

OCT 23 2019

CONSERVATION DIVISION
WICHITA, KS

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

In the matter of the Application of StrataKan Exploration,)
LLC for an exception to the 10-year time limitation of)
K.A.R. 82-3-111 for its Harper Ranch #JC5 well located in)
Center of the Northwest Quarter of the Southwest Quarter)
Of Section 2, Township 34 South, Range 21 West,)
Clark County, Kansas.)

Docket No. ²⁰___CONS-³¹¹⁸___-CEXC

Conservation Division

License No: 34975

APPLICATION

COMES NOW StrataKan Exploration LLC ("Applicant") in support of its Application in the captioned matter and states as follow:

1. Applicant is a Limited Liability Company authorized to do business in the State of Kansas. Applicant's address is 100 South Main St., Plainville, KS 67663.
2. Applicant has been issued by the Kansas Corporation Commission Operator's License number 34975.
3. Applicant is the owner and operator of the Harper Ranch #JC5 well, API #15-025-10100-00-02 ("the subject well"), which is located in the Center of the Northwest Quarter of the Southwest Quarter of Section 2, Township 34 South, Range 21 West, Clark County, Kansas. The subject well is located on an active oil lease comprising the following lands:

All Section 2, Township 34 South, Range 21 West
4. Pursuant to K.A.R. 82-3-111, the well was shut in by the previous operator longer than 10 years ago. The subject well has maintained such status from that time to the present date.
5. Applicant wishes to continue TA status for the subject well, because Applicant intends to use the well for the following purpose: The wellbore is part of a Morrow formation waterflood field. The wellbore has perforation in the Morrow zone and may be utilized in the future as either a water supply, producer or an injection well as the field operations mature.

6. On October 21, 2019 the subject well passed a Commission Staff-witnessed mechanical integrity test of the casing between the surface and a point 34 feet above the uppermost perforation in the well.

7. Applicant submits the following information regarding the well in support of the Application;

See Exhibit A

8. 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. See enclosed

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 an additional three (3) years.

Applicant understands that the exception would be valid for three 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 "B" 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

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,

StrataKan Exploration LLC
100 South Main
Plainville, KS 67663
(785) 688-4241 (office)
(785) 688-4240

By: 
Lanny Butner
Agent of StrataKan Exploration LLC

CERTIFICATE OF SERVICE

I hereby certify on the 23rd day of October, 2019, true and correct copies of the above and foregoing Application and Notice of Application were served by depositing copies of the same in the United States mail, postage prepaid, and properly addressed to the landowner/s set forth in paragraph 12 of said Application and each party set forth in Exhibit 'B' attached to said Application filed by Applicant, and the original and seven (7) copies were hand delivered to the Kansas Corporation Commission.



Lanny Butler

Agent of StrataKan Exploration LLC

EXHIBIT A

A.

LEASE	WELL TYPE	API#	QTR	SEC.	TWN.	RG
Harper Ranch #JC1	P&A	15-025-10097-0001	SW NW	02	34	21
Harper Ranch #JC2	TA	15-025-10098-0000	NE SW	02	34	21
Harper Ranch #JC3	TA	15-025-10099-0000	NW NW	02	34	21
Harper Ranch #JC4	oil	15-025-10150-0000	SW SW	02	34	21
Harper Ranch #JC5	TA	15-025-10100-0002	SE NW	02	34	21
Harper Ranch #JC6	EOR	15-025-10101-0003	SE SW	02	34	21

B.

ESTIMATED PLUGGING EXPENSES TO PLUG THE HARPER RANCH #JC5:

WELL SERVICE RIG	\$7500.00
WIRELINE SERVICES	\$2500.00
TUBING RENTAL	\$1500.00
CEMENTING SERVICES	\$8500.00
DIG PIT AND WATER	\$2000.00
MISCELLANEOUS	<u>\$1500.00</u>
TOTAL	\$23,500.00

C.

2019 OIL SALES	MONTH	BO
	APR	82
	MAY	283
	JUN	154
	AVERAGE OF 5.7 BOPD	

D. SEE ATTACHED RESERVE REPORT REMAINING RESERVES: 17,200 BBLS

E.

THE SUBJECT WELL, IN ORDER TO PRODUCE, INJECT OR CONVERT TO WATER SUPPLY AT A FUTURE TIME WILL NEED THE FOLLOWING:

1. IF A WATER SUPPLY: PERFORATE UPPER ZONE, SWAB TEST, SET CIBP OVER MORROW ZONE, RUN IN HOLE WITH BOTTOM HOLE PUMP AND SUCKER RODS. PUT WELL INTO WATER SUPPLY PRODUCTION.
2. IF A PRODUCER: RUN PRODUCTION TUBING, SWAB TEST AND RUN IN HOLE WITH BOTTOM HOLE PUMP AND SUCKER RODS. PUT WELL INTO PRODUCTION.
3. IF AN INJECTOR: FILE APPLICATION WITH THE KCC FOR INJECTION, RUN IN WELL WITH INJECTION PACKER AND COATED INJECTION TUBING. MIT WELL.

F.

THE SUBJECT WELL HAS PASSED A MIT AS OF OCTOBER 21, 2019. NO FURTHER ACTION IS NEEDED.

EXHIBIT B

**THERE IS NOT AN OFFSET OPERATOR FOR THE HARPER RANCH JC LEASE
WITHIN ONE-HALF MILE RADIUS**

PERSONS WHO OWN A MINERAL INTEREST WITHIN ONE-HALF MILE RADIUS

BOUIZIDEN BROTHERS & SONS LAND
P.O. BOX 452
ALVA, OK 73717

ALL SEC. 2-34S-21W CLARK CO. ,KS
E/2 SEC. 3-34W-21W CLARK CO., KS
N/2 SEC. 11-34S-21W CLARK CO., KS
SE/4 SEC. 34-33S-21W CLARK CO., KS
NE/4 SEC. 10-34S-21W CLARK CO., KS

BESSY B. NIEMAN TESTAMENTARY TRUST S/2 SEC. 35-33S-21W CLARK CO., KS
2331 CR 31
PROTECTION, KS 127

APPLICATION FOR EXCEPTION TO 10- YEAR LIMITATION
K.A.R. 82-3-111

September 20, 2019

Re: Temporary Abandonment

API 15-25-10100-00-02
HARPER RANCH JC5
SW/4 Sec. 02-34S-21W
Clark County, Kansas

API 15025-10099-00-00
HARPER RANCH JC3
NW/4 Sec. 2-34S-21W
Clark County, Kansas

PERSONS WHO OWN SURFACE AND MINERAL INTEREST WITHIN ONE-HALF MILE RADIUS

Bouzen Brothers & Sons Land, LL
P.O. Box 452
Alva, OK 73717

All Section 2-34S-21W
E/2 Section 3-34S-21W
N/2 Section 11-34S-21W
SE/4 Section 34-33S-321W
NE/4 Section 10-34s-21W

Bessie B. Nieman Testamentary Trust
2332 CR 31
Protection, KS 67127

S/2 SECTION 35-33S-21W

OTHER OPERATORS WITHIN ONE-HALF MILE RADIUS

NO OTHER CURRENT OPERATORS

Records Researched: Clark County, Kansas
Register of Deeds Office
Appraisers Office

John Grover

A-HARPER RANCH LEASE

DATE : 09/28/19

TIME : 12:45:53

HARPER RANCH (Morrowan B Sandstone Bed)

Clark, KS

RESERVES AND ECONOMICS

EFFECTIVE DATE:

9/19

-END- MO-YR	GROSS OIL PRODUCTION	GROSS GAS PRODUCTION	NET OIL PRODUCTION	NET GAS PRODUCTION	NET OIL PRICE	NET GAS PRICE	NET OIL SALES	NET GAS SALES	TOTAL NET SALES
----	---MBBLS---	---MMCF---	---MBBLS---	---MMCF---	---\$/BBL---	---\$/MCF---	-----M\$-----	-----M\$-----	-----M\$-----
12-19	0.6	0.0	0.5	0.0	50.00	0.00	26.8	0.0	26.8
12-20	1.8	0.0	1.5	0.0	50.00	0.00	77.4	0.0	77.4
12-21	1.7	0.0	1.5	0.0	50.00	0.00	73.5	0.0	73.5
12-22	1.7	0.0	1.4	0.0	50.00	0.00	70.2	0.0	70.2
12-23	1.6	0.0	1.3	0.0	50.00	0.00	67.3	0.0	67.3
12-24	1.5	0.0	1.3	0.0	50.00	0.00	64.8	0.0	64.8
12-25	1.5	0.0	1.3	0.0	50.00	0.00	62.5	0.0	62.5
12-26	1.4	0.0	1.2	0.0	50.00	0.00	60.5	0.0	60.5
12-27	1.4	0.0	1.2	0.0	50.00	0.00	58.7	0.0	58.7
12-28	1.3	0.0	1.1	0.0	50.00	0.00	57.0	0.0	57.0
S TOT	14.6	0.0	12.4	0.0	50.00	0.00	618.8	0.0	618.8
AFTER	2.7	0.0	2.3	0.0	50.00	0.00	114.1	0.0	114.1
TOTAL	17.2	0.0	14.7	0.0	50.00	0.00	732.9	0.0	732.9

-END- MO-YR	NET ADVAL & PROD. TAXES	DIRECT OPER EXPENSE	EQUITY INVESTMENT	SALVAGE	FUTURE NET CASHFLOW	CUMULATIVE CASHFLOW	10% FUTURE DISC CF	10% CUM DISC CF	20% FUTURE DISC CF
----	-----M\$-----	-----M\$-----	-----M\$-----	-----M\$-----	-----M\$-----	-----M\$-----	-----M\$-----	-----M\$-----	-----M\$-----
12-19	1.7	10.7	0.0	0.0	14.4	14.4	14.3	14.3	14.1
12-20	4.8	32.1	0.0	0.0	40.5	54.9	37.6	51.9	35.2
12-21	4.6	32.1	0.0	0.0	36.8	91.8	31.1	82.9	26.6
12-22	4.4	32.1	0.0	0.0	33.7	125.5	25.9	108.8	20.3
12-23	4.2	32.1	0.0	0.0	31.0	156.5	21.6	130.4	15.6
12-24	4.0	32.1	0.0	0.0	28.6	185.1	18.1	148.6	12.0
12-25	3.9	32.1	0.0	0.0	26.5	211.6	15.3	163.8	9.2
12-26	3.8	32.1	0.0	0.0	24.6	236.2	12.9	176.7	7.2
12-27	3.7	32.1	0.0	0.0	22.9	259.1	10.9	187.6	5.5
12-28	3.6	32.1	0.0	0.0	21.3	280.4	9.2	196.9	4.3
S TOT	38.6	299.8	0.0	0.0	280.4	280.4	196.9	196.9	150.0
AFTER	7.1	66.9	0.0	0.0	40.0	320.5	15.0	211.9	6.1
TOTAL	45.7	366.7	0.0	0.0	320.5	320.5	211.9	211.9	156.2

	OIL	GAS		P. W. %	P. W., M\$
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GROSS WELLS	1.0		LIFE, YRS.	11.42	291.9
GROSS ULT., MB & MMF	885.8	0.0	DISCOUNT	10.00	267.3
GROSS CUM., MB & MMF	868.5	0.0	UNDISCOUNTED PAYOUT, YRS.	0.00	246.2
GROSS RES., MB & MMF	17.2	0.0	DISCOUNTED PAYOUT, YRS. #N/A	8.00	227.9
NET RES., MB & MMF	14.7	0.0	UNDISCOUNTED NET/INVEST	0.00	211.9
NET REVENUE, M\$	732.9	0.0	DISCOUNTED NET/INVEST	0.00	197.9
INITIAL PRICE, \$	50.0000		RATE-OF-RETURN, PCT.	400.00	185.5
INITIAL N.I., PCT.	85.000000		INITIAL W.I., PCT.	100.000000	174.6
				18.00	164.8
				20.00	156.2
				22.00	148.3
				24.00	141.3
				26.00	135.0
				28.00	129.2
				30.00	123.9

A-HARPER RANCH LEASE

Clark County KS

