BEFORE THE STATE CORPOTATION COMMISSION OF THE STATE OF KANSAS

In the matter of the Application of Dixon)	Docket no.	25-CONS-3229-CEXC
Operating Company, LLC for an exception to)		
the 10-year limitation of K.A.R. 82-3-111 for)		
its Forsyth Unit #7-1 well located in the)	CONSERVATION DIVISION	
Northwest Quarter of Section 20, Township)		
32 South, Range 12 West, Barber County,)		
Kansas.		
)	License No:	35162

APPLICATION

COMES NOW Dixon Operating Company, LLC, ("Applicant") in support of its Application in the captioned matter and states as follows:

- 1. Applicant is a Limited Liability Company authorized to do business in the State of Kansas. Applicant's address is 1625 N Waterfront Pkwy, Suite 220, Wichita, Kansas 67026.
- 2. Applicant has been issued by the Kansas Corporation Commission Operator's License number 35162, which expires on December 30th, 2025.
- 3. Applicant is the operator of the Forsyth Unit #7-1 well, API #15-007-10094-0002 ("the subject well"), which is located in the Northwest Quarter of Section 20, Township 32 South, Range 12 West, Barber County, Kansas. The subject well is located on an active oil and gas unit comprising the following lands:

TOWNSHIP 32 SOUTH, RANGE 12 WEST

Sec. 17: Southwest Quarter of the Southeast Quarter (SW/4SE/4)

South Half of the Southwest Quarter (S/2SW/4)

Sec. 18: Southeast Quarter (SE/4)

Sec. 19: North Half of the Northeast Quarter (N/2NE/4)

Sec. 20: Northwest Quarter (NW/4)

West Half of the Northeast Quarter (W/2 NE/4)

All in Barber County, Kansas, containing 600 acres, more or less ("leased premises").

- 4. Pursuant to K.A.R. 82-3-111, the well was shut in, or Applicant obtained temporary abandonment status, for the subject well on April 4th, 1995. The subject well has maintained such status from April 4th, 1995, to present date.
- 5. The Applicant previously filed for Application for the 10-year limitation of K.A.R. 82-3-111 for its Forsyth Unit #7-1 with the Kansas Corporation Commission, which was Granted to the Applicant.
- 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 regulation through an Application filed with the Commission pursuant to K.A.R. 82-3-100. Applicant seeks such an exception.
- 7. On April 7, 2021 the subject well passed a Commission Staff-witnessed mechanical integrity test of the casing between the surface and a point within fifty (50) feet above the uppermost perforation or open hole in the well.
- 8. Applicant wishes to continue TA status for the subject well, because Applicant intends to use the well for the following purpose: 1) Keep for a spare disposal well. This well has 7" casing set in it. This well would be a very integral in that any recompletions and re-fracs on this unit will also substantially increase water production. With this well having 7" casing in it we could easily deepen to the Arbuckle for disposal of said increased fluids.
- 9. Applicant submits the following information regarding the well in support of the Application.
 - a) Applicant has set a cast iron bridge plug at 4430' and pressured casing to 300# to insure the integrity of the casing.
 - b) If Applicant lost existing disposal well on lease it would be cost prohibitive to drill a new disposal with the low production rates of the unit and current oil price.
 - c) Estimated costs to deepen to Arbuckle and recomplete for a disposal is \$100,000-\$150,000.00.
 - d) Estimated costs to drill a new well and equip as a disposal is \$600,000.00.
 - e) Estimated costs to plug the subject well is \$25,000-\$30,000. Estimated cost to plug all wells on lease is \$400,000-\$450,000.
 - 10. Applicant submits that, to date it has preformed the following actions in furtherance of the above-described intend use for the well:

a) Complied and maintained integrity of the well bore per KCC rules.

11. Applicant 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 (Exhibit "B").

12. Based on the foregoing, Applicant 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 three (3) years, but Applicant would still need to apply annually

to the Conservation Division District Office for approval of an application for temporary

abandonment status.

13. 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).

14. 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, 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,

Dixon Operating Company, LLC

1625 N Waterfront Pkwy

Suite 220

Wichita, Kansas 67206

Timothy Dixon-Vice President

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VERIFICATION

STATE OF KANSAS COUNTY OF SEDGWICK), , , , , , , , , , , , , , , , , , ,
TIMOTHY DIXON, of I	awful age, being duly sworn upon his oath deposes and states:
That he has the Authority on	Behalf of DIXON OPERATING CO., LLC to file this application, that
he has read the above forego	ing and is familiar with the contents thereof; and, that the
statements made therein are	true and correct to the best of his knowledge and belief.
	Timothy Dixon-Vice President
SUBSCRIBED AND SW	ORN to before me this 16 th day of Jan, 2025.
CONNI Notary Public My Apgoi	CAMPBELL State of Kansas Atment Expires D 2025 Notary Public
My Appointment Exp $ \left \frac{1}{2} \right \frac{30}{2} $	res: 2025

AMENDED CERTIFICATE OF SERVICE

I hereby certify on this 6th day of January, 2025, 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 each party set forth in Exhibit "A" attached to said Application filed by Applicant, and a copy was delivered to the Kansas Corporation Commission via e-filing express.

Timothy Dixon-Vice President

EXHIBIT "A"

- A. Each operator of each oil and gas lease covering lands within one-half (1/2) mile radius of the subject well:
 - 1) Mid-Continent Energy Operating Company 2111 S. Atlanta Pl Tulsa, OK 74114
 - 2) BCE-Mach III LLC 14201 Wireless Way Suite 300 Oklahoma City, OK 73134
- 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):
 - 1) NONE