

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: Pat Apple, Chairman
Shari Feist Albrecht
Jay Scott Emler

In the matter of the Application of Wynn-Crosby
Operating, Ltd. for an exception to the 10-year
time limitation of K.A.R. 82-3-111 for its Santa
Fe Trail Unit B-1-3 in the NE/4 of Section 18,
Township 33 South, Range 40 West, Morton
County, Kansas.

Docket No. 18-CONS-3200-CEXC

CONSERVATION DIVISION

License No. : 34929

COMES NOW Wynn-Crosby Operating, Ltd. in support of its Application in the captioned matter
and states as follows:

1. Applicant is a foreign limited partnership authorized to do business in the State of
Kansas. Applicant's address is 15660 Dallas Parkway, Suite 1175, Dallas, Texas 75248.

2. Applicant has been issued by the Kansas Corporation Commission Operator's License
Number 34929, which expires on June 30, 2018.

3. Applicant is owner and operator of the Santa Fe Trail B-1-3 well, 15-129-00296 ("the
subject well"), which is located in the Northeast Quarter of Section 18, Township 33 South, Range 40
West, Morton County, Kansas. The subject well is located on an active oil and gas lease or unit
comprising the following lands:

All of Section 07, Township 33 South, Range 40 West, the South Half of the Southeast
Quarter and the Southeast half of the South Half of the Southwest Quarter of Section 7,
Township 33 South, Range 40 West, all in Morton County, Kansas, containing 760 acres,
more or less.

4. Pursuant to K.A.R. 82-3-111, the well was shut in, or Applicant obtained temporary
abandonment status, for the subject well on December 6, 2006, to the present date.

5. On or about July 18, 2017, the Kansas Corporation Commission notified applicant temporary abandonment status for the subject well would be denied from and after August 15, 2017, because subject well had been abandoned for more than ten (10) years.

6. K.A.R. 82-3-111 imposes a 10-year limitation to 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 through an Application filed with the Commission pursuant to K.A.R. 82-3100. Applicant seeks such an exception.

7. On October 16, 2017, the subject well passed 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.

8. Applicant wishes to continue TA status for the subject well, because applicant intends to use the well for the following purpose:

Utilize the five wells remaining within the Santa Fe Trail B Unit to reactivate secondary recovery through water injection or to initiate tertiary recovery through CO2 injection into the reservoir.

9. Applicant submits the following information regarding the well in support of this application:

- a. There are five remaining unplugged wells in the Santa Fe Trail B Unit,
- b. The estimated cost to plug the well is \$38,000,
- c. There are currently no wells producing within the unit,
- d. Anticipated recoverable reserves by tertiary recovery is 354 MBO based upon 50% of volume produced by primary and secondary methods,
- e. The subject well is equipped with cast iron bridge plug with 5 sacks sand on top to facilitate mechanical integrity tests, and

- f. A rough estimate to initiate CO₂ injection into the reservoir is \$350M to \$1MM depending on availability of a reliable source of CO₂.

10. Applicant has included a plat map showing the location of all producing, injection, temporarily abandoned, abandoned, and plugged well located on the same leased premises as the subject 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. Applicant understands that the exception would be valid for three (3) years, but Applicant would still need to apply annually to the Conservation Division District Office for approval of an application for temporary abandonment status.

12. Listed in the attached Exhibit "A" are the name and addresses of the following persons:

- A. Each operator of each oil and gas lease covering land within one-half (1/2) mile radius of the subject well; and
- B. Each person who owns any mineral interest of record in and under any lands located within one-half (1/2) mile of the subject well (provided that such mineral interest is not covered by any oil and gas lease).

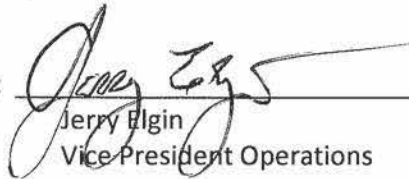
13. Notice of this Application will be published pursuant to K.A.R. 82-3-135a. In addition, notice of the hearing to be held in this matter will be provided as prescribed by K.A.R. 82-3-135.

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, to 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 abandoned status.

Respectfully Submitted,

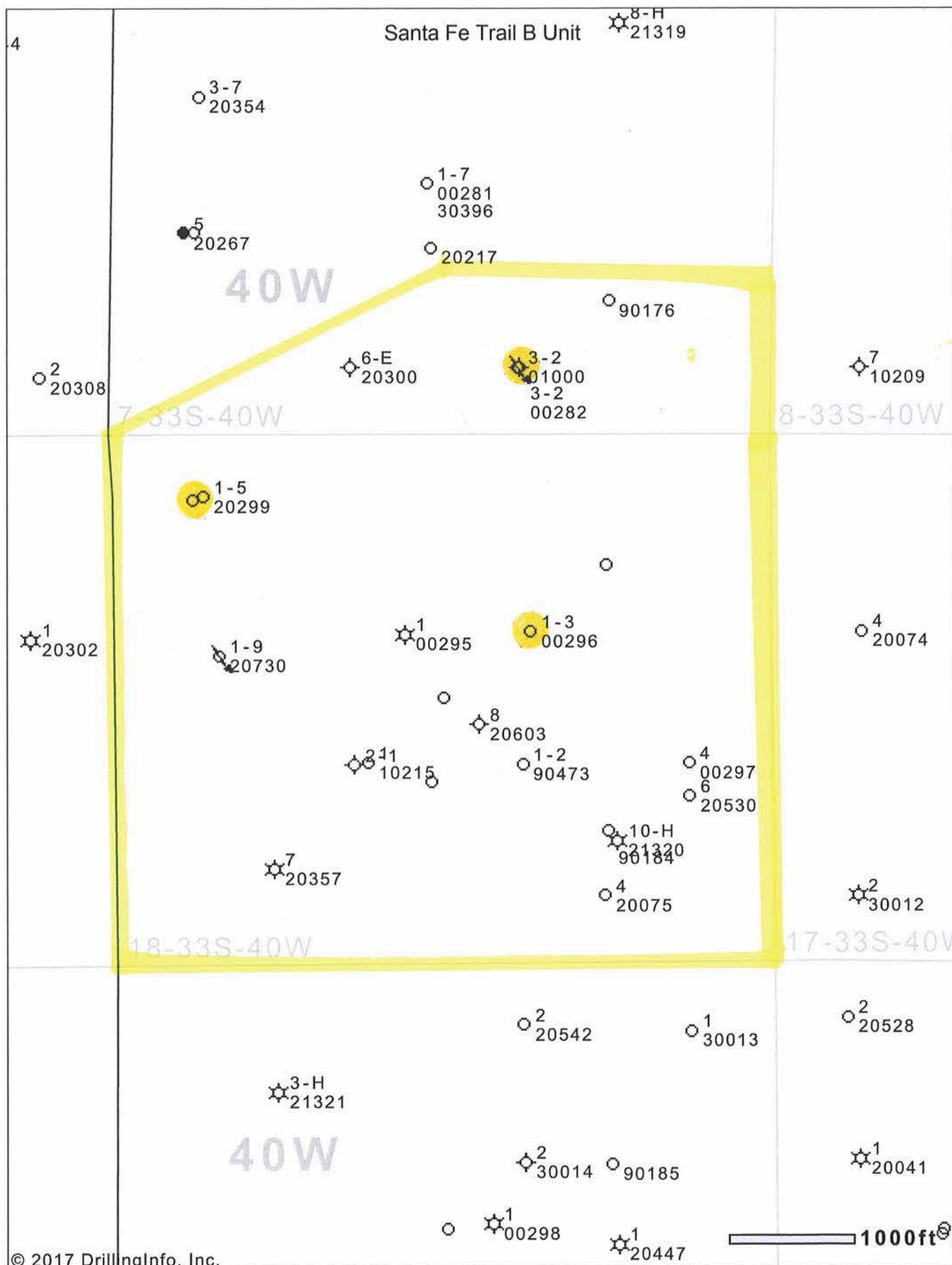
Wynn-Crosby Operating, Ltd.
15660 Dallas Parkway, Suite 1175
Dallas, TX 75248
Phone: (972) 380-5500
Fax: (972) 380-9570

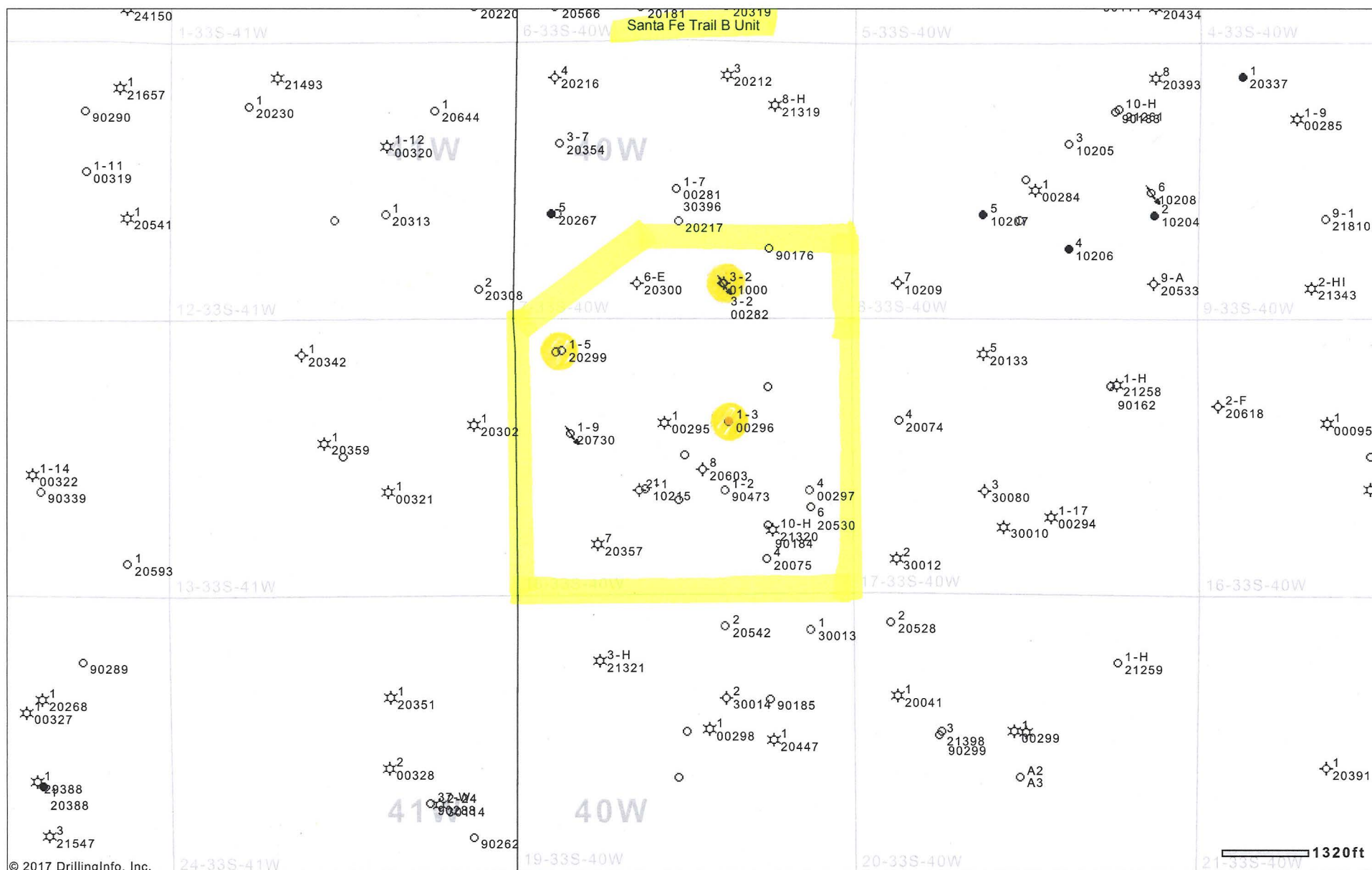
By:


Jerry Elgin
Vice President Operations

CERTIFICATE OF SERVICE

I hereby certify on this 31st Day of October, 2017, 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 the landowners and each party set forth in Exhibit "A" attached to said application filed by Applicant, and the original was filed with the Kansas Corporation Commission through the Kansas Corporation Commission E-Filing System.





**WELLS ON LEASE
SANTA FE TRAIL B UNIT
MORTON COUNTY, KANSAS**

<u>API Number</u>			<u>Section-Township-Range</u>					<u>Operator</u>	<u>Well Name & Number</u>	<u>Current Status</u>	<u>Status Date</u>
15	129	20300	SE	SW	7	33S	40W	Anadarko Production Co.	USA Low E-6	P&A	07/16/10
15	129	20299	NW	NW	18	33S	40W	Wynn-Crosby Operating, Ltd.	Santa Fe Trail B-1-5	Inactive Oil	04/22/95
15	129	20730	SW	NW	18	33S	40W	Wynn-Crosby Operating, Ltd.	Santa Fe Trail B-1-9	P&A	12/11/15
15	129	00295	SE	NW	18	33S	40W	Merit Energy Company, LLC	Low #1	Active Gas	
15	129	20075	C	S/2	18	33S	40W	Anadarko Production Co.	Low D-4	P&A	10/24/89
15	129	20530	NE	SE	18	33S	40W	Anadarko Production Co.	Low D-6	P&A	06/14/02
15	129	20603	NW	SW	18	33S	40W	Anadarko Production Co.	Low D-8	P&A	01/06/82
15	129	10215	NE	SW	18	33S	40W	Wynn-Crosby Operating, Ltd.	Santa Fe Trail B-2-1	Inactive Oil	06/07/15
15	129	00297	NE	SE	18	33S	40W	Wynn-Crosby Operating, Ltd.	Santa Fe Trail B-1-2	Inactive EOR	12/31/04
15	129	00282	SW	SE	7	33S	40W	Wynn-Crosby Operating, Ltd.	Santa Fe Trail B-3-2	Inactive EOR	10/05/93
15	129	00296	SW	NE	18	33S	40W	Wynn-Crosby Operating, Ltd.	Santa Fe Trail B-1-3	Inactive Oil	12/06/06
15	129	20357	S/2	SW	18	33S	40W	Merit Energy Company, LLC	Low D-7	Active Gas	

EXHIBIT A

IMPACTED PARTIES

OFFSET OPERATORS AND UNLEASED MINERAL OWNERS

Merit Energy Company, LLC
13727 Noel Road, Suite 1200
Dallas, Texas 75240

Bear Petroleum, LLC
P. O. Box 438
Haysville, Kansas 67060

No known unleased mineral owners

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the matter of the Application of Wynn-Crosby Operating, Ltd. for an exception to the 10-year time limitation of K.A.R. 82-3-111 for certain wells located in its Santa Fe Trail A Unit and Santa Fe Trail B Unit in Sections 6, 7, and 18 of Township 33 South, Range 40 West and Section 12 of Township 33 South, Range 41 West, Morton County, Kansas.

Docket No. Pending

CONSERVATION DIVISION

License No. 34929

NOTICE OF FILING APPLICATION

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS:

ALL OIL AND GAS PRODUCERS, UNLEASED MINERAL INTEREST OWNERS
LANDOWNERS, AND ALL CONCERNED PERSONS:

YOU, and each of you, are hereby notified that Wynn-Crosby Operating, Ltd. has filed an Application with the State Corporation Commission for an exception to the 10-year time limitation of K.A.R. 82-3-111 during which wells may be temporarily abandoned for certain wells located within its Santa Fe Trail A Unit and Santa Fe Trail B Unit located in Sections 6, 7, and 18 of Township 33 South, Range 40 West, and Section 12 of Township 33 South, Range 41 West of Morton County, Kansas.

You are further notified that unless written protest is received by the State Corporation Commission within fifteen (15) days of publication of this Notice, the Application may be granted administratively. Any such protests should be mailed to the State Corporation Commission of the State of Kansas, Conservation Division, 130 South Market, Room 2078, Wichita, Kansas 67202, and to the Applicant at the address below.

All persons interested or concerned shall take notice of the foregoing and shall govern themselves accordingly.

Wynn-Crosby Operating, Ltd.
15660 Dallas Parkway
Suite 1175
Dallas, Texas 75248
(972) 380-5500

Sent to *The Wichita Eagle* and the *Elkhart Tri State News* on October 30, 2017 for publication at earliest date possible.