THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

)

)

)

)

)

Before Commissioners:	Pat Apple, Chairman
	Shari Feist Albrecht
	Jay Scott Emler

In the matter of the application of Berexco LLC for an exception to the 10-year time limitation of K.A.R. 82-3-111 for its Grasher B #4 well located in the SE SE NE of Sec 6, T10S, R25W Graham County, Kansas. Docket No. 17-CONS- 3642 -CEXC

CONSERVATION DIVISION

License No.: 34318

APPLICATION

COMES NOW Berexco LLC ("Operator") for its application in the captioned matter states as follows:

1. Operator is a limited liability company authorized to do business in the State of Kansas. Operator's address is 2020 North Bramblewood, Wichita, Kansas 67206.

2. Operator has been issued by the Kansas Corporation Commission Operator's License #34318, which expires on October 30, 2017.

3. Operator is the operator of the Grasher B #4 well, API #15-065-01902-0000 which is located in the Southeast Quarter of the Southeast Quarter of the Northeast Quarter of Section 6, Township 10 South, Range 25 West, Graham County, Kansas. The subject well is located on an active oil and gas lease comprising the following lands:

All of Section 6, Township 10 South, Range 25 West, Graham County, Kansas.

4. Pursuant to K.A.R. 82-3-111, Operator obtained temporary abandonment status for the Grasher B #4 effective November 1, 2003. The subject well has maintained such status from November 2003 to the present date.

5. 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 regulations through an application filed with the Commission pursuant to K.A.R. 82-3-100. Operator seeks such an exception.

6. The subject well demonstrated mechanical integrity as evidenced by passage of Commission Staff-witnessed mechanical integrity test on or about April 10, 2017.

7. Operator is keeping the subject well for potential reinjection of water into the Lansing-Kansas City zone. The subject well should not be plugged to prevent economic waste associated with re-drilling for future needs as an injection well. Estimated cost to plug this well is \$20,000. The cost to convert the well to injection capability is estimated to be \$100,000. Production from the Grasher Lease is around 7 BOPD with potential reserves estimated at 30,000 barrels of oil.

8. Operator has included a plat map showing the locations of all producing, injection, saltwater disposal, temporarily abandoned, and plugged wells located on the same leased premises as the subject well. There is one active producing well, one active salt water disposal well, and one temporarily abandoned producing well (the subject well) on the lease.

9. Based on the foregoing, Operator 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 the three (3) years following the expiration of the 10-year limitation. Operator understands that the exception would be valid for three (3) years, but Operator would

2

still need to apply annually to the Conservation Division District Office for approval of an application for temporary abandonment status.

10. 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 the subject well (provided that such mineral interest is not covered by any oil and gas lease).

11. Notice of this application has been 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,

Andrew J. Moore 2020 N. Bramblewood Wichita, KS 67206 316-265-3311 Fax #316-681-4712

By: <u>Aud Mow 4/28/17</u> Signature of Submitter

CERTIFICATE OF SERVICE

I hereby certify on this $\underline{7\%}$ day of $\underline{A\rhoril}$, 2017, true and correct copies of the attached Notice of Filing 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 Operator, and the above and foregoing original Application was uploaded to the Kansas Corporation Commission via E-filing Express to a new docket.

Andrew J. Moore Childfum Name of Signed

EXHIBIT A

Grasher B #4 Notice Area

Operator – N/2 and SW/4 and N/2 SE/4 Sec. 6-10S-25W

Berexco LLC 2020 N. Bramblewood Wichita, KS 67206

Unleased mineral owner - SE/4 Sec. 31-9S-25W

Coletta Brungardt 421 N. 9th St. Wakeeney, KS 67672-1911

Unleased mineral owner - SW/4 Sec. 32-9S-25W

Darlene Rome 1336 H Road Morland, KS 67650

<u>Unleased mineral owner – NW/4 Sec. 5-10S-25W</u>

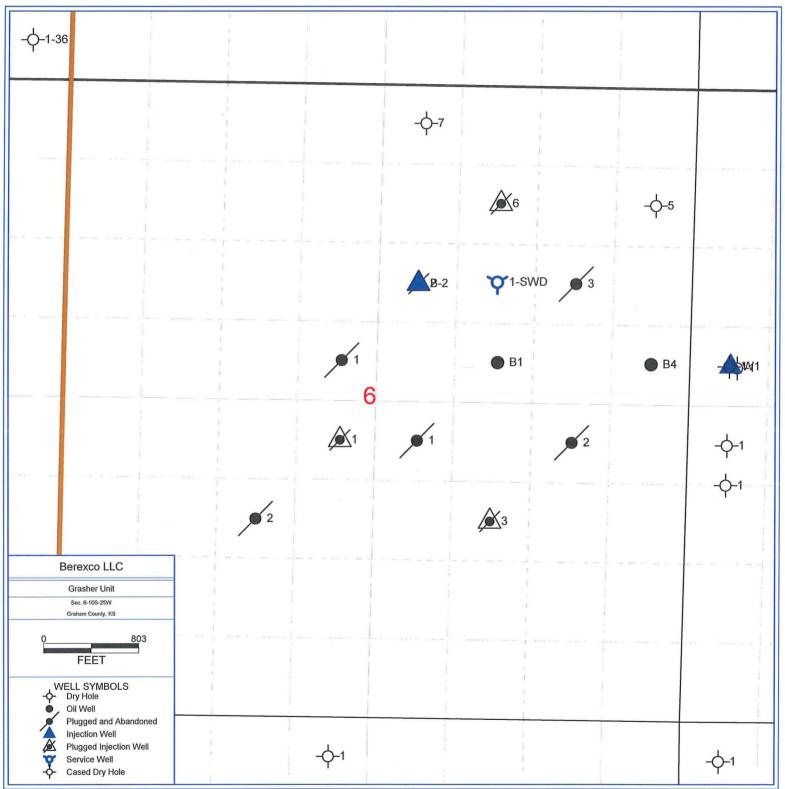
Suzanne Hinnant Revocable Trust 1402 Subella Drive Columbia, MO 65203

<u>Unleased mineral owner - SW/4 Sec. 5-10S-25W</u>

Mary Ann Pfeifer Estate c/o Eileen Dreling 16012 State Ave. Basehor, KS 66007

Unleased mineral owner - S/2 SE/4 Sec. 6-10S-25W

David and Sue Rohleder 1180 H Road Morland, KS 67650-5019



PETRA 4/27/2017 2:45:08 PM