari Feist Albrecht, Chair

Jay Scott Emler Dwight D. Keen

Docket No. 18 CONS 3172 CEXC	
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	CONSERVATION DIVISION

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, 2019.
- 3. Operator is the owner and operator of the Tom Sellens #11 well, API #15-167-22666-0001 which is located in the Southwest Quarter of the Northeast Quarter of the Southeast Quarter of Section 17, Township 15 South, Range 13 West, Russell County, Kansas. The subject well is located on an active oil and gas lease comprising the following lands:

The Southeast Quarter of Section 17, Township 15 South, Range 13 West, Russell County, Kansas.

- 4. Pursuant to K.A.R. 82-3-111, Operator obtained temporary abandonment status for the Tom Sellens #11 well on August 5, 2005. The subject well has maintained such status from August 2005 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 seeks such an exception.
- 6. The subject well demonstrated mechanical integrity as evidenced by passage of Commission Staff-witnessed mechanical integrity test on or about November 6, 2018.
- 7. Operator is keeping the subject well for use as an injection well in the current waterflood. This lease also has future potential for a CO₂ flood project. Plugging the subject well would result in economic waste associated with the expense of plug and abandonment and later re-entry to restart as a producing well or convert to injection. Estimated cost to plug this well is \$20,000. Cumulative production on the lease is around 1,000,000 barrels of oil. Current production on the lease is approximately 2.1 barrels of oil per day.
- 8. 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 two active producing wells, five active injection wells, three temporarily abandoned producing wells, and two temporarily abandoned injection wells (including the subject well) on the lease.

- 9. 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.
- 10. 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).
- 11. 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,

Jonathan D. Hayward 2020 N. Bramblewood Wichita, KS 67206 316-265-3311 Fax #316-681-4766

By: Signature of S

CERTIFICATE OF SERVICE

I hereby certify on this <u>Iz</u> day of <u>November</u>, 2018, 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 was uploaded to the Kansas Corporation Commission via E-filing Express to a new docket.

Jan Acywcuc Name of Signed

EXHIBIT A

Tom Sellens #11 notice area

Operator - S/2 NW/4 and N/2 SW/4 Sec. 16; E/2 & NW/4 Sec. 17-15S-13W

Berexco LLC 2020 N. Bramblewood Wichita, KS 67206

Surface owner - SE/4 Sec. 17-15S-13W (wellsite)

Jana L. Reed Trust, et al 1716 Oakmont Ave. Great Bend, OK 67530-7301

<u>Unleased mineral owner – S/2 SW/4 Sec. 16-15S-13W</u>

Karla L. Berry Trust 18942 Stickney Road Russell, KS 67665

Operator – SW/4 Sec. 17-15S-13W

Jason Oil Company, L.L.C. P. O. Box 701 Russell, KS 67665

Operator – N/2 Sec. 20-15S-13W

Curt's Oil Operation, LLC P. O. Box 8 Great Bend, KS 67530

Operator - NW/4 Sec. 21-15S-13W

Grady Bolding Corporation P. O. Box 486 Ellinwood, KS 67526

