BEFORE THE KANSAS CORPORATION COMMISSISON OF THE STATE OF KANSAS

In the matter of the Application of Grand Mesa) Operating Company for an exception to the 10-year time limitation of K.A.R. 82-3-111 for its) Baumfalk 4 well located in the NW/4 of Section 22,) Township 1 South, Range 33 West, Rawlins County,) Kansas.

25-CONS-3362-CEXC

Docket No.:

CONSERVION DIVISION

License No.: 9855

APPLICATION

COMES NOW Grand Mesa Operating Company (Applicant) in support of its application in the captioned matter and states as follows:

- Applicant is a Corporation authorized to do business in the State of Kansas.
 Applicant's address is 1700 N. Waterfront Pkwy, B600, Wichita, Kansas 67206.
- 2. Applicant has been issued by the Kansas Corporation Commission Operator's License #9855, which expires on August 30, 2025.
- 3. Applicant is the owner and operator of the Baumfalk 4 (a/k/a Drift Unit #20) well, API #15-153- 20684-00-01 (the subject well), which is located in the NW/4 of Section 22, Township 1 South, Range 33 West, Rawlins County, Kansas. The subject well is located in an active oil and gas unit for enhanced recovery operations of the following lands in Rawlins County, Kansas: S W/4 of Section 15, E/2 SW/4, S/2 NE/4 and SE/4 of Section 16, NE/4 of Section 21 and NW/4 of Section 22, Township 1 South, Range 33 West, containing 800.0 acres, more or less (leased premises).
- 4. Pursuant to K.A.R. 82-3-111, the well was shut in, or Applicant obtained temporary abandonment status, for the subject well on May 01, 2004. The subject well

has maintained such status from May 01, 2004, to the present date.

- 5. On or about April 15th, 2025, the Kansas Corporation Commission notified Applicant temporary abandonment status for the subject well would be denied after April 15th, 2025, because subject well has been temporarily abandoned for more than ten (10) years. Applicant acquired operations from Thresher Energy starting 2/1/25.
- 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. On April 15, 2025, the subject well passed a Commission Staff-witnessed mechanical integrity test of the casing between the surface and the CIBP set @ 3800'.
- 8. Applicant wishes to continue TA status for the subject well, because Applicant intends to use the well for potentially resuming injection support or to re-evaluate to be recompleted as a producer.
- 9. Applicant submits the following information regarding the well in support of the Application:
 - a. The Drift Unit lease consists of the

following wells:

17 Oil wells

4 WIW,s

1 WSW

3 TA'd

- b. Estimated cost to P&A the Baumfalk 4 \$31,500
- Current lease production rate 3 BOPD. The Drift Unit did produce 7-11 BOPD
 back in August November 2024.

- d. There is an estimated 43,000 BBLS remaining reserves, after resuming production to 2024 levels. Redesign consideration to the waterflood will improve recovery.
- e. Lines are already in place for the well, it will need a workover to remove CIBP, acidize and run equipment.
- 10. Applicant has included a plat map showing the location of all producing, injection, temporarily abandoned, abandoned, and plugged wells located in the same area 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 interests of record in and under any lands located within one-half (1/2) mile radius of subject well (Provided that such material interests 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 manner 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 annal approval by the Conservation Division District Office of an application for temporary abandonment status.

Respectfully Submitted,

Michael J. Reilly 1700 N. Waterfront Pkwy, B600 Wichita, KS 67206 316-265-3000 Fax #316-265-3455

BY:

Michael J. Reilly, President of Grand Mesa Operating Company

VERIFICATION

STATE OF KANSAS)	
COUNTY OF SEDGWICK)	ss:

Michael J. Reilly, of lawful age, being first duly sworn, upon oath states:

That he has the authority on behalf of Grand Mesa Operating Company to file this application, that he has read the above and 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.

Michael J. Reilly, President of Grand Mesa Operating Company

Subscribed and sworn to before me this 2nd day of May, 2025

PHYLLIS E. BREWER
Notary Public - State of Kansas
My Appt. Expires 7-21-27

My appointment expires: July 21, 2027

Phyllis É Brewer, Notary Public

11817 W Jamesburg St Wichita, KS 67212

CERTIFICATE OF SERVICE

I hereby certify on this <u>2nd</u> day of <u>May</u>, <u>2025</u>, true and correct copies of the above and foregoing Application and the 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, each party set forth in the Exhibit "A" attached to said Application filed by Applicant, and the original application was delivered to the Kansas Corporation Commission.

Michael J. Reilly, President

Grand Mesa Operating Company

EXHIBIT "A"

A. Each operator of each oil and gas lease covering lands within one-half (1/2) mile radius of the subject Well are identified below:

SE/4 16, SW/4 15, E/2 Sec 21 & NW/4 Sec 22: Grand Mesa Operating Company 1700 N. Waterfront Pkwy, B600 Wichita, KS 67206

S/2 Sec 22: Downing Nelson Oil Company 111 West 10th Street Hays, KS 67601

SE/4 15 & NE/4 22: Double Eagle Development 1401 Ballinger, Ste 200 Fort Worth, TX 76102

B. Each person who owns any mineral interests of record in and under any lands located within one-half (1/2) mile radius of subject well (provided that such material interests is not covered by any oil and gas lease) are identified below:

SECTION 22, T1S-R33W

NE/4:

Randall & Carolyn Timm Trust 4977 Road 2350 Ludell, KS 67744

NW/4:

Allan M. & Dianne C. Vap 2531 Road 22 Ludell, KS 67744

Norma Jean Huss Trust #1 5001 Road 29 Herndon, KS 67744

SECTION 15, T1S-R33W

S/2:

Daniel S. and Blanche O. Vap Trust 3530 Road 22 Ludell, KS 67744

SECTION 16, T1S-R33W

<u>SE/4:</u>

Daniel S. and Blanche O. Vap Trust 3530 Road 22 Ludell, KS 67744

SECTION 21, T1S-R33W

E/2:

Daniel S. and Blanche O. Vap Trust 3530 Road 22 Ludell, KS 67744

SECTION 22, T1S-R33W

<u>\$/2:</u>

Kent Huss 2515 Donald Dr. Hays, KS 67601

C. The name and address of the landowner on whose land the well affected by this Application is located is identified below:

NW/4:

Allan M. & Dianne C. Vap 2531 Road 22 Ludell, KS 67744

BEFORE THE STATE CORPORATION

COMMISSION OF THE STATE OF KANSAS

NOTICE OF FILING APPLICATION

RE: Grand Mesa Operating Company - Application for an exception to the 10 year time limitation of K.A.R. 82-3-111 for the Baumfalk 4 well located in the NW/4 of Sec. 22-1S-33W, Rawlins County, Kansas.

TO: All oil and gas producers, unleased mineral interest owners, landowners, and all persons whomever concerned.

You, and each of you, are hereby notified that Grand Mesa Operating Company has filed an Application for an exception to the 10 year time limitation of K.A.R. 82-3-111 for the Baumfalk 4 well located in the NW SE NW of Section 22-1-33W, Rawlins County, Kansas.

Any persons who object to or protest this Application shall be required to file their objections or protests with the Conservation Division of the State Corporation Commission of the State of Kansas within fifteen (15) days from the date of this publication. These protests shall be filed pursuant to Commission regulations and must state specific reason why the granting of the Application may cause waste, violate correlative rights, or pollute the natural resources of the State of Kansas.

All persons interested or concerned shall take notice of the foregoing and shall govern themselves accordingly.

Grand Mesa Operating Company 1700 N. Waterfront Pkwy, B600 Wichita, KS 67206 (316) 265-3000