

AUG 07 2017

LEGAL SECTION

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

2017-08-09 08:11:58
Kansas Corporation Commission
/s/ Lynn M. Retz

Before Commissioners:

Jay Scott Emler, Chairman
Shari Feist Albrecht
Pat Apple

18-CONS-3079-CEXC

In the matter of the Application of Eagle)
Energy Resources, LLC for Exception to the)
10-year time Limitation of K.A.R. 82-3-111)
for its Kurtenbach #3 API # 15-127-20378)
-00-00 SE/4, NE/4, NE/4 Sec 15, T16S,)
R5E, Morris County, Kansas)

Docket No. ~~16-CONS-1111-CEXC~~

CONSERVATION DIVISION

License No.: 34792

APPLICATION

COMES NOW Eagle Energy Resources, LLC in support of its Application in the captioned matter and states as follows:

1. Applicant is a Limited Liability Corporation authorized to do business in the State of Kansas. Applicant's address is 153 S. Broadway St., La Porte, Texas 77571.
2. Applicant has been issued by the Kansas Corporation Commission Operator's License # 34792, which expires on September 30, 2017.
3. Applicant is the owner and operator of the Kurtenbach #3 well, [API #15-127-20378-00-00] the subject well, which is located in the SE/4, NE/4, NE/4 Sec 15, T16S, R5E, Morris County, Kansas. The subject well is located on an active oil and gas lease or unit comprising the following lands:
All of the SE/4 of Sec 15 T16S R5E, Morris County, Kansas, containing
160 acres, more or less ("leased premises").
4. Pursuant to K.A.R. 82-3-111, the well was shut in and Applicants Assignor obtained temporary abandonment status, for the subject well on prior to Applicants acquisition of this well. The subject well has maintained such status to the present date.
5. On or about June 23, 2017, the Kansas Corporation Commission notified Applicant temporary abandonment status for the subject well would be denied from and after July 21, 2017 because subject well had been temporarily abandoned for more than ten (10) years.
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. Eagle is currently in the process of scheduling, for the subject well a Commission Staff-witnessed mechanical integrity test of the casing between the surface and point within fifty (50) feet above the uppermost perforation or open hole in the well. Eagle will furnish a copy of the completed Form U-7 attached within 30 days of this application acceptance.
8. Applicant wishes to continue TA status for the subject well, because Applicant intends to use the well for the following purpose: Applicant intends to put this well back on production at such time as crude oil sales prices increase. Applicant's projections of future crude oil sales prices strongly indicate that such increases will occur within three years of date of this Application whereupon Applicant will commence a workover/restoration project to put subject well (and other TA wells in the Grandview Field) back on production.
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 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.
11. 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 (provided that such mineral interest is not covered by any oil and gas lease.)
 - C. Applicant will exert its best efforts to obtain the data referenced in items A & B above and will supplement this Application with the requisite Exhibit B promptly.
12. Notice of this Application will be published pursuant to K.A.R. 82-3-135a.

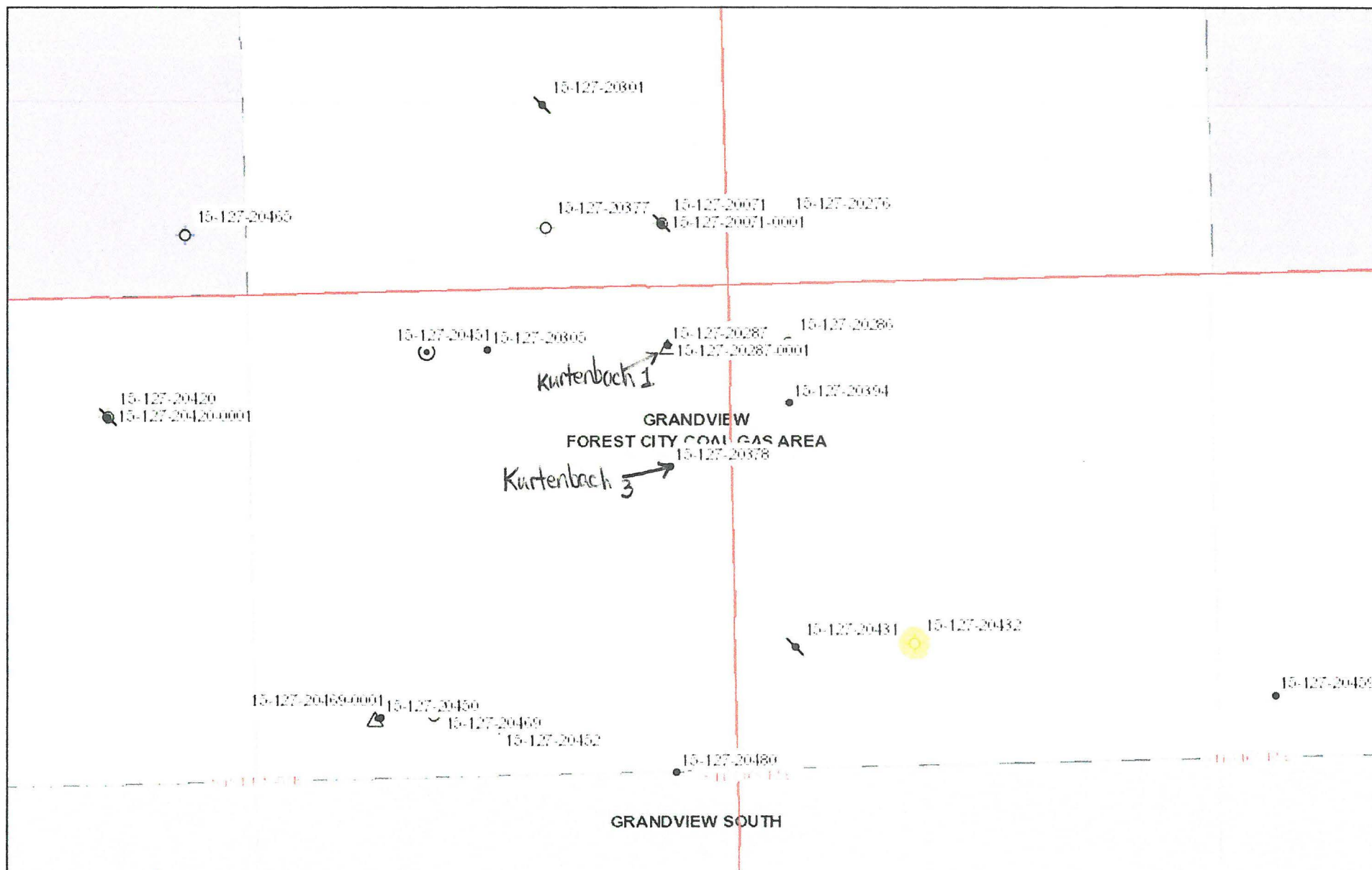
13. Applicant specifically requests that requirement for hearing be waived and that KCC treat this matter administratively. Applicant's operation of the Grandview Field is an effort to recover all remaining economically producible reserves; accordingly an administrative cost for representation at a hearing is an economic hardship upon Applicant.

WHEREFORE, Applicant prays that this matter be granted administratively without a hearing, or in the alternative be set for hearing, and upon hearing with or without attendance by Applicant's representatives, 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.

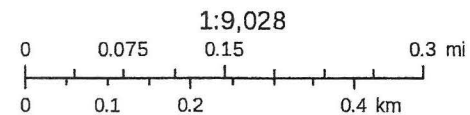
Respectfully Submitted,

By Teri Goebel
Teri Goebel
Operations Director
Eagle Energy Resources, LLC

EAGLE ENERGY RESOURCES Kurtenbach 1 & 3



August 3, 17



Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey