THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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Before Commissioners:

Shari Feist Albrecht, Chair Jay Scott Emler Pat Apple

In the matter of the application of Berexco LLC for a third exception to the 10-year time limitation of K.A.R. 82-3-111 for its Hicks "A" #1-6 well located in the NE NE NW of Sec 6, T34S, R38W Stevens County, Kansas Docket No. 18-CONS-<u>3336</u>-CEXC

CONSERVATION DIVISION

License No.: 34318

APPLICATION

COMES NOW Berexco LLC ("Applicant") in support of its Application in the captioned matter states as follows:

1. Applicant is a corporation authorized to do business in the State of Kansas. Applicant's address is 2020 No Bramblewood, Wichita, Kansas 67206.

2. Applicant has been issued by the Kansas Corporation Commission Operator's License #34318, which expires on October 30, 2018.

3. Applicant is the owner and operator of the Hicks "A" #1-6 well, API #15-189-22031-00-00 which is located in the Northeast of the Northeast of the Northwest Quarter of Section 6, Township 34 South, Range 38 West, Stevens County, Kansas. The subject well is located on an active oil and gas lease or unit comprising the following lands:

NW/4 of Section 6, Township 34 South, Range 38 West, Stevens County, Kansas.

4. Pursuant to K.A.R. 82-3-111, Applicant obtained temporary abandonment status for the Hicks "A" #1-6 well on March 18, 2000. The subject well has maintained such status from March, 2000, to the present date.

5. On or about August 10, 2011, the Kansas Corporation Commission notified Applicant that temporary abandonment status for the subject well would be denied from and after August 10, 2011, because the subject well had been temporarily abandoned for more than ten (10) years. Operator filed for, and received, an exception to K.A.R. 82-3-111 on December 8, 2011.

6. On or about October 31, 2014, the KCC notified operator that the three year exception to K.A.R. 82-3-111 was expiring December 7, 2014. Operator filed for, and received, an exception to K.A.R. 82-3-111 on February 26, 2015.

7. The three year exception to K.A.R. 82-3-111 expires February 26, 2018. K.A.R. 82-3-111 provides for an additional exception to be obtained through an application filed with the Commission. Operator seeks such an exception.

8. The subject well demonstrated mechanical integrity as evidenced by a shut-in pressure of 510 psig on the tubing-casing annulus taken February 6, 2018.

9. Operator is planning to return the well to production. The well appeared to be watered out when it was shut down March, 2000. Based on the current shut-in pressure of 510 psig and a fluid level in the casing at the depth of the perforations at 6218-26', there appears to be gas reserves remaining to be produced. Estimated remaining reserves are 50 to 100 MMCF. Cost to plug and abandon this well is \$20,000.

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10. Operator has included a plat map showing the locations of all producing, injection, temporarily abandoned, abandoned, and plugged wells located on the same leased premises as the subject well.

11. Based on the foregoing, Operator requests the Commission grant an additional exception to the 10 year limitation, specifically to allow the subject well to remain eligible for temporary abandonment status for the three (3) years following the expiration of the 10 year limitation, subject to yearly renewal with the appropriate Conservation Division District, but without further need to re-apply for a new exception each of the three (3) years prayed for in this application to the Commission.

12. Listed in the attached Exhibit "A" 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 mineral interest of record in and under any lands located within one-half (1/2) mile radius of the subject well (provided that such mineral interest is not covered by any oil and gas lease).

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.

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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 a third 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 abandonment status.

Respectfully Submitted,

Brett Blazer 2020 No Bramblewood Wichita, KS 67206 316-265-3311 Fax #316-681-4722

By: Bett Bh

Signature of Submitter

VERIFICATION

STATE OF KANSAS)) s COUNTY OF SEDGWICK)

ss:

Brett Blazer, of lawful age, being first duly sworn, upon oath states:

That he has the authority on behalf of Operator to file this application, has read the application, knows the contents, and knows all of the statements in the application are true and correct.

Bett MAL

Signature of Submitter

Subscribed and sworn to before me this _26th_ day of __February____, 2018.

A JANICE M. SCHRADER Notary Public - State of Kansas My Appt. Expires 04-09-3019

Janic M. Schrader Notary Public

My appointment expires:

CERTIFICATE OF SERVICE

I hereby certify on this _26th_ day of __February___, 2018, true and correct copies of the above and foregoing Application and the Notice of Application were served by depositing copies of the same in the United States Mail, postage prepaid, and properly addressed to the landowner/s set forth in paragraph 12 of said Application and each party set forth in Exhibit "A" attached to said Application filed by Operator, and a digital scan of the application was delivered electronically to the Kansas Corporation Commission.

Rett BL Name of Signed

EXHIBIT A

Operator – NE/4 and S/2 Sec. 6-34S-38W (rts. below Permian) Berexco LLC 2020 N. Bramblewood Wichita, KS 67206

<u>Operator – S/2 Sec. 6-34S-38W (surface-base/Permian)</u> NE/4 Sec. 1-34S-39W (surface-base/Permian)

ExxonMobil Corporation c/o XTO Energy Inc. 810 Houston St. Fort Worth, TX 76102

Lessee - SE/4 Sec. 36-33S-39W (rts. below Permian)

<u>NE/4 Sec. 1-34S-39W (rts. below Permian</u> ExxonMobil Corporation AS ABOVE

Operator – S/2 Sec. 31-33S-38W (surface-base/Permian) SE/4 Sec. 36-33S-39W (surface-base/Permian) Merit Energy Company, LLC 13727 Noel Road, Suite 500 Dallas, TX 75240

Lessee – S/2 Sec. 31-33S-38W (rts. below Permian)

Merit Energy Company, LLC AS ABOVE

BEREXCO LLC

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS NOTICE OF FILING APPLICATION

RE: BEREXCO LLC - - Application for an exception to the 10 year time limitation of K.A.R. 82-3-111 for the Hicks "A" #1-6, located in Stevens County, Kansas.

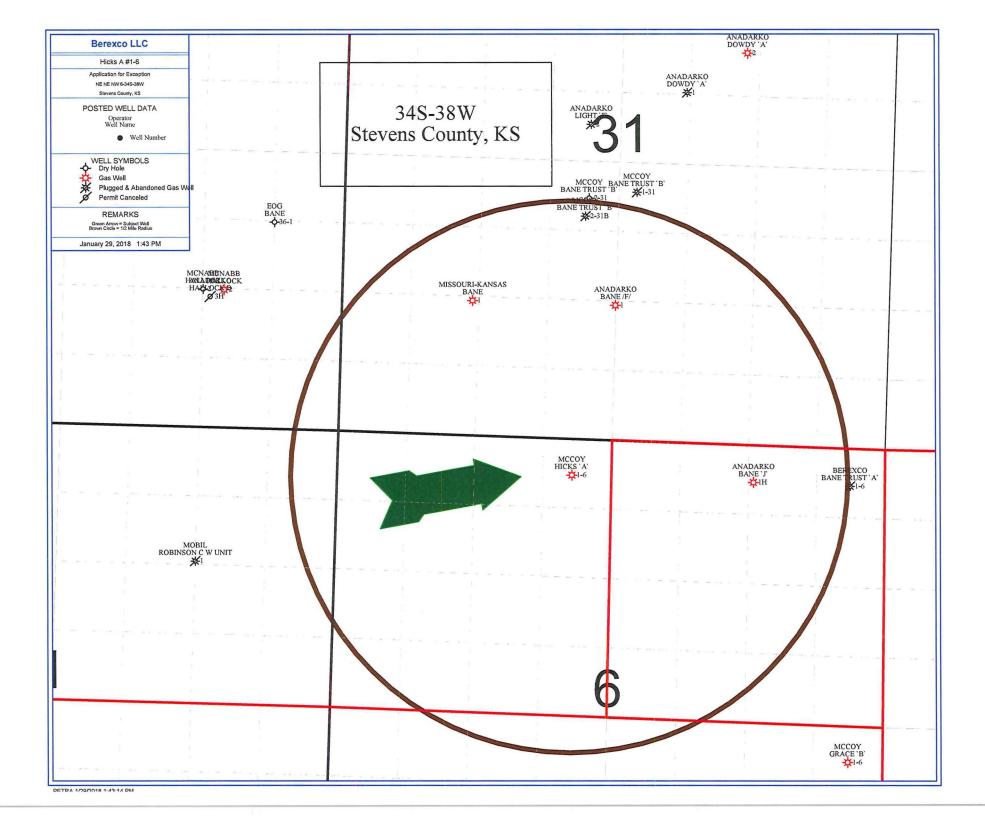
TO: All Oil & Gas Producers, Unleased Mineral Interest Owners, Landowners, and all persons whomever concerned.

You, and each of you, are hereby notified that Berexco LLC has filed an application for an exception to the 10 year time limitation of K.A.R. 82-3-111 for the Hicks "A" #1-6, located in the NE NE NW of Section 6-34S-38W, Stevens County, Kansas.

Any persons who object to or protest this application shall be required to file their objections or protest with the Conservation Division of the State Corporation Commission of the State of Kansas within fifteen (15) days from the date of this publication. These protests shall be filed pursuant to Commission regulations and must state specific reasons why the grant of the application may cause waste, violate correlative rights or pollute the natural resources of the State of Kansas.

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

BEREXCO LLC 2020 No Bramblewood Wichita, Kansas 67206 316-265-3311



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LEGAL PROOF OF PUBLICATION

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| 455429 | 0003483883 | Published in the Wichita Eagle January 19, 2018 | | \$152.80 | 1 | 42 |
| Attention: brett blazer BEREXCO LLC 2020 NO. BRAMBLEWOOD WICHITA, KS 67206 | | | In The STATE OF KANSAS In and for the County of Sedgwick AFFIDAVIT OF PUBLICATION 1 Insertions | | | |
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| Decomposition of the state of karasses Berger of karasses | | Published in the Wichila Eagle January 19, 2018 (448283) BEREXCOLLC CORE THE STATE CORPORATION MISSION OF THE STATE OF KANSAS DTICE OF FILING APPLICATION XCOLLC Application for an exception to Time limitation of K.A.R. 82-3-111 for the 1-6, tocated in Stevens County, Kansas. Gas Producers, Unleased Alineral Interest andowners, and all persons whomever chof you, are hereby notified hat Berexco ed an application for an exception to the el limitation of K.A.R. 82-3-111 for the 1-6, tocated in the NE NE NW of Section Stevens County, Kansas. who object to or protest this application ired to file their objections or protest with alton Division of the State Corporations of the State of Kansas within Mitten (15)" e date of this publication. These protests of pursuant to commission regulations te specific reasons why the grant of the ay cause waste, violate correlative rights andural resources of the State of Kansas rerested or concerned shall take notice of wichila, Kansas State | sworn, depo Record Clerk newspaper p County of S having a gen basis in newspaper uninterruptedly more than publication mentioned, a been entered at the United Kansas, and trade, religion that a notic attached was entire Mornin Eagle from 1/1 | Sedgwick) of lawful ag seth and s of The Wick ublished in the edgwick, Stat heral paid cirr said Count has been y published in one year p of the n nd which said states Post which said n us or fratem e of a true published in g issue of 9/2018 to 01/19 declare) und e foregoing is tr | aith: Tha hita Eagle he City o e of Kar culation o ty, which continuou n said C orior to otice h id newsp class ma coffice ir ewspaper al publica e copy the reg said The /2018. | at he is e, a daily of Wichita, nsas, and n a daily ch said usly and county for the first ereinafter haper has ail matter n Wichita, is not a ation and is hereto gular and e Wichita |

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PUBLIC NOTICE

(First published in The Hugoton Hermes, Thursday, January 18, 2018) 11

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> BEREXCO LLC 2020 No Bramblewood Wichita, Kansas 67206 316-265-3311

AFFIDAVIT OF PUBLICATIONS

STATE OF KANSAS, STEVENS COUNTY, ss

Faith Publishing LLC, being first duly sworn, deposes and says: That they are Publisher of the Hugoton Hermes, a weekly newspaper printed in the State of Kansas, and published in and of general circulation in Stevens County, Kansas, with a general paid circulation on a weekly basis in Stevens County, Kansas, and that said newspaper is not a trade, religious or fraternal publication.

..Said newspaper is a weekly, published at least weekly 50 times a year; has been so published continuously and uninterruptedly in said county and state for a period of more than five years prior to the first publication of said notice; and has been admitted at the post office of Hugoton in Said County as second class matter.

...That the attached notice is a true copy thereof and was published in the regular and entire issue of said newspaper for ______ consecutive weeks, the first publication thereof being made as aforesaid on the day of

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Judge