## THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners: Dwight D. Keen, Chair

Shari Feist Albrecht Susan K. Duffy

In the Matter of the Application of Berexco	)	Docket No. 20-CONS-3095-CEXC
LLC for an exception to the 10-year time	)	
limitation of K.A.R. 82-3-111 for its Parker	)	CONSERVATION DIVISION
Estate #1-30 Well located in the E/2 SW	)	
SW SE of Sec. 30, T34S, R36W Stevens	)	License No. 34318
County, Kansas.	_ )	

### **ORDER GRANTING APPLICATION**

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined its files and records, and being duly advised in the premises, the Commission makes the following findings:

## I. JURISDICTION

- 1. The Commission has the exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.<sup>1</sup>
- 2. A well shall not be eligible for temporary abandonment (TA) status if the well has been shut in for 10 years or more without an application for an exception pursuant to K.A.R. 82-3-100 and approval by the Commission.<sup>2</sup> An exception may be granted by the Commission, after considering whether the exception will prevent waste, protect correlative rights, and prevent pollution. Each party requesting an exception shall file an application with the conservation division.<sup>3</sup>

<sup>2</sup> K.A.R. 82-3-111(b).

<sup>&</sup>lt;sup>1</sup> K.S.A. 74-623.

<sup>&</sup>lt;sup>3</sup> K.A.R. 82-3-100(b).

#### II. FINDINGS OF FACT

- 3. Berexco, LLC (Operator) conducts oil and gas activities in Kansas under active license number 34318.
- 4. On September 30, 2019, Operator filed an application requesting an exception to the 10-year limit on TA status for the Parker Estate #1-30 well, API #15-189-20848. As part of the application, Operator stated it is planning to keep the well as a saltwater disposal well in the event its Parker Estate #2-29A well is recompleted and a disposal well becomes necessary.<sup>4</sup>
- 5. Operator has verified that notice was properly served and published at least 15 days before the issuance of this Order, as required under K.A.R. 82-3-135a.
  - 6. No protest was filed under K.A.R. 82-3-135b.
- 7. On September 30, 2019, Operator successfully tested the subject well for mechanical integrity, indicating there is not a present threat to fresh and usable water.
- 8. The Commission finds the reasons articulated in the application and the results of the mechanical integrity test sufficient to support the administrative grant of the application.

#### III. CONCLUSIONS OF LAW

- 9. The Commission concludes that it has jurisdiction over Operator and this matter.<sup>5</sup>
- 10. The Commission concludes that Operator's application was filed in accordance with the rules and regulations of the Commission and in accordance with Kansas statutes.
  - 11. The Commission concludes that notice was properly served and published.
- 12. Based on the above facts, the Commission concludes that the application should be granted to prevent waste and protect correlative rights, because Operator has demonstrated a potential future use for the well, and there is not a present threat to fresh and usable water.

2

<sup>&</sup>lt;sup>4</sup> See Application ¶4 (Sept. 30, 2019).

<sup>&</sup>lt;sup>5</sup> K.S.A. 74-623(a).

## THEREFORE, THE COMMISSION ORDERS:

A. Operator's application for an exception to the 10-year limit on TA status for the subject well is granted for three years, calculated from the date the application was filed. Operator must file an annual TA form for the subject well. The first TA form shall be filed within thirty (30) days.

B. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).<sup>6</sup>

## BY THE COMMISSION IT IS SO ORDERED.

Keen, Chair; Albrecht, Commissioner; Duffy, Commissioner

Date: 12/	12/2019	Lynn M. Ret
Date Mailed: _	12/12/2019	Lynn M. Retz Executive Director

KAM

<sup>&</sup>lt;sup>6</sup> K.S.A. 55-162; K.S.A. 55-606; K.S.A. 55-707; K.S.A. 77-503(c); K.S.A. 77-531(b).

## **CERTIFICATE OF SERVICE**

# 20-CONS-3095-CEXC I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of

first class mail and electronic service on	12/12/2019	
SCOTT ALBERG, DISTRICT #1 SUPERV KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 Fax: 785-271-3354 s.alberg@kcc.ks.gov		Brett Blazer BEREXCO LLC 2020 N. BRAMBLEWOOD WICHITA, KS 67206-1094
KELCEY MARSH, LITIGATION COUNSE KANSAS CORPORATION COMMISSION CENTRAL OFFICE 266 N. MAIN ST, STE 220 WICHITA, KS 67202-1513 Fax: 785-271-3354 k.marsh@kcc.ks.gov		MICHELE PENNINGTON KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 Fax: 785-271-3354 m.pennington@kcc.ks.gov

/S/ DeeAnn Shupe DeeAnn Shupe