

APR 03 2012
LEGAL SECTION

**THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

Before Commissioners: Mark Sievers, Chairman
 Ward Loyd
 Thomas E. Wright

In the matter of the application of Berexco)	Docket No. 12-CONS- <u>247</u> -CEXC
LLC for an exception to the 10-year)	
time limitation of K.A.R. 82-3-111 for its)	
Dennis #5-2 well located in the NW NE)	CONSERVATION DIVISION
SW of Sec 2, Township 29 South, Range)	
33 West, Haskell 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 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, 2012.

3. Operator is the owner and operator of the Dennis #5-2 well, API #15-081-20815-00-00 which is located in the Northwest Quarter of the Northeast Quarter of the Southeast Quarter of Section 2, Township 29 South, Range 33 West, Haskell County, Kansas. The subject well is located on an active oil and gas lease comprising the following lands:

Dennis Lease – Northwest Quarter and West Half of the Southwest Quarter of Section 2, Township 29 South, Range 33 West, Haskell County, Kansas, containing 240 acres, more or less (“leased premises”).

4. Pursuant to K.A.R. 82-3-111, Operator obtained temporary abandonment status for the subject well in February, 2001. The subject well has maintained such status from that date to the present date.

5. On or about February 23, 2012, the Kansas Corporation Commission notified Operator that temporary abandonment status for the subject well would be denied because the subject well has been temporarily abandoned for more than ten (10) years.

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 demonstrates mechanical integrity as evidenced by a passage of a mechanical integrity test taken March 30, 2012 and was witnessed by a member of the Kansas Corporation staff.

8. Operator is holding the subject well for use as an injection well or producing well in a Morrow Waterflood project. Plugging the subject well would result in economic waste associated with the expense of plug and abandonment and later re-entry to convert to injection or production. Estimated cost to plug this well is \$20,000.

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, Operator prays that this matter be set for hearing, and upon hearing, that the Commission grant Operator's request for an 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 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.

Respectfully Submitted,

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

By: 
Signature of Submitter

VERIFICATION

STATE OF KANSAS)
)
COUNTY OF SEDGWICK) ss:

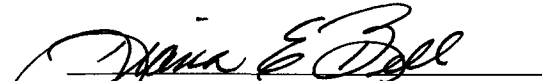
Evan C. Mayhew, of lawful age, being first duly sworn, upon oath states:

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.

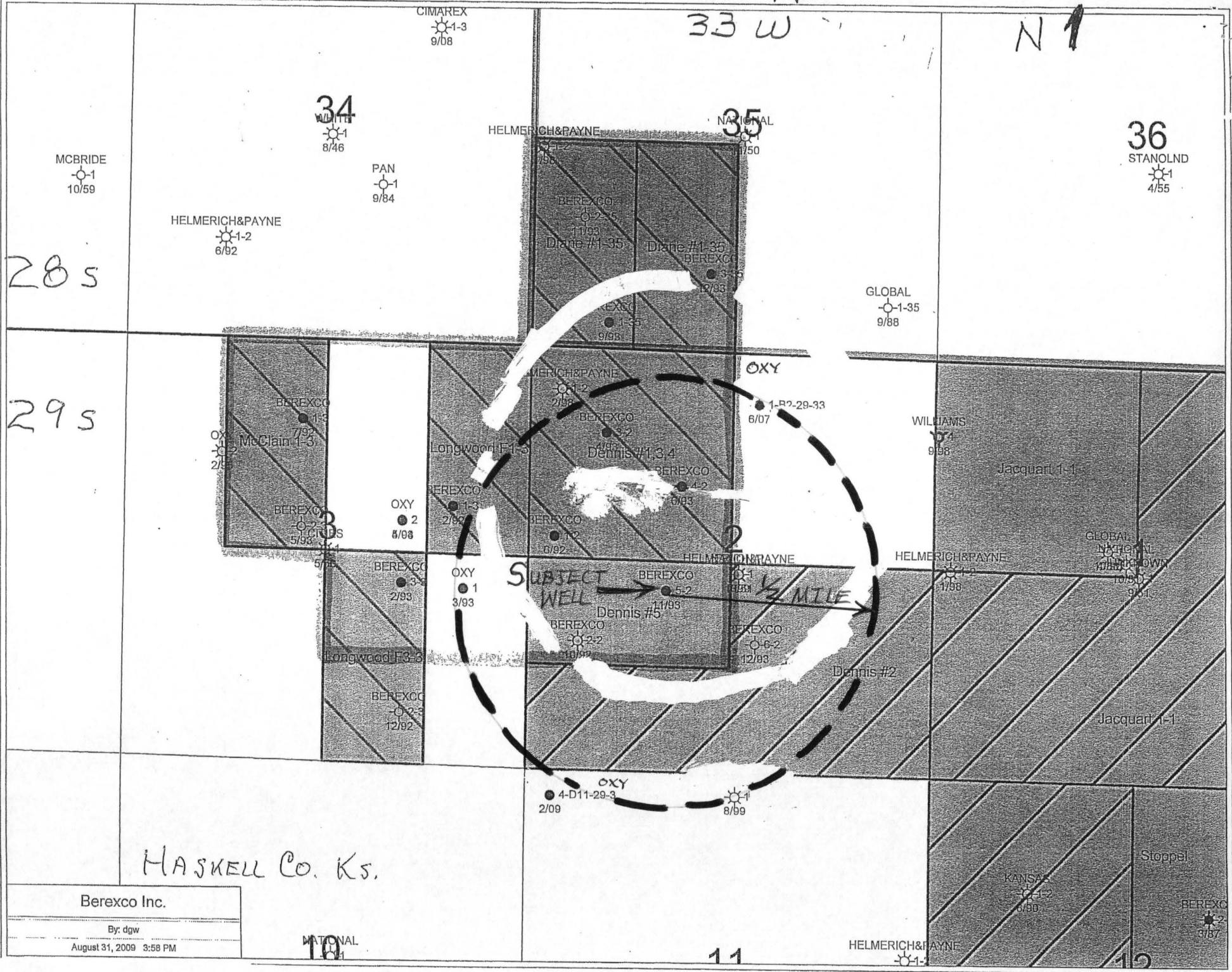

Signature of Submitter

Subscribed and sworn to before me this 2nd day of April, 2012.




Notary Public

My appointment expires: Aug 10, 2015



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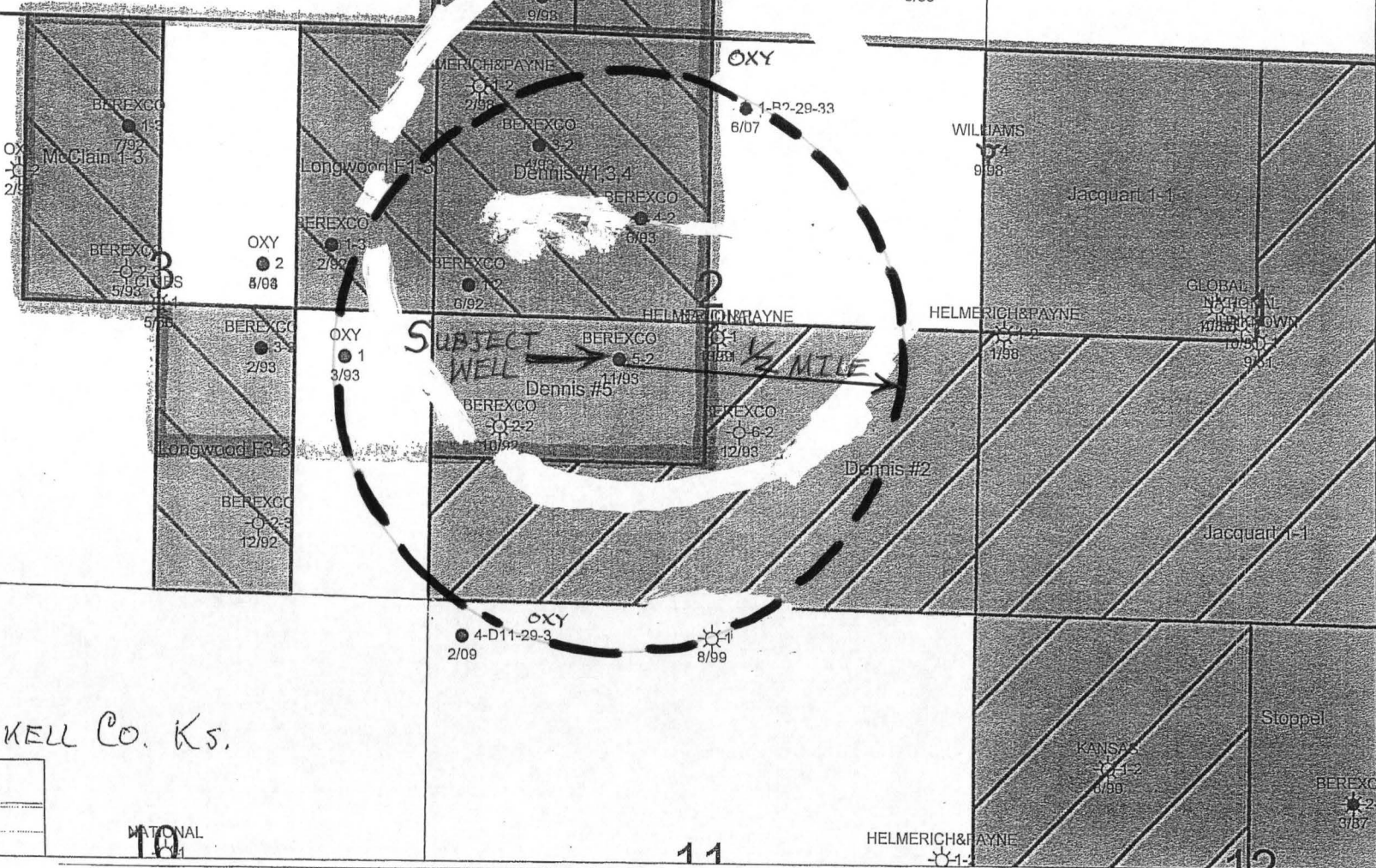
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HASKELL Co. Ks.

Berecxo Inc.
 By: dgw
 August 31, 2009 3:58 PM

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HELMERICH&PAYNE
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CERTIFICATE OF SERVICE
Dennis #4-2

I hereby certify on this 2nd day of April, 2012, 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 April 2, 2012.



Evan Mayhew

EXHIBIT A

Dennis #5-2

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

OXY USA, Inc.
P O Box 27570
Houston, TX 77227

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 Dennis #5-2 well, located in Haskell 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 Dennis #5-2 well located in the NW NE SW of Section 2-29S-33W, Haskell 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 No Bramblewood
Wichita, Kansas 67206
316-265-3311