

BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

IN THE MATTER OF THE APPLICATION	)	DOCKET NO. 22-CONS-3024-CUNI
OF BEREXCO LLC FOR AN ORDER	)	
AUTHORIZING UNITIZATION AND UNIT	)	CONSERVATION DIVISION
OPERATION OF THE WALKER UNIT IN	)	
FINNEY COUNTY, KANSAS.	)	LICENSE NO. 34318

APPLICANT’S SUBMISSION OF PREFILED TESTIMONY  
AND MOTION FOR GRANT OF APPLICATION BY SUMMARY PROCEEDINGS

COMES NOW BEREXCO, LLC (“Applicant”), and submits herewith the prefiled testimony  
of the following witnesses in this matter:

Prefiled Testimony of Michael C. Kay, Petroleum Engineer on behalf of BEREXCO  
LLC dated August 27, 2021 consisting of 7 numbered pages and Exhibits 1, 2, 3, 4,  
5 and 6 attached; and

Prefiled Testimony of Phyllis Shahin, Petroleum Landman on behalf of BEREXCO  
LLC dated August 26, 2021 consisting of 6 numbered pages and 1 Exhibit.

Applicant requests that the Commission accept the qualifications of the witnesses as experts, and  
their prefiled testimony as their sworn testimony in this matter, and incorporate the prefiled  
testimony into the record of this proceeding.

Pursuant to K.S.A. 77-519, Applicant further moves the Commission for an order authorizing  
the use of summary proceedings in this docket in accordance with K.S.A. 77-537. In support of its  
motion, Applicant states as follows:

1. Pursuant to K.S.A. 77-537(a) of the Kansas Administrative Procedure Act (“KAPA”,  
K.S.A. 77-501, et seq.), a state agency, including the Commission, may use summary proceedings

in lieu of a hearing, subject to a party's request for a hearing on the order, if:

- “(1) The use of those proceedings in the circumstances does not violate any provision of law;
- (2) the protection of the public interest does not require the state agency to give notice and an opportunity to participate to persons other than the parties;
- (3) based upon an investigation of the facts by the state agency, beyond receipt of the allegations, the state agency believes in good faith that the allegations will be supported to the applicable standard of proof, provided however that an alleged failure to meet the standards set forth in this subsection shall not be subject to immediate judicial review and shall not invalidate any later agency action that has been supported to the applicable standard of proof; and
- (4) the order does not take effect until after the time for requesting a hearing has expired.”

2. The statutory conditions for use of summary proceedings are met in this case. The Application in this matter was filed pursuant to the unitization statute, K.S.A. 55-1301, et seq., which generally permits unitization and unit operation of a pool or part thereof to be ordered by the Commission upon application and after notice and hearing conducted by the Commission in accordance with the provisions of the KAPA. K.S.A. 55-1303, 1304. However, the KAPA specifically authorizes the use of summary proceeding in lieu of a hearing if no hearing is requested and the remaining conditions of K.S.A. 77-537 are satisfied. Thus, there is no provision of the law applicable to this matter that will be violated if summary proceedings are used, satisfying the conditions of K.S.A. 77-537(a)(1). No protests have been filed and no request for hearing made by persons who are not parties to this proceeding, after notice of the Application was served and published by the Applicant as required by K.S.A. 55-1310 and K.A.R. 82-3-135a. The only persons involved in this proceeding are therefore the Applicant and the Commission Staff. There is no provision of the law for the protection of the public interest that requires the Commission or the

Applicant to give additional notice and an opportunity to participate to persons other than the parties, so the requirements of K.S.A. 77-537(a)(2) are met. Data and evidence provided by the Application and Applicant's prefiled testimony and exhibits, to be confirmed by the Commission's own investigation of the facts, are sufficient to prove the allegations of the Application as required by K.S.A. 77-537(a)(3). Finally, any final order issued by the Commission can and should include notice of the right to request a hearing as required by K.S.A. 77-542, and notice that the order will not become effective until the time for requesting a hearing has expired, in accordance with K.S.A. 77-537(a)(4). These requirements are set forth in K.S.A. 77-537(b)(2) and (3), and fulfill the fourth condition for use of summary proceedings here.

3. Inasmuch as the allegations of the Application are or will be substantiated by Applicant's prefiled testimony and an investigation of the facts to be conducted by the Commission Staff; there are no parties to this proceeding other than the Applicant and the Commission Staff; no member of the public has responded to notice of the Application to protest and request a hearing and the time for doing so has expired; and there are no other persons or parties who will be prejudiced or adversely affected, Applicant respectfully requests that its Application herein be granted by the Commission by the use of summary proceedings.

WHEREFORE, Applicant prays that the Commission find and order that the use of summary proceedings as authorized by K.S.A. 77-537 is appropriate in this case and satisfies the requirements of K.S.A. 55-1303 and 1304.

Applicant further prays that the Commission find, based upon the evidence submitted with Applicant's verified Application and prefiled testimony, and revealed by investigation of the Commission Staff, that the allegations of the Application are true, and that:

- (a) notice of the Application has been properly published and otherwise served;
- (b) the Unit Agreement and Plan of Unitization, and Unit Operating Agreement, for the Walker Unit set forth as Exhibits A and B to the Application are fair, reasonable and equitable to all parties in the unit and satisfy the further requirements of K.S.A. 55-1304; and
- (c) the proposed unit operations are economically feasible, and are necessary to prevent waste and protect correlative rights in accordance with K.S.A. 55-1304.

Based upon the foregoing, Applicant further prays that the Commission issue its order as prescribed by K.S.A. 55-1305 granting the Application in this docket by the use of summary proceedings; and that the Commission grant to the Applicant such other and further relief as it may deem just and proper.

Respectfully submitted,




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Wichita, Kansas 67202-2114  
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Attorney for Applicant,  
BEREXCO LLC

VERIFICATION

STATE OF KANSAS            )  
  ) SS:  
COUNTY OF SEDGWICK    )

Thomas M. Rhoads, of lawful age and being first duly sworn upon his oath, deposes and states: That he is the attorney for the Applicant, BEREXCO, LLC, in the above-captioned action; that he has read the above and foregoing Motion for Summary Proceedings, knows and understands the contents thereof, and states that the statements and allegations therein contained are true and correct according to his knowledge, information, and belief.

  
\_\_\_\_\_  
Thomas M. Rhoads

SUBSCRIBED AND SWORN TO before me, the undersigned authority, this 1<sup>st</sup> day of September, 2021.

My commission expires:

  
\_\_\_\_\_  
Notary Public




CERTIFICATE OF SERVICE

The undersigned hereby certifies that, on this 1<sup>st</sup> day of September, 2021, he caused true and correct copies of the above and foregoing Applicant's Submission of Prefiled Testimony and Motion for Grant of Application by Summary Proceedings to be served electronically upon the following persons at the email addresses shown:

Jonathan R. Myers  
Assistant General Counsel  
Kansas Corporation Commission  
Email: [j.myers@kcc.ks.gov](mailto:j.myers@kcc.ks.gov)

Kelcey Marsh  
Litigation Counsel  
Kansas Corporation Commission  
Email: [k.marsh@kcc.ks.gov](mailto:k.marsh@kcc.ks.gov)

  
\_\_\_\_\_  
Thomas M. Rhoads

BEFORE THE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

BEFORE COMMISSIONERS:

IN THE MATTER OF THE APPLICATION	)	DOCKET NO. 22-CONS-3024-CUNI
OF BEREXCO LLC FOR AN ORDER	)	
AUTHORIZING UNITIZATION AND UNIT	)	CONSERVATION DIVISION
OPERATION OF THE WALKER UNIT IN	)	
FINNEY COUNTY, KANSAS.	)	LICENSE NO. 34318

PREFILED TESTIMONY

OF

MICHAEL KAY, PETROLEUM ENGINEER  
ON BEHALF OF  
BEREXCO LLC  
AUGUST 27, 2021

1 Q Would you please state your name, title, and business address?

2 A My name is Michael C. Kay. I am a Petroleum Engineer with BEREXCO LLC. Our  
3 office is at 2020 N. Bramblewood, Wichita, Kansas 67206.

4 Q How long have you practiced your profession?

5 A Since 2018.

6 Q Have you appeared before this commission on prior occasions and been qualified as  
7 an expert Petroleum Engineer to give testimony regarding applications being held by  
8 this commission?

9 A Yes

10 Q Please state your qualifications.

11 A I have a Bachelor of Science in Petroleum Engineering from Texas A&M University  
12 which I received in 2018. In June 2018 I hired on with BEREXCO full time as a  
13 Petroleum Engineer. My responsibilities include conducting reservoir evaluations and  
14 preparing engineering studies for secondary recovery potential. I also work on a  
15 variety of other subjects including production operations, acquisitions, and  
16 divestitures.

17 Q Are you familiar with the application filed by BEREXCO LLC, for the Unitization  
18 and Unit Operation of the Walker Unit?

19 A Yes.

20 Q As an engineer working for BEREXCO, is Finney County part of your area of  
21 responsibility?

22 A Yes.

23 Q Have you made or supervised the engineering studies and the exhibits regarding this  
24 Application to prepare yourself to testify today in support of this Application?

1 A Yes, I have reviewed all of the drilling reports, drill stem tests, electric logs,  
2 completion reports, and production reports in preparation for my testimony.

3 Q Have you prepared, or caused to be prepared under your supervision and direction,  
4 exhibits prefiled in this docket?

5 A Yes, a number of Exhibits were prepared by me. These include a map showing the  
6 fourteen tracts within the proposed Walker Unit boundary as well as the spud dates of  
7 the wells in the Congdon North Field area (Exhibit #1). Exhibit #2 is a type log  
8 showing the Marmaton through St. Louis C intervals being unitized. Also included  
9 are structure maps of the top of the Morrow sand and St. Louis C (Exhibit #3). Net  
10 pay isopach maps have been included (Exhibit #4) for the Morrow and St. Louis C.  
11 Exhibit #5 is an oil decline curve for the leases in the proposed Walker Unit showing  
12 the total oil production performance of the field from 1986 through 2020. The curve  
13 also shows the estimated remaining primary and anticipated secondary recovery from  
14 the project. The proposed Walker Unit injection pattern, waterflood facilities, and the  
15 planned pipeline layout is shown in Exhibit #6.

16 Q Would you please explain Exhibit #1?

17 A Exhibit #1 is a plat that shows the area of the proposed Walker Unit and the fourteen  
18 Tracts we propose to put into this Unit, covering the following lands in Finney  
19 County, Kansas:

20 The South Half (S/2) of Section 20, and the East Half of the Northwest  
21 Quarter (E/2 NW/4), Northeast Quarter (NE/4), East Half of the Southwest  
22 Quarter (E/2 SW/4), and West Half of the Southeast Quarter (W/2 SE/4) of  
23 Section 29 Township 23 South, Range 32 West, in Finney County, Kansas.

24 Q Would you briefly explain the history of this area?



1 A The Walker 1-20 discovered St. Louis pay in the SW SE Sec. 20-23S-32W in  
2 Finney County, Kansas (as shown in Exhibit 1). Roughly three years later the Walker  
3 2A-20 discovered Lower Morrow pay. The field was further developed over the next  
4 33 years, and now 13 active or temporarily abandoned wellbores exist within the Unit  
5 Area. The most recent well drilled in the Unit Area was the Lena Mai 5-29, spudded  
6 in September of 2018. From discovery through December 31, 2020 the Unit Area has  
7 produced a total of 1,573,740 STBO.

8 Q Please explain Exhibit #2.

9 A This is an electric log from the Walker 5-20 well located in the SE SW of Section 20,  
10 Township 23 South, Range 32 West, Finney County, Kansas. The proposed Unitized  
11 Formation is the subsurface portion of the Unit area described as the stratigraphic  
12 equivalent of the Marmaton Limestone, through the St. Louis C, of Paleozoic age, as  
13 the same is encountered at depths between 4,386 feet and 4,808 feet, inclusive, below  
14 the surface (KB) in this well. The Walker Unit has had production from five different  
15 intervals within the Unitized Formation, which are communicated within wellbores.

16 Q Please explain Exhibit #3.

17 A Exhibit #3 contains structure maps of the top of the Lower Morrow sand and the St.  
18 Louis C in the Walker Unit area. The highest areas indicate productive areas in the St.  
19 Louis C.

20 Q Please explain Exhibit #4.

21 A Exhibit #4 includes isopach maps for two of the waterflood intervals in the Walker  
22 Unit area (Lower Morrow and St. Louis C). These isopach maps were used to  
23 determine reservoir volume on each tract. Isopach values were determined from log  
24 calculations. An average porosity of 19% was assumed for the Lower Morrow and an

1 average porosity of 9% was assumed for the St. Louis C. An average water saturation  
2 of 25%, and a formation volume factor of 1.1 were used in both intervals to determine  
3 the original oil in place. Pay was determined by using a cutoff of 8% porosity in the  
4 Lower Morrow and 6% porosity in the St. Louis C.

5 Q Please explain the total Walker Unit performance curve shown in Exhibit #5.

6 A This decline curve represents the total oil production performance from the producing  
7 wells in the proposed Walker Unit area. These wells peaked at an average of 13,650  
8 BOPM in 1993, and had declined down to roughly 2,500 BOPM by the end of 2020.  
9 Total oil production was 1,573,740 STBO as of December 31, 2020. Exhibit #5 also  
10 shows the total estimated remaining primary oil from the active wells in red, which  
11 will add 280,046 STBO, making the ultimate primary oil production 1,853,786  
12 STBO. In addition to the remaining primary performance of the proposed Walker  
13 Unit wells, Exhibit #5 also shows the projection of the estimated incremental  
14 secondary oil in blue, which we believe will be recovered over approximately 15  
15 years by the installation of this waterflood. It is estimated that installing the Walker  
16 Unit waterflood will increase the total recovery by about 926,893 STBO.

17 Q How was the estimate of secondary oil recovery determined?

18 A The secondary recovery was estimated to be 50% of ultimate primary recovery.

19 Q How did you arrive at 50%?

20 A 50% is consistent with conservative estimates of other analogous waterfloods in  
21 southwest Kansas. This method is a well recognized and reasonable approach to  
22 calculating secondary recovery.

23 Q What does Exhibit #6 show?

1 A Exhibit #6 shows the planned waterflood pattern, injection lines, and the location of  
2 the consolidated tank battery and injection plant at the site of the existing Lena Mai  
3 tank battery. The pattern will involve the drilling of the Schweer 4-29 and Walker  
4 Unit 15 wells as infill producing wells. The Walker 6-20, Walker 9-20, Schweer 2-29,  
5 Lena Mai 1-29, Lena Mai 5-29, and Vernadene 1 wells will be converted to water  
6 injection. The proposed injection wells will have sufficient casing and cement to  
7 protect the useable water in this area. The remaining wells in the Unit will be  
8 producers.

9 Q In the proposed operations, what injection rates and pressures do you recommend?

10 A Target rates for initial injection are roughly 200 BWIPD per well. The injection  
11 rates may be later increased depending on performance. It is anticipated that the  
12 injection pressure would be 1,200 psi or below at the wellheads. In no event would  
13 the injection pressure exceed the fracture gradient of the opened intervals in this area.

14 Q What is the estimated investment required to install the proposed Walker Unit  
15 waterflood, and does the estimated incremental secondary oil justify this investment?

16 A It is estimated it will cost \$1,608,223 to install this project. Economic runs indicate  
17 the waterflood project will result in a net BFIT income that totals over \$21,212,000.

18 Q Is it your further testimony that the proposed operations are economically feasible,  
19 and are necessary to prevent waste and protect correlative rights?

20 A Yes.

21 Q Have you reviewed the Unit Agreement and Unit Operating Agreement which have  
22 been filed with this Commission?

23 A Yes.

1 Q In your opinion, do these agreements provide fair, reasonable and equitable  
2 provisions for the efficient unitized management and control of the further  
3 development and operation of the proposed Walker Unit area for the recovery of oil  
4 from the common source of supply?

5 A Yes.

6 Q How was the tract participation determined?

7 A A two phase formula was used. The Phase 1 formula is based on 50% Current Oil  
8 Production, produced between 9/1/2020 and 12/31/2020 and 50% Remaining Primary  
9 Reserves as of 12/31/2020. The Phase 2 formula is based on 90% Estimated Ultimate  
10 Primary Recovery, 5% Mapped Reservoir Volume in acre-ft, and 5% Usable  
11 Wellbores.

12 Q Is the participation formula consistent with participation formulas for other similar  
13 waterfloods?

14 A Yes. The formula used for Walker Unit is similar to formulas used for other similar  
15 type waterfloods in Kansas.

16 Q Do you know what percentage of the interests have executed these agreements?

17 A It is my understanding that 99.2091524% of the working interest owners in Phase 2  
18 and 76.96358323% of the royalty owners in Phase 2 (excluding overriding royalty)  
19 have signed.

20 Q Is it your opinion that the provisions of these agreements are fair and equitable to all  
21 working interest owners and royalty owners in the proposed Walker Unit area?

22 A Yes.

23 Q Based on all of your studies, the exhibits you have provided, and your testimony here  
24 today, are you recommending that the Commission grant this application?

1     A     Yes.

2     Q     I have no further questions for Mr. Kay.

DOCKET NO. 22-CONS-3024-CUNI  
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Exhibit #2  
DOCKET NO. 22-CONS-3024-CUNI  
LICENSE NO. 34318

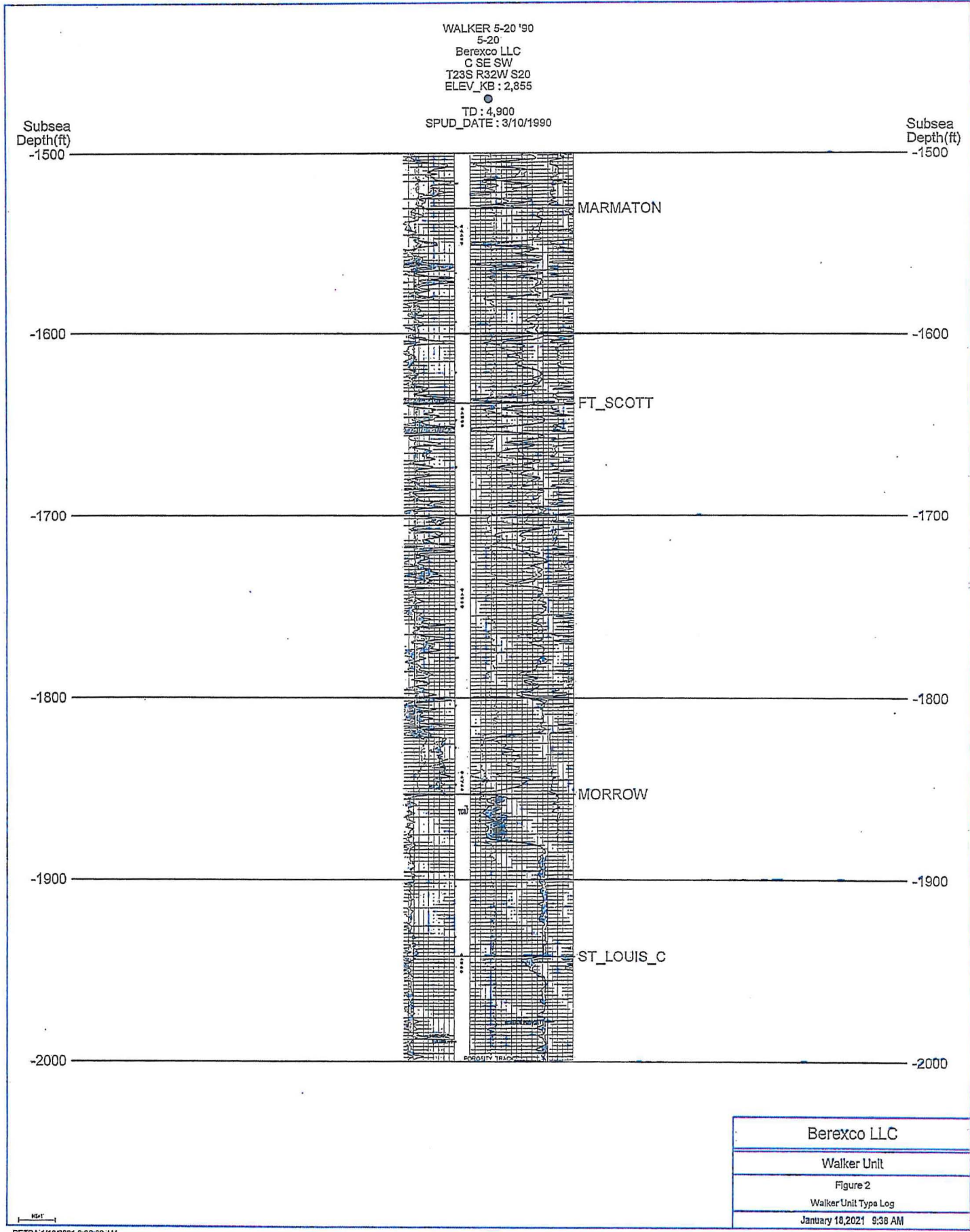




Exhibit #3A  
DOCKET NO. 22-CONS-3024-CUNI  
LICENSE NO. 34318

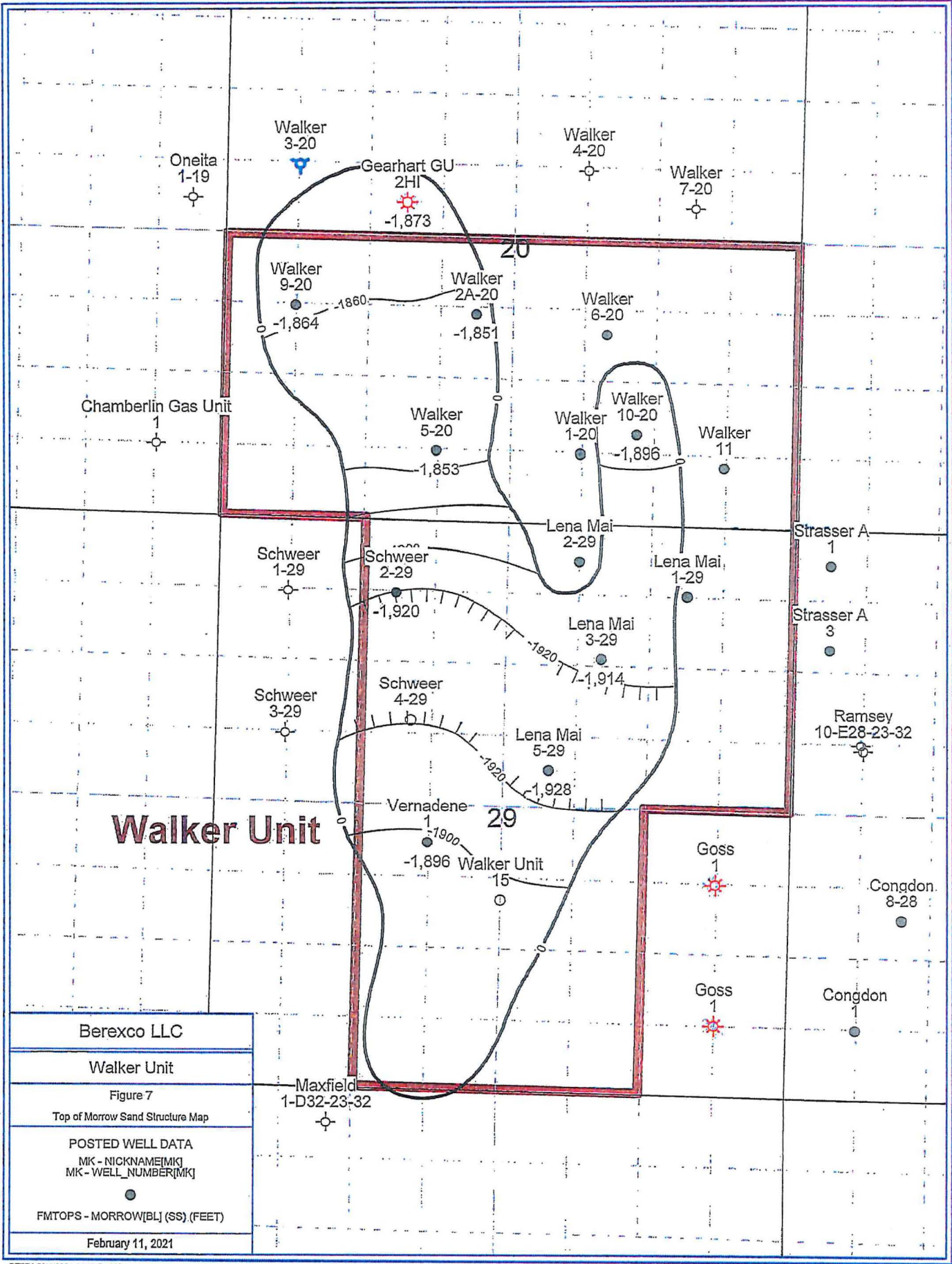
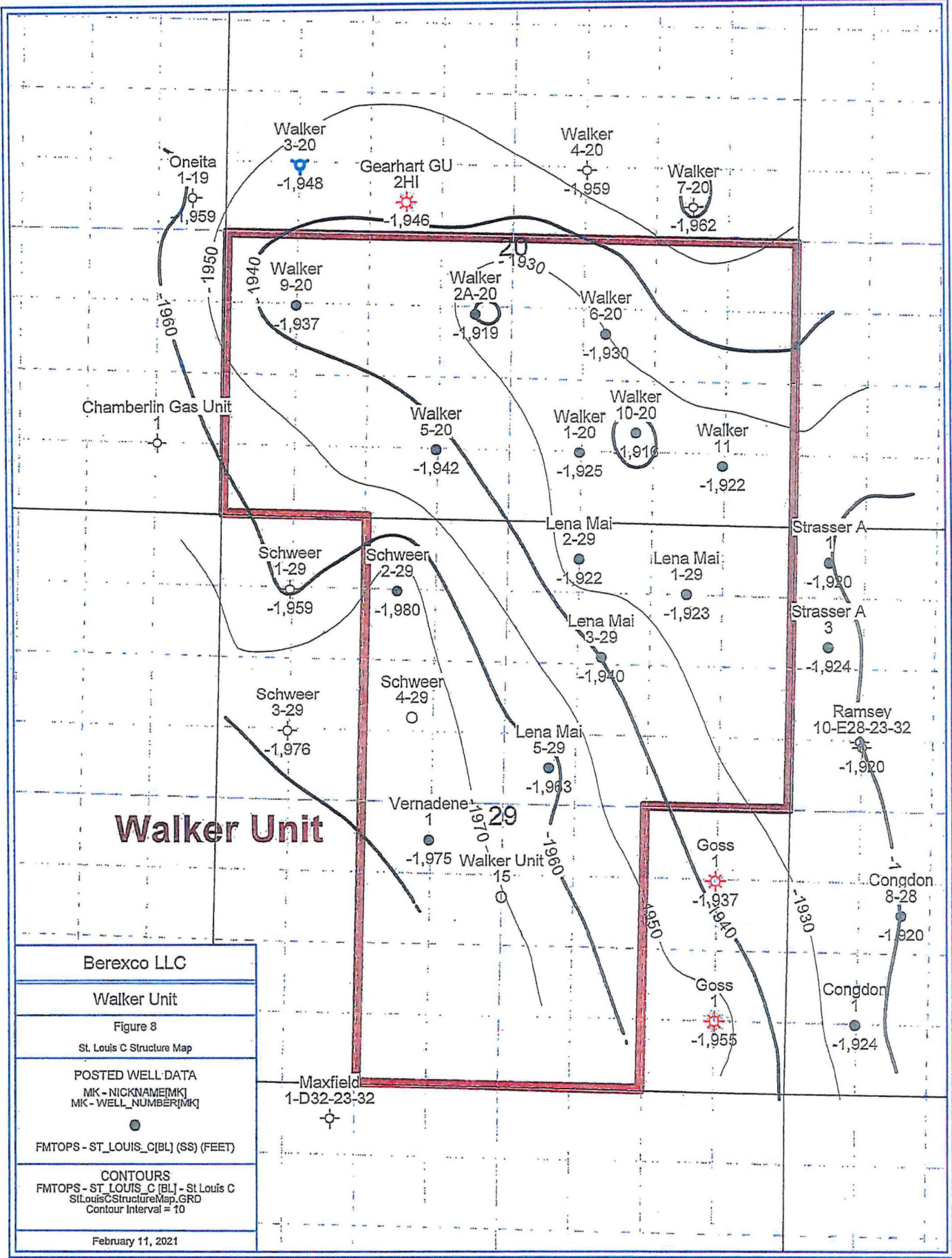
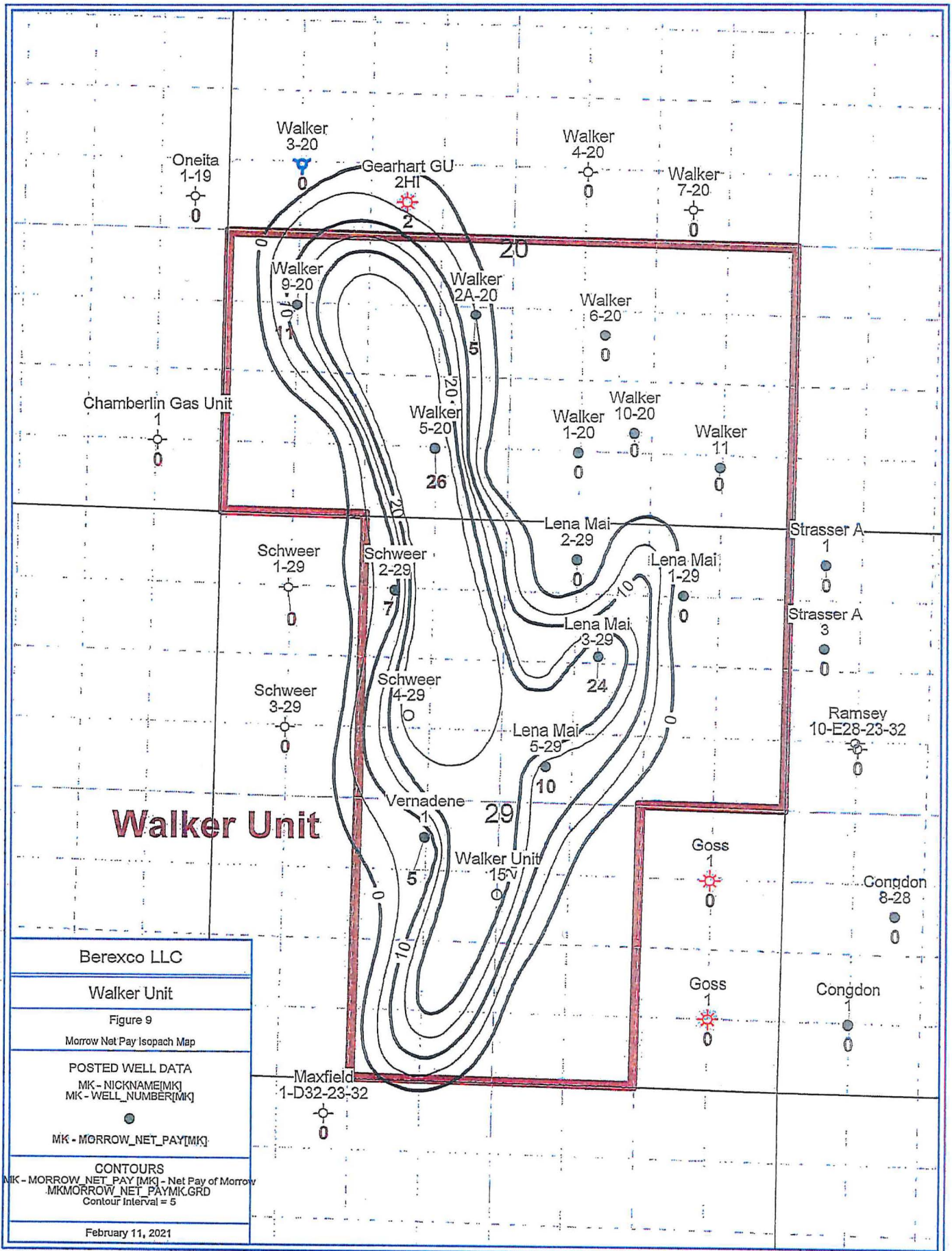




Exhibit #3B  
DOCKET NO. 22-CONS-3024-CUNI  
LICENSE NO. 34318

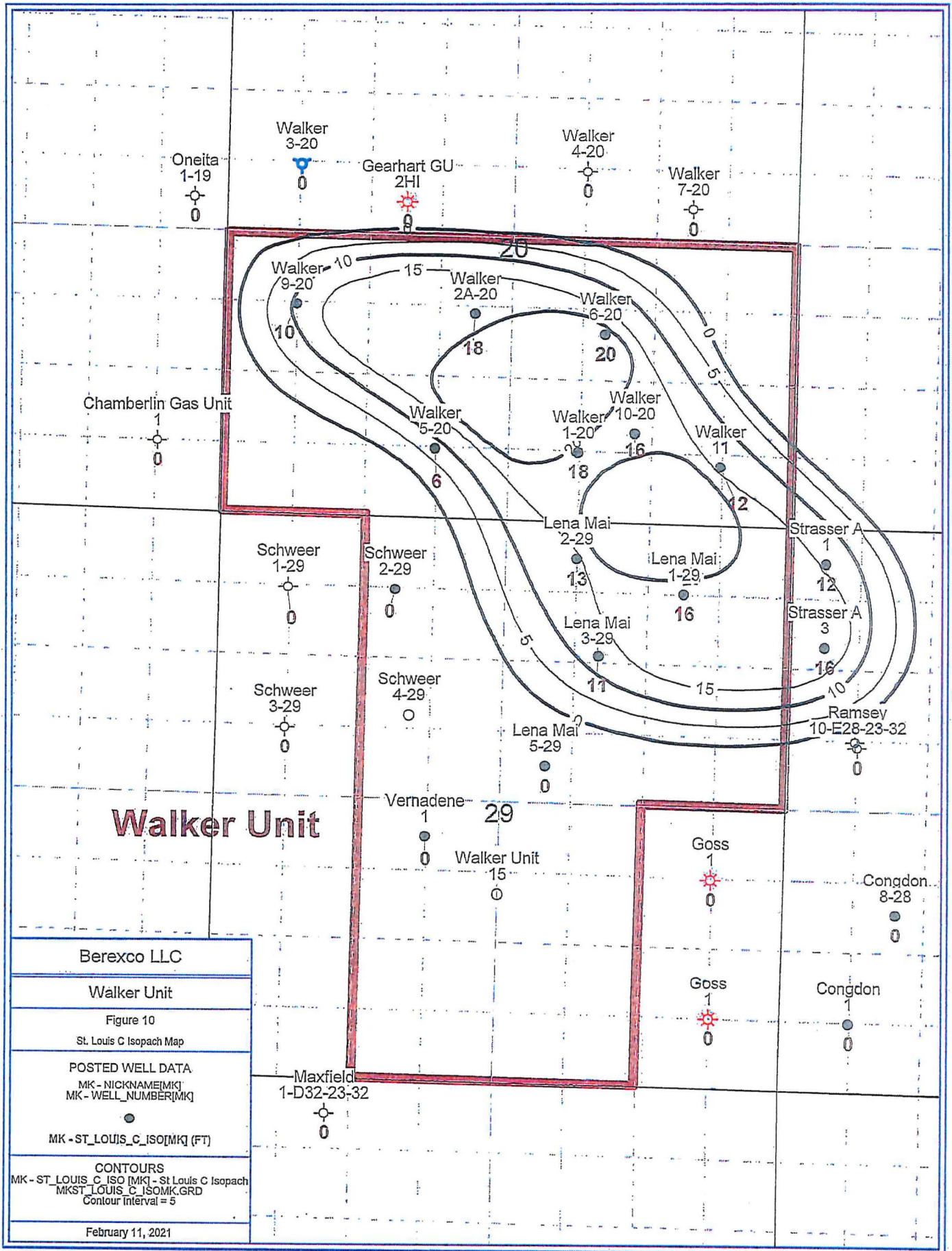


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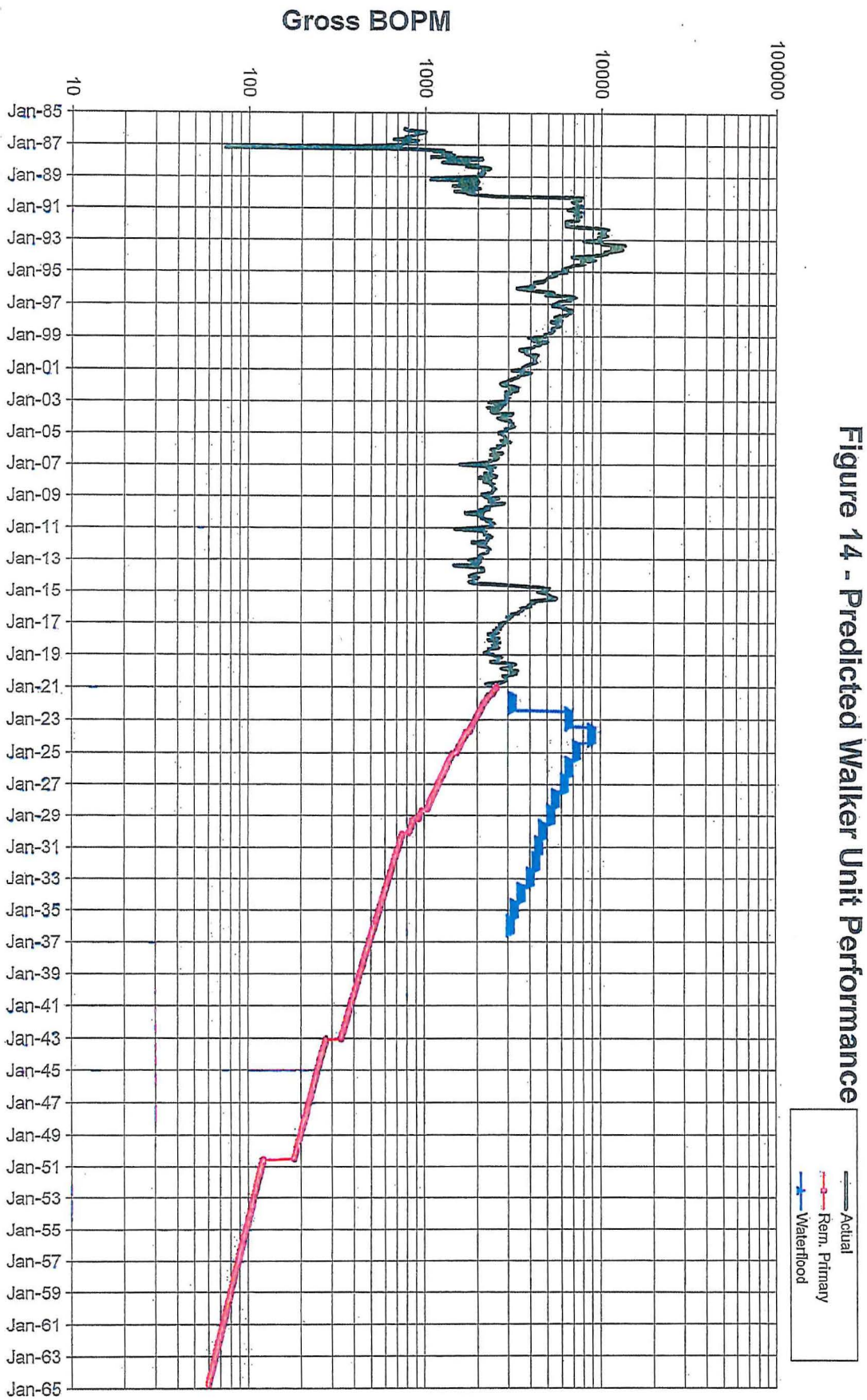
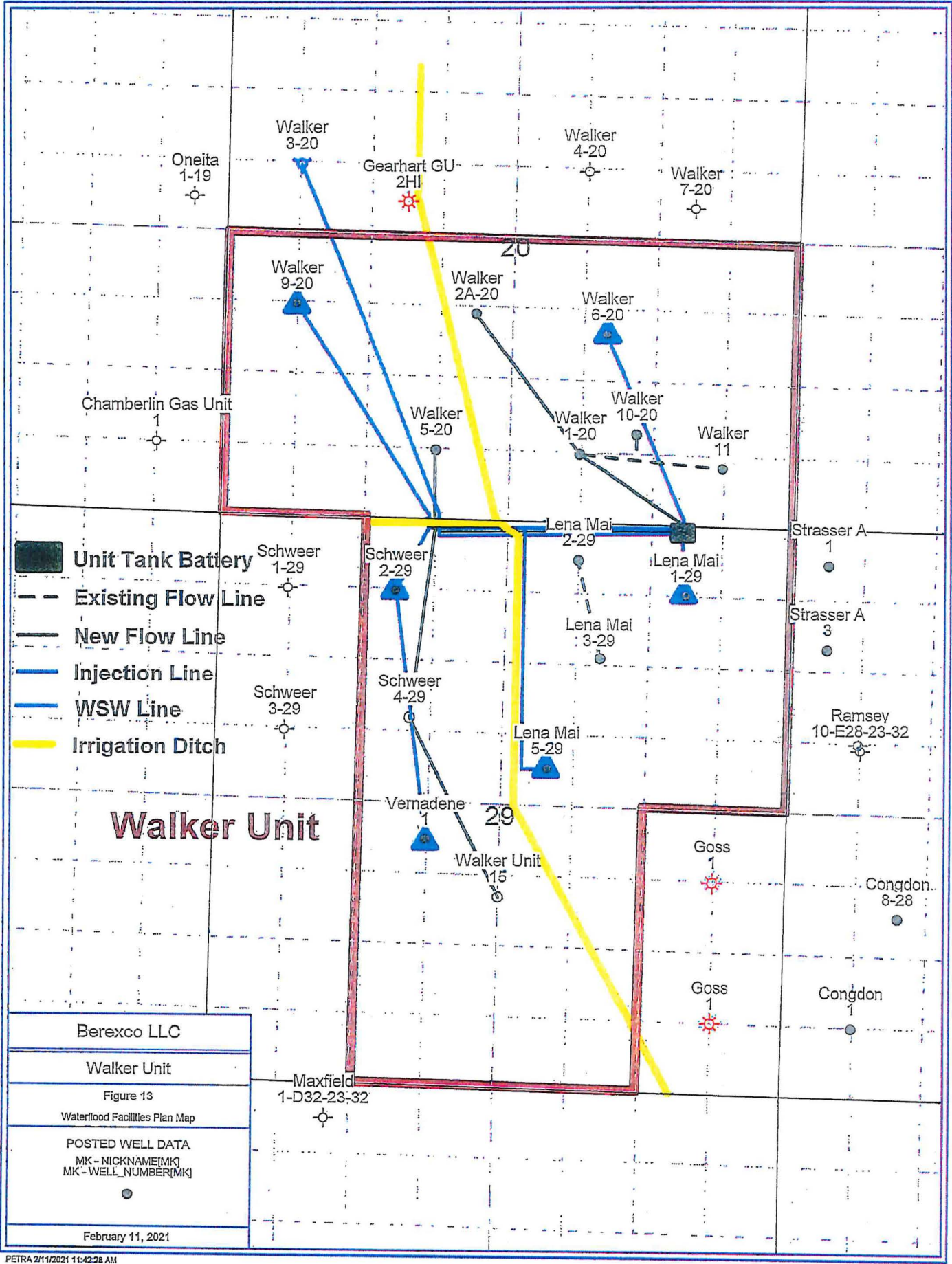




Exhibit #6  
DOCKET NO. 22-CONS-3024-CUNI  
LICENSE NO. 34318



BEFORE THE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

BEFORE COMMISSIONERS:

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OF BEREXCO LLC FOR AN ORDER	)	
AUTHORIZING UNITIZATION AND UNIT	)	CONSERVATION DIVISION
OPERATION OF THE WALKER UNIT IN	)	
FINNEY COUNTY, KANSAS.	)	LICENSE NO. 34318

PREFILED TESTIMONY

OF

PHYLLIS SHAHIN, PETROLEUM LANDMAN  
ON BEHALF OF  
BEREXCO LLC  
AUGUST 26, 2021

1 Q Would you please state your name, current employment, title, and business address?

2 A My name is Phyllis Shahin. I am employed by BEREXCO LLC and my title is

3 Landman. BEREXCO LLC'S address is 2020 North Bramblewood, Wichita, Kansas

4 67206

5 Q How long have you practiced your profession?

6 A Since 1975.

7 Q Please state your educational background and briefly describe your work experience.

8 A I received my B.S. in Computer Science from Wichita State University in December

9 2003. From 1975 to 1981, I served as a land consultant to the Denver oil and gas

10 industry, primarily in the Rocky Mountain and Mid-Continent areas. From 1981 to

11 July 1997, I was Land Manager/Director of Tri-W Corporation, a small independent

12 oil and gas exploration and consulting firm, with exploration operations in North

13 Dakota, Kansas and onshore Ireland. The land consulting client base operated

14 properties throughout the U.S, and I was actively involved in acquisitions,

15 divestitures and exploration operations. From July 1997 to May 1999, I served as

16 Land Manager for Ultra Resources, with core properties in the Green River Basin of

17 southwestern Wyoming (Pinedale Anticline and Jonah Field). I was employed by

18 BEREXCO from June 2005 to December 2012 as a Landman, and have been

19 employed by BEREXCO as a Consultant Landman since June 2018.

20 Q Have you previously testified before this commission and at that time were your

21 credentials as a Petroleum Landman accepted?

22 A Yes.

1 Q Are you familiar with the application filed by BEREXCO LLC. for the Unitization  
2 and Unit Operation of the Walker Unit in Finney County, Kansas?

3 A Yes.

4 Q As a Landman working for BEREXCO LLC, is Finney County part of your area of  
5 responsibility?

6 A Yes.

7 Q Does BEREXCO LLC own leasehold rights to drill and produce oil and gas in the  
8 area subject to this application?

9 A BEREXCO LLC operates wells on leasehold within the lands subject to this  
10 application on behalf of its affiliates Adam Investments Inc., Beren Trust I LLC,  
11 Beresco Properties Inc., Manuel Corporation and Okmar Oil Company, which own  
12 leasehold rights to drill and produce oil and gas in the area, and BEREXCO LLC is  
13 making application at their direction and on their behalf.

14 Q What records have you reviewed in order to determine ownership in the proposed unit  
15 area and ownership in the area within a one-half mile radius of the acreage being  
16 proposed for unitization?

17 A I have reviewed, or caused to be reviewed, records in the Finney County Courthouse  
18 pertaining to mineral ownership, leasehold and surface ownership, and mortgages  
19 against oil and gas interests of record. I have also reviewed BEREXCO LLC's  
20 internal records consisting of Oil and Gas Lease files and Division Order Files.

21 Q Will you please identify and explain Exhibit C that is attached to the Application.

22 A Exhibit C is a list showing the names and addresses of all oil and gas lessors, lessees,  
23 mineral owners, mortgagees, and other persons owning oil and gas interests in the



1 Walker Unit, and each operator or lessee of record and owner of record of the  
2 minerals and mortgagees in unleased acreage within a one-half (1/2) mile radius of  
3 the subject acreage.

4 Q Was the Notice of Application in Kansas Corporation Commission Docket No. 21-  
5 CONS-3070-CUNI filed by BEREXCO LLC for an order authorizing the unitization  
6 and unit operation of the Walker Unit in Finney County, Kansas mailed to each of  
7 those parties identified in Exhibit C?

8 A Yes.

9 Q Do you have any corrections to Exhibit C?

10 A Yes. As a result of the certified mailing of the Notice of Application to the parties  
11 shown on Exhibit C on or about July 26, 2021, updated addresses have been obtained  
12 for certain of the parties to whom the Notice was sent. A revised Exhibit C showing  
13 these updated addresses is attached hereto.

14 Q Ms. Shahin, I refer you to Exhibits A and B that are attachments to the subject  
15 Application. Were you responsible for preparing, or overseeing the preparation of,  
16 these two documents?

17 A Yes, I was.

18 Q Will you please identify and explain Exhibit A.

19 A Exhibit A is a copy of the Unit Agreement and Plan of Unitization for the Walker  
20 Unit that has been provided to the working and royalty interest owners in the  
21 proposed unit area. The Unit Agreement contains the legal description of the surface  
22 area of the unit and the individual tracts therein, a description of the geologic  
23 horizons that are being unitized, the method and factors used to calculate tract

1 participation by which unit production is to be allocated, and a tabulation showing the  
2 percentage of unit expenses to be borne by each working interest owner, along with  
3 the percentage of net unit revenue attributable to each party owning an interest in the  
4 unit. In addition, the Unit Agreement contains terms relating to the supervision and  
5 conduct of unit operations and provisions setting out the unit's commencement date  
6 and unit termination procedures.

7 Q In your opinion, is the Unit Agreement and Plan of Unitization fair, reasonable and  
8 equitable to all parties in the unit.

9 A Yes.

10 Q Will you please identify and explain Exhibit B.

11 A Exhibit B is a copy of the Unit Operating Agreement that has been provided to all  
12 working interest owners in the proposed unit. The Unit Operating Agreement  
13 designates the Unit Operator and governs the physical operation of the unit area. It  
14 sets out the relationship, authority and duties of the Unit Operator and the non-  
15 operating working interest owners with respect to unit operations.

16 Q In your opinion, does the proposed Unit Operating Agreement make a fair and  
17 equitable adjustment among the owners within the unit area for their respective  
18 investment in wells, tanks, pumps, machinery, materials and equipment which are  
19 contributed to unit operations?

20 A Yes it does.

21 Q Does the proposed Unit Operating Agreement provide a fair and equitable  
22 determination of the costs of operation including capital investment and establish a  
23 fair and equitable method for allocating such costs to the separately owned tracts and

1 for payment of such costs by the owners of such tracts, either directly or out of such  
2 owner's respective share of unit production?

3 A Yes it does.

4 Q Does the proposed Unit Operating Agreement establish a fair and equitable method, if  
5 necessary, of carrying or otherwise financing any owner who elects to be carried, or  
6 otherwise financed, or who does not meet the owner's financial obligations with the  
7 unit, allowing a reasonable interest charge and a penalty on all unpaid expenses,  
8 payable out of such owner's share of the unit production?

9 A Yes it does.

10 Q Does the proposed Unit Operating Agreement provide that each owner shall have a  
11 voice in the supervision and conduct of unit operations corresponding to the  
12 percentage of costs of the unit operations chargeable against the interest of such  
13 owner?

14 A Yes it does.

15 Q Have written approvals to the proposed Unit Agreement and Plan of Unitization for  
16 the Walker Unit been obtained from the owners of at least seventy-five percent (75%)  
17 of the unit production or the proceeds thereof that will be credited to royalties,  
18 excluding overriding royalties or other like interests carved out of the leasehold  
19 estate?

20 A Yes.

21 Q What is the percentage obtained?

22 A Approval has been obtained from 86.7202983% of the royalty owners in Phase I unit  
23 production and 76.96358323% of the royalty owners in Phase II unit production.

- 1 Q Have written approvals to the proposed Unit Operating Agreement for the Missionary  
2 Unit been obtained from those persons who will be required to pay at least sixty-three  
3 percent (63%) of the costs of unit operation?
- 4 A Yes.
- 5 Q What is the percentage obtained?
- 6 A Approval has been obtained from 97.5028324% of the Phase I working interest  
7 ownership and 99.2091524% of the Phase II working interest ownership.
- 8 Q Are these actual consents in your possession and available for inspection by the  
9 Commission if they so desire?
- 10 A Yes, they are.
- 11 Q I have no further questions for Ms. Shahin.

Exhibit C  
Names and Addresses of All Oil and Gas Lessors, Lessees, Mineral Owners,  
Mortgagees, and Other Persons Owning Oil and Gas Interests of Record  
In and To The Walker Unit, and Each Operator or Lessee of Record and  
Owner of Record of the Minerals in Unleased Acreage Within  
a One-Half (1/2) Mile Radius of the Subject Acreage

Owner & Address
Allan B. Muchin 525 W. Monroe Street Suite 1600 Chicago, IL 60661-3693
Amel Landgraf c/o Thea Frykman 1950 Rswell Rd, #6C1 Marietta, GA 30068
American Warrior, Inc. P. O. Box 399 Garden City, KS 67846
Amy Beren Bressman Revocable Trust 2020 N. Bramblewood Wichita, KS 67206
April K. McIntosh 3640 Indian Hills Drive, Apt. 210 Sioux Falls, IA 51104-1639
ARF Trust U/T/D August 23, 2012 c/o Arlene R. Fuqua, Co-Trustee 8343 Danbury Lane Hudson, FL 34667-6527
Arkoma Basin Minerals Inc. 203 E Interstate 30 Rockwall, TX 75087
Bartshe Exploration Inc. 13955 W. 30th Avenue Golden, CO 80401
Bartshe Properties LLC 13955 West 30th Avenue Golden, CO 80401
Beverly G. Gomis 920 Tidewater Shores, Loop #403 Bradenton, FL 34208

Bobbie L. Murphy 2016 Trinity Drive Hays, KS 67601
Brandon Redetzke 8233 Hooks Bay Minette, AL 36507
Brookover Land Enterprises 50 Grandview Dr. Garden City, KS 67846
Bryan Redetzke 2615 Lantana Road, Suite A Lantana, FL 33462
Carolyn Anspaugh 8550 N Farmland Rd Garden City, KS 67846
Charles B. Spradlin, Jr. 2529 N Fox Run Circle Wichita, KS 67226
Cherokee Warrior, Inc. P. O. Box 399 Garden City, KS 67846
Clara Faye Schweer 4575 N VFW Rd Garden City, KS 67846
Cobra Petroleum Company PO. Box 8049 Rancho Santa Fe, CA 92067-8049
Darlene Bruner 4435 Star Ranch Rd Colorado Springs, CO 80906
Darlene Bruner 4435 Star Ranch Rd Colorado Springs, CO 80906
Darrell Goss 1545 E. Rodkey Road Garden City, KS 67946
Darrell Goss and JoAnn Goss, Trustees of the Living Trust of Darrell Goss dated April 17, 1987 1545 East Rodkey Road Garden City, KS 67846

<p>Darrell Goss 1545 E Rodkey Rd Garden City, KS 67846</p>
<p>David Munro 5036 N. Remington St. Bel Aire, KS 67226</p>
<p>David Y &amp; Lynett Becker 1706 Summerwood Ct Garden City, KS 67846</p>
<p>Debra Villarreal 4517 Swiss Ave Dallas, TX 75204</p>
<p>Delbert L. Koehn and Hazel L. Koehn 801 Wagonwheel Court Collbran, CO 81624-9633</p>
<p>Dennis E. Smith and Tonda L. Smith 107 Lakeshore Drive Marion, KS 66861-9315</p>
<p>Dewey F. Bartlett III c/o Dewey F. Bartlett Jr. 2125 Forest Blvd Tulsa, OK 74114-4223</p>
<p>Doyle Dean Koehn and Gail L. Koehn P. O. Box 337 Mesa, CO 81643</p>
<p>Evan C. Mayhew 1368 N. Cardington Wichita, KS 67212</p>
<p>Federer Enterprises, LLC 1124 Dunn Avenue Cheyenne, WY 82001</p>
<p>Finnup Foundation Trust Katherine Hart Trustee 119 N Main St Garden City, KS 67846</p>
<p>Frances D Gillan Rev Tr 5120 N US Highway 83 Garden City, KS 67846</p>
<p>Francis D. Gillian Rev Trust, dtd 12/17/12 5120 US Hwy 83 Garden City, KS 67846-1078</p>

<p>Freda McMillan 1005 Melanie Lane Garden City, KS 67846</p>
<p>Garden City Production Credit Assoc. PO. Box 1120 Santa Rosa, CA 95402-1120</p>
<p>G-Oil, L.P. c/o First Manhattan Co. 399 Park Avenue New York, NY 10022</p>
<p>Gregory L &amp; Diana Boyd 4755 E Lowe Rd Garden City, KS 67846</p>
<p>Helen Hoyt Estate 1285 N Mennonite Rd Garden City, KS 67846</p>
<p>Hugoton II Partnership c/o Lereta LLC / Texas Operations PO Box 565887 Dallas, TX 75356</p>
<p>Jarmer, Inc. 1515 E. US Hwy 50 Bypass Garden City, KS 67846-8025</p>
<p>Jerome D. Marcus Living Trust 3446 S Race St. Englewood, CO 80113</p>
<p>Jill N. Vandeviver 2 Romero Rancho Santa Margarita, CA 92688-1715</p>
<p>Jill N. Walker 18510 West 66th Place Shawnee, KS 66218</p>
<p>Jim Edward Hoyt 1511 Old Ranch Estates Road San Ramon, CA 94583</p>
<p>John &amp; Marguerite Finn JT c/o Joyce Bartosewcz 7700 E 13th St N, Unit 34 Wichita, KS 67206</p>
<p>John C Finn Revocable Trust 7700 E 13th St N, Unit 34 Wichita, KS 67206</p>



John H Lagesse 5246 Carson Pl Lawrence, KS 66049
John H. Mai 10250 W. 80th Avenue Arvada, CO 80005
Joshua Mark Corrigan 148 Brookstone Dr Waxahachie, TX 75165
Judith Gemes 841 SE 12th Ter Lees Summit, MO 64081
Julie Beren Platt Revocable Trust 2020 N. Bramblewood Wichita, KS 67206
Julie N. Peters 15523 Floyd Street Overland Park, KS 66223
Justin Redetzke 8425 NW Beech Street Kansas City, MO 64153
Kansas Natural Gas Operating, LC PO. Box 818 Hays, KS 67601-0818
Kansas Natural Gas, LC PO. Box 818 Hays, KS 67601-0818
Kansas Permian Royalties 8100 E 22nd St. N, Bldg 1900 Wichita, KS 67226
Kay W. Logan Trust 2221 SW Millers Glen Dr Topeka, KS 66614
Keener Inc. c/o Michael H Bartlett 1648 S Boston Ave, Ste 200 Tulsa, OK 74119
Kenneth C Krug P. O. Box 22 Horton, KS 66439

<p>Kimbell Royalty Holdings LLC  Duncan Mgmt LLC c/o Kirkwood &amp; Dar  309 W 7th St, Ste 1020  Ft Worth, TX 76102</p>
<p>LA7 LLC  7351 E Road 200  Scott City, KS 67871</p>
<p>Lacinda L. Logan Kuhlman  18904 Corbin St.  Spring Hill, KS 66083-4573</p>
<p>Lance L. Logan  28216 NE 140th Place  Duvall, WA 98019-8148</p>
<p>Lara K. Blake Bors and Carl M. Bors  5760 North 3rd Street  Garden City, KS 67846-9650</p>
<p>Larry &amp; Barbara Goss JT  706 Fleming St  Garden City, KS 67846</p>
<p>Larry E. Wilson Trust  Larry E. Wilson and Debra L. Wilson, Trustees  2688 Ballard Way  Castle Rock CO 80109</p>
<p>Larry Goss  3880 N 3rd Street  Garden City, KS 67846</p>
<p>Larry W &amp; Barbara A Goss  706 Fleming St  Garden City, KS 67846</p>
<p>Larson Family Farm  A Partnership c/o Gina &amp; Adam Larson  234 N Armour St  Wichita, KS 67206</p>
<p>Laurie D. Tyler  202 N. 8th Street  Andover, KS 67002-9524</p>
<p>LBJ Farm LLC  445 Avenal LN  Grand Junction, CO 81507</p>

Leland Stanford Jr University c/o Bank of America, Harding & Carb 1235 North Loop W, Ste 205 Houston, TX 77008
Linda Deremus 2320 N. 3rd St. Garden City, KS 67846-3109
Linda Deremus 2320 N 3rd St Garden City, KS 67846
Linda Mai Snead 2300 Windmill Circle Elizabeth, CO 80107
Linda Ruth Lecklider 8136 W Pleasant Hill Rd Salina, KS 67401
Linn Energy Holdings LLC 600 Travis St, Ste 1400 Houston, TX 77002
Lois Mae Ramsey 2003 Bison Dr. Garden City, KS 67846-3510
Lori A. Hamby 1507 E. Anderson Dr. Phoenix, AZ 85022
Mark S & Michael K Ramsey 7410 N Campus Dr Garden City, KS 67846
Melvn D. Abels, Trustee of the Melvyn D. Abels Revocable Trust dated April 26, 1982 4102 Laguna Point Lane Missouri City, TX 77459
Merit Energy 2424 Ridge Rd. Rockwall, TX 75087
Merit Hugoton LP c/o Merit Energy Company LLC, Agent P. O. Box 843727 Dallas, TX 75284-3727
Michael K. Ramsey 8105 N. Jennie Barker Rd. Garden City, KS 67846-9356

Miriam L. Wolf 16398 Aliante Drive Broomfield, CO 80023-8074
Nancy Tobin Beren Revocable Trust 2020 N. Bramblewood Wichita, KS 67206
NBI Properties 401 S Boston Ave, Ste 2320 Tulsa, OK 74103
Norman & Mary Landgraf Trust c/o Norman and Mary Landgraf Trustee 18250 N Jennie Barker Rd Garden City, KS 67846
O'Brate Royalty LLC PO Box 399 Garden City, KS 67846
Patricia A. Magee 2040 Longmore #44 Mesa, AZ 85202
Peter G. Wilson Revocable Trust of 2009 16385 Scotland Way Edmond, OK 73013-3103
Petrosantander USA Inc 675 Bering Dr, Ste 350 Houston, TX 77057
Regent Oil & Gas Company LP PO Box 25204 Dallas, TX 75225
Richard I. Walker Trust 5940 N Abington Rd Tucson, AZ 85743
Richard L. Craig Survivor's Trust Jeffrey M. Craig and Debra S. Lamont, Trustees 4640 Spruce Way Maple Plain, MN 55359-9702
Richard L. Walker, Jr. 5940 N. Abington Road Tucson, AZ 85473
Richard Landgraf 13090 Rock Dam Rd Marlin, TX 76661

Rita K. Baltazor 781 N. Halstead Rd. Salina, KS 67401
Rock Chalk Royalties Ltd. FBO Acct #41472845 c/o Intrust Bank P. O. Box One Wichita, KS 67201
Roger A Jarmer 1515 E US Highway 50 BYP Garden City, KS 67846
Royalty Management Group Levent Kecik Trustee 705 Sunset Hill Dr Rockwall, TX 75087
RRC Capital LLC PO Box 818 Hays, KS 67601
Rusk Capital Management LLC 7600 W Tidwell Rd, Ste 800 Houston, TX 77040
Russell Freeman d/b/a Continental Energy 902 South US Highway 83 Frontage Road Garden City, KS 67846
Samuel E. Jr. & Rita Alsop 806 N. 5th St. Garden City, KS 67846-5638
Sara E Dougherty 831 Spring Mist Ct Sugar Land, TX 77479
School District 87 Merit Energy PO. Box 843727 Dallas, TX 75284-3727
Scout Energy Management LLC c/o K E Andrews Co 2424 Ridge Rd Rockwall, TX 75087
Sharon Ann Thompson 882 N. Broadway Avenue Booneville, AR 72927-3238

Sharon R. Unruh P. O. Box 513 Galva, KS 67443
Sharon Thad Havercamp 314 W. 1st St. Ellsworth, KS 67439-3002
Sherry Brenneman 2508 SW Kingsrow Road Topeka, KS 66614-4341
Southwest Petroleum Company PO. Box 702377 Dallas, TX 75370-2377
Spiro Resources, Ltd. P. O. Box 6387 San Antonio, TX 78209
Steven D. Krug P. O. Box 373 Spearman, TX 79081
Tara C. Ail, formerly known as Tara C. Freeman 20650 County Road 281 Nathrop, CO 81236
Telperion, Inc. 2020 N. Bramblewood Wichita, KS 67206
Teresa Jo Dodds 119 Crest St Washington, KS 66968
Terry Douglas Boyd 2930 N Chancery Pl Meridian, ID 83646
Terry L. Martin and Sherry D. Martin 5860 N. 3rd Garden City, KS 67846
The Bendell Corporation 9708 Robin Avenue Fountain Valley, CA 92708
The Kenneth C. Krug & Janis A. Krug Revocable Living Trust dated August 21, 2019 P. O. Box 22 Horton, KS 6649

Theresa Jo Dodds 119 Crest St Washington, KS 66968
Timothy C & Darlene A Gillan JT 5115 N VFW Rd Garden City, KS 67846
Todd C. Dutton P. O. Box 2147 Pottsboro, TX 75076
Tonda & Dennis Smith 107 Lakeshore Dr Marion, KS 66861
Vernon Raymond & Joan Schweer 3325 W 6 Mile Rd Garden City, KS 678
Victor L. McCart and Charlotte A. McCart P. O. Box 198 Garden City, KS 67846-0198
Victor V Hands 2001 Julian Blvd Amarillo, TX 79102
VRS Trust U/T/D August 23, 2012 c/o Vernon R. Schweer, Co-Trustee 3325 West 6 Mile Road Garden City, KS 67846-9721
W. Chance Carnes 6505 E. Central #237 Wichita, KS 67206
W. J. Holland and Co. c/o Willis J. Holland 5521 West 24th Street Greeley, CO 80634
Wilbur Landgraf 1609 A St Garden City, KS 67846
Wilkonson Asset Management LLC or Arthur O Wilkonson Mgr 5780 E Ida Cir Greenwood Village, CO 80111
William R. Alsop Trust dtd 12/15/15 484 Upper Mill Heights Dr. Salina, KS 67401-3357