THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the matter of the Application of Benjamin M. Giles for an Exception to the 10-year time limitation of K.A.R. 82-3-111 for his Whipple #2 well located in Section 7, Township 26 South, Range 5 East, Butler County, Kansas. Docket No.: 17-CONS-3443-CEXC

CONSERVATION DIVISION

License No.: 5446

MOTION TO DISMISS APPLICATION & CLOSE DOCKET

The Staff of the State Corporation Commission of the State of Kansas ("Staff" and "Commission," respectively) files this *Motion to Dismiss Application & Close Docket*. In support of its Motion, Staff states as follows:

I. Background

1. On January 13, 2017, Operator filed an application requesting an exception to the 10-year limit on temporary abandonment status for the Whipple #2, API #15-015-19480.

2. On April 5, 2017 and April 10, 2017, Operator provided affidavits of publication

of notice in the Wichita Eagle and Butler County Times-Gazette, respectively.

3. On July 11, 2017, Staff filed a motion to designate a prehearing officer and

schedule a prehearing conference, noting that Staff opposed the application because Operator had not performed a successful mechanical integrity test.

4. On August 22, 2017, the Commission issued an order setting a prehearing conference for October 2, 2017, which was subsequently continued to November 3, 2017. At the moment, no prehearing conference is scheduled and no procedural schedule has been issued.

II. Argument

5. As demonstrated by a Transfer of Operator (T-1) form filed with the Commission September 20, 2017, and approved October 9, 2017, the Whipple #2 well was transferred from Operator to Jordan Oil Management Inc., KCC License #34303, effective September 1, 2017.¹ Since Operator does not own the Whipple #2, it has no need for, or legal right to, the granting of its application.²

WHEREFORE, Staff moves for Operator's application to be dismissed and for this docket to be closed.

Respectfully submitted,

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Jonathan R. Myers, #25975 Litigation Counsel, Kansas Corporation Commission 266 N. Main, Suite 220, Wichita, Kansas 67202 Phone: 316-337-6200; Fax: 316-337-6211

¹ Exhibit A.

² See K.A.R. 82-3-111, which requires the *operator* of a well to comply with temporary abandonment requirements. Jordan Oil Management, having accepted responsibility for the well as demonstrated by the T-1 Form, is now the operator of the well.



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Form T-1 KANSAS CORPORATION COMMISSION July 2014 **OIL & GAS CONSERVATION DIVISION** Form must be Typed Form must be Signed **REQUEST FOR CHANGE OF OPERATOR** All blanks must be Filled TRANSFER OF INJECTION OR SURFACE PIT PERMIT Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form. Check Applicable Boxes: ✓ Oil Lease: No. of Oil Wells __6 09/01/2017 Effective Date of Transfer: Gas Lease: No. of Gas Wells KS Dept of Revenue Lease No.: 101725 Gas Gathering System: Lease Name: WHIPPLE Saltwater Disposal Well - Permit No .: ____ <u>NE_Sec. 7</u> Twp. <u>26</u> R. <u>5</u> F W Spot Location: ______ feet from N / S Line Legal Description of Lease: feet from E / W Line NE/4 SEC 7-26S-5E BUTLER COUNTY. Enhanced Recovery Project Permit No .: _ KANSAS County: Butler Entire Project: Yes No Number of Injection Wells ____ Production Zone(s): ARBUCKLE & LANSING-KANSAS CITY Field Name: _____ Injection Zone(s): ** Side Two Must Be Completed. ___ feet from IN / IS Line of Section Surface Pit Permit No.: _ (API No. if Drill Pit, WO or Haul) feet from E / W Line of Section Type of Pit: Emergency Burn Settling Haul-Off Workover Drilling BEN GILES 5446 Past Operator's License No. Contact Person: Past Operator's Name & Address: _____Giles, Benjamin M. Phone: (316)265-1992 346 S. LULU WICHITA,KS 67211 09/20/2017 Date: Title: OPERATOR Tauni Raney Signature: ____ Contact Person: _____ 34303 New Operator's License No. New Operator's Name & Address: Jordan Oil Management Inc. Phone: (620)440-0170 **PO BOX 642** Oil / Gas Purchaser: ____MACLASKEY WELLINGTON, KS 67152 Date: _____ OPERATOR Jason Bruns Signature: ___ Acknowledgment of Transfer: The above request for transfer of injection authorization, surface pit permit #_ has been noted, approved and duly recorded in the records of the Kansas Corporation Commission. This acknowledgment of transfer pertains to Kansas Corporation Commission records only and does not convey any ownership interest in the above injection well(s) or pit permit. ____ is acknowledged as is acknowledged as the new operator and may continue to inject fluids as authorized by the new operator of the above named lease containing the surface pit _____. Recommended action: Permit No.: permitted by No.: ____ Date: Date: Authorized Signature Authorized Signature 10/09/2017 _____ EPB ____ DISTRICT PRODUCTION UIC

Title:



Side Two Must Be Filed For All Wells

| KDOR Lease No.: 101725 | | | | | | | |
|------------------------|------------------------------|--|-----------------------------------|-----------------------------------|--------------------------------------|--|--|
| * Lease Name: | | * Location: 07-26S-05E | | | | | |
| Well No. | API No. (YR DRLD/PRE '67) | Footage from Section Line (i.e. FSL = Feet from South Line) | | Type of Well (Oil/Gas/INJ/WSW) | Well Status (PROD/TA'D/Abandoned) | | |
| 2 | 15-015-19480-00-00 | <i>Circle</i> 364 FNLFSL/FNL | <i>Circle</i> 2394 FEL FEL/FWL | OIL | <u>IN</u> | | |
| 4 | 15-015-19481-00-00 | 4950 FSL FSL/FNL | 990 FEL FEL/FWL | OIL | PR | | |
| 5 | 15-015-23234-00-00 | 3960 FSL/FNL | 1320 FEL FEL/FWL | OIL | PR | | |
| 6 | 15-015-23791-00-00 | 1139 FNL FSL/FNL | 364 FEL FEL/FWL | OIL | PR | | |
| 7 | 15-015-23951-00-00 | 2980 FSLFSL/FNL | 650 FEL FEL/FWL | OIL | PR | | |
| 1A | 15-015-30177-00-00 | 1981 FNL FSL/FNL | 2011 FEL FEL/FWL | OIL | PR | | |
| | | FSL/FNL | FEL/FWL | | | | |
| | | FSL/FNL | FEL/FWL | | | | |
| | | FSL/FNL | FEL/FWL | | | | |
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| | | FSL/FNL | FEL/FWL | | | | |

A separate sheet may be attached if necessary

* When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located. Exhibit A



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KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

Form KSONA-1 July 2014 Form Must Be Typed Form must be Signed All blanks must be Filled

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) X T-1 (Transfer) CP-1 (Plugging Application)

| OPERATOR: License # 5446 Name: Giles, Benjamin M. Address 1: 346 S. LULU | Well Location: | | |
|--|---|--|--|
| Address 2: | Lease Name: <u>WHIPPLE</u> Well #: <u>See T1 Side Two</u> If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below: | | |
| Phone: (<u>316</u>) <u>265-1992</u> Fax: () Email Address: tauni@bengiles.kscoxmail.com | NE/4 SEC 7-26S-5E BUTLER COUNTY, KANSAS | | |
| Surface Owner Information: Name: AUSTIN WILLIAM LOWRY Address 1: 401 N ATCHINSON Address 2: | When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer. | | |

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

☑ I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.

□ I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I must provide the name and address of the surface owner by filling out the top section of this form and that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

| Date: 09/20/2017 | Signature of Operator or Agent: | BEN GILES | |
|------------------|---------------------------------|-----------|--|
| | | | |

VERIFICATION

STATE OF KANSAS)) ss. COUNTY OF SEDGWICK)

Jonathan R. Myers, of lawful age, being duly sworn upon his oath deposes and states that he is Litigation Counsel for the State Corporation Commission of the State of Kansas; that he has read and is familiar with the foregoing *Motion*, and attests that the statements therein are true to the best of his knowledge, information and belief.

Jonathan R. Myers, S. Ct. #25975 Litigation Counsel State Corporation Commission of the State of Kansas

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2018.

Notary Public

My Appointment Expires: <u>3</u>

PAULA J. MURRAY NOTARY PUBLIC STATE OF M My Appt. Exp.

CERTIFICATE OF SERVICE

17-CONS-3443-CEXC

I, the undersigned, certify that the true copy of the attached Motion has been served to the following parties by means of

first class mail and electronic service on

SAMUEL FEATHER, DEPUTY GENERAL COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604-4027 Fax: 785-271-3354 s.feather@kcc.ks.gov JONATHAN R. MYERS, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION Conservation Division 266 N. Main St. Ste. 220 WICHITA, KS 67202-1513 Fax: 316-337-6211 j.myers@kcc.ks.gov

JONATHAN A. SCHLATTER, ATTORNEY MORRIS LAING EVANS BROCK & KENNEDY CHTD 300 N MEAD STE 200 WICHITA, KS 67202-2745 Fax: 316-262-6226 jschlatter@morrislaing.com

/S/ Paula J. Murray

Paula J. Murray