

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

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

In the matter of the application of Berexco)	Docket No. 17-CONS- <u>3477</u> -CEXC
LLC for an exception to the 10-year)	
time limitation of K.A.R. 82-3-111 for its)	
Leona Unit #7-1 well located in the)	CONSERVATION DIVISION
E/2 SW SE of Sec 1, T27S, R33W)	
Haskell County, Kansas)	
_____)	License No.: 34318

APPLICATION

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

1. Operator is a corporation authorized to do business in the State of Kansas. Operator’s address is 2020 N. 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 owner and operator of the Leona Unit #7-1 well, API #15-081-20648-00-01 which is located in the East Half of the Southwest Quarter of the Southeast Quarter of Section 1, Township 27 South, Range 33 West, Haskell County, Kansas (“the subject well”). The subject well is located on an active oil and gas lease comprising the following land:

Leona Unit: All of Section 1, Northeast Quarter and North Half Northwest Quarter
Section 12, Township 27 South, Range 33 West; South Half Northwest Quarter and
Southwest Quarter Section 6 and West Half Northwest Quarter Section 7, Township

27 South, Range 32 West, Haskell County, Kansas, containing 1200 acres, more or less (“leased premises”)

4. Pursuant to K.A.R. 82-3-111, Operator obtained temporary abandonment status for the subject well on or about March 9, 2009. The subject well has maintained such status from that date to the present date.

5. On or about January 10, 2017, the Kansas Corporation Commission notified Operator that temporary abandonment status for the subject well would be denied because the subject well had been temporarily abandoned for more than ten (10) years. K.A.R. 82-3-111 provides for an additional exception to be obtained through an application filed with the Commission. Operator seeks such an exception.

6. The subject well demonstrated mechanical integrity as evidenced by a mechanical integrity test taken and passed by Kansas Corporation Commission field personnel on January 27, 2017.

7. Operator is keeping the subject wellbore for conversion to a water injection well in a future secondary recovery project in the Marmaton and Morrow Zones. Plugging the subject well would result in economic waste associated with the expense of re-drilling the subject well for water injection in the secondary recovery project. The subject well has already been converted to an injection well. Approximately 105,000 Bbls of secondary oil will result from injection into this well.

8. Operator 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.

9. Based on the foregoing, Operator requests the Commission grant an additional 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 first 10-year limitation, subject to yearly renewal with the appropriate Conservation Division District, but without further need to re-apply for a new exception each of the three (3) years prayed for in this application to the Commission.

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 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, Operator prays that this matter be set for hearing, and upon hearing, that the Commission grant Operator's request for a second exception to the 10-year limitation during which well may be temporarily abandoned pursuant to K.A.R. 82-3-111 so as to allow the subject well to remain temporarily abandoned for three (3) years following the expiration of the first 10-year limitation, subject to yearly renewal with the appropriate Conservation Division District, but without further need to re-apply for a new exception each of the three (3) years prayed for in this application.

Respectfully Submitted,

Brett Blazer
2020 N. Bramblewood
Wichita, KS 67206
316-265-3311
Fax 316-681-4722


By: 
Signature of Submitter

VERIFICATION

STATE OF KANSAS)
) SS:
COUNTY OF SEDGWICK)

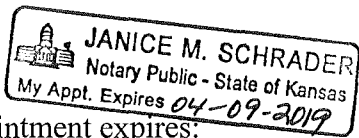
Brett Blazer, of lawful age, being first duly sworn, upon oath states:

That he has the authority on behalf of Operator to file this application, has read the application, knows the contents, and knows all of the statements in the application are true and correct.


Signature of Submitter

Subscribed and sworn to before me this 3rd day of February, 2017.

Jenice M. Shuler
Notary Public



My appointment expires:

CERTIFICATE OF SERVICE

I hereby certify on this 3rd day of February, 2017, 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 10 of said Application and each party set forth in Exhibit "A" attached to said Application filed by Operator, and a digital scan of the application was delivered electronically to the Kansas Corporation Commission.



Brett Blazer

EXHIBIT A

Casillas Petroleum Corporation
348 Road DD
Satanta, KS 67870

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

Linn Operating, Inc.
600 Travis, Suite 5100
Houston, TX 77002

BEREXCO LLC

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

RE: BEREXCO LLC - - Application for an exception to the 10 year time limitation of K.A.R. 82-3-111 for the Leona Unit #7-1, located in Haskell County, Kansas.

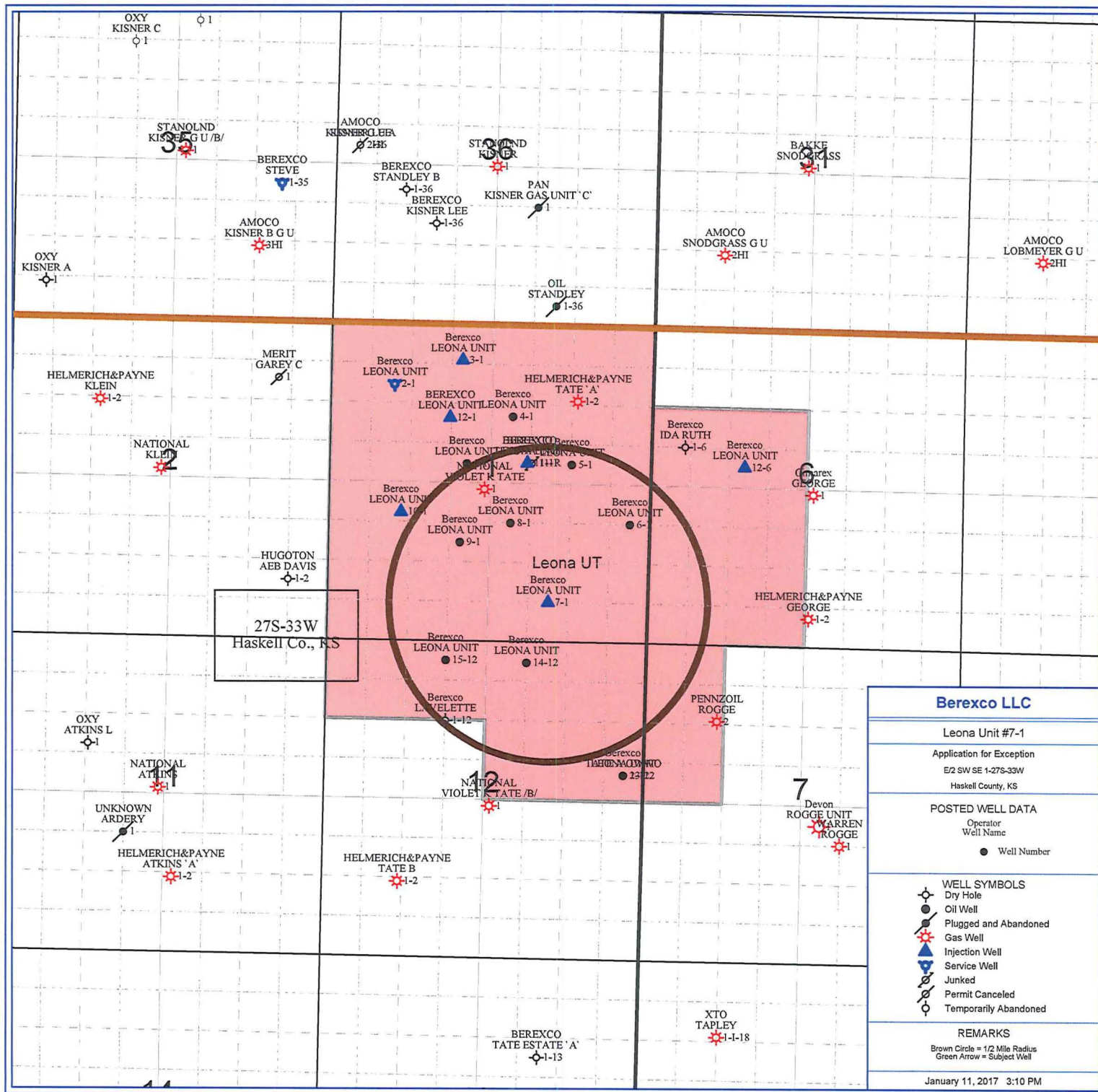
TO: All Oil & Gas Producers, Unleased Mineral Interest Owners, Landowners, and all persons whomever concerned.

You, and each of you, are hereby notified that Berexco LLC has filed an application for an exception to the 10 year time limitation of K.A.R. 82-3-111 for the Leona Unit #7-1, located in the E/2 SW SE of Section 1-27S-33W, 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.

BEREXCO LLC
2020 N. Bramblewood
Wichita, Kansas 67206
316-265-3311





LEGAL PROOF OF PUBLICATION

Account #	Ad Number	Identification	PO	Amount	Cols	Lines
455429	0002873974	Published in the Wichita Eagle January 13, 2017		\$152.80	1	42

Attention: brett blazer

BEREXCO LLC
2020 NO. BRAMBLEWOOD
WICHITA, KS 67206

In The STATE OF KANSAS
In and for the County of Sedgwick
AFFIDAVIT OF PUBLICATION

1 Insertions

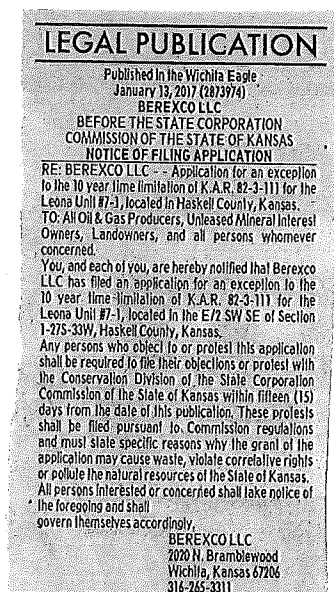
Beginning issue of: 01/13/2017

Ending issue of: 01/13/2017

STATE OF KANSAS)

.SS

County of Sedgwick)



Dale Seiwert, of lawful age, being first duly sworn, deposeth and saith: That he is Record Clerk of The Wichita Eagle, a daily newspaper published in the City of Wichita, County of Sedgwick, State of Kansas, and having a general paid circulation on a daily basis in said County, which said newspaper has been continuously and uninterruptedly published in said County for more than one year prior to the first publication of the notice hereinafter mentioned, and which said newspaper has been entered as second class mail matter at the United States Post Office in Wichita, Kansas, and which said newspaper is not a trade, religious or fraternal publication and that a notice of a true copy is hereto attached was published in the regular and entire Morning issue of said The Wichita Eagle from 1/13/2017 to 01/13/2017.

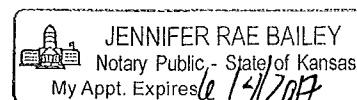
I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dale Seiwert

(Signature of Principal Clerk)

DATED: 1/13/2017

[Signature]
Notary Public Sedgwick County, Kansas



Proof of Publication

State of Kansas,
County of Haskell, ss:

of lawful age, being duly sworn upon oath states that he/she is the editor of **THE HASKELL COUNTY MONITOR CHIEF**.

THAT said newspaper has been published at least weekly 50 times a year and has been so published for at least five years prior to the first publication of the attached notice.

THAT said newspaper was entered as second class matter at the post office of its publication;

THAT said newspaper has a general paid circulation on a daily, weekly, monthly, or yearly basis in HASKELL County, Kansas and is NOT a trade, religious or fraternal publication and has been printed and published in HASKELL County, Kansas.

THE ATTACHED was published on the following dates in a regular issue of said newspaper:

1st Publication was made on the 18 day of Jan, 20 17

2nd Publication was made on the _____ day of _____, 20 _____

3rd Publication was made on the _____ day of _____, 20 _____

4th Publication was made on the _____ day of _____, 20 _____

5th Publication was made on the _____ day of _____, 20 _____

6th Publication was made on the _____ day of _____, 20 _____

Publication fee \$ 53.10

Affidavit, Notary's Fees \$ _____

Additional Copies _____ @ _____ \$ _____

Total Publication Fee \$ 53.10

Dawn Wendel
(Signed)

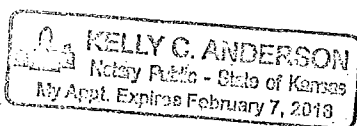
Witness my hand this 18 day of Jan, 20 17

SUBSCRIBED and SWORN to before me this 18

day of Jan, 20 17.

Kelly C. Anderson
(Notary Public)

My commission expires 2-7-2018



(Published in the Haskell County Monitor-Chief on Wednesday, January 18, 2017.)

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