BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

)

)

)

IN THE MATTER OF THE APPLICATION OF MERIT ENERGY COMPANY, LLC, FOR AN ORDER PROVIDING FOR THE UNITIZATION AND UNIT OPERATION OF THE GRIFFIN COX CHESTER UNIT IN HASKELL COUNTY, KANSAS.

DOCKET NO. 15-CONS-843-CUNI

OPERATOR NO. 32446 CONSERVATION DIVISION

RESPONSE TO MOTION TO ESTABLISH A HEARING SCHEDULE

Abercrombie Energy, LLC ("Abercrombie") hereby responds to the Motion to Establish a Hearing Schedule filed by Commission Staff. Abercrombie respectfully suggests that the schedule be adjusted so that the evidentiary hearing does not occur until mid-November 2015 because there is extensive discovery that will need to take place before a hearing can take place.

In support of this motion Abercrombie states the following:

1. Abercrombie has submitted an extensive request for production of data to Merit Energy Company, LLC ("Merit"), a copy of which is attached as Exhibit A.

2. As set forth in Exhibit A, complex reservoir engineering, geological and petrophysical analysis must be performed in order to determine how much oil migrated from Merit's leases to Abercrombie's Acreage located in 12-28-33 during the time period from April 18, 2005 (when the Cox 1-12 well in Section 12 was first produced) through March 27, 2013 (the dated when the first well on the Merit Acreage, the Cox Minerals A-1 well was drilled).

3. Based on information and belief, Abercrombie believes that initial shut-in pressure of the reservoir encountered by the Cox Minerals A-1 well was approximately 50% of the initial reservoir pressure encountered by the Cox 1-12 well. This reduction in reservoir pressure suggests that substantial migration of the oil underlying the Merit Acreage had already migrated to Abercrombie's Acreage by April 1, 2013. Yet, in Phase 2 of Merit's proposed allocation formula, Merit seeks to attribute 75% of the revenue attributable to production from the proposed unit to what Merit believes was the original oil in place ("OOIP") underlying each Tract. This approach calls into question whether the substantial migration of oil that occurred between 2005 and 2013 has been taken into account.

4. Last year, Merit's predecessor, OXY USA, Inc. ("OXY") argued that the Cox Minerals A-1 well was producing from a separate reservoir that was not pressure connected to Abercrombie's wells located in Section 12-28-33. (See, Order Denying Application, Docket No. 14-CONS-135-CEXC, attached as Exhibit A to Abercrombie's Protest, hereafter "Order Denying Application"). In a 180° about-face reversal, Merit now claims that its wells located in Sections 11 and 14-28-33 are pressure connected with Abercrombie's wells located in Section 12-28-33.

5. In the Order Denying Application, the Commission found that the Cox Minerals A-1 had been greatly overproduced at rates that exceeded 500 BOPD when the statewide allowable was only 200 BOPD. As a result, the Commission ordered that the allowable production for the Cox Minerals A-1 well "shall be limited to 100 BOPD until the overproduction is made up." (Order Denying Application, p. 4).

6. Abercrombie estimates that the Cox Minerals A-1 well is still overproduced by approximately 100,000 barrels of oil.

7. Merit, in its Phase 1 allocation proposes to give each tract a 25% weighting based on production that occurred through June 2014 – thus rewarding the overproduction of the Cox Minerals A-1 well through that date. (Merit Application, Exhibit A, Article 5.1, pp. 7-8).

8. During Phase 1 of the proposed allocation to individual tracts, Merit proposes to allocate 25% based on the average production of each tract during the time period from April 1,

2014 through June 30, 2014 – which again includes the period of time where Merit, and its predecessor in interest OXY, was overproducing the Cox Minerals 1-A well.

9. A complex engineering model will need to be constructed to determine how much oil migrated from Abercrombie's Acreage as a result of the illegal over-production of the Cox Mineral A-1 well, as determined by the KCC in its Order Denying Application, between March 27, 2013 (the date the Cox Minerals A-1 started over-producing) through the current date.

10. Discovery is further complicated because Merit, for some inexplicable reason, has chosen to use production data ending with the month of June 2014 in its Phase 1 and Phase 2 allocations, even though there has been nearly a year of subsequent production that would affect the allocation to each Tract. Abercrombie has requested that Merit update its calculations to take into account this additional production information.

11. Discovery is further complicated by reason of the two sets of records that exist with respect to this proposed unit. There are the OXY Records that were transferred to Merit when Merit purchased OXY's interests in mid-2014. There are also, presumably, independent Merit Records that were developed after that date. Abercrombie requests the data that is part of both the OXY Records and the Merit Records as defined in Abercrombie's First Request for Production of Data attached as Exhibit A.

12. Abercrombie does not have on its staff a reservoir engineer and will need to hire a reservoir engineer as an expert witness, and possibly other expert witnesses, to evaluate the reserves attributed, at various points in time, to the proposed individual Tracts.

Abercrombie has also issued its First Request for Production of Data to the KCC
 Staff, a copy of which is attached as Exhibit B.

14. As shown in Exhibit B, information has been sought by Abercrombie as to whether the Cox Minerals A-1 well has been allowed to produce only 100 BOPD since the Commission's Order in the Order Denying Application.

15. As shown in Exhibit B, Abercrombie has also requested information on whether any compulsory unit has been formed by the Commission where the production levels in both the Applicant's wells and Abercrombie's well are prolific and not in need of any secondary recovery water flood operations at this time. Abercrombie believes that Merit's request to form a compulsory unit under the circumstances presented in this case is unprecedented in this state.

16. Based on the foregoing, Abercrombie anticipates that there will be several major discovery disputes with Merit.

17. In conclusion, the schedule proposed by Commission Staff is overly-optimistic.

For the reasons stated above, Abercrombie requests that the motion filed by the Commission Staff be denied and that a schedule be established that recognizes that the hearing date should not occur until mid-November 2015, at the earliest.

Submitted by:

WITHERS, GOUGH, PIKE, PFAFF & PETERSON, LLC O.W. Garvey Building 200 W. Douglas, Suite 1010 Wichita, KS 67202 316.267.1562 (Telephone) 316.303.1018 (Facsimile)

wa & for

Steven D. Gough, #09016 *Attorneys for Abercrombie Energy, LLC*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on July 6, 2015, I have caused to be served a true and accurate

copy of the foregoing Response to Motion to Establish a Hearing Schedule to:

John McCannon James Hemmen Kansas Corporation Commission Finney State Office Building, Room 2078 130 S. Market Wichita KS 67202

Stanford J. Smith, Jr. Martin, Pringle, Oliver, Wallace & Bauer, L.L.P. 100 N. Broadway, Ste. 500 Wichita KS 67202 Attorneys for Applicant

j.mccannon@kcc.ks.gov j.hemmen@kcc.ks.gov

sjsmith@martinpringle.com

Steven D. Gough

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

)

)

)

IN THE MATTER OF THE APPLICATION OF MERIT ENERGY COMPANY, LLC, FOR AN ORDER PROVIDING FOR THE UNITIZATION AND UNIT OPERATION OF THE GRIFFIN COX CHESTER UNIT IN HASKELL COUNTY, KANSAS.

DOCKET NO. 15-CONS-843-CUNI

OPERATOR NO. 32446 CONSERVATION DIVISION

FIRST REQUEST FOR PRODUCTION OF DATA TO MERIT ENERGY COMPANY, LLC BY ABERCROMBIE ENERGY, LLC

Abercrombie Energy LLC ("Abercrombie") files this Request for Production of Data as authorized by K.A.R. 82-1-234a. As discussed during the Scheduling Conference held on June 25, 2015, the nature and extent of the Chester Sand Formation in Sections 2, 10, 11, 12, 13, 14 and 15, T28S, R33W, Haskell County, Kansas, is of critical importance concerning Merit's Application and Abercrombie's Protest.

Merit operates the following wells and/or has control over the following wellbores located in Sections 2, 10, 11, and 14, T28S, R33W, Haskell County, Kansas (collectively the "Merit Wells"):

- 1. Batman "B" No. 1, 10-28-33
- 2. Batman "B" No. 2, 10-28-33
- 3. Cox Mineral "A" No. 1, 11-28-33
- 4. Cox Mineral "A" No. 2, 11-28-33
- 5. Cox Mineral Cox "A" No. 3, 11-28-33

Griffin "E" No. 1, 11-28-33

6. Griffin "C" No. 1, 11-28-33

- 8. Kenneth Cox "A" No. 1, 11-28-33
- 9. Griffin "D" No. 1, 11-28-33
- 10. Guttridge "A" No. 1, 14-28-33
- 11. Kenneth No. 5, 14-28-33
- 12. Cox Forrest No. 1 and/or Forrest Cox No. 1, 14-28-33
- 13. Cox 6-P, 2-28-33



DEFINITIONS

1. Reference to "Merit Wells" refers to the Merit wells identified in the preceding paragraph.

2. Reference to "Merit" refers to Merit Energy Company, LLC, the Applicant in this docket.

3. Reference to "OXY" refers to OXY USA, Inc. who was the Applicant in KCC Docket No. 14-CONS-135-CEXC.

4. Reference to "OXY Records" means all engineering, geologic and geophysical studies conducted by OXY on any of the Merit Wells and/or any wells that Merit proposes to include in its proposed unit that are operated by Abercrombie Energy, LLC, including reservoir simulation, original gas in place estimates and/or calculations; estimates or calculation of reservoir depletion caused by any wells operated by Abercrombie Energy, LLC in 12-28-33; migration of oil and/or gas from any acreage where Merit Wells are located to 12-28-33 where Abercrombie operates certain wells in the Chester Sand; any estimates and/or calculations of oil or gas in the Chester Sand underlying the Merit Wells as of April 2013 before the Cox Minerals A-1 well commenced production, and all reservoir simulations, calculations and/or estimates of oil and/or gas that migrated from Abercrombie's Chester Sand wells located in 12-28-33 to acreage on which the Merit Wells are located resulting from the overproduction of the Cox Minerals A-1 from April 2013; all logs, well completion information, production information and other data related to any of the Merit Wells that produce from the Chester Sand in the unit proposed by Merit.

5. Reference to "Abercrombie" refers to Abercrombie Energy, LLC.

6. Reference to "Abercrombie Wells" refers to the wells described Paragraph Nos. 1 and 2 in the Protest of Abercrombie Energy, LLC to Application filed in this docket. 7. Reference to "Abercrombie Acreage" refers to the acreage described in Paragraph Nos. 1 and 2 in the Protest of Abercrombie Energy, LLC to Application filed in this docket.

8. Reference to "Merit Records" means all engineering, geologic and geophysical studies conducted by Merit on any of the Merit Wells and/or any wells that Merit proposes to include in its proposed unit that are operated by Abercrombie Energy, LLC, including reservoir simulation, original gas in place estimates and/or calculations; estimates or calculation of reservoir depletion caused by any wells operated by Abercrombie Energy, LLC in 12-28-33; migration of oil and/or gas from any acreage where Merit Wells are located to 12-28-33 where Abercrombie operates certain wells in the Chester Sand; any estimates and/or calculations of oil or gas in the Chester Sand underlying the Merit Wells as of April 2013 before the Cox Minerals A-1 well commenced production; and all reservoir simulations, calculations and/or estimates of oil and/or gas that migrated from Abercrombie's Chester Sand wells located in 12-28-33 to acreage on which the Merit Wells are located resulting from the overproduction of the Cox Minerals A-1 from April 2013; all logs, well completion information, production information and other data related to any of the Merit Wells that produce from the Chester Sand in the unit proposed by Merit.

9. Reference to the Unit Boundary Map refers to Exhibit 1 attached to Merit's Application as set forth on Page 32 of Merit's Application.

REQUESTS FOR PRODUCTION OF DATA

1. Please produce a true and accurate copy of all of OXY Records that contain any estimate of the original oil in place in the Chester Sand Structure that underlies the acreage set forth in the Unit Boundary Map and/or any Chester Sand formation found in 10-28-33 where the Batman wells are located.

2. Please produce a true and accurate copy of all of Merit Records that contain any estimate of the original oil in place in the Chester Sand Structure that underlies the acreage set forth in the Unit Boundary Map and/or any Chester Sand formation found in 10-28-33 where the Batman wells are located.

3. Please produce a true and accurate copy of all OXY Records that show the remaining oil in place as of April 2013, when the Cox Minerals A-1 well commenced production, with respect to the Chester Sand located on the acreage where the Merit Wells have been drilled.

4. Please produce a true and accurate copy of all Merit Records that show the remaining oil in place as of April 2013, when the Cox Minerals A-1 well commenced production, with respect to the Chester Sand located on the acreage where the Merit Wells have been drilled.

5. Please produce a true and accurate copy of all OXY Records that show the amount of oil and gas that migrated from the Chester Sand underlying the acreage where the Merit Wells have been drilled as a result of any wells drilled by Abercrombie in 12-28-33 from April 8, 2005 (the date of first production of the Cox 1-12 well) through the present.

6. Please produce a true and accurate copy of all Merit Records that show the amount of oil and gas that migrated from the Chester Sand underlying the acreage where the Merit Wells have been drilled as a result of any wells drilled by Abercrombie in 12-28-33 from April 8, 2005 (the date of first production of the Cox 1-12 well) through the present.

7. Please produce a true and accurate copy of all OXY Records that show the amount of oil and/or gas that has migrated from Abercrombie's Acreage to the acreage underlying the Merit Wells in the Chester Sand formation as a result of the overproduction of the Cox Minerals A-1 as found by the KCC in Docket No. 14-CONS-135-CEXC, a copy of which Order Denying Application is attached as Exhibit A to Abercrombie's Protest in this docket.

8. Please produce a true and accurate copy of all Merit Records that show the amount of oil and/or gas that has migrated from Abercrombie's Acreage to the acreage underlying the Merit Wells in the Chester Sand formation as a result of the overproduction of the Cox Minerals A-1 as found by the KCC in Docket No. 14-CONS-135-CEXC, a copy of which Order Denying Application is attached as Exhibit A to Abercrombie's Protest in this docket.

9. Please produce a true and accurate copy of all information contained in the OXY Records and/or in the Merit Records with respect to daily, monthly, and annual production on the Cox Minerals "A" No. 1; Cox Minerals "A" No. 2; Cox Minerals "A" No. 3; Griffin "C" No. 1; Griffin "D" No. 1; and Griffin "E" No. 1 wells, including barrel tests, gauge reports and other information that was used to calculate such information.

10. Please produce a true and accurate copy of all documents contained in the OXY Records and/or Merit Records that show the overproduction of the Cox Minerals A-1 well from the date that it was drilled through the current date:

- (a) In excess of the 200 BPD statewide allowable; and
- (b) Based on the KCC's Order attached as Exhibit A to the Protest of Abercrombie filed in this Docket which stated on Page 4 of the Order that: "The allowable production for the Cox Minerals A-1 well shall be limited to 100 barrels per day until the overproduction is made up."

This request also requests the calculation of the remaining number of days that it will take Merit to bring the Cox Minerals A-1 well into compliance with the KCC's Order attached as Exhibit A to the Protest of Abercrombie filed in this Docket.

11. Please produce a true and accurate copy of all OXY Records provided to the KCC with respect to production from the Cox Minerals A-1 well, including the daily amount of oil produced from the Cox Minerals A-1 well from the time it was drilled through the current date and

the amount of any overproduction that Merit claims has been worked off under the KCC's Order attached as Exhibit A to the Protest of Abercrombie filed in this Docket.

12. Please produce a true and accurate copy of all Merit Records provided to the KCC with respect to production from the Cox Minerals A-1 well, including the daily amount of oil produced from the Cox Minerals A-1 well from the time it was drilled through the current date and the amount of any overproduction that Merit claims has been worked off under the KCC's Order attached as Exhibit A to the Protest of Abercrombie filed in this Docket.

13. Please produce a true and accurate copy of all joint interest billing records billed by Merit to its working interest owners with respect to the Merit Wells from the date Merit acquired such wells through the current date.

14. Abercrombie requests that the following information on the above-described Merit Wells that are part of the Merit Records and/or the OXY Records be provided:

- a. All logs on the Merit wells.
- b. All Completion information on the Merit Wells.
- c. All of the Merit-Abercrombie merged 3-D Seismic maps covering the proposed unit and 10-28-33 where the Batman wells are located, including all interpretations of such seismic data, including the most recent interpretation of the seismic data.
- d. All oil, gas and water daily, monthly and annual production (oil, gas and water) on the Merit Wells.
- e. All well test information on the Merit Wells.
- f. All oil and gas sales information with respect to the Merit Wells on a daily, monthly and annual basis.
- g. All well pressure information available on the Merit Wells.
- h. All water production history for each of the Merit Wells.
- i. All PVT data, if available, on the Merit Wells.
- j. All oil API gravity information for each of the Merit Wells.

- k. The Oil Water Contact for each of the Merit Wells.
- 1. All of Merit's geologic interpretation of the Chester Formation with respect to Sections 10, 11, 12, 13, 14 and 15, T28S, R33W, Haskell County, Kansas.
- m. All of OXY's geologic interpretation of the Chester Formation with respect to Sections 10, 11, 12, 13, 14 and 15, T28S, R33W, Haskell County, Kansas.
- n. All Chester Sand Structure maps prepared by Merit covering all or any portion of Sections 10, 11, 12, 13, 14 and 15, T28S, R33W, Haskell County, Kansas.
- o. All Chester Sand Structure maps prepared by OXY covering all or any portion of Sections 10, 11, 12, 13, 14 and 15, T28S, R33W, Haskell County, Kansas.
- p. All sand thickness maps of the Chester Sand prepared by Merit covering Sections 10, 11, 12, 13, 14 and 15, T28S, R33W, Haskell County, Kansas.
- q. All sand thickness maps of the Chester Sand prepared by OXY covering Sections 10, 11, 12, 13, 14 and 15, T28S, R33W, Haskell County, Kansas.
- 15. For the Batman "B" No. 1, SE-NE-NW-NE, Section 10-28S-33W, please produce

all logs, completion information and production information (monthly and annually) for oil, gas and water.

16. For the Batman "B" No. 2, NE-NW-SW-NE, Section 10-28S-33W, please produce

all logs, completion information and production information (monthly and annually) for oil, gas and water.

17. For the Forrest Cox No. 1, SW-SW-SE-NW, Section 14-28S-33W, please produce all logs, completion information and production information (monthly and annually) for oil, gas and water.

18. For the Griffin "E" No. 1, NW-SE-NE-NW Section 11-28S-33W, please produce all logs, completion information and production information (monthly and annually) for oil, gas and water.

19. Please produce a true and accurate copy of all of Merit's economic analysis of the proposed Griffin-Chester water flood, including all documents showing the anticipated cost to implement the proposed water flood, and the costs to operate the proposed water flood.

20. Please produce a true and accurate copy of all documents pertaining to Merit's estimated operating cost per well in the proposed unit.

21. Please produce a true and accurate copy of Merit's overhead rates per well per month for the last three years, including overhead rates charged by Merit with respect to the Eubank Field North Unit in Haskell County, Kansas.

22. Please produce a true and accurate copy of all documents pertaining to Merit's estimated cost to implement the water flood, including:

- (a) the cost of each proposed water injection well;
- (b) the cost of each new Chester Sand production well; and
- (c) all other costs to implement the proposed unit; and
- (d) all costs to operate the proposed unit.
- 23. With respect to proposed Phase I allocations as set forth in Article 5.1, pages 7-8

of Exhibit A to the Application filed by Merit, please produce:

- (a) All Merit Records that set forth the reasoning to allocate 25% to the number of usable wellbores within each Tract as a percentage of the total number of usable wellbores existing on all Tracts.
- (b) All Merit Records that show how cumulative production for each Tract through June 2014 was calculated and the amount of cumulative production assigned to each Tract for production through June 2014. In addition, please provide the following additional information:
 - 1. Cumulative production from each Tract through April 2015;
 - 2. The amount of cumulative production attributed to Tract 4 that includes unlawful production from the Cox Minerals A-1 as found by the KCC in the Order Denying Application, Docket No. 14-CONS-135-CEXC; and

- 3. The change in the Tract allocation if the overproduction of the Cox Minerals A-1 is subtracted from cumulative production.
- (c) All Merit Records setting forth the calculation and manner of calculation of remaining primary recovery of oil reserves in place beneath each Tract as a percentage of the total amount of remaining primary recovery well reserves in place beneath the Unit Area, as well as the following:
 - 1. The date used by Merit to determine the remaining primary recovery of oil; and
 - 2. All Merit Records setting forth how the remaining overproduction with respect to the Cox Minerals A-1 has been taken into account in calculating the remaining primary recovery of oil reserves in place beneath each tract.
 - 3. The impact of the remaining primary recovery or oil reserves in place as to each Tract if the overproduction of the Cox Minerals A-1 is subtracted from Tract 4.
- (d) All Merit Records that set forth the average oil production rate measured in BPD from each Tract as a percentage of the total average oil production rate from the Unit Area. In addition, Abercrombie requests Merit produce all Merit Records to:
 - 1. show how this calculation as to each Tract was affected by overproduction from the Cox Minerals A-1 from April 1, 2014 through June 30, 2014; and
 - 2. the average oil production rate for each Tract if March 1, 2015 through May 31, 2015 is used to calculate the average production rate.
- (e) All documents used by Merit in concluding that under Phase I, 25% should be attributed to each of the factors in arriving at the Phase I Tract Participation amounts.
- (f) All Merit Records that show that the remaining primary recovery or oil reserves is 823,000 barrels of oil. In addition, Abercrombie requests the following additional information:
 - 1. The date used by Merit in calculating the remaining primary recovery of oil reserves to arrive at the 823,000 barrel estimate (i.e., production through June 30, 2014?);
 - 2. The remaining primary recovery of oil reserves from the Unit Area taking into account the production that has occurred through the month of April 2015.

- 24. With respect to the Phase 2 allocation set forth in Merit's Application, Exhibit A, Article 5.1, pages 8-9, please provide:
 - a. All Merit Records setting forth the rationale or reasoning for attributing 25% of the allocation to the number of usable wellbores.
 - b. All Merit Records setting forth the original oil-in-place ("OOIP") in the Unitized Formation beneath each tract calculated by Merit that it proposes to use in the Phase 2 allocation formula. In addition, Abercrombie requests Merit to provide the following additional information:
 - 1. The amount of the original OOIP that migrated from the acreage where the Merit Wells are located to the Abercrombie acreage as a result of the production that occurred from April 8, 2005 through March 27, 2013 on the Abercrombie Acreage before any production occurred from any of the Merit Wells.
 - c. All Merit Records that show how the migration of OOIP from the acreage where the Merit Wells are located to the Abercrombie Acreage has been taken into account in the calculation of the OOIP as to each Tract where Merit Wells are located.
 - d. The number of barrels of OOIP beneath the acreage where the Merit Wells are located that have migrated to Abercrombie's acreage during the time period from April 8, 2005 (the first production date for the Cox 1-12 well) and March 27, 2013 (the date of completion of the Cox Minerals A-1 well).
 - e. All Merit Records that would show the change in OOIP with respect to each Tract if the migration of oil described in the preceding subparagraph is taken into account.
 - 25. Please produce a true and accurate copy of the cost to drill and complete the Griffin

E. No. 1 well, including a copy of the actual invoices that show such costs.

26. With respect to Merit Hugoton LP and/or Merit Management Partners GP, LLC,

please produce:

a. all documents that show the rate of return over time for the Merit Wells if the proposed unit is granted;

b. all documents, including any prospectus, investment letters, investment solicitations and similar documents that set forth the rate of return, holding period, and events that would trigger a sale of assets held by either entity; and

c. a copy of the partnership agreement of Merit Hugoton LP.

27. Please produce a true and accurate copy of all documents that show the amount of oil and water that will be produced by each well in the proposed unit if the proposed unit is granted on a daily, monthly and annual basis until the water flood is terminated.

28. Please produce a true and accurate copy of all documents that show the amount of revenue that will be produced by each well in the proposed unit if the proposed unit is granted on a daily, monthly and annual basis until the water flood is terminated.

29. Please produce all documents that explain why Merit allocated 25% to existing well bores in the proposed unit in both Phase I and Phase II, whereas in Docket 06-CONS-072-CUNI concerning the Archer South Dolomite Unit Merit allocated only 10% of Tract Participation to usable well bores.

30. Please produce all documents that explain why Merit allocates 25% to cumulative production in Phase I in the proposed unit, whereas Merit allocated 40% to the cumulative production in the Archer South Dolomite Unit referred to above.

31. Please produce all documents that explain why Merit allocates 25% of the average oil production rate over a three month production period in Phase I in the proposed unit, whereas Merit allocated only 10% to the last 12 months of production in the Archer South Dolomite Unit referred to above.

32. Please produce all documents that explain why Merit allocates 75% to OOIP in Phase II of the proposed unit, whereas Merit allocated only 40% to Pore Volumes in the Archer South Dolomite Unit referred to above.

33. Please produce all documents comparing the Phase I and Phase II allocations to each Tract within the proposed unit with other allocation percentages considered by Merit, together with all documents that explain why other allocation formulas were rejected by Merit.

Submitted by:

WITHERS, GOUGH, PIKE, PFAFF & PETERSON, LLC O.W. Garvey Building 200 W. Douglas, Suite 1010 Wichita, KS 67202 316.267.1562 (Telephone) 316.303.1018 (Facsimile)

Hours

Steven D. Gough, #09016 Attorneys for Abercrombie Energy, LLC

VERIFICATION

STATE OF KANSAS COUNTY OF SEDGWICK }

SS.

Steven D. Gough, of lawful age, and being first duly sworn upon oath, deposes and says: that he is an attorney for Abercrombie Energy, LLC; that he has read the within and foregoing REQUEST FOR PRODUCTION OF DATA BY ABERCROMBIE ENERGY, LLC; and the statements and contents thereof are true to the best of his knowledge and belief.

Steven D. Gough

Subscribed and sworn to before me on July 6, 2015

Katherine E. Abel

KATHERINE E. ABEL Notary Public - Stat My Appt. Expires

My Commission Expires:

June 30, 2018

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on July 6, 2015, I have caused to be served a true and accurate

copy of the foregoing First Request for Production of Data to Merit Energy Company, LLC, by

Abercrombie Energy, LLC to:

Stanford J. Smith, Jr. Martin, Pringle, Oliver, Wallace & Bauer, L.L.P. 100 N. Broadway, Ste. 500 Wichita KS 67202 *Attorneys for Applicant* sjsmith@martinpringle.com

John McCannon James Hemmen Kansas Corporation Commission Finney State Office Building, Room 2078 130 S. Market Wichita KS 67202 j.mccannon@kcc.ks.gov j.hemmen@kcc.ks.gov

Steven D. Gough

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

)

)

)

IN THE MATTER OF THE APPLICATION OF MERIT ENERGY COMPANY, LLC, FOR AN ORDER PROVIDING FOR THE UNITIZATION AND UNIT OPERATION OF THE GRIFFIN COX CHESTER UNIT IN HASKELL COUNTY, KANSAS.

DOCKET NO. 15-CONS-843-CUNI

OPERATOR NO. 32446 CONSERVATION DIVISION

FIRST REQUEST FOR PRODUCTION OF DATA TO KCC STAFF BY ABERCROMBIE ENERGY, LLC

Abercrombie Energy LLC ("Abercrombie") files this Request for Production of Data as authorized by K.A.R. 82-1-234a. As discussed during the Scheduling Conference held on June 25, 2015, the nature and extent of the Chester Sand Formation in Sections 2, 10, 11, 12, 13, 14 and 15, T28S, R33W, Haskell County, Kansas, is of critical importance concerning Merit's Application and Abercrombie's Protest.

Merit operates the following wells and/or has control over the following wellbores located in Sections 2, 10, 11, and 14, T28S, R33W, Haskell County, Kansas (collectively the "Merit Wells"):

- 1. Batman "B" No. 1, 10-28-33
- 2. Batman "B" No. 2, 10-28-33
- 3. Cox Mineral "A" No. 1, 11-28-33
- 4. Cox Mineral "A" No. 2, 11-28-33
- 5. Cox Mineral Cox "A" No. 3, 11-28-33
- 6. Griffin "C" No. 1, 11-28-33
 - Griffin "E" No. 1, 11-28-33

- 8. Kenneth Cox "A" No. 1, 11-28-33
- 9. Griffin "D" No. 1, 11-28-33
- 10. Guttridge "A" No. 1, 14-28-33
- 11. Kenneth No. 5, 14-28-33
- 12. Cox Forrest No. 1 and/or Forrest Cox No. 1, 14-28-33
- 13. Cox 6-P, 2-28-33



DEFINITIONS

1. Reference to "Merit Wells" refers to the Merit wells identified in the preceding paragraph.

2. Reference to "Merit" refers to Merit Energy Company, LLC, the Applicant in this docket.

3. Reference to "OXY" refers to OXY USA, Inc. who was the Applicant in KCC Docket No. 14-CONS-135-CEXC.

4. Reference to "OXY Records" means all engineering, geologic and geophysical studies conducted by OXY on any of the Merit Wells and/or any wells that Merit proposes to include in its proposed unit that are operated by Abercrombie Energy, LLC, including reservoir simulation, original gas in place estimates and/or calculations; estimates or calculation of reservoir depletion caused by any wells operated by Abercrombie Energy, LLC in 12-28-33; migration of oil and/or gas from any acreage where Merit Wells are located in 12-28-33 where Abercrombie operates certain wells in the Chester Sand; any estimates and/or calculations of oil or gas in the Chester Sand underlying the Merit Wells as of April 2013 before the Cox Minerals A-1 well commenced production, and all reservoir simulations, calculations and/or estimates of oil and/or gas that migrated from Abercrombie's Chester Sand wells located in 12-28-33 to acreage on which the Merit Wells are located resulting from the overproduction of the Cox Minerals A-1 from April 2013; all logs, well completion information, production information and other data related to any of the Merit Wells that produce from the Chester Sand in the unit proposed by Merit.

5. Reference to "Abercrombie" refers to Abercrombie Energy, LLC.

6. Reference to "Abercrombie Wells" refers to the wells described Paragraph Nos. 1 and 2 in the Protest of Abercrombie Energy, LLC to Application filed in this docket. 7. Reference to "Abercrombie Acreage" refers to the acreage described in Paragraph Nos. 1 and 2 in the Protest of Abercrombie Energy, LLC to Application filed in this docket.

8. Reference to "Merit Records" means all engineering, geologic and geophysical studies conducted by Merit on any of the Merit Wells and/or any wells that Merit proposes to include in its proposed unit that are operated by Abercrombie Energy, LLC, including reservoir simulation, original gas in place estimates and/or calculations; estimates or calculation of reservoir depletion caused by any wells operated by Abercrombie Energy, LLC in 12-28-33; migration of oil and/or gas from any acreage where Merit Wells are located to 12-28-33 where Abercrombie operates certain wells in the Chester Sand; any estimates and/or calculations of oil or gas in the Chester Sand underlying the Merit Wells as of April 2013 before the Cox Minerals A-1 well commenced production; and all reservoir simulations, calculations and/or estimates of oil and/or gas that migrated from Abercrombie's Chester Sand wells located in in 12-28-33 to acreage on which the Merit Wells are located resulting from the overproduction of the Cox Minerals A-1 from April 2013; all logs, well completion information, production information and other data related to any of the Merit Wells that produce from the Chester Sand in the unit proposed by Merit.

9. Reference to the Unit Boundary Map refers to Exhibit 1 attached to Merit's Application as set forth on Page 32 of Merit's Application.

REQUESTS FOR PRODUCTION

1. Please produce a true and accurate copy of all OXY Records provided to the KCC with respect to production from the Cox Minerals A-1 well, including the daily amount of oil produced from the Cox Minerals A-1 well from the time it was drilled through the current date and the amount of any overproduction that Merit claims has been worked off under the KCC's Order attached as Exhibit A to the Protest of Abercrombie filed in this Docket.

2. Please produce a true and accurate copy of all Merit Records provided to the KCC with respect to production from the Cox Minerals A-1 well, including the daily amount of oil produced from the Cox Minerals A-1 well from the time it was drilled through the current date and the amount of any overproduction that Merit claims has been worked off under the KCC's Order attached as Exhibit A to the Protest of Abercrombie filed in this Docket.

3. Please produce a true and accurate copy of all KCC Orders granting compulsory unitization where leases are producing in excess of 100 BOPD and individual wells on such leases are producing more than 10 BOPD.

Submitted by:

WITHERS, GOUGH, PIKE, PFAFF & PETERSON, LLC O.W. Garvey Building 200 W. Douglas, Suite 1010 Wichita, KS 67202 316.267.1562 (Telephone) 316.303.1018 (Facsimile)

Steven D. Gough, #09016 Attorneys for Abercrombie Energy, LLC

VERIFICATION

STATE OF KANSAS } }

SS.

COUNTY OF SEDGWICK

Steven D. Gough, of lawful age, and being first duly sworn upon oath, deposes and says: that he is an attorney for Abercrombie Energy, LLC; that he has read the within and foregoing REQUEST FOR PRODUCTION OF DATA BY ABERCROMBIE ENERGY, LLC; and the statements and contents thereof are true to the best of his knowledge and belief.

By: _

Steven D. Gough

Subscribed and sworn to before me on July 6, 2015

atherine E. Abel

KATHERINE E. ABEL Notary Public - State of Kansas My Appt. Expires Dlo 30

Notary Public

Printed Name

June 30, 2018

My Commission Expires:

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on July 6, 2015, I have caused to be served a true and accurate

copy of the foregoing First Request for Production of Data to KCC Staff by Abercrombie Energy,

LLC to:

John McCannon James Hemmen Kansas Corporation Commission Finney State Office Building, Room 2078 130 S. Market Wichita KS 67202

Stanford J. Smith, Jr.
Martin, Pringle, Oliver, Wallace & Bauer, L.L.P.
100 N. Broadway, Ste. 500
Wichita KS 67202
Attorneys for Applicant

j.mccannon@kcc.ks.gov j.hemmen@kcc.ks.gov

sjsmith@martinpringle.com

5

Steven D. Gough