BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

)

)

)

)

)

In the Matter of the Application of Haas Petroleum, LLC for an Exception to the 10-year Time Limitation of K.A.R. 82-3-111 for its Saubers #2 and Saubers #6 Wells Located in the SE/4 of Section 13, Township 26 South, Range 14 East, Woodson County, Kansas. 22-CONS-3220-CEXC Docket No.21-CONS-____-License No. 33640 Conservation Division

APPLICATION

COMES NOW Haas Petroleum, LLC and in support of its Application in the captioned matter, states as follows:

1. Applicant is a limited liability company authorized to do business in the State of Kansas. Applicant's address is P.O. Box 8396, Prairie Village, KS 66208-1936.

2. Applicant's Kansas Corporation Commission ("Commission") Operator's License number is 33640.

3. Applicant is the operator of the Saubers #2 API No. 15-207-02647-00-00 and Saubers #6 API No. 15-207-23874-00-00 which are both located in the SE/4 of Section 13, Township 26 South, Range 14 East, Woodson County, Kansas. The Subject Wells are located on an active oil and gas lease comprising the following lands:

The East Half of the Southeast Quarter (E/2 SE/4) of Section 13, Township 26 South, Range 14 East, Woodson County, Kansas

4. Pursuant to K.A.R. 82-3-111, Applicant became the operator of the Subject Wells effective January 31, 2018. Applicant does not know what the status of the Subject Wells were before such time. However, the Subject Wells were inactive when Applicant became the operator of such Wells. The Subject Wells have maintained such status to the present date.

5. On or about October 21, 2021, the Commission Staff denied Applicant's temporary

abandonment well applications for the Subject Wells because the Subject Wells were believed to have been shut-in for more than ten (10) years. Applicant does not believe the Subject Wells have ever been granted Temporary Abandonment status ("TA status") by the Kansas Corporation Commission, and Applicant does not know how long the Subject Wells have been shut-in.

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. Applicant wishes to obtain TA status for the Subject Well, because Applicant intends to use the Subject Wells as producing wells.

8. Applicant submits the following information regarding the Subject Wells in support of this Application. The prior operator of the Subject Wells owned the Subject Wells and also the land upon which they were situated. Such prior operator experienced prolonged poor health conditions during the last years of his life, and the Subject Wells were shut-in due to the health conditions of the said prior operator and his inability to work on the Subject Wells and lack of capital. When said prior operator passed away, Applicant was approached about taking over the Subject Wells and all other wells located on the Steinforth (Saubers) lease and a few other lease that were owned by said operator. Applicant agreed to become the operator of the Subject Wells and a partial working interest owner of the subject oil and gas lease. All of the wells on such lease were shut-in when Applicant became the operator of such lease. When Applicant became the operator of the Subject Wells, the working interest owners had committed to make certain capital investments into said lease in order to reinstate production from all wells located therein. These said working interest owners breached their agreement with Applicant and failed to fulfill their capital commitment obligations. Applicant believes it has now brokered a satisfactory arrangement to either obtain complete ownership of the Subject Wells, or for the working interest owners to sell the subject lease to a third party who can then invest capital into this lease once the working interest is all under common ownership. Applicant believes the Subject Wells to be valuable assets and has simply been hamstrung by the working interest owner's failure to contribute agreed upon capital to this project.

9. 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.

10. 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 from an after the order entered in this Docket. 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.

11. 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 (½) 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).

12. 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 Application 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 Wells 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.

Keith A. Brock, #24130 ANDERSON & BYRD, LLP 216 S. Hickory ~ P.O. Box 17 Ottawa, Kansas 66067 (785) 242-1234, telephone (785) 242-1279, facsimile kbrock@andersonbyrd.com Attorneys for Applicant

VERIFICATION

STATE OF KANSAS, COUNTY OF FRANKLIN, ss:

Keith A. Brock, of lawful age, being first duly sworn on oath, states:

That he is the attorney for Haas Petroleum, LLC, named in the foregoing Application, and is duly authorized file this application; that he has read the foregoing Application and is familiar with the contents thereof; and, that the statements made therein are true and correct to the best of his knowledge and belief.

Keith A. Brock

SUBSCRIBED AND SWORN to before me this 19th day of November 2021.

NOTARY PUBLIC - State of Kansas RONDA ROSSMAN My Appt. Exp. 5/95/92

RouddRossinger

Appointment/Commission Expires:

Notary Public

CERTIFICATE OF SERVICE

I hereby certify on this 19th day of November, 2021, true and correct copies of the above and foregoing Application were served by depositing copies of the same in the United States Mail, postage prepaid, and properly addressed to each party set forth in Exhibit "A" attached to said Application filed by Applicant, and the original to the Kansas Corporation Commission.

Keith A. Brock

EXHIBIT A

P & R FARM, LLC Mailing Address : 1602 HARLAN AVE WICHITA, KS 67212

JONES, RICHARD EARL; DAVIS, JAY Mailing Address : P O BOX 19 TOMBALL, TX 77375

KANSAS, STATE OF Mailing Address : 512 SE 25TH AVE PRATT, KS 67124

BREWER, GARY L

Mailing Address : 812 45TH ROAD YATES CENTER, KS 66783

LAUBER, LILA J

Mailing Address : 936 50TH ROAD YATES CENTER, KS 66783

STEINFORTH, JERRY Mailing Address : 672 INDIAN RD YATES CENTER, KS 66783

BACKLAND PROPERTIES, INC Mailing Address : 17128 240TH RD HUTCHINSON, MN 55350

Colt Energy Inc. P.O. Box 388 Iola, KS 66749-.388

Victor J. Leis 205 N. Castle St. Paola, KS 66071-1511

V-Loc Oil Co LLC 205 N. Castle St. Paola, KS 66071-1511

