# BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the matter of the application of SNR Kansas Operating, LLC for a fourth exception to the 10-year time limitation of K.A.R. 82-3-111 for its Coggins #1 well located in the NW NW NW SW of Sec 9, T35S, R02E Sumner County, Kansas

Docket No. 21 -CONS-<sup>3192</sup> -CEXC

CONSERVATION DIVISION

License No.: 35586

### **APPLICATION**

COMES NOW SNR Kansas Operating LLC ("Operator") for its application in the captioned matter states as follows:

Operator is a corporation authorized to do business in the State of Kansas.
 Operator's address is 301 NW 63<sup>rd</sup> Street, Suite 400, Oklahoma City, OK 73154.

2. Operator has been issued by the Kansas Corporation Commission Operator's License #35586, which expires on June 30, 2021.

3. Operator is the owner and operator of the Coggins #1 well, API #15-191-11094-00-

00 which is located in the Northwest of the Northwest of the Northwest of the Southwest Quarter

of Section 9, Township 35 South, Range 2 East, Sumner County, Kansas. The subject well is located on an oil and gas lease comprising the following lands:

NW/4 of the NW/4 of the NW/4 of the SW/4 of Section 9, Township 35 South, Range 2 East, Sumner County, Kansas. 4. Pursuant to K.A.R. 82-3-111, Previous Operator obtained temporary abandonment status for the Coggins #1 well on August 1, 1992. The subject well has maintained such status from August, 1992, to the present date.

5. On or about March 8, 2011, the Kansas Corporation Commission notified Previous Operator that temporary abandonment status for the subject well would be denied because the subject well had been temporarily abandoned for more than ten (10) years. Previous Operator filed for, and received, approval for an exception to K.A.R. 82-3-111 on July 12, 2011.

6. On or about May 8, 2014, the Kansas Corporation Commission notified Previous Operator that the 3 year exception to K.A.R. 82-3-111 was expiring July 12, 2014. Operator filed for, and received, approval for an exception to K.A.R. 82-3-111 on October 15, 2014.

7. The three-year exception to K.A.R 82-3-111 expired on October 15, 2017. Previous Operator filed for, and received, approval for an exception to K.A.R. 82-3-111 on December 12, 2017.

8. On or about November 30, 2020, the Kansas Corporation Commission notified Previous Operator that the 3 year exception to K.A.R. 82-3-111 was expiring December 12, 2020. During this time, Previous Operator sold this property to the current operator (Applicant).

9. On or about March 1, 2021, the Kansas Corporation Commission notified Applicant temporary abandonment status for the subject well would be denied from and after March 29, 2021, because subject well 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. The current Operator seeks such an exception.

10. The subject well demonstrated mechanical integrity as evidenced by passage of Commission Staff-witnessed mechanical integrity test on November 2, 2020.

11. Operator is keeping the subject well for a backup Mississippi injection well in the offset Vernon North waterflood project. The subject well should not be plugged to prevent economic waste associated with re-drilling for future needs as an injection well. Estimated cost to plug this well is \$20,000. The cost to convert to injection is approximately \$27,000. It is estimated that anywhere from 3,000 to 15,000 BO could be recovered as a result of injection into this well. The Vernon North Unit currently makes 10 BOPD from 4 producing wells and 1 injection well, with 1 TA well.

12. 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, as well as the offsetting Vernon North Waterflood Unit.

13. Based on the foregoing, Operator requests the Commission grant an additional 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 December 12, 2020 expiration of the second exception to 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.

14. 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).

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15. 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 a fourth 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,

Joe Craig 301 NW 63<sup>rd</sup>, Suite 400 Oklahoma City, OK 73116 405-608-5702

By: <u>Joe Craig</u> Signature of Submitter

### VERIFICATION

STATE OF OKLAHOMA ) ) SS: COUNTY OF OKLAHOMA )

Joe Craig, 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  $\frac{30}{2}$  day of  $\frac{1}{2}$ 

Notary Public THE STELL minimu ORH annunnun annun a 19001005 

My appointment expires: 129 23

## **CERTIFICATE OF SERVICE**

I hereby certify on this <u>11th</u> day of <u>March</u>, 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 14 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 on 10<sup>th</sup> day of March, 2021.

Zele Joe Craig

# EXHIBIT A

David L. Messenger Trust Pamela S. Messenger Trust 1493 E. 180<sup>th</sup> St. Geuda Springs, KS 67051

Katherine T. McDaniel c/o Sue Leggett 612 Manning Winfield, KS 67156

David L. Messenger et al 1493 E. 180<sup>th</sup> St. Geuda Springs, KS 67051

Donna L. Horton Estate c/o Sara J. Long 5496 252<sup>nd</sup> Rd. Arkansas City, KS 67005

T & W Ward Oil, LLC 918 W. Dewey Ave. Blackwell, OK 74631-2005

# **SNR Kansas Operating, LLC**

# BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS NOTICE OF FILING APPLICATION

RE: SNR Kansas Operating, LLC - - Application for a fourth exception to the 10 year time limitation of K.A.R. 82-3-111 for the Coggins #1, located in Sumner 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 SNR Kansas Operating, LLC has filed an application for an exception to the 10 year time limitation of K.A.R. 82-3-111 for the Coggins #1, located in the NW NW NW SW of Section 9-35S-2E, Sumner 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.

SNR Kansas Operating, LLC 301 NW 63<sup>rd</sup> Street, Suite 400 Oklahoma City, OK 73116 405-608-5702

