THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Dwight D. Keen, Chair
	Shari Feist Albrecht

Susan K. Duffy

In the matter of the application of Prairie)	Docket No. 20-CONS-3045-CEXO
Energy, LC (Operator) for an exception to		
the 10-year time limitation of K.A.R. 82-3-)	CONSERVATION DIVISION
111 for its Snell #2 gas well located in the)	
SW/4 of Section 35, Township 22 South,)	License No. 6067
Range 38 West, Kearny County, Kansas.)	

ORDER GRANTING APPLICATION

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined its files and records, and being duly advised in the premises, the Commission makes the following findings:

I. JURISDICTION

- 1. The Commission has the exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.¹
- 2. Pursuant to K.A.R. 82-3-111(b), a well shall not be eligible for Temporary Abandonment (TA) status if the well has been shut in for 10 years or more without an application for an exception pursuant to K.A.R. 82-3-100 and approval by the commission.
 - 3. K.A.R. 82-3-100(b) states:

An exception to the requirements of any regulation in this article may be granted by the commission, after considering whether the exception will prevent waste, protect correlative rights, and prevent pollution. Each party requesting an exception shall file an application with the conservation division. The applicant shall publish notice of the application pursuant to K.A.R. 82-3-135a and notice of any hearing pursuant to K.A.R. 82-3-135.

¹ K.S.A. 74-623.

II. FINDINGS OF FACT

- 4. The Commission finds Prairie Energy, LC (Operator) conducts oil and gas activities in Kansas under active license number 6067.
- 5. The Commission finds Operator filed an Application requesting an exception to the 10-year limit on TA status for the Snell #2 ("the subject well"), API #15-093-20658-00-00.
- 6. The Commission finds Operator has verified notice was properly served and published, as required under K.A.R. 82-3-135a, at least 15 days before the issuance of this Order.
- 7. The Commission finds no protest to Operator's Application was filed pursuant to K.A.R. 82-3-135b.
- 8. The Commission finds Operator successfully tested the subject well for mechanical integrity on July 23, 2019.

III. CONCLUSIONS OF LAW

- 9. Pursuant to K.S.A. 74-623(a), the Commission shall have the exclusive jurisdiction and authority to regulate oil and gas activities. Likewise, pursuant to K.S.A. 55-152, the Commission shall adopt such rules and regulations for the construction, operation and abandonment of any well and the protection of the usable water of this state from any actual or potential pollution from any well. As such, the Commission concludes it has jurisdiction over Operator and this matter.
- 10. The Commission concludes Operator's Application was filed in accordance with the rules and regulations of the Commission and in accordance with Kansas statutes.
 - 11. The Commission concludes that notice was properly served and published.
- 12. The Commission concludes the Application provided by Operator, satisfaction of notice requirements, and results from Operator's mechanical integrity test are sufficient to support approval of Operator's Application.

13. Based on the above facts the Commission concludes the Application should be granted to prevent waste and protect correlative rights, and prevents pollution as there is no present threat to fresh and usable water.

THEREFORE, THE COMMISSION ORDERS:

- A. Operator's Application for an exception to the 10-year limit on TA status for the subject well is granted for three years, calculated from the date the Application was filed. In this matter, the date the Application was filed is August 6, 2019.
- B. Operator must file an annual TA form for the subject well. The first TA form shall be filed within 30 days.
- C. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).²

BY THE COMMISSION IT IS SO ORDERED.

Keen, Chair; Albrecht, Commissioner; Duffy, Commissioner

Date: 09/19/2019	Lynn M. Keg
Date Mailed:09/19/2019	Lynn M. Retz Executive Director
REV/jmg	

 $^{^2 \}text{ K.S.A. } 55\text{-}162; \text{ K.S.A. } 55\text{-}606; \text{ K.S.A. } 55\text{-}707; \text{ K.S.A. } 77\text{-}503(c); \text{ K.S.A. } 77\text{-}531(b).$

CERTIFICATE OF SERVICE

20-CONS-3045-CEXC

I, the undersigned, certify that a true copy of the attached Order h	nas been served to the following by means of
first class mail and electronic service on09/19/2019	.
SCOTT ALBERG, DISTRICT #1 SUPERVISOR KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 Fax: 785-271-3354 s.alberg@kcc.ks.gov	MICHAEL GLAMANN, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION CENTRAL OFFICE 266 N. MAIN ST, STE 220 WICHITA, KS 67202-1513 Fax: 785-271-3354 m.glamann@kcc.ks.gov
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