STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the Matter of the Application of Berexco LLC for an Order Authorizing Unitization and Unit Operation of the June Unit in Ness County, Kansas. Docket No.: 19-CONS-3324-CUNI

CONSERVATION DIVISION

License No.: 34318

PRE-FILED SUPPLEMENTAL TESTIMONY

OF

Jake Eastes

May 14, 2019

- 1 **Q.** What is your name and business address?
- 2 A. Jake Eastes, 266 N. Main St. Wichita, KS 67202.
- Q. Are you the same Jake Eastes that caused 10 pages of direct testimony to be filed in this
 docket on May 7, 2019?
- 5 A. Yes.
- 6 Q. Do you have any changes to your testimony?
- A. Yes. When I filed my direct testimony on May 7, 2019, I did not provide a recommendation
 to the Commission because of ambiguity surrounding the protest in this docket. Because the
 protest filed in this docket was withdrawn on May 10, 2019, I would like to supplement my
 testimony with a final recommendation to the Commission.
- Q. On page 5, line 12, when asked if you recommend the Commission make a finding that
 the conditions listed in K.S.A. 55-1304 existed you stated "Not at this time." Has your
 recommendation changed?
- 14 A. Yes.
- Q. Do you now recommend the Commission make a finding that the conditions listed in
 K.S.A. 55-1304 exist?
- 17 A. Yes.

18 Q. Please explain the basis for your recommendation?

A. I originally declined giving a recommendation because I wanted to determine the basis for the Protesters' objection to the Application. My review of the Application did not raise any concerns; in fact, my review of the producing leases within the proposed unit area revealed that a significant decline in primary production is occurring across all leases. Intervention by introducing artificial energy to the pool sought to be unitized is necessary in order to produce

1		the remaining substantial quantities of oil or gas. The estimated value gained from
2		implementing intervention in order to produce the remaining oil or gas from this pool greatly
3		exceeds the cost to apply the intervention. By analyzing the Operator's Phase I and Phase II
4		of their proposed tract participation and allocation of production, Staff believes the parameters
5		used to determine participation and the weight given to those parameters are fair and equitable
6		to all interest owners.
7	Q.	On page 10, lines 3-4, you stated "No. I am unable to make a recommendation at this
8		time. I need additional information as to why the protesters have questions about the
9		equity of this Unit." Do you still feel that you are unable to make a recommendation?
10	A.	No. I am able to make a recommendation at this time.
11	Q.	What is your recommendation regarding whether the Commission should approve the
12		Operator's Application?
13	A.	I recommend the Commission grant the Operator's application to unitize their proposed June
14		Unit in order to prevent waste, protect correlative rights, and to produce remaining oil and gas
15		from the unitized pool more efficiently and effectively.

- 16 Q. Does this conclude your testimony as of this date, May 14, 2019?
- 17 A. Yes.

CERTIFICATE OF SERVICE

19-CONS-3324-CUNI

I, the undersigned, certify that a true copy of the attached Prefiled Supplemental Testimony of Jake Eastes has been served to the following by means of electronic service on <u>May 14, 2019</u>.

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/S/ Paula J. Murray Paula J. Murray