

# NOTICE

This scan only represents the application as filed. The information contained herein meets the requirements of K.A.R. 5-3-1 or K.A.R. 5-5-1, and has been found acceptable for filing in the office of the Chief Engineer. The application should not be considered to be a complete application as per K.A.R. 5-3-1b or K.A.R. 5-5-2a.

20199075

Water Resources Received

Submit To: CHIEF ENGINEER
Division of Water Resources
Kansas Department of Agriculture
1320 Research Park Drive
Manhattan, Kansas 66502
http://agriculture.ks.gov/dwr

APPLICATION FOR TERM PERMIT

- GROUNDWATER (checked)
SURFACE WATER
(check one)

DEC 09 2019 2:10
KS Dept Of Agriculture



State of Kansas

STATUTORY FILING FEE MUST ACCOMPANY THIS APPLICATION
(Make check payable to the Kansas Department of Agriculture)

1. Applicant: (Please print or type)
Name Merit Energy Company, LLC
Street 13727 Noel Road, Sutie 1200
City and State Dallas, Texas
Zip Code 75240 Telephone No. (972) 628-1660
E-Mail Address kathy.mcclurkan@meritenergy.com
Social Security I.D. No.
and/or Taxpayer I.D. No. 75-2280562

2. Location of Point of Diversion: WENU 702 WSW
Sec. 09, Twp. 28S, Rng. 34W, (E/W),
Haskell County, Kansas.

Distance from Southeast Corner of Section:
4607' feet North from Southeast Corner
1177' feet West from Southeast Corner

NOTE: If point of diversion is not site specific (i.e. groundwater pit) show the approximate geographic center.

3. Water Use Data:
Proposed Max. Pumping Rate (gpm) 233 gpm
Amount Requested (acre-feet) 375 per calendar year
Depth of Well (feet) 6,500 Osage Formation
Date (completed) (will be completed) 12/30/2019
Drainage Basin Crooked Creek
Name of Stream Crooked Creek

4. Water is to be used for (briefly describe proposed use and explain the rate and quantity requested):
Salt Water Supply for the West Eubank North Unit

5. Location of place of use:
2 Mile radius for wells in Haskell County

6. Period of use:
Commencing date: 02/01/2020
Ending Date: 02/01/2025 Also enter on Item 12

If off-stream pit, check here [ ]
Will pit floor intersect water table? Yes [ ] No [ ]

7. Location of the proposed point of diversion and those of other water users within 1/2 mile shall be indicated on the diagram to the lower-left, scale 1 inch = 2,000 feet. If surface water, indicate on the diagram the course of the stream, and its name. List other D.W.R. permit numbers that cover the requested point(s) of diversion or place of use here:
NE-NE-SW-SW Sec. 09 T28S-R34W
No other use for this aquifer

FEE SCHEDULE

1. The filing fee for an application is based on the maximum amount of water use proposed within a year. Except for storage, the fee is:
Acre-feet Fee
0-100 \$200.00
101-320 \$300.00
More than 320 \$300.00
plus \$20 for each additional 100 acre-feet or any part thereof.

2. The fee for an application in which storage is requested, is:
Acre-feet Fee
0-250 \$200.00
More than 250 \$200.00
plus \$20.00 for each additional 250 acre-feet of storage or any part thereof.

NOTE: If an application requests both direct use and storage, the fee charged shall be as determined under No. 1 or No. 2 above, whichever is greater, but not both fees.

3. The fee for an application for a permit to appropriate water for water power or dewatering purposes shall be \$100.00 plus \$200.00 for each 100 cubic feet per second, or part thereof, of the diversion rate requested.

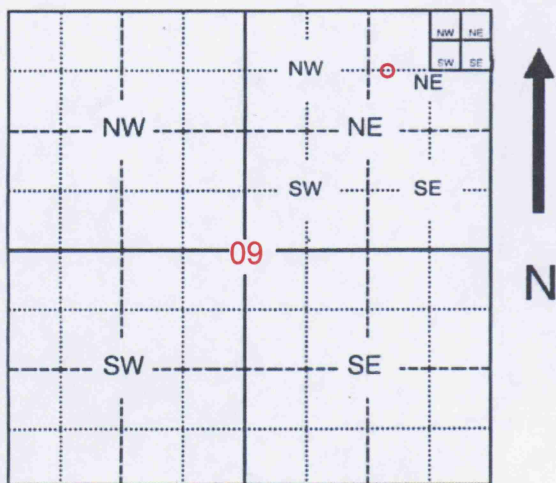
4. A request for an extension of time to extend the term of a term permit shall be accompanied by a fee of \$100.00.

5. There is a separate application form for domestic use. Do not use this form for domestic use.

CONVERSION FACTORS

1 acre-foot equals 325,851 gallons
1 million gallons equal 3.07 acre-feet

12/12/2019
LMoody



Assisted by \_\_\_\_\_

For Office Use Only:
F.O. Code 4 TRS Meets K.A.R. 5-3-1 (YES/NO) Use INU Source G/S County HS By AMM Date 12-9-19
Fee \$ 320.00 TR # Receipt Date 12-9-19 Check # 0080539805

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8. For groundwater use, list below all wells within 1/2 mile of the proposed well, and plot locations upon the diagram on reverse side. If additional space is needed, attach a map.

Other wells -

Well A Owner(s): See Attached AOR Map  
Address: \_\_\_\_\_

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Well B Owner(s): \_\_\_\_\_  
Address: \_\_\_\_\_

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9. For surface water use, list below the names and addresses of all landowners from a point 1/2 mile upstream to a point 1/2 mile downstream of the tract of land upon which the point of diversion is located. If additional space is needed, attach sheet.

KS Dept of Agriculture

Tract A Owner(s): O Lazy L Ranch & Farm  
Address: 337 Road 50, Satanta, Kansas, 67870

Tract B Owner(s): \_\_\_\_\_  
Address: \_\_\_\_\_

10. The owner of the point of diversion, if other than the applicant is (please print):

\_\_\_\_\_  
(name, address and telephone number)

You must provide evidence of legal access to, or control of, the point of diversion from the landowner or the landowner's authorized representative. Provide a copy of a recorded deed, lease, easement or other document with this application. In lieu thereof, you may sign the following sworn statement:

I have legal access to, or control of, the point of diversion described in this application from the landowner or the landowner's authorized representative. I declare under penalty of perjury that the foregoing is true and correct.

Executed on December 5th, 2019.

\_\_\_\_\_  
Applicant's Signature

The applicant must provide the required information or signature irrespective of whether they are the landowner. Failure to complete this portion of the application will cause it to be unacceptable for filing and the application will be returned to the applicant.

11. The applicant states that the information set hereon is true and accurate to the best of his/her knowledge.

12. The applicant agrees to waive any right to a hearing on the matter of abandonment of this appropriation right and further agrees that this appropriation right may be dismissed and terminated upon completion of the proposed project, said dismissal date to be on 02/01/2025 or within any extension of time authorized by the Chief Engineer, Division of Water Resources, Kansas Department of Agriculture.

13. The applicant agrees to provide water to nearby water users, at no charge to said users, should their rights to use water become impaired by the project proposed by this application.

14. Water use contact person (in event emergency contact is needed):

Name: Jimmy Welch Telephone No. ( 620 ) 271-8189

Katherine McClurkan  
Signature of Applicant

or

\_\_\_\_\_  
Authorized Representative Date

Katherine McClurkan  
Applicant's Name Printed

Regulatory Analyst  
Title

**DO NOT WRITE BELOW THIS LINE**

**CONDITIONS OF APPROVAL:**

The applicant shall maintain accurate and complete records from which the quantity of water diverted during each calendar year may be readily determined. Accurate and complete records shall be furnished to the Chief Engineer by March 1 following the end of each calendar year. Failure to file the annual water use report by the due date, shall cause the applicant to be subject to a civil penalty.

The use of water herein authorized shall not be made so as to impair any use under existing water rights nor prejudicially and unreasonably affect the public interest.

The Chief Engineer specifically retains jurisdiction in this matter with authority to make such reasonable reductions in the approved rate of diversion and quantity authorized, and such changes in other terms, conditions, and limitation set forth in this approval and permit to proceed as may be deemed to be in the public interest.



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Addendum for the WENU Term Permit Application

Merit Energy is requesting a permit to produce brine water for the use in an enhanced oil recovery project, also known as a waterflood. Merit Energy Company is currently seeking approval by the KCC for a proposed water flood in the Morrow Formation the Unit will be called the West Eubank North Unit. The West Eubank North Unit Waterflood will consist of 7 injection wells, 6 hydrocarbon producing wells, and 1 water supply well. The water supply well is needed as make up water for the waterflood since the producing oil wells will not likely produce enough water required to successfully waterflood the Morrow formation for enhanced oil recovery. The water supply well will be named the WENU 702 WSW and it will target the Osage Formation at an approximate depth of 6200 feet. The well that will be drilled as a potential producer/injector. If this potential does not exist then we will deepen to the Osage for water source. Below is a map showing proposed location. The Osage formation contains only salt water and has no known utility other than providing brine water to a waterflood. Merit is requesting a maximum allowable rate of 233 gpm. The closest known Osage well to the proposed West Eubank North Unit is the East Eubank North (Merit owned) which is about 4,420' to the Northwest and also serves as a water supply well for the EENU waterflood. The produced brine will be pipelined to a nearby facility 24/7 where it will then be pipelined and injected into the 7 injection wells in the Morrow Formation at a rate of 1500 BWPD per injection well. A map of the proposed waterflood is attached to this addendum. The orange star labeled Drill Well indicates the approximate location of the subject well. The WENU 702 is scheduled to be drilled in January 2020 and our goal is to start producing the well by the end of February 2020. For any technical questions regarding this application or to request more information please contact the operations engineer, Matt Stark, at 972-628-1416 or Regulatory Analyst, Kathy McClurkan, at 972-628-1660.

Attachments: West Eubank North Unit Waterflood Map

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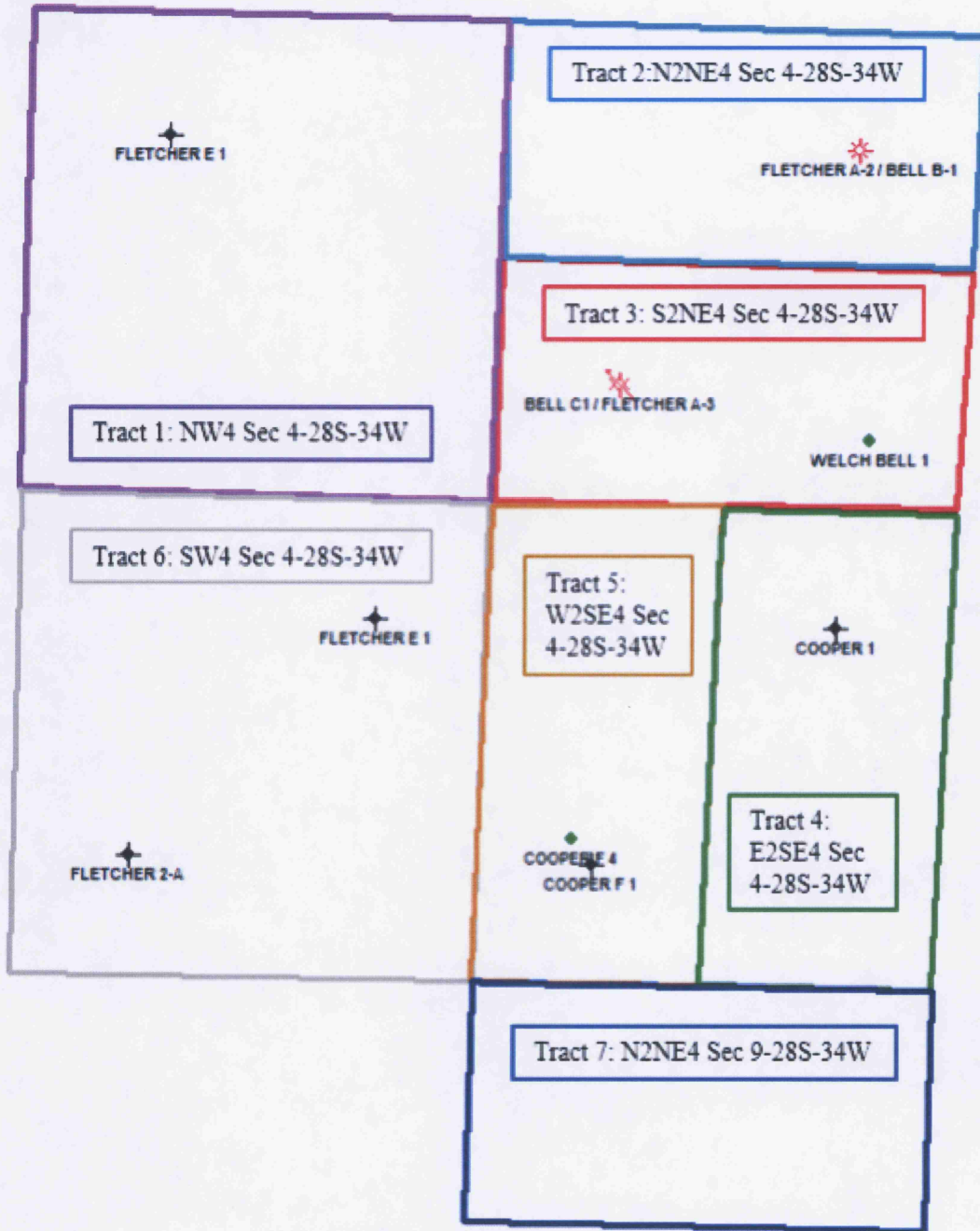
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UNIT BOUNDARY MAP  
WEST EUBANK NORTH UNIT  
28S-34W  
HASKELL COUNTY, KANSAS

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MERIT ENERGY COMPANY

13727 Noel Road · Suite 1200 · Dallas, Texas 75240  
Ph 972.701.8377 · Fx 972.960.1252 · www.meritenergy.com

December 5, 2019

Ms. Kristen Baum  
Kansas Department of Agriculture  
Division of Water Resources  
1320 Research Park Drive  
Manhattan, Kansas 66502

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KS Dept Of Agriculture

Re: Merit Energy Company  
West Eubank North Unit (WENU)  
Sec. 9 T28S-R34W  
Haskell County, Kansas

Ms. Baum:

Please find the enclosed Application for a Ground Water Term Permits for the West Eubank North Unit (WENU). Merit will drill the WENU 702 as a producer it is not productive, then Merit will drill the well deeper to the Osage formation and it will be the water source well for the WENU Unit. The well will provide brine water, from the Osage Formation for use in an enhanced oil recovery project in the West Eubank North Unit (EENU) Waterflood.

Application for Term Permits for the WENU 702  
½ mile Area of Review Maps for the WENU 702  
WENU Addendum  
West Eubank North Unit (WENU) Waterflood Map  
\$320 Check # 0080559803

Please, don't hesitate to call me if you have questions or concerns.

Sincerely,

*Katherine McClurkan*  
Regulatory Analyst  
kathy.mcclurkan@meritenergy.com  
972-628-1660

CLASSIFIED

**DATA ENTRY SYSTEM ID NUMBER SHEET**

FILE NUMBER **20199075**

APPLICANT	PDIV ID	BATTERY ID
PERSON ID & SEQ #	<b>87761</b>	
<b>54521</b> <b>2</b>		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

LANDOWNER	PUSE ID
PERSON ID & SEQ #	<b>66610</b>
<b>54521</b> <b>2</b>	
_____	_____
_____	_____
_____	_____
_____	_____

WATER USE CORRESPONDENT

PERSON ID & SEQ #
<b>54521</b> <b>2</b>
_____
_____
_____
_____