

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: Pat Apple, Chairman
Shari Feist Albrecht
Jay Scott Emler

In the matter of the Application of Wynn-Crosby
Operating, Ltd. for an exception to the 10-year
time limitation of K.A.R. 82-3-111 for its Santa
Fe Trail Unit A-1-3 in the SW/4 of Section 06,
Township 33 South, Range 40 West, Morton
County, Kansas.

Docket No. 18-CONS-3199-CEXC

CONSERVATION DIVISION

License No. : 34929

COMES NOW Wynn-Crosby Operating, Ltd. in support of its Application in the captioned matter
and states as follows:

1. Applicant is a foreign limited partnership authorized to do business in the State of
Kansas. Applicant's address is 15660 Dallas Parkway, Suite 1175, Dallas, Texas 75248.
2. Applicant has been issued by the Kansas Corporation Commission Operator's License
Number 34929, which expires on June 30, 2018.
3. Applicant is owner and operator of the Santa Fe Trail A-1-3 well, 15-129-20566 ("the
subject well"), which is located in the Southwest Quarter of Section 06, Township 33 South, Range 40
West, Morton County, Kansas. The subject well is located on an active oil and gas lease or unit
comprising the following lands:

Northwest Quarter, Southwest Quarter, and Southeast Quarter of Section 06, Township
33 South, Range 40 West, Northwest Quarter, North half of the Northeast Quarter,
North half of the Southwest Quarter, and the Northwest half of the South half of the
South West Quarter of Section 7, Township 33 South, Range 40 West, and the East half
of the Northeast Quarter of Section 12, Township 33 South, Range 41 West, all in
Morton County, Kansas, containing 920 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 December 1, 2002, to the present date.

5. On or about October 10, 2017, the Kansas Corporation Commission notified applicant temporary abandonment status for the subject well would be denied from and after November 7, 2017, because subject well had been abandoned for more than ten (10) years.

6. K.A.R. 82-3-111 imposes a 10-year limitation to 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. 82-3100. Applicant seeks such an exception.

7. On October 19, 2017, the subject well passed a Commission Staff-witnessed mechanical integrity test of the casing between the surface and a point forty-four (44) feet above the uppermost perforation 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:

Utilize the three remaining wells within the Santa Fe Trail A Unit to initiate tertiary recovery through CO₂ injection into the reservoir.

9. Applicant submits the following information regarding the well in support of this application:

- a. There are three remaining unplugged wells in the Santa Fe Trail A Unit with one well, the Santa Fe Trail A-2-3 active,
- b. The estimated cost to plug the well is \$38,000.00,
- c. The Santa Fe Trail A-2-3 produces approximately 29 MCFD,
- d. Anticipated recoverable reserves by tertiary recovery is 205 MBO based upon 15% of the volume of oil recovered to date,

- e. The subject well has been equipped with a cast iron bridge plug at 5,300 feet with 4 sacks cement on top to facilitate wellbore mechanical integrity testing. In order to return the well to service, the cast iron bridge plug would be drilled out and the wellbore can be utilized for CO₂ injection or as a producing well, and
- f. A rough estimate of the cost to commence CO₂ injection into the reservoir is \$350M to \$1MM depending on the distance to a reliable source of CO₂.

10. Applicant has included a plat map showing the location of all producing, injection, temporarily abandoned, abandoned, and plugged well 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 name and addresses of the following persons:

- A. Each operator of each oil and gas lease covering land 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 of the subject well (provided that such mineral interest is not covered by any oil and gas lease).

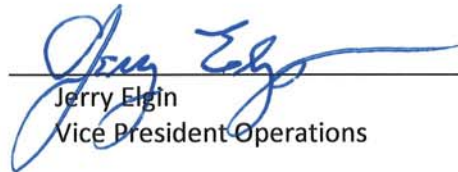
13. Notice of this Application will be published pursuant to K.A.R. 82-3-135a. In addition, notice of the hearing to be held in this matter will be provided as prescribed by K.A.R. 82-3-135.

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 abandoned status.

Respectfully Submitted,

Wynn-Crosby Operating, Ltd.
15660 Dallas Parkway, Suite 1175
Dallas, TX 75248
Phone: (972) 380-5500
Fax: (972) 380-9570

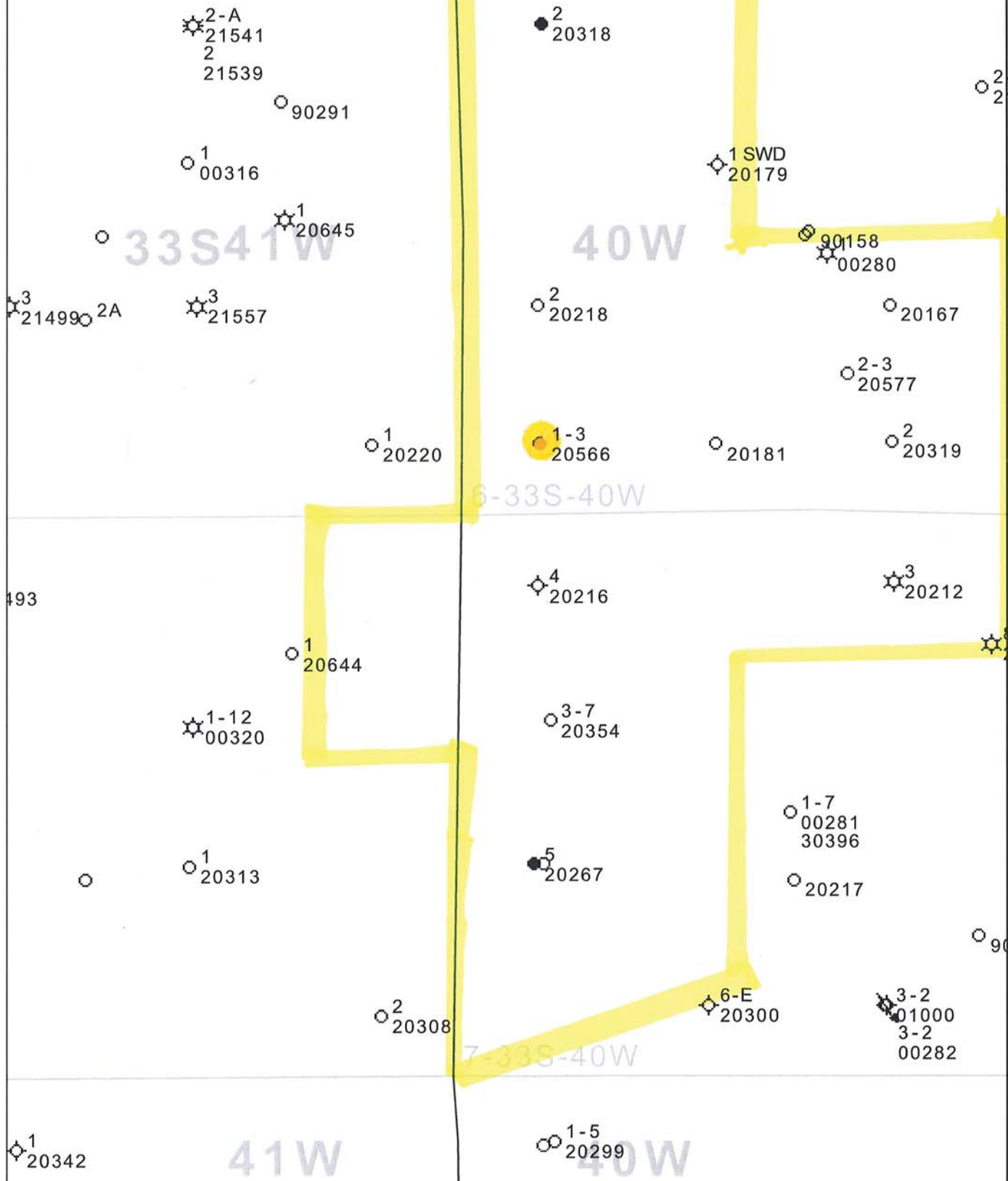
By: _____

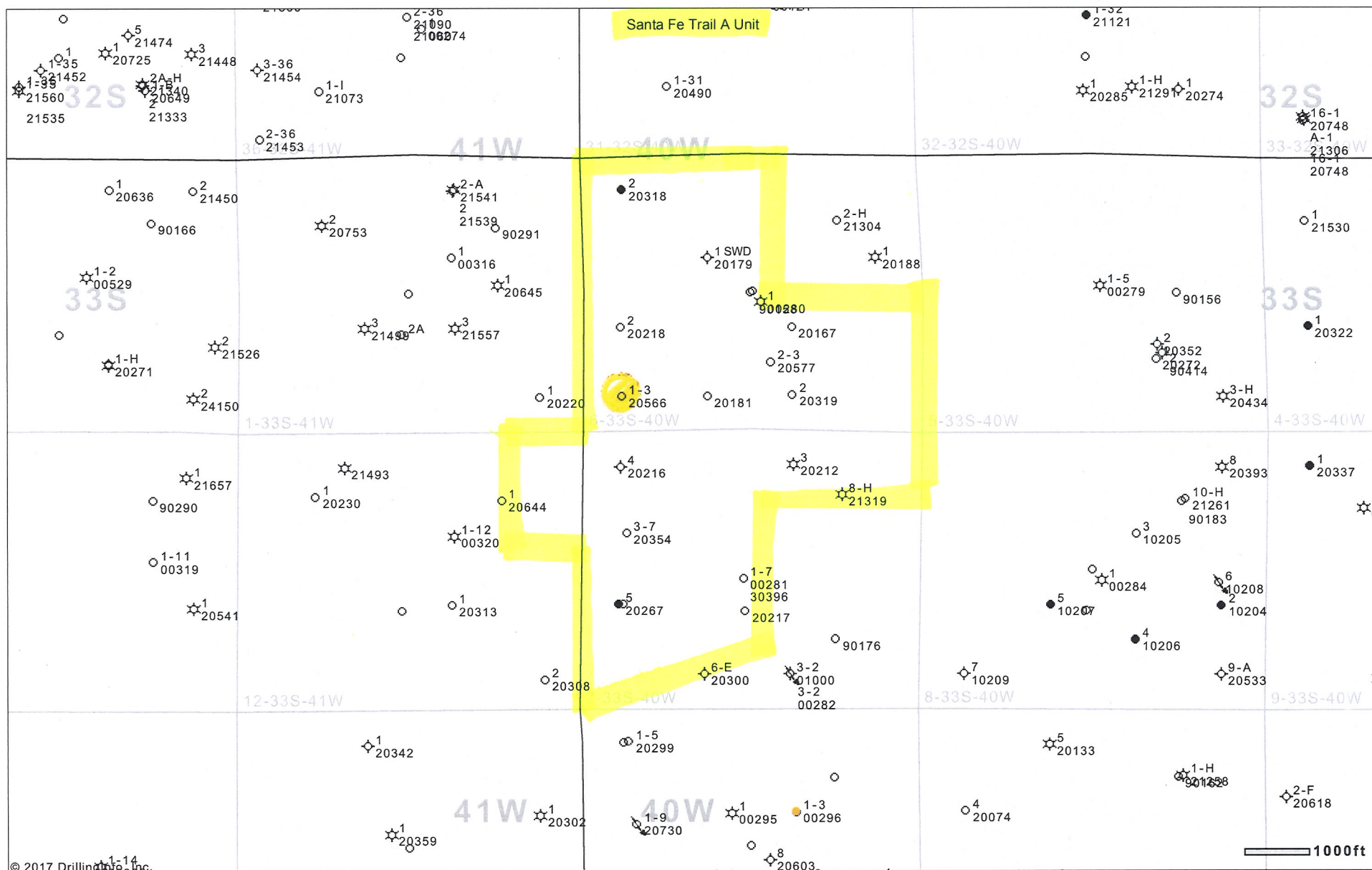

Jerry Elgin
Vice President Operations

CERTIFICATE OF SERVICE

I hereby certify on this 31st Day of October, 2017, true and correct copies of the above and foregoing Application and Notice of Application were served by depositing copies of the same in the United States Mail, postage prepaid, and properly addressed to the landowners and each party set forth in Exhibit "A" attached to said application filed by Applicant, and the original was filed with the Kansas Corporation Commission through the Kansas Corporation Commission E-Filing System.

Santa Fe Trail A Unit





**WELLS ON LEASE
SANTA FE TRAIL A UNIT
MORTON COUNTY, KANSAS**

<u>API Number</u>			<u>Section-Township-Range</u>					<u>Operator</u>	<u>Well Name & Number</u>	<u>Current Status</u>	<u>Status Date</u>
15	129	20318	NW	NW	6	33S	40W	Andarko Petroleum Corp.	G. Low #2	P&A	04/03/85
15	129	20218	NW	SW	6	33S	40W	Andarko Petroleum Corp.	Santa Fe Trail Unit A-1-2	P&A	05/15/02
15	129	20179	SE	NW	6	33S	40W		G. Low #1 SWD	P&A	05/16/12
15	129	20167	NW	SE	6	33S	40W	Andarko Petroleum Corp.	Santa Fe Trail A-2-1	P&A	06/24/92
15	129	20319	SW	SE	6	33S	40W	Andarko Petroleum Corp.	C. Snyder #2	P&A	01/16/12
15	129	20212	SW	NE	7	33S	40W	Andarko Petroleum Corp.	USA Low E #3	P&A	09/26/13
15	129	20216	NW	NW	7	33S	40W	Andarko Petroleum Corp.	USA Low E #4	D&A	08/29/75
15	129	20354	SW	NW	7	33S	40W	Andarko Petroleum Corp.	Santa Fe Trail A-3-7	P&A	01/07/12
15	129	20267	NW	SW	7	33S	40W		Santa Fe Trail A-3-5	P&A	01/08/13
15	129	20217	NW	NW	7	33S	40W	Andarko Petroleum Corp.	Santa Fe Trail A-3-4	P&A	01/20/12
15	129	21319	NE	NE	7	33S	40W	Merit Energy Company, LLC	USA Low E-8H	Active Gas	
15	129	00280	NW	SE	6	33S	40W	Merit Energy Company, LLC	Snyder 1-6	Active Gas	
15	129	20644	C	NE	12	33S	41W	Merit Energy Company, LLC	Tucker J #1	Inactive Gas	02/01/15
15	129	20181	SE	SW	6	33S	40W	Wynn-Crosby Operating, Ltd.	Santa Fe Trail A-1-1	Inactive Gas	04/30/16
15	129	20577	SW	SE	6	33S	40W	Wynn-Crosby Operating, Ltd.	Santa Fe Trail A-2-3	Active Gas	
15	129	20566	SW	SW	6	33S	40W	Wynn-Crosby Operating, Ltd.	Santa Fe Trail A-1-3	Inactive Oil	12/01/02

EXHIBIT A

IMPACTED PARTIES

OFFSET OPERATORS AND UNLEASED MINERAL OWNERS

Merit Energy Company, LLC
13727 Noel Road, Suite 1200
Dallas, Texas 75240

Berexco LLC
2020 Bramblewood Street
Wichita, Kansas 67206

Linn Operating, LLC
600 Travis, Suite 1400
Houston, Texas 77002

No known unleased mineral owners

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the matter of the Application of Wynn-Crosby Operating, Ltd. for an exception to the 10-year time limitation of K.A.R. 82-3-111 for certain wells located in its Santa Fe Trail A Unit and Santa Fe Trail B Unit in Sections 6, 7, and 18 of Township 33 South, Range 40 West and Section 12 of Township 33 South, Range 41 West, Morton County, Kansas.

Docket No. Pending

CONSERVATION DIVISION

License No. 34929

NOTICE OF FILING APPLICATION

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS:

ALL OIL AND GAS PRODUCERS, UNLEASED MINERAL INTEREST OWNERS
LANDOWNERS, AND ALL CONCERNED PERSONS:

YOU, and each of you, are hereby notified that Wynn-Crosby Operating, Ltd. has filed an Application with the State Corporation Commission for an exception to the 10-year time limitation of K.A.R. 82-3-111 during which wells may be temporarily abandoned for certain wells located within its Santa Fe Trail A Unit and Santa Fe Trail B Unit located in Sections 6, 7, and 18 of Township 33 South, Range 40 West, and Section 12 of Township 33 South, Range 41 West of Morton County, Kansas.

You are further notified that unless written protest is received by the State Corporation Commission within fifteen (15) days of publication of this Notice, the Application may be granted administratively. Any such protests should be mailed to the State Corporation Commission of the State of Kansas, Conservation Division, 130 South Market, Room 2078, Wichita, Kansas 67202, and to the Applicant at the address below.

All persons interested or concerned shall take notice of the foregoing and shall govern themselves accordingly.

Wynn-Crosby Operating, Ltd.
15660 Dallas Parkway
Suite 1175
Dallas, Texas 75248
(972) 380-5500

Sent to *The Wichita Eagle* and the *Elkhart Tri State News* on October 30, 2017 for publication at earliest date possible.