

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: Mark Sievers, Chairman
 Ward Loyd
 Thomas E. Wright

In the Matter of the Application of Berexco,) Docket No.: 12-CONS-185-CBPO
Inc. for a Basic Proration Order for the Terry) 183,811-C (C-26,681)
Marmaton Oil Pool in Finney County, Kansas.) CONSERVATION DIVISION
) License No. 5363
)

In the Matter of the Application of Berexco,) Docket No.: 12-CONS-186-CBPO
Inc. for a Basic Proration Order for the Terry) 183,812-C (C-26,682)
Mississippian St. Louis Oil Pool in Finney) CONSERVATION DIVISION
County, Kansas.) License No. 5363
)

In the Matter of the Application of Berexco,) Docket No.: 12-CONS-187-CBPO
Inc. for a Basic Proration Order for the Terry) 183,813-C (C-26,683)
Lansing-Kansas City Oil Pool in Finney) CONSERVATION DIVISION
County, Kansas.) License No. 5363
)

**ORDER TO DISSOLVE TERRY MARMATON, MISSISSIPPIAN ST. LOUIS
AND LANSING-KANSAS CITY OIL POOL BASIC PRORATION ORDERS**

Now, the above-captioned matter comes on before the State Corporation Commission of the State of Kansas ("KCC" or "Commission"). The Commission, being duly advised in the premises, and after giving due consideration to the Statutes of Kansas, the regulations of this Commission, and its records and files, makes the following findings and conclusions:

1. By Orders dated February 24, 1993, the Commission established Basic Proration Orders ("BPO's") for the Marmaton, Mississippian St. Louis and Lansing-Kansas City formations located in the following acreage:

Section 34, Township 22 South, Range 34 West, Finney County.

2. These reservoirs, which had been prorated under the provisions of the three BPO's, are near depletion. All of the wells remaining under the provisions of the BPO's have reached a state of low production.

3. Due to depletion of these reservoirs and/or low production, from the wells, the above-referenced fields were identified by Commission Staff as candidates to have the BPO's covering the fields be dissolved.

4. On April 19, 2012, a hearing was held for the purpose of allowing all interested parties to show cause why the three BPO's should not be dissolved.

5. Notice was timely and properly filed and published in the Kansas Register, the Wichita Eagle and the official county newspaper of the county in which the subject lands are located. John McCannon, Litigation Counsel, appeared on behalf of the Commission Staff and the public generally, Stanford J. Smith Jr. entered his appearance for OXY USA Inc., and supported dissolving the three BPO's. There were no other appearances.

6. In view of the foregoing, the Commission finds that the three BPO's should be dissolved.

7. The Commission further finds that the acreage previously controlled by the BPO's should be returned to the full jurisdiction of the Kansas Corporation Commission under its General Rules and Regulations.

8. The Commission further finds that well-spacing, well-testing requirements, and production constraints for wells governed by the three BPO's should be as set out in the General Rules and Regulations of the Kansas Corporation Commission.

IT IS, THEREFORE, BY THE COMMISSION ORDERED: That the Terry Marmaton, Terry Mississippian St. Louis and Terry Lansing-Kansas City Oil Pool Basic Proration Orders be, and the same are hereby, dissolved.

IT IS FURTHER ORDERED BY THE COMMISSION: That the acreage previously controlled by the BPO's be, and the same are hereby, returned to the full jurisdiction of the Kansas Corporation Commission under its General Rules and Regulations.

IT IS FURTHER BY THE COMMISSION ORDERED: That well-spacing, well-testing requirements, and production constraints for wells in the prorated area be, and the same are hereby, covered under the General Rules and Regulations of the Kansas Corporation Commission.

Any party affected by this Order may file with the Commission a petition for reconsideration pursuant to K.S.A. 77-529(a). Such petition shall be filed within fifteen (15) days after service of this Order and must state the specific grounds upon which relief is requested. This petition for reconsideration shall be filed with the Executive Director of the Conservation Division, Finney State Office Building, 130 S. Market, Room 2078, Wichita, Kansas 67202-3802.

The Commission retains jurisdiction of the subject matter and the parties for the purpose of entering such further order or orders as from time to time it may deem proper.

BY THE COMMISSION IT IS SO ORDERED.

Sievers, Chmn.; Loyd, Com.; Wright, Com.

Date: MAY 01 2012


Patrice Petersen-Klein
Executive Director

Date Mailed: 05-01-2012

I CERTIFY THE ORIGINAL
COPY IS ON FILE WITH
The State Corporation Commission

MAY 01 2012



CERTIFICATE OF SERVICE

I hereby certify that on 05-01-2012, I caused a true and correct copy of the foregoing "Order to Dissolve Terry Marmaton, Mississippian St. Louis and Lansing-Kansas City Oil Pool Basic Proration Orders" to be served by placing the same in the United States mail, postage prepaid, to the following parties:

Evan Mayhew
BEREXCO, L.L.C.
2020 N. Bramblewood St.
Wichita, KS 67206-1094

Charles B. Wilson
Central Crude Corporation
P.O. Box 21110
Wichita, KS 67208-2111

Brent Sonnier
Oxy, U.S.A., Inc.
5 Greenway Plaza, Ste 2400
Houston TX 77046

Porter K. Ryan – Regulatory Compliance
Occidental Energy Marketing, Inc.
5 Greenway Plaza, Ste 110
Houston, TX 77046

Steve Durrant
KCC District #1
210 E. Frontview Ste A
Dodge City, KS 67801

And delivered by hand to:

Jim Hemmen
KCC Central Office


John McCannon
Litigation Counsel
Kansas Corporation Commission