THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Jay Scott Emler, Chairman

Shari Feist Albrecht

Pat Apple

		17-CONS-3251-CEX	17-CONS-3251-CEXC		
In the matter of the application of Berexco)	Docket No. 13-CONS-C	EXC		
LLC for an exception to the 10-year)				
time limitation of K.A.R. 82-3-111 for its)				
Smith-Griffen #4 WIW well located in the)	CONSERVATION DIVISION			
NE SW NW of Sec 9, T18S, R10W)				
Rice 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 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, 2016.
- 3. Operator is the owner and operator of the Smith-Griffen #4 WIW well, API #15-159-21262-0001 which is located in the Northeast Quarter of the Southwest Quarter of the Northwest Quarter of Section 9, Township 18 South, Range 10 West, Rice County, Kansas. The

subject well is located on an active oil and gas lease comprising the following lands: Northwest Quarter of Section 9, Township 18 South, Range 10 West, Rice County, Kansas.

- 4. Pursuant to K.A.R. 82-3-111, Operator obtained temporary abandonment status for the Smith-Griffen #4 WIW well on January 1, 2003. The subject well has maintained such status from January 2003, to the present date.
- 5. On or about October 3, 2016, 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 and the 10-year limitation exception was expiring on or about November 5, 2016.
- 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 regulations through an application filed with the Commission pursuant to K.A.R. 82-3-100. Operator seeks such an exception.
- 7. The subject well demonstrated mechanical integrity as evidenced by passage of Commission Staff-witnessed mechanical integrity test on or about October 12, 2016.
- 8. Operator is keeping the subject well for potential reinjection of water into the Lansing Kansas City. 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 restore the well to injection capability is estimated to be \$15,000. Production from the Smith-Griffen Lease is around 2 BOPD with potential reserves estimated at 5,000 barrels of oil.

- 9. 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 are two active producers and the subject well on the lease.
- 10. 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, 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.
- 11. 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).
- 12. 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: Cludw \ Merre
Signature of Submitter

CERTIFICATE OF SERVICE

I hereby certify on this 13th day of October, 2016, 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.

Mame of Signed Moore Andrew J. Moore

EXHIBIT A

Smith-Griffin #4 notice area

Surface owner - NW/4 Sec. 9-18S-10W

Peter L. Krier P. O. Box 286 Claflin, KS 67525

Operator – NW/4 Sec. 9-18S-10W

Berexco LLC 2020 N. Bramblewood Wichita, KS 67042

Operator – S/2 Sec. 4-18S-10W

Samuel Gary Jr. & Associates 1515 Wynkoop, Suite 700 Denver, CO 80202

Operator – **SE/4 Sec. 5-18S-10W**

Kirby Krier Oil, Inc. 1043 NE 80th Road Claflin, KS 67525

<u>Operator – NE/4 Sec. 8-18S-10W</u>

Te-Pe Oil & Gas, Inc. P. O. Box 522 Canton, KS 67428-0522

<u>Unleased mineral owner – SE/4 Sec. 8-18S-10W</u>

Lynne & Susan Krampe, et al 5957 Westridge Drive Great Bend, KS 67530

Unleased mineral owner - SW/4 Sec. 9-18S-10W

Norman & Myra Habiger Trust 445 Avenue E Bushton, KS 67427

<u>Unleased mineral owner – E/2 Sec. 9-18S-10W</u>

Kaiser Revocable Trust 310 3rd Road Bushton, KS 67427

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2	17	7	8		1	1 -\$-	
2	6	5	6 -\$-	1 -			1
3	5	3	Smith	h-Griffin			
3	4	1	2			1 -\$-	Berexco LLC Smith-Griffen Area
4	6	3	4		1		Sec. 9-18S-10W Rice County, KS 0 333 FEET WELL SYMBOLS - Dry Hole
, ,	1						Dry Hole Oil Well Plugged and Abando Injection Well Abandoned SWD Cased Dry Hole Permit Canceled