BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the matter of the application of Berexco)	Docket No. 20-CONS- 3149 -CEXC
LLC for an exception to the 10-year)	
time limitation of K.A.R. 82-3-111 for its)	
Buehler #3 well located in)	CONSERVATION DIVISION
the NW SW NE of Sec 18, T16S, R10W)	
Ellsworth County, Kansas.)	
	_)	License No.: 34318

APPLICATION

COMES NOW Berexco LLC ("Operator") for its application in the captioned matter states as follows:

- 1. Operator is a limited liability company authorized to do business in the State of Kansas. Operator's address is 2020 North Bramblewood, Wichita, Kansas 67206.
- 2. Operator has been issued by the Kansas Corporation Commission Operator's License #34318, which expires on October 30, 2020.
- 3. Operator is the owner and operator of the Buehler #3 well, API #15-053-20374-0000 which is located in the Northwest Quarter of the Southwest Quarter of the Northeast Quarter of Section 18, Township 16 South, Range 10 West, Ellsworth County, Kansas. The subject well is located on an active oil and gas lease comprising the following lands: The South Half of the Northeast Quarter of Section 18, Township 16 South, Range 10 West, Ellsworth County, Kansas.
- 4. Pursuant to K.A.R. 82-3-111, Operator obtained temporary abandonment status for the Buehler #3 on June 1, 1998. The subject well has maintained such status from June 1998 to the present date.

- 5. On or about November 19, 2018, the Kansas Corporation Commission notified Operator 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 and the 10-year limitation exception was expiring on or about November 10, 2019.
- 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 regulations through an application filed with the Commission pursuant to K.A.R. 82-3-100. Operator seeks such an exception.
- 7. The subject well demonstrated mechanical integrity as evidenced by passage of Commission Staff-witnessed mechanical integrity test on or about November 06, 2019.
- 8. Operator is keeping the subject well for potential use as a salt water disposal well. The subject well should not be plugged to prevent economic waste associated with re-drilling for future needs as a disposal well. Estimated cost to plug this well is \$20,000. The cost to restore the well to disposal capability is estimated to be \$90,000. Production from the Buehler Lease is around 4 BOPD with potential reserves estimated at 22,000 barrels of oil.
- 9. Operator has included a plat map showing the locations of all producing, injection, saltwater disposal, temporarily abandoned, and plugged wells located on the same leased premises as the subject well. There is one active producing well, one active disposal well, and the subject well on the lease.
- 10. Based on the foregoing, Operator 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 the three (3) years following the expiration of the 10-year limitation. Operator understands that the exception would be valid for three (3) years, but Operator would

still need to apply annually to the Conservation Division District Office for approval of an application for temporary abandonment status.

- 11. 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).
- 12. Notice of this application has been 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 abandonment status.

Respectfully Submitted,

Jonathan Hayward 2020 N. Bramblewood Wichita, KS 67206 316-265-3311 Fax #316-681-4766

By: Signature of Submi

CERTIFICATE OF SERVICE

I hereby certify on this <u>I</u> day of <u>November</u>, 2019, true and correct copies of the attached Notice of Filing Application were served by depositing copies of the same in the United States Mail, postage prepaid, and properly addressed to each of the unleased mineral owner(s) and operator(s) set forth in Exhibit "A" attached to said Application filed by Operator, and the above and foregoing original Application was uploaded to the Kansas Corporation Commission via E-filing Express to a new docket.

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EXHIBIT A

Buehler #3 notice area

The Buehler lease covers the S/2 NE/4 Sec. 18-16S-10W, Ellsworth County, Kansas.

<u>Unleased mineral owner – S/2 S/2 Sec. 7-16S-10W</u>

Ernest D. Jezek Living Trut Lisa Jezek Living Trust 1646 4th Road Holyrood, KS 67450

<u>Operator – W/2 NW/4 Sec. 17; NW/4 and S/2 NE/4 Sec. 18-16S-10W</u> <u>Leasehold owner – N/2 NE/4 Sec. 18-16S-10W</u>

Berexco LLC 2020 N. Bramblewood Wichita, KS 67206

<u>Unleased mineral owner – W/2 SW/4 Sec. 17-16S-10W</u>

BarbaraLee Horejsi, Valaurielee Horejsi, Alfred J. Horejsi, and Harold A. Stoltenberg 5037 W. 22nd St. Topeka, KS 66614

Operator – **SE/4 Sec. 18-16S-10W**

L.B. Exploration, Inc. 2135 2nd Road Holyrood, KS 67450-9021

<u>Unleased mineral owner – N/2 SW/4 Sec. 18-16S-10W</u>

Douglas J. Vlcek P. O. Box 548 Wilson, KS 67490

<u>Unleased mineral owner – SE/4 SW/4 Sec. 18-16S-10W</u>

Roland K. Buehler Revocable Living Trust 2322 Combine St.
East Wenatchee, WA 98802

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 Buehler #3 well, located in Ellsworth 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 a three year exception to the 10 year temporarily abandoned time limitation of K.A.R. 82-3-111 for the Buehler #3 well located in the NW SW NE of Section 18-16S-10W, Ellsworth 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 N. Bramblewood Wichita, Kansas 67206 316-265-3311

