

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

In the matter of the Application of Own) Docket No.: 24-CONS-3287-CEXC
Resources Operating LLC for an exception to)
the 10-year time limitation of K.A.R. 82-3-) CONSERVATION DIVISION
111 for its Stuart 21-10 well located in the)
NW/4 of Section 10, Township 3 South,) License No.: 35653
Range 40 West, Cheyenne County, Kansas.)

APPLICATION

COMES NOW Own Resources Operating LLC (Applicant) in support of its Application.

in the captioned matter and states as follows:

1. The applicant is a LLC authorized to do business in the State of Kansas.

Applicant's address is PO Box 6279, Breckenridge, CO 80424.

2. Applicant has been issued by the Kansas Corporation Commission Operator's License 35653, which expires on 01/30/2025.

3. The applicant is the owner and operator of the Stuart 21-10 well, API 15-023-20874, which is located in the Northeast Quarter of the Northwest Quarter of Section 10 Township 3 South, Range 40 West Cheyenne County. The Subject Well is located on an active oil and gas lease or unit comprising the following lands:

Northwest Quarter of Section 10, Township 3 South, Range 40 West,
Cheyenne County, Kansas containing 160 acres, more or less.

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 03/14/2011. The Subject Well has maintained such status from 03/14/2011, to the present date.

5. On or about December 2, 2019, the Kansas Corporation Commission notified Applicant temporary abandonment status for the Subject Well would be denied from and after December 2, 2019, because the Subject Well had been temporarily abandoned for more than ten (10) years.

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 or about February 11, 2024, 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: Own Resources Operating LLC acquired this well in April, 2022 with plans to make this a producing well and is requesting an extension of TA status to properly research and obtain current costs to do so. Own Resources would like to workover the well to confirm well can produce, connecting to our current gas gathering system.

9. Applicant submits the following information regarding the well in support of the Application.

- a. This is only well on the lease of the Southwest quarter.
- b. Current plugging costs are approximately \$12,000 per well.
- c. Current production is zero.

- d. The reserve is estimated to be EUR 70,000 mcf using production history of the closest well, Neitzel C 21-20, approximately 3.0 miles from Subject Well. There are no other wells in the vicinity.
- e. The Subject Well has been completed, perforated and fracked, will need to be connected to our gathering system.
- f. Current cost estimates for the Stuart 21-10, part of a cluster of (4) wells to be connected to our current gas gathering system is \$150,000.

10. The 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.

11. 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 following the expiration of the 10-year limitation. Applicant understands that the exception would be valid 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.

12. 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).

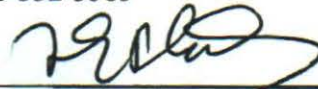
13. Notice of this Application will be published pursuant to K.A.R. 82-3-135a. In addition, notice of the hearing to be held in this matter will be provided as prescribed by K.A.R. 82-3-135.

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,

Own Resources Operating
PO Box 6279
Breckenridge CO 80424
970-332-3585

By



Niels Phaf

VERIFICATION

STATE OF Colorado)
) ss:
COUNTY OF Yuma)

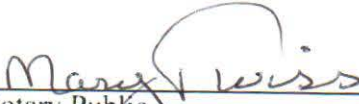
I, Niels Phaf, of lawful age, being duly sworn upon his oath deposes and states:

That he has the authority on behalf of Own Resources Operating LLC to file this application, that he has read the above and foregoing application 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.



Niels Phaf

SUBSCRIBED AND SWORN to before me this 23rd day of March 2024.



Notary Public

My Appointment Expires:

March 23, 2025

