BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the matter of the application of Berexco)	22-CONS-3100-CEXC Docket No. 21-CONSCEXC
LLC for an exception to the 10-year)	
time limitation of K.A.R. 82-3-111 for its)	
Grace B #2-10 well located in the)	CONSERVATION DIVISION
SE NE SE of Sec 10, T34S, R38W)	
Stevens County, Kansas)	
		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 N. Bramblewood, Wichita, Kansas 67206.
- 2. Applicant has been issued by the Kansas Corporation Commission Operator's License #34318, which expires on October 30, 2021.
- 3. Applicant is the owner and operator of the Grace B #2-10 well, API #15-189-22609-00-00 which is located in the Southeast of the Northeast of the Southeast Quarter of Section 10, 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:

SE/4 of Section 10 and S/2 of Section 6 and Township 34 South, Range 38 West and SE/4 of Section 1, Township 34 South, Range 39 West, Stevens County, Kansas.

- 4. Pursuant to K.A.R. 82-3-111, Applicant obtained temporary abandonment status for the Grace B #2-10 well on March 11, 2008. The subject well has maintained such status from March, 2008, to the present date.
- 5. On June 26, 2018, the Kansas Corporation Commission denied Applicant's request for temporary abandonment status for the subject well because it had been temporarily abandoned for more than ten (10) years. 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.
- 6. On or about June 28th, 2021 the Kansas Corporation Commission notified Operator that the 3 year exception to K.A.R. 82-3-11 was expiring August 23rd, 2021. 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 has demonstrated mechanical integrity, as evidenced by passage of a mechanical integrity test done August 12, 2021, which was witnessed by a member of the Kansas Corporation Commission staff.
- 8. Operator is keeping the well for use as a saltwater disposal well for its nearby producing leases. Estimated cost to convert to SWD is \$60,000. Cost to plug and abandon this well is \$25,000.
- 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 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.

- 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, 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,

Nick Broyles 2020 N. Bramblewood Wichita, KS 67206 316-265-3311 Fax #316-681-4751

Signature of Submitter

VERIFICATION

STATE OF KANSAS)	
)	SS:
COUNTY OF SEDGWICK)	

Nick Broyles, of lawful age, being first duly sworn, upon oath states:

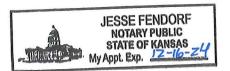
That he has the authority on behalf of Operator to file this application, has read the application, knows the contents, and knows all of the statements in the application are true and correct.

Signature of Submitter

Subscribed and sworn to before me this _23th_ day of __August_____, 2021.

Notary Public

My appointment expires:



CERTIFICATE OF SERVICE

I hereby certify on this _23th_ day of __August___, 2021, 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.

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EXHIBIT A

Operator – SE/4 Sec. 10-34S-38W (rts. below Permian)

Berexco LLC 2020 N. Bramblewood Wichita, KS 67206

Operator – All Sec. 10; W/2 Sec. 11; NW/4 Sec. 14-34S-38W (surface-base/Permian)

Scout Energy Management, LLC 13800 Montfort Drive, Suite 100 Dallas, TX 75240

Operator - N/2 Sec. 10-34S-38W; NW/4 Sec. 14-34S-38W (below base/Permian)

Exxon/Mobil Oil Corporation c/o XTO Energy, Inc. 210 Park Avenue, Suite 2350 Oklahoma City, OK 73102

<u>Unleased mineral owner – NW/4 Sec. 11-34S-38W (below base/Permian)</u>

Richard M. & Patty J. Brooks 6083 N. Alaska Drive Duncan, OK 73533-8210

<u>Operator – SW/4 Sec. 10-34S-38W (below base/Permian); NE/4 Sec. 15-34S-38W (all rights)</u>

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

Operator – W/2 Sec. 11-34S-38W

Palmer Oil, Inc. P. O. Box 399 Garden City, KS 67846

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 Grace B #2-10, 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 Grace B #2-10, located in the SE NE SE of Section 10-34S-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 N. Bramblewood Wichita, Kansas 67206 316-265-3311

