BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the matter of the Application of BCE-Mach LLC) for an exception to the 10-year time limitation of) K.A.R. 82-3-111 for its Roth F 2-9 well located in) the SW/4 SW/4 NE/4 of Section 9, Township 23) South, Range 34 West, Finney County, Kansas.

Docket No. 26-CONS-3033-CEXC

CONSERVATION DIVISION

License No. 35667

APPLICATION

COMES NOW BCE-Mach LLC ("Applicant") in support of its Application in the above captioned matter and states as follows:

- Applicant is a corporation duly authorized to do business in the State of Kansas.
 Applicant's address is 14201 Wireless Way, Suite 300, Oklahoma City, OK 73134.
- 2. Applicant has been issued Operator's License No. 35667 by the Kansas Corporation Commission which expires on March 30, 2026.
- 3. Applicant is the owner and operator of the Roth F 2-9 well, API #15-055-21425-0001 (the "Subject Well") which is located in the Southwest Quarter of the Southwest Quarter of the Northeast Quarter (SW/4 SW/4 NE/4) of Section 9, Township 23 South, Range 34 West, Finney County, Kansas. The Subject Well is located on an active oil and gas lease or unit consisting of the following lands: All of Section 9, Township 23 South, Range 34 West, Finney County, Kansas, containing 640 acres, more or less (the "Leased Premises").
- 4. The Subject Well was shut in and, pursuant to K.A.R. § 82-3-111, Applicant obtained temporary abandonment status, for the well on December 1, 2011. The Subject Well has maintained such status from December 1, 2011, to the present date.

- 5. On or about April 3, 2025, the Kansas Corporation Commission notified Applicant that temporary abandonment status for the subject well would be denied because the subject well had been temporarily abandoned for more than ten (10) years.
- 6. K.A.R. § 82-3-111 imposes a 10-year limitation on 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 by filing an Application with the Commission pursuant to K.A.R. § 82-3-100. Applicant seeks such an exception for the Subject Well.
- 7. The Subject Well has demonstrated mechanical integrity as evidenced by a Commission Staff-witnessed mechanical integrity test of the casing between the surface and a point within fifty (50) feet above the uppermost perforation or open hole in the well that was completed on March 20, 2025.
- 8. Applicant wishes to continue the temporary abandoned status for the Subject Well because Applicant intends to attempt to recomplete the well in the Council Grove and Chase formations and return it to production.
- 9. Application is currently evaluating the technical feasibility of recompleting and returning the Subject Well to production by adding perforations in the Council Grove formation (2682'-2694') and in the Chase formation (2520'-2529'). The Subject Well is located in Section 9-23S-34W, Finney Co., KS. The cumulative production from the Subject Well to date is 197,000 MCFD. With the additional perforations in the Council Grove and Chase and assuming current commodity pricing the economics for the work over and reactivation are favorable. Applicant currently operates two other wells in Section 9-33S-34W which are producing approximately 60 MCFD. Based on offset production, area mapping, and volumetrics, a successful recompletion of the Subject Well may add 100,000 MCF of gas reserves. The estimated cost to plug the Roth F 2-9 is

\$30.000. The estimated cost to workover and recomplete the Roth F 2-9 is \$65,000. The only work remaining to be done for the recompletion includes perforating and stimulating additional interval in the Council Grove/Chase and running new subsurface pumping equipment. Applicant will perform a casing integrity test on the Roth F 2-9 well bore to assure that the wellbore is intact and retains the mechanical integrity required for continued temporary abandoned status.

- 10. Attached to this Application as Exhibit "A" is a plat map showing the locations of all producing, injection, temporarily abandoned, abandoned, and plugged wells located on the same leased premises as the Roth F 2-9 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, subject to yearly renewal with the appropriate District Office of the Conservation Division, but without need to re-apply for a new exception each of the three (3) years asked for in this Application to the Commission.
- 12. Listed in Exhibit "B" to this Application are the names and addresses of the following persons:
 - A. Each operator of each oil and gas lease covering lands within one-half (1/2) mile radius of the Subject Well; and
 - B. Each person who owns any unleased mineral owner of record in and under any lands located within one-half (1/2) mile radius of subject well.
- 13. Notice of the filing 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 and 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 abandonment status.

David E. Bengtson

(#12184)

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Attorneys for BCE-Mach LLC

VERIFICATION

STATE OF KANSAS)
) ss: COUNTY OF SEDGWICK)
David E. Bengtson, of lawful age, being first duly sworn upon oath states:
That he is the attorney for the Applicant named in the foregoing Application and is duly authorized to make this verification; that he has read the foregoing Application and knows the contents thereof and that the facts set forth therein are true and correct to the best of his information and belief.
David E. Bengtson
SUBSCRIBED AND SWORN to before me this 23 ¹ day of July, 2025.
Notary Public
My Appointment Expires: KAY L. ADAMS Notary Public, State of Kansas

CERTIFICATE OF SERVICE

I hereby certify on this 23 day of July, 2025, 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 each of the landowner(s) and operator(s) set forth in Exhibit "B" attached to said Application filed by Applicant, and the above and foregoing original Application was uploaded to the Kansas Corporation Commission via E-filing Express to a new docket.

David E. Bengtson

EXHIBIT A

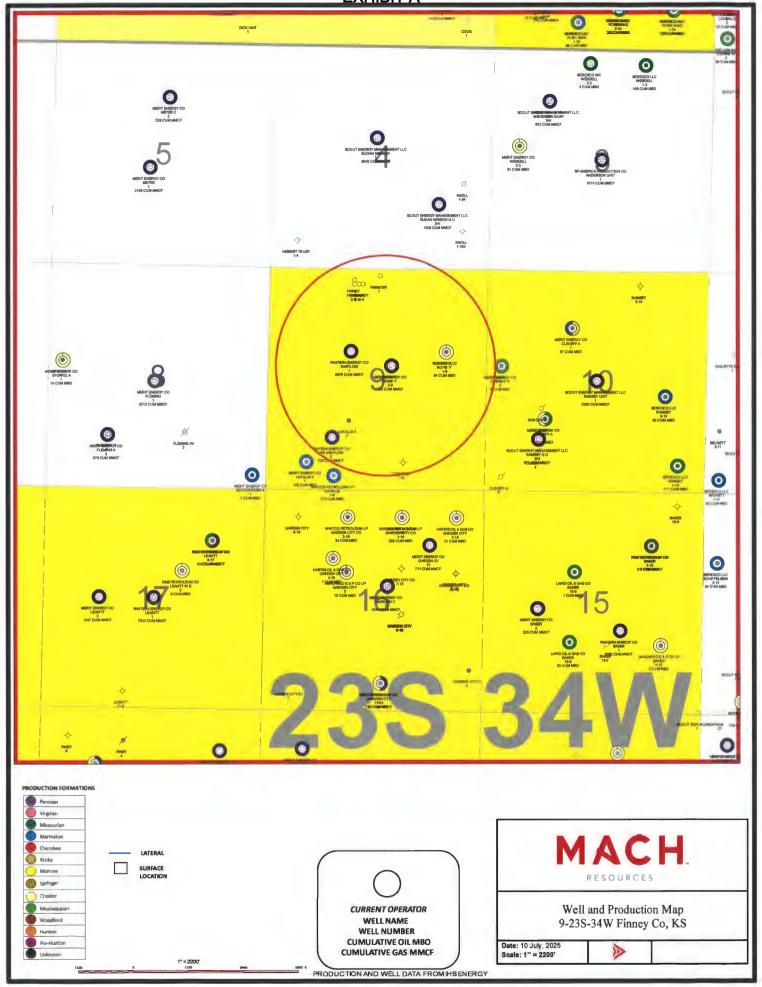


EXHIBIT B

Operators:

Section 9-23S-34W

BCE-Mach LLC

Scout Energy Management LLC 13800 Montfort Dr. Dallas, TX 75240

Section 4-23S-34W

Scout Energy Management LLC

Section 10-23S-34W

Scout Energy Management

Unleased Mineral Owners:

None