BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the matter of the application of Merit Energy) Company, LLC for an exception to the 10-year) time limitation of K.A.R. 82-3-111 for its) Winter Morrow Unit #105W well in the South Half of the Southeast Quarter of the Northwest) Quarter of Section 13, Township 33 South,) Range 43 West, Morton County, Kansas.

Docket No.: 23-CONS-3003-CEXC CONSERVATION DIVISION

License No.: 32446

STAFF RECOMMENDATION ON APPLICATION

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Comes now the Staff of the Kansas Corporation Commission (Staff and Commission, respectively) to recommend the Commission issue an order granting the application submitted by Merit Energy Company, LLC (Operator). In support of Staff's recommendation, Staff states the following:

1. On July 8, 2022, Operator filed an application requesting an exception to the 10-year time limitation of K.A.R. 82-3-111 for its Winter Morrow Unit #105W well (Subject Well), API #15-129-21741 in Morton County, Kansas.

2. On October 20, 2022, Staff sent a letter to Operator requesting a satisfactory casing integrity test be performed on the Subject Well by November 17, 2022.

3. On December 21, 2022, Staff motioned for a presiding officer to be assigned and a prehearing conference scheduled as Operator had not conducted a satisfactory casing integrity test on the Subject Well.

4. On January 5, 2023, Operator successfully tested the Subject Well for casing integrity, indicating there is not a present threat to fresh and usable water.

5. On January 10, 2023, the Commission issued an Order Designating Presiding Officer and Setting Prehearing Conference, wherein Mr. Jonathan Myers was designated as presiding officer, and a prehearing conference was set for January 26, 2023, at 2:15 p.m.

6. Operator has verified that notice of the application was properly served and met the requirements of K.A.R. 82-3-135a.

7. Staff is satisfied the reasons articulated in the application and the results of the casing integrity test are sufficient to support the granting of the application.

WHEREFORE, for the reasons described above, Staff recommends approval of Operator's application.

Respectfully submitted,

/s/ Kelcey A. Marsh Kelcey A. Marsh, #28300 Litigation Counsel | Kansas Corporation Commission 266 N. Main, Suite 220 | Wichita, Kansas 67202-1513 Phone: 316-337-6200; Fax: 316-337-6211 k.marsh@kcc.ks.gov

CERTIFICATE OF SERVICE

23-CONS-3003-CEXC

I, the undersigned, certify that a true and correct copy of the attached Staff Recommendation on Application has been served to the following by means of first class mail and electronic service on January 18, 2023.

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/s/ Paula J. Murray

Paula J. Murray