SEP 2 5 2014

CONSERVATION DIVISION WICHITA, KS THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Shari Feist Albrecht, Chairman Jay Scott Emler Pat Apple

In the matter of a second application of) Berexco LLC for an exception to the 10-year) time limitation of K.A.R. 82-3-111 for its) Cutter #3 well located in the NE SE) of Sec 1, Township 31 South, Range) 35 West, Stevens County, Kansas) Docket No. 14-CONS-258-CEXC

CONSERVATION DIVISION

License No.: 34318

APPLICATION

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

1. Operator is a corporation authorized to do business in the State of Kansas.

Operator's address is 2020 No Bramblewood, Wichita, Kansas 67206.

2. Operator has been issued by the Kansas Corporation Commission Operator's License #34318, which expires on October 30, 2014.

3. Operator is the owner and operator of the Cutter #3 well, API #15-189-10022-00-00

which is located in the Northeast Quarter of the Southeast Quarter of Section 1, Township 31 South, Range 35 West, Stevens County, Kansas. The subject well is located on an active oil and gas lease comprising the following lands:

Cutter Lease – East Half of Section 1, Township 31 South, Range 35 West, Stevens County, Kansas, containing 320 acres, more or less ("leased premises").

2014.09.25 13:07:14 Kansas Corporation Commission /S/ Thomas A. Day 4. Pursuant to K.A.R. 82-3-111, Operator obtained temporary abandonment status for the subject well in May, 1997. The subject well has maintained such status from that date to the present date.

5. On or about December 10, 2009, 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. Operator filed for, and received, approval for an exception to K.A.R. 82-3-111 on September 28, 2011.

6. On or about July 29, 2014, the Kansas Corporation Commission notified operator that the 3 year exception to K.A.R. 82-3-111 was expiring September 29, 2014.

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.

7. The subject well demonstrates mechanical integrity as evidenced by a mechanical integrity test taken and passed by Kansas Corporation Commission field personnel on August 14, 2014.

8. Operator is holding the subject well for future conversion to a salt water disposal well for the Cutter lease. Estimated cost to convert to SWD is \$45,000. Estimated cost to plug and abandon this well is \$14,000.

9. 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.

10. 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 September 29, 2014

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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.

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 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, Operator prays that this matter be set for hearing, and upon hearing, that the Commission grant Operator's request for a second exception to the 10-year limitation during which well may be temporarily abandoned pursuant to K.A.R. 82-3-111 so as to allow the subject well to remain temporarily abandoned for three (3) years following the September 29, 2014 expiration of the first exception to 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.

Respectfully Submitted,

Evan C. Mayhew Berexco LLC 2020 No Bramblewood Wichita, KS 67206 316-265-3311 Fax #316-681-4712

By: <u>Good</u> <u>(Marchander</u> Signature of Submitter

VERIFICATION

STATE OF KANSAS)) SS: COUNTY OF SEDGWICK

Evan C. Mayhew, 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.

Evon Wwy Signature of Submitter

Subscribed and sworn to before me this $\underline{24}$ day of <u>September</u>, 2014.

Alphifer Warren Notary Public

My appointment expires: 10-03-2016



CERTIFICATE OF SERVICE

I hereby certify on this $24 \pm day$ of September 2014, 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 11 of said Application and each party set forth in Exhibit "A" attached to said Application filed by Operator, and the original and seven (7) copies were delivered to the Kansas Corporation Commission.

Evan Mayhew

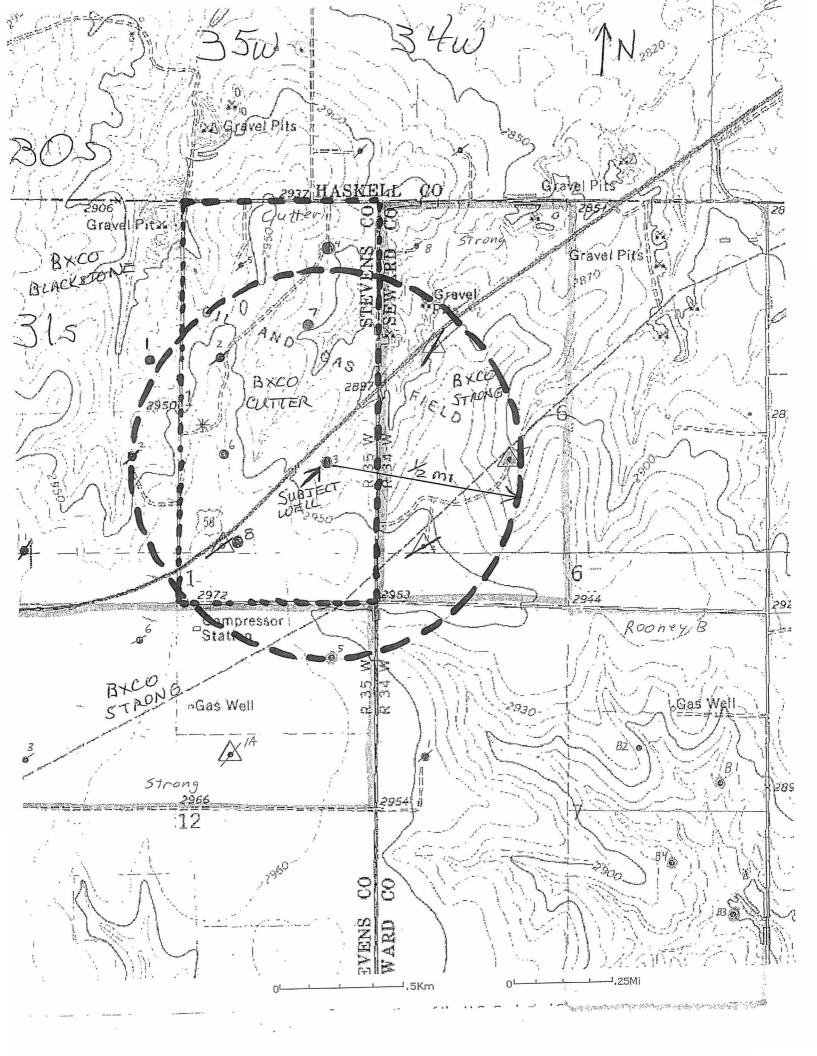


EXHIBIT A

Linn Energy 14000 Quail Springs Pkwy Oklahoma City, OK 73134

Cimarex Energy Company 15 East 5th St, Suite 1000 Tulsa, OK 74103

BEREXCO, LLC

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

RE: BEREXCO, LLC. - - Application for a second exception to the 10 year time limitation of K.A.R. 82-3-111 for the Cutter #3 well, 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 Cutter #3 well located in the NE SE of Section 1-31S-35W, 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 N. Bramblewood Wichita, Kansas 67206 316-265-3311