THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners: Andrew J. French, Chairperson

Dwight D. Keen Susan K. Duffy

In the matter of the application of SNR)	Docket No. 21-CONS-3192-CEXC
Kansas Operating, LLC for a fourth)	
exception to the 10-year time limitation of)	CONSERVATION DIVISION
K.A.R. 82-3-111 for its Coggins Lease #1)	
well located in the NW NW NW SW of Sec)	License No. 35586
9, T35S, R02E Sumner County, Kansas.)	

ORDER GRANTING APPLICATION

The Commission rules as follows:

I. JURISDICTION

- 1. The Commission has the exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.¹
- 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.² 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.³

II. FINDINGS OF FACT

3. SNR Kansas Operating, LLC (Operator) conducts oil and gas activities in Kansas under active license number 35586.

² K.A.R. 82-3-111(b).

¹ K.S.A. 74-623.

³ K.A.R. 82-3-100(b).

- 4. On March 10, 2021, Operator filed an application requesting an exception to the 10-year limit on TA status for the Coggins Lease #1 well (Subject Well), API #15-191-11094.⁴
- 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 or about November 2, 2020, 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.
- 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 Subject Well, and there is not a present threat to fresh and usable water.

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.

⁴ In its application, Operator calls the Subject Well the Coggins #1, but the API number and location listed in the application describe what is known in Commission databases as the Coggins Lease #1. There is no doubt based upon its application that Operator requests approval for the Coggins Lease #1.

- B. Operator must file an annual TA form for the Subject Well. The first TA form shall be filed within 30 days.
- C. 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).⁵

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Duffy, Commissioner

Date: 05/04/2021	Lynn M. Rog
	Lynn M. Retz
	Executive Director
Date Mailed: <u>05/04/2021</u>	

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⁵ 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

21-CONS-3192-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 _	05/04/2021

JOE CRAIG SNR KANSAS OPERATING, LLC 301 NW 63rd ST STE 400 OKLAHOMA CITY, OK 73116-7906 jcraig@sienanaturalresources.com

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/S/ DeeAnn Shupe

DeeAnn Shupe