BEFORE THE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the Matter of the Application of McCoy Petroleum Corporation for an Order Granting An Exception to the Requirements of K.A.R. 82-3-107(e) for its Stalnaker 'A' 1-12 well located in the Northeast Quarter (NE/4) of Section 12, Township 34 South, Range 1 East, Sumner County, Kansas.

Docket No. 23-CONS-3071-CEXC

CONSERVATION DIVISION

License No. 5003

APPLICATION FOR EXCEPTION

McCoy Petroleum Corporation ("Applicant") submits this Application for Exception ("Application") to the State Corporation Commission of the State of Kansas ("Commission") pursuant to K.A.R. 82-3-100(b), requesting an order granting an exception to the time limitation set forth in K.A.R. 82-3-107(e) to make written request to preserve the confidentiality of certain information disclosed in the form ACO-1 Well Completion Report for its Stalnaker 'A' 1-12 well ("Subject Well"). In support of its Application, Applicant states and alleges as follows:

1. Applicant is a Kansas corporation whose mailing address is 9342 E. Central, Wichita, Kansas, 67206, and who is in good standing with the Kansas Secretary of State to do business in Kansas.

2. The Commission has issued Applicant oil and gas operator's License No. 5003, which license is in full force and effect through June 30, 2023.

3. Applicant is the operator of a valid and subsisting oil and gas lease covering the Northeast Quarter (NE/4) of Section 12-T34S-R1E, Sumner County, Kansas. On April 7, 2022, Applicant spudded the Stalnaker 'A' 1-12 well ("Subject Well"), API No. 15-191-22842, on said lease, and completed the Subject Well for the production of oil on May 23, 2022.

4. K.A.R. 82-3-100(b) provides that the Commission may grant an exception to the requirements of any regulation when it will prevent waste or pollution, or protect correlative rights, provided that notice of the application is made pursuant to K.A.R. 82-3-135a.

5. K.A.R. 82-3-107(e)(1) permits all information, samples, or cores filed as required by subsections K.A.R. 82-3-107(c) and (d) to be held in confidential custody for an initial period of one year from the written request, provided a written request for confidentiality is made to the conservation division within 120 days of the spud date of the well. The information required by K.A.R. 82-3-107(c) and (d) is provided on Conservation Division form ACO-1.

6. Applicant made its written request pursuant to K.A.R. 82-3-107(e)(1) on August 23, 2022, when it submitted its form ACO-1 Well Completion Report for the Subject Well. As such, Applicant's request was made 18 days after the 120-day deadline. Commission staff accepted Applicant's form ACO-1 Well Completion Report for the Subject Well on August 25, 2022, but denied the written request for confidentiality.

7. Applicant submits that the failure to timely request confidentiality was inadvertent and merely an oversight. Applicant did not intend to avoid meeting the Commission's regulatory requirements, and desires to maintain confidential the information disclosed therein.

8. At this time, none of the information Applicant seeks to maintain confidential has been disclosed to the public, and Applicant respectfully requests such information continue to be held confidential during the pendency of this Application.

9. Applicant requests an exception to the 120-day time period set forth in K.A.R. 82-3-107(e)(1) to make written request for confidential treatment of the information, samples and cores required to be provided under K.A.R. 82-3-107(c) and (d). Applicant requests it be allowed to make such request for confidentiality out of time, and that such information be held in

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confidential custody for the applicable time period, because such information is proprietary, commercially sensitive, and contains trade secrets. If this information were disclosed to the public, Applicant could be harmed financially because the information was procured at a significant cost and is not otherwise available to the public at large. As a result, premature disclosure could damage a competitive advantage Applicant has worked to obtain, which would result in waste and could violate the correlative rights of Applicant, and the working interest owners and royalty interest owners of its lease. The Commission adopted the confidentiality regulations in recognition of the public interest in maintaining the confidentiality of this type of information for a defined time period.

10. The names and addresses of the unleased mineral owners of record and operators or lessees of record within one-half (1/2) mile of the Subject Well entitled to receive notice of this Application pursuant to K.A.R. 82-3-135a(b) are shown on the attached Exhibit "A."

11. Notice of this Application will be provided to all persons entitled thereto under K.A.R. 82-3-135a(b) and will be published in the *Wichita Eagle* and the *TSNews*, the official newspaper for Sumner County, Kansas, pursuant to K.A.R. 82-3-135a(d) and will therefore be lawful and proper in all respects. Each publisher's Affidavit of Publication will be provided to the Commission upon receipt.

WHEREFORE, McCoy Petroleum Corporation prays that this Application be docketed by the Commission and that if no written protest is received by the Commission within fifteen (15) days after Notice of the Application is published and has been duly provided to all interested parties, that the Commission issue an order administratively granting its request for an exception to the time period requirements to make a written request, pursuant to K.A.R. 82-3-107(e), to hold in confidential custody the information provided on the form ACO-1 filed with the Conservation

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Division for its Stalnaker 'A' 1-12 well. In the event a timely and proper protest is filed with the Commission, Applicant requests that the Commission set this Application for hearing and, upon such hearing, grant the requested order for exception and afford such other and further relief as the Commission deems necessary and proper.

Respectfully submitted,

MORRIS, LAING, EVANS, BROCK & KENNEDY, CHTD.

By:

Sonathan A. Schlatter, #24848 300 N. Mead, Suite 200 Wichita, KS 67202-2745 Telephone: 316-262-2671 Fax: 316-262-6226 jschlatter@morrislaing.com

Attorneys for McCoy Petroleum Corporation

VERIFICATION

STATE OF KANSAS)) ss: COUNTY OF SEDGWICK)

Jonathan A. Schlatter, being of lawful age and first duly sworn upon his oath, deposes and says:

That he is the attorney for McCoy Petroleum Corporation; he has read the above and foregoing Application for Exception and is familiar with the contents thereof, 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 30th-day of August, 2022.

Notary Public

My Appointment expires: 11/05/2024

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

EXHIBIT A

Tom & Sharyn Mayo Trust 9926 W. Westlakes Ct. Wichita, KS 67205

North Fork Farms, LLC 1909 NW Fox Ridge Dr. Blue Springs, MO 64015

Gene E. James, etal 4670 N. Tee Pee Ln. Las Vegas, NV 81929

David & Crystal Gotthardt 1214 S. Oliver Rd. South Haven, KS 67140

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Docket No. 23-CONS-3071-CEXC

CONSERVATION DIVISION

License No. 5003

NOTICE OF APPLICATION

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

You and each of you are hereby notified that McCoy Petroleum Corporation has filed an Application for Exception with the Kansas Corporation Commission ("Commission") requesting an order granting an exception to the time period requirements to make a written request, pursuant to K.A.R. 82-3-107(e), to hold in confidential custody the information provided on the form ACO-1 Well Completion Report for its Stalnaker 'A' 1-12 well located in the Northeast Quarter (NE/4) of Section 12-T34S-R1E, Sumner County, Kansas.

The Application is pending with the Commission. Any persons who object or protest to the granting of the Application shall be required to file their objections or protests in writing with the Commission within 15 days after the date of this publication. If a written protest is not timely filed, the Application may be determined administratively by the Commission and may thereby be granted without hearing or further notice to any interested party. All objections and protests shall clearly state the reasons why granting the Application will cause waste, violate correlative rights, or pollute water resources. 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.

Jonathan A. Schlatter, #24848 MORRIS LAING EVANS BROCK & KENNEDY, CHTD. 300 N. Mead, Suite 200 Wichita, KS 67202-2745 Office (316) 262-2671 Fax (316) 262-6226 Attorney for McCoy Petroleum Corporation

CERTIFICATE OF SERVICE

I, Jonathan A. Schlatter, hereby certify that on this 30th day of August, 2022, I caused the original of the foregoing Application and its Exhibit A, and the Notice of Application to be electronically filed with the Conservation Division of the State Corporation Commission of the State of Kansas, and caused true and correct copies of the same to be deposited in the United States Mail, postage prepaid, and properly addressed to the individuals described on Exhibit A to the application.

Jonathan A. Schlatter