BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the matter of the Application of TGT)	Docket No. 24-CONS-3391-CEXC
Petroleum Corporation for an exception to the)	
10-year time limitation of K.A.R. 82-3-111 for)	CONSERVATION DIVISION
its Gary Wm #5 well located in the SW/4 of)	
Section 6, Township 28 South, Range 18 West,)	License No. 5118
Kiowa County, Kansas.)	

APPLICATION

TGT Petroleum Corporation ("Applicant") submits this Application requesting an exception to the 10-year temporary abandonment time limitation set forth in K.A.R. 82-3-111(b) for its Gary Wm #5 well pursuant to K.A.R. 82-3-100(b). In support of its Application, Applicant states as follows:

- 1. Applicant is a Kansas corporation authorized and in good standing with the Kansas Secretary of State's office to do business in Kansas. Applicant's mailing address is 200 E. 1st Street North, Suite 400, Wichita, KS 67202.
- 2. The Commission has issued Applicant oil and gas operator's License No. 5118, which license is in full force and effect through June 30, 2024.
- 3. Applicant is an owner and operator of the Gary Wm #5 well ("Subject Well"), API No. 15-097-21345, located approximately 1,493' FSL and 3,917' FEL, in Section 6-T28S-R18W, Kiowa County, Kansas. The Subject Well is located on a valid and subsisting oil and gas lease covering the SW/4 of said Section 6 ("Leased Premises").
- 4. The Subject Well was shut-in on or about May 22, 2014, and Applicant has maintained temporary abandonment status for the Subject Well since that time.
- 5. On May 24, 2024, Commission staff denied Applicant's Temporary Abandonment Application for the Subject Well on the grounds that the Subject Well had been shut-in for over

10 years. In the notice denying the Temporary Abandonment Application, Commission staff required this Application to be submitted by June 23, 2024, in order to continue temporary abandonment status for the Subject Well.

- 6. K.A.R. 82-3-111 imposes a 10-year limitation on the amount of time during which a well may be temporarily abandoned. K.A.R. 82-3-111(b) provides that an exception to this 10-year limitation may be obtained, provided an application seeking such an exception is filed pursuant to K.A.R. 82-3-100(b). This Application seeks such an exception for the Subject Well.
- 7. On or about June 11, 2024, the Subject Well passed a Commission staff-witnessed mechanical integrity test of the casing between the surface and a point within 50' above the uppermost perforation in the Subject Well
- 8. Applicant wishes to continue the temporary abandonment status for the Subject Well to allow time to conduct a workover operation for continued production from the Kinderhook formation, and for recompletion in the Lansing formation for production of oil and/or gas.
- 9. There are currently 4 oil wells on the Leased Premises that are completed in the Kinderhook formation. Applicant intends to workover each of the wells as described above in paragraph 8. If the workover operations are successful, Applicant believes an additional 50,000 barrels of oil can be recovered from the Kinderhook formation, plus additional reserves of oil and/or gas from the Lansing formation. Applicant also intends to evaluate whether a waterflood operation on the Leased Premises and adjoining leases operated by Applicant could further enhance the recovery of oil reserves from the Kinderhook formation. Cumulative production of oil from the Kinderhook formation on the Leased Premises is approximately 183,000 barrels of oil to date. The lease to the north has recovered more than 300,000 barrels of oil from the Kinderhook formation to date. Applicant's basis for believing additional reserves can be recovered from the

Kinderhook formation from the leased premises is based on the analogue cumulative production to the north. Additionally, the drilling logs for the Subject Well and other wells on the Leased Premises contained good shows of gas and a slight show of oil from the Lansing formation, indicating additional reserves can be recovered from the Leased Premises.

- 10. The cost to conduct the planned workover operation at the Subject Well, and to equip it for production, is estimated to be \$20,000. The cost to conduct the workover operation at the three other wells on the Leased Premises is considerably less, because those wells are already equipped for production. As such, the value of the estimated additional oil and gas reserves that could be recovered from workover operations far exceed the cost to conduct the operation. On the other hand, the cost to plug and abandon the Subject Well and the other wells on the Leased Premises is \$25,000 per well.
- 11. Attached as Exhibit A is a plat map showing the location of all producing, injection, temporarily abandoned, abandoned, and plugged wells located on the Leased Premises.
- 12. For the foregoing reasons, Applicant requests that the Commission grant an exception to the 10-year time limitation for temporary abandonment status set forth in K.A.R. 82-3-111, and allow the Subject Well to remain eligible for temporary abandonment status for a period of three years following the expiration of the most recent approved temporary abandonment application for the Subject Well. While the Subject Well remains shut-in during such three-year period, Applicant will continue to annually submit temporary abandonment applications.
- 13. A list of each operator and owner of unleased minerals within 1/2-mile of the Subject Well ("Offsets") is attached as Exhibit B. A copy of this Application and the Notice of Application is being sent to each Offset contemporaneous with the filing of this Application. The Notice of Application will be published in the *Wichita Eagle* and the *Merchant's Directory*, the

official newspaper for Kiowa County, Kansas. As a result, notice complies with the requirements of K.A.R. 82-3-135a, and is lawful and proper in all respects. Each publisher's affidavit will be provided to the Commission upon and after the date of publication of the Notice of Application.

WHEREFORE Applicant requests that the Commission docket this Application and, if no written protest is received within 15 days after Notice of the Application is published and has been duly provided to all interested parties, administratively grant this Application and issue an order granting an exception to the 10-year time limitation prescribed by K.A.R. 82-3-111, and allow the Subject Well to remain temporarily abandoned for three additional years, subject to annual approval by the applicable Conservation Division District Office. In the event a timely and proper protest is filed, Applicant requests that the Commission set this Application for hearing, and upon such hearing grant the requested order and make such other provisions as it deems necessary and proper.

Respectfully submitted,

MORRIS LAING LAW FIRM

By:

Jonathan A. Schlatter, #24848 300 N. Mead, Suite 200

Wichita, KS 67202-2745

Telephone - (316) 262-2671

 $Email-\underline{jschlatter@morrislaing.com}$

Attorneys for TGT Petroleum Corporation

VERIFICATION

STATE OF KANSAS)
COLDINA) ss:
COUNTY OF SEDGWICK)
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Jonathan A. Schlatter, being of lawful age and being first duly sworn upon his oath, deposes and says:

That he is the attorney for TGT Petroleum Corporation; he has read the above and forgoing Application and is familiar with the contents, and that the statements made therein are true and correct to the best of his knowledge and belief.

Jonathan A. Schlatter

SIGNED AND SWORN to before me this 21st day of June, 2024.

My Appointment expires: 11/05/2024

CAROLA. HANNON
Notary Public - State of Kansas
My Appt. Expires 11/05/2024

EXHIBIT A

Plat

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	#1 PA COOC #1 0:1	Öil	
Pyle-Taylor TGT	45 0∶0	//O	Ogle A Hillenbury Oil
	P&Å 1973	Gary Wm TGT	
X		\$	

EXHIBIT B

Offsets

Hillenburg Oil Co. 11600 S. Lynn Lane Road Broken Arrow, OK 74011

Harriett M. Wheeler Mineral Trust 27629 W. 23rd St. South Garden Plain, KS 67050

Mary Wheeler Floyd 6710 E 43rd Hutchinson, KS 67502

Kevin & Steve Heft PO Box 200 Greensburg, KS 67054

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NOTICE OF APPLICATION

TO ALL: OIL AND GAS OPERATORS, PRODUCERS AND LESSEES, OIL AND GAS LESSORS AND ROYALTY OWNERS, UNLEASED AND OFFSETTING MINERAL INTEREST OWNERS, LANDOWNERS, AND ALL PERSONS CONCERNED:

You are hereby notified that TGT Petroleum Corporation ("Applicant") has filed an application with the Kansas Corporation Commission ("Commission") requesting an exception to the ten-year temporary abandonment time limitation of K.A.R. 82-3-111(b) for Gary Wm #5 oil well located approximately 1,493' FSL and 3,917' FEL of Section 6-T28S-R18W, Kiowa County, Kansas.

The application is pending with the Commission. Any persons who object or protest to such application shall be required to file their objections or protests in writing with the Commission within 15 days from the date of this publication. If a written protest is not timely filed, the application may be granted by the Commission without hearing or further notice to any interested party. All objections and protests shall clearly state the reasons why granting the application will violate correlative rights, cause waste or pollution. Objections or protests shall be mailed to the Kansas Corporation Commission, Conservation Division, 266 N. Main St., Ste. 220, Wichita, KS 67202, with a copy to Applicant's attorneys listed below. All parties in any way interested or concerned shall take notice of the foregoing and govern themselves accordingly.

MORRIS LAING LAW FIRM Jonathan A. Schlatter, #24848 300 N. Mead, Suite 200 Wichita, KS 67202-2745 Office: (316) 262-2671

Attorneys for TGT Petroleum Corporation

CERTIFICATE OF SERVICE

I certify that on this 21st day of June, 2024, I caused the original of the foregoing Application and its Exhibits A and B and Notice of Application to be electronically filed with the Conservation Division of the State Corporation Commission of the State of Kansas, and true and correct copies of the same to be mailed by United States Postal Service, first class mail, postage prepaid, to the persons identified on Exhibit B to the original application.

Jonathan A. Schlatter