

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

Before Commissioners: Mark Sievers, Chairman
 Thomas E. Wright
 Shari Feist Albrecht

In the matter of the Application of R.C.) Docket No. 12-CONS-258-CEXC
Taylor Companies, Inc. for an exception to)
the 10-year time limitation of K.A.R. 82-3-) CONSERVATION DIVISION
111 for its Kansas City Life #4 well located in)
the NE/4 of Section 3, Township 35 South,) License No. 30161
Range 31 West, Seward County, Kansas.)
_____)

ORDER GRANTING APPLICATION

COMES NOW, the State Corporation Commission of the State of Kansas ("Commission" or "KCC") on the application of R.C. Taylor Companies, Inc. ("Taylor" or "operator"), for an Order approving the extension of temporary abandonment ("TA") status for the above-captioned well. The Commission, being fully advised in the premises and giving due consideration to the record herein, makes the following findings and conclusions:

1. Taylor is a foreign corporation authorized to do business in Kansas. KCC records indicate the operator is currently licensed to conduct oil and gas activities in Kansas pursuant to K.S.A. 55-155.

2. On April 23, 2012, the application in this docket was filed pursuant to the rules and regulations of the State Corporation Commission and the Kansas Statutes, thus fulfilling all regulatory and statutory requirements.

3. Notice was proper in every respect and was published at least fifteen (15) days prior to the hearing for this application in *The Wichita Eagle* newspaper and the *High Plains Daily Leader and Times* newspaper, providing notice that a hearing would be held to determine the matter in this docket; there were no protests.

4. According to K.A.R. 82-3-111, wells shall not be eligible for TA status if the well has been shut-in for ten (10) or more years without an application for an exception pursuant to K.A.R. 82-3-100 and approval by the Commission.

5. On July 26, 2012, a Committee made up of Commission Staff ("Staff") reviewed Taylor's application. The application states the operator intends to keep the Kansas City Life #4 well as a potential injection well if it determines it is economically feasible to initiate secondary recovery operations in Seward County, Kansas. The subject well has passed a Commission Staff-witnessed mechanical integrity test. Staff recommends the Commission grant the operator's application for an exception to the 10-year TA status limitation of K.A.R. 82-3-111.

6. Based on the foregoing, the Commission finds that an exception to the 10-year TA status restrictions under K.A.R. 82-3-111 should be granted for the above-captioned well because it has a potential future use and does not present a threat to fresh and usable water.

7. The application should be granted in accordance with the above findings for three (3) years without the need to file further applications for exceptions, but still subject to the yearly filing requirements according to the provisions of K.A.R. 82-3-111.

IT IS, THEREFORE, BY THE COMMISSION ORDERED: That the application of R.C. Taylor Companies, Inc. for an exception to the 10-year limitation for temporary abandonment ("TA") status for the above-captioned well is granted for three (3) years without filing further applications for extensions in accordance with the provisions of K.A.R. 82-3-111. The Commission further orders that R.C. Taylor Companies, Inc. must continue to file a yearly TA application for the above-captioned well pursuant to the provisions of K.A.R. 82-3-111.


Any party affected by this Order may file with the Commission a petition for reconsideration pursuant to K.S.A. 77-529(a). Such petition shall be filed within fifteen (15)

days after service of this Order and must state the specific grounds upon which relief is requested. This petition for reconsideration shall be filed with the Executive Director of the Conservation Division, Finney State Office Building, 130 S. Market, Room 2078, Wichita, Kansas 67202-3802.

The Commission retains jurisdiction of the subject matter and the parties for the purpose of entering such further Order or Orders as from time-to-time it may deem proper.

BY THE COMMISSION IT IS SO ORDERED.
Sievers, Chmn.; Wright, Com.; Feist Albrecht, Com.

Date: SEP 28 2012


ORDER MAILED SEP 28 2012
Patrice Petersen-Klein
Executive Director

Date Mailed: 9/28/12

RAH

I CERTIFY THE ORIGINAL
COPY IS ON FILE WITH
The State Corporation Commission

SEP 28 2012

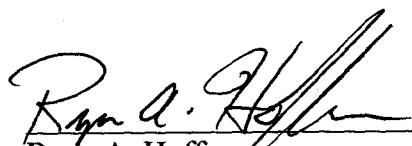


CERTIFICATE OF SERVICE

I hereby certify that on 9/28/12, I caused a true and correct copy of the foregoing "Order" to be served by placing the same in the United States mail, postage prepaid, to the following parties:

Mike Taylor
R.C. Taylor Companies, Inc.
5661 N. Classen Blvd
Oklahoma City, Oklahoma 73118

Richard Lacey
KCC District #1 Office
210 E. Frontview, Suite A
Dodge City, Kansas 67801



Ryan A. Hoffman
Litigation Counsel
Kansas Corporation Commission