

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

In the matter of the Application of Pantera )	Docket No. 20-CONS-3157-CEXC
Energy Company for an exception to the 10- )	
year time limitation of K.A.R. 82-3-111 for its )	CONSERVATION DIVISION
Koenig A 4 well located in the SE/4 of Section )	
4, Township 29 South, Range 34 West, Haskell )	License No.: 35681
County, Kansas._____ )	

**APPLICATION**

COMES NOW Pantera Energy Company ("Applicant") in support of its Application in the captioned matter and states as follows:

1. Applicant is a Corporation authorized to do business in the State of Kansas.

Applicant's address is 817 S Polk ST STE 201, Amarillo, TX 79101.

2. Applicant has been issued by the Kansas Corporation Commission Operator's License 35681, which expires on 04/30/2020.

3. Applicant is the owner and operator of the Koenig A 4 well, 15-081-21023-00-01 ("the subject well"), which is located in the Southeast Quarter of the Northwest Quarter of the East half of Section 4, Township 29 South, Range 34 West, Haskell County, Kansas. The subject well is located on an active oil and gas lease or unit comprising the following lands:

All of Section 4, Township 29 South, Range 34 West, Haskell County, Kansas,  
containing 640 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 07/16/2009. The subject well has maintained such status from 07/16/2009, to the present date.

5. On or about 10/15/2019, the Kansas Corporation Commission notified Applicant temporary abandonment status for the subject well would be denied from and after 10/15/2019, 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. A Commission Staff-witnessed mechanical integrity test of the casing between the surface and a point within fifty (50) feet above the uppermost perforation or open hole in the well is pending.

8. Applicant wishes to continue TA status for the subject well, because Applicant intends to use the well for the following purpose: The Koenig A 4 well bore is excepted to be used as either an injection or production well as part of a proposed expansion of the Eubank North (ENU) waterflood that included the entire Koenig A leasehold, or as a single-well recompletion prospect up hole in the Lansing F.

9. Applicant submits the following information regarding the well in support of the Application. Pantera recently purchased the Koenig A lease as a portion of a large acquisition from Merit Energy. The Koenig A 4 and entire A lease has been identified as a portion of a projected waterflood currently undergoing geological, engineering and unitization analysis. It is excepted that all required work to place the Koenig A 4 lease into a waterflood configuration will take up to 3 years to complete because of the complexity of the engineering and unitization processes. Also, the Koenig A 4 well bore has recompletion potential in the Lansing F interval as a single well project if waterflood use is not economic. There are two wells in the Koenig leasehold; the A 4 (Basal Chester) and A 5 (Landing F). The cost to plug the Koenig A 4 wellbore, including normal

surface remediation will be \$38,000. The cost to plug out the entire Boles F leasehold would be \$86,000. The cost to drill and complete a new well for waterflood or single-well production use would be between \$550M and \$900M depending on the well's intended use. The entire lease produces only 1 BOPD and 8 BWPD and is marginally economic to operate but may have significant secondary recovery value. All primary Basel Chester oil reserves have been recovered. Secondary recovery analysis is in progress. Remaining reserves for the Koenig leasehold assuming a successful waterflood installation could be near 130 MBO, though remaining secondary reserves are being evaluated at the time of this application and not yet confirmed. The Koenig A 4 wellbore has been MIT tested to assure that the wellbore is intact and retains the mechanical integrity required for continued safe TA status during waterflood analysis. Pantera is asking for a 3-year extension of TA status for the Koenig A 4.

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,

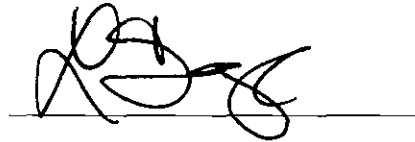
Pantera Energy Company  
817 S Polk ST Suite 201  
Amarillo, TX 79101  
(806)376-6625

By

  
Laura Savage

### **CERTIFICATE OF SERVICE**

I hereby certify on this 22 day of November, 2019, 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 each of the unleased mineral owner(s) and operator(s) set forth in Exhibit "A" attached to said Application filed by Applicant, and the original Application was uploaded to the Kansas Corporation Commission via E-filing Express to a new docket.

A handwritten signature in black ink, appearing to be "R. S. G.", is written over a horizontal line.

## **EXHIBIT A**

### **Operator**

Merit Energy Company  
13727 Noel Road, Suite 1200, Tower 2  
Dallas, TX 75240



BEFORE THE STATE CORPORATION  
COMMISSION OF THE STATE OF KANSAS  
**NOTICE OF FILING APPLICATION**

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RE: Pantera Energy Company - - Application for an exception to the 10-year time limitation of K.A.R. 82-3-111 for the Koenig A 4 well, located in Haskell County, Kansas.

TO: All Oil & Gas Producers, Unleased Mineral Interest Owners, Landowners, and all persons whomever concerned. You, and each of you, are hereby notified that Pantera Energy Company has filed an application for an exception to the 10-year time limitation of K.A.R. 82-3-111 for the Koenig A 4 well located in the E2 NW SE of Section 4-29S-34W, Haskell County, Kansas.

Any persons who object to or protest this application shall be required to file their objections or protest 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 reasons why the grant 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.

Pantera Energy Company  
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806-376-6625



