

SEP 17 2018

CONSERVATION DIVISION  
WICHITA, KS

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

IN THE MATTER OF THE APPLICATION	)	19-CONS-3113-CEXC
OF NORSTAR PETROLEUM INC.,	)	DOCKET NO. <del>14-CONS-CEXC</del>
FOR AN EXCEPTION TO THE 10-YEAR	)	
TIME LIMITATION OF K.A.R. 82-3-111 FOR	)	LICENSE NO. 31652
ITS STECKEL FARMS #1-4 WELL LOCATED	)	
IN THE SE/4 OF THE NW/4 OF NE/4 OF	)	CONSERVATION DIVISION
SECTION 4-T31S-R41W	)	
MORTON COUNTY, KANSAS	)	

**APPLICATION**

COMES NOW Norstar Petroleum Inc., ("Operator") in support of its application  
in the captioned matter states as follows:

1. Operator is a foreign corporation licensed to do business in the State of Kansas.  
Applicant's address is 88 Inverness Cir E, Unit F104, Englewood, Colorado 80112-5514.
2. Operator has been issued license no. 31652 by the Commission, which license expires on March 30, 2019.
3. Operator is the owner and operator of the Steckel Farms #1-4 well, API #15-129-20718-00-00, which is located in the SE/4 NW/4 NE/4 of Section 4-T31S-R41W, Morton County, Kansas. The subject well is located on an active oil and gas unit the "Beauchamp SW Unit" comprised of numerous leases (See attached Exhibit B).
4. Pursuant to K.A.R. 82-3-111, Operator obtained temporary abandonment status for the subject well on or about June 1, 2000. The subject well has maintained such status from June 1, 2000, to the present date.
5. On or about July 30, 2018, the Commission notified Operator that temporary abandonment status for the subject well would be denied because the well had been temporarily abandoned for more than ten (10) years and the Well's 3-year exception to K.A.R. 82-3-111 was

expiring.

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

7. Scheduling of the subject well for a mechanical integrity test to be witnessed by Commission staff will be done as soon as possible, before a hearing on this application before the Commission.

8. Operator wishes to continue TA status for the subject well, because Operator intends to implement the wellbore into the future water flood of the Beauchamp SW Unit.

9. Operator submits the following information regarding the Well in support of the Application. In 1999 a waterflood feasibility study was performed prior to the Beauchamp SW Unit being formed. That study found that there is a potential 700,000 BO remaining to be recovered via waterflooding. That study utilizes the Well in its model, calculations and forecasts. Currently, the Beauchamp SW Unit is producing through gravity drainage, which is the reservoir drive mechanism with the highest recovery factors (50-70% typically). Implementing the waterflood now would shut off that gravity drainage and result in a loss of otherwise recoverable reserves. Furthermore, plugging the Well would result in loss of reserves too, as the Well will be used in the eventual waterflood as soon as the gravity drainage has reached its economic limit. The Beauchamp SW Unit consists of 12 wells: 3 gas wells, 8 oil wells, and 1 water source well. Additionally, there are 5 gas wells and 1 oil well that lie within the unitized acreage, but produce from non-unit formations. An estimated cost to plug the Well is \$20,000. The Beauchamp SW Unit currently produces 15 BOPD.

10. Exhibit A hereto is a plat showing the location of all producing, injection, temporarily abandoned, abandoned and plugged wells located on the same lease premises as the subject well.

11. Based on the foregoing, Operator requests that the Commission grant an exception to the 10-year limitation of K.A.R. 82-3-111, to allow the subject well to remain eligible for temporary abandonment status for the three (3) years following expiration of the 10-year limitation, subject to yearly renewal with the appropriate district of the Commission's Conservation Division, but without further need to re-apply for a new exception in each of the three (3) years requested in this application.

12. There are two oil and gas operators of record within a one-half mile radius of the subject well. Their contact information is as follows:

McCoy Petroleum Corporation  
9342 E. Central  
Wichita, KS 67206

Stelbar Oil Corp Inc.  
1625 N Waterfront Parkway, Suite 200  
Wichita, KS 67202

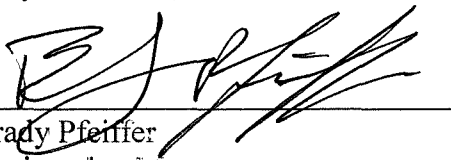
There are no unleased mineral owners covering lands within a one-half mile radius of the subject well.

12. Notice of this application and any required hearing will be published pursuant to K.A.R. 82-3-135a and K.A.R. 82-3-135.

WHEREFORE, Operator 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 Operator'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,

By: \_\_\_\_\_

  
Brady Pfeiffer  
Engineering Manager

Norstar Petroleum Inc.  
88 Inverness Cir E, Unit F104  
Englewood, CO 80112


## CERTIFICATE OF SERVICE

I hereby certify on this 11<sup>th</sup> day of September, 2018, 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 following persons:

McCoy Petroleum Corporation  
9342 E. Central  
Wichita, KS 67206

Stelbar Oil Corp Inc.  
1625 N Waterfront Parkway, Suite 200  
Wichita, KS 67202

and the original and seven (7) copies were mailed to the Kansas Corporation Commission.

  
\_\_\_\_\_  
Brady Pfeiffer  
Engineering Manager

Norstar Petroleum Inc.  
88 Inverness Cir E, Unit F104  
Englewood, CO 80112