

MAR 05 2020

CONSERVATION DIVISION
WICHITA, KS

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the matter of the Application of)	Docket No. 20-CONS-3229-CEXC
Venture Resources, Inc. for an exception)	
to the 10-year time limitation of K.A.R. 82-3-111)	CONSERVATION DIVISION
for its Hurt #4 well located in the NW/4NW/4SE/4)	
Sec. 15, Township 12 South, Range 21 West,)	
Trego County, Kansas)	License No.: 30537
_____)	

APPLICATION

COMES NOW Venture Resources, Inc. ("Applicant") in support of its Application in the captioned matter and states as follows:

1. Applicant is a Kansas corporation authorized to do business in the State of Kansas. Applicants address is:
Venture Resources, Inc.
P.O. Box 101234
Denver, CO 80250
2. Applicant has been issued by the Kansas Corporation Commission Operator's License # 30537, which expires on October 30, 2020.
3. Applicant is the owner and operator of the Hurt #4 well, API # 15-195-30258-0001, ("the subject well"), which is located in the NW/4NW/4SE/4 of Section 15, Township 12 South, Range 21 West, Trego County, Kansas. The subject well is located on an active oil and gas lease comprising the following lands: SE/4 Section 15, Township 12 South, Range 21 West, Trego County, Kansas. ("leased premises")
4. Pursuant to K.A.R. 82-3-111, the Applicant obtained temporary abandonment status, for the subject well in 2006. The subject well has maintained such status from 2006 to the present date.

5. On or about April 6, 2016, the Kansas Corporation Commission notified Applicant temporary abandonment status for the subject well would be denied, because subject well had been temporarily abandoned for more than ten (10) years. On January 5, 2017 the Kansas Corporation Commission granted a three year extension. By letter dated December 16, 2019, The Kansas Corporation Commission notified Venture Resources Inc. the three year extension was expiring and Venture needed to file a new application.
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. A 4 ½" threaded liner was set @ 3971' & cemented to surface in October 2005. The well was equipped and produced from the upper Arbuckle zone until April 2006 when it was declared unproductive. A cast iron bridge plug was set at 3965', 4 ½" casing filled with treated fresh water and pressured up to 300 psi for 30 minutes. On April 27 2016, a successful casing MIT was administered. On December 9, 2019 another successful casing MIT was administered.
8. Venture Resources, Inc. wishes to obtain TA status for subject well because Applicant can foresee the future need of recompleting this well for a salt water disposal (SWD) by deepening for Lower Arbuckle disposing or plugging back to the Cedar Hill zone in the event of a failure on the existing SWD on lease or an increase in the salt water produced.
9. Applicant submits the following information regarding the well in support of the Application.

There are three (3) other producing wells and one (1) Cedar Hill SWD on this lease producing approximately six and one half (6.5) barrels of oil per day (bopd). In order to dispose into the lower Arbuckle zone, after KCC approval, this well would need to be deepened approximately 100', a 3 ½" liner ran from bottom of 4 ½" casing & cemented. Approximate cost \$80,000. A Cedar Hill zone completion would require Applicant to plug back well to the Anhydrite zone and perforate 100' of lower Cedar Hill zone, then equip the well. Approximate cost \$50,000. Venture estimates the cost to plug and abandon this well would be \$20,000. Venture estimates the reserves on the Hurt Lease to be 35,000 barrels of oil.
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,

VENTURE RESOURCES, INC.

P.O. Box 101234

Denver, CO 80250

303-722-2899 office,

303-722-6598 Fax

By: 

Todd W. Smith, President