

SEP 24 2014

CONSERVATION DIVISION  
WICHITA, KS

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

In the Matter of the Application of	)	
<b>SANDRIDGE EXPLORATION AND</b>	)	Docket No. 15-CONS- <u>251</u> -CFLA
<b>PRODUCTION, LLC</b> for Permission	)	
to Flare Natural Gas from the Perth 3302	)	KCC License No. 34192
#2-1H Well in Sumner County, Kansas,	)	
Pursuant to K.A.R. §§ 82-3-208 & 82-3-314	)	CONSERVATION DIVISION
_____	)	

**APPLICATION**

SandRidge Exploration and Production, LLC ("SandRidge") submits this Application, pursuant to K.A.R. § 82-3-208 and/or K.A.R. § 82-3-314, for an order granting SandRidge permission to flare natural gas from the Perth 3302 #2-1H well in Sumner County, Kansas. In support of its Application, SandRidge states and alleges as follows:

1. SandRidge is a Delaware limited liability company and is duly authorized to do business within the state of Kansas. SandRidge's principal business address is 123 Robert S. Kerr Avenue, Oklahoma City, OK 73102.

2. SandRidge drilled a horizontal well to test the Mississippi formation in Sumner County, Kansas, known as the Perth 3302 #2-1H well. That well was drilled at the following location:

Surface Location: 330' FSL & 530' FEL of Section 1-33S-2W

Bottom Hole Location: 330' FNL & 660' FEL of Section 1-33S-2W

All of Section 1, Township 33 South, Range 2 West has been pooled and unitized by SandRidge for the production of oil and gas from the Perth 3302 #2-1H well.

3. The Perth 3302 #2-1H well was spud on January 30, 2014, and completed in the Mississippi formation on or about May 6, 2014. To date, that well has produced both oil and

small volumes of natural gas and that well is classified as an oil well. The nearest pipeline to transport that gas is located approximately six (6) miles from that well.

4. Flaring of gas produced from the Perth 3302 #2-1H well commenced on July 21, 2014. In connection therewith, on July 29, 2014, SandRidge filed a KCC Form GF-1 authorizing the flaring of such gas.

5. On August 27, 2014, SandRidge filed a KCC Form GF-1 requesting permission to extend the flaring of gas from the Perth 3302 #2-1H well. That flaring has continued to the present date.

6. Presently, the well is flaring approximately 130 mcf per day and is producing between 50 – 100 barrels of oil per day.

7. Flaring gas from the Perth 3302 #2-1H well has been and continues to be necessary for several reasons. First, flaring gas was done during well clean up after well stimulation. Second, flaring gas was required to test and evaluate the well and to determine whether the quality of that gas will meet pipeline specifications prior to expending the money necessary to connect that well to a sales pipeline. Third, the only available pipeline for the gas is six (6) miles from this well. Fourth, the small volume of gas being produced from the Perth 3302 #2-1H well and being flared does not justify the expense that would be required to construct a pipeline to deliver that gas to the nearest gas sales point. Each of those purposes is recognized by the Commission's regulations as a proper purpose for the flaring gas. In addition, SandRidge has determined that reinjecting the gas being flared is not feasible.

8. SandRidge hereby seeks permission to flare gas produced from the Perth 3302 #2-1H well and to continue that flaring indefinitely. SandRidge will continue to monitor the volume of gas produced from that well and to evaluate whether natural gas can be produced from that

well in sufficient quantities so that a pipeline connection can be economically justified for said well.

9. Pursuant to K.S.A. § 55-102(b), natural gas produced from natural gas wells or in connection with the production of oil may be flared if such flaring is authorized by order or rules or regulations of the Commission.

10. KAR § 82-3-208(b) provides that flaring non-casinghead gas may be authorized by the Commission where pipeline facilities are not available, during a reasonable testing period, and by any other fact or circumstance not addressed in that regulation.

11. The Perth 3302 #2-1H well is producing a small volume of gas and is located approximately six (6) miles from the nearest gas pipeline. Due to that distance and the small volume of natural gas produced from that well, at this time, it is not economically feasible to construct a pipeline and other facilities necessary to sell that gas.

12. SandRidge will continue to monitor the quantity of natural gas produced from the Perth 3302 #2-1H well and will continue to reevaluate the economics of and ability to deliver that natural gas to the nearest available pipeline.

13. SandRidge will install such facilities and follow such procedures as are reasonably necessary to flare such gas in a manner designed to comply with all applicable air quality regulations and to prevent damage to property and injury to persons who are reasonably expected to be in the vicinity for work, pleasure or business.

14. The volume of gas flared by SandRidge will be metered, measured and monitored and the records thereof will be retained by SandRidge for a period of two (2) years. SandRidge is willing to report this information to the Commission semiannually or as designated by the Commission.

15. SandRidge will give notice of the filing of this Application in accordance with K.A.R. § 82-3-135a(b) and (d).

16. The names and addresses of each operator of record, other than SandRidge, and each unleased mineral owner of land within a one-half (1/2) mile radius of the Perth 3302 #2-1H well are as follows:

Unleased Mineral Owners: None

Operators: Dexxon, Inc.  
732 Indiana Ave.  
Kiefer, OK 74041

Stratex Oil & Gas Holdings, Inc.  
1200 Smith Street, Suite 1600  
Houston, TX 77002

A copy of this Application and the Notice of Application has been mailed to those persons and entities.

17. The names and addresses, as shown by SandRidge's books and records, of each person owning the royalty or leasehold interest in the production of gas from the Perth 3302 #2-1H well, other than SandRidge, are as follows:

David F. Goevert and Ashley T. Goevert, husband and wife, joint tenants  
11800 East 31<sup>st</sup> Street South  
Wichita, KS 67210

Noble Petroleum, Inc.  
3101 N. Rock Road, #125  
Wichita, KS 67226

Shirley A. Gasper Revocable Trust dated 5/10/2001  
Shirley A. Gasper and Donald D. Gasper, Co-Trustees  
710 N. Kansas  
Anthony, KS 67003

Albert A. Heckes and Marian L. Heckes Revocable Trust dated 9/29/1979  
Albert A. Heckes, Trustee  
3616 Mary Ellen St. NE  
Albuquerque, NM 87111-4804

Reusser Properties, LLC  
8929 S. 263<sup>rd</sup> West  
Viola, KS 67149

Karen Needham  
124 W. 60<sup>th</sup> Street South  
Wellington, KS 67152

Gerald D. Honas Revocable Trust dated 10/19/1993  
Gerald D. Honas, Trustee  
2501 Cedar Crest Dr.  
Wichita, KS 67223

Mari J. Rech and/or Robert E. Rech  
2517 High Point Circle  
Wichita, KS 67223

Michael Cyphers and/or Judy Cyphers  
5126 Yorkshire  
Bel Aire, KS 67226

Carol L. Sherman  
8031 E. Windwood St.  
Wichita, KS 67226

Kansas Landman LLC  
7113 W. 135<sup>th</sup> Street, #135  
Overland Park, KS 66223

Gary L. Reed  
14200 Brookline Court  
Wichita, KS 67230

Travis Dean Heckes  
9353 W. 75<sup>th</sup> Street  
Overland Park, KS 66204

Westana Heckes Alumbaugh  
604 N. Washington  
Cheney, KS 67025

A copy of this Application and the Notice of Application has been mailed to those persons and entities.

18. SandRidge will cause a notice of the filing of this Application to be published once in the official newspaper of Sumner County, Kansas, and in the Wichita Eagle newspaper, in accordance with the rules and regulations of this Commission. SandRidge will file Affidavits of Publication by the publishers with the Commission when the same are received from those publishers.

19. In the absence of a valid timely protest, SandRidge requests that the Commission grant this Application administratively without the necessity for a hearing.

20. The relief requested by this Application will not result in a violation of correlative rights, will not cause waste, and is otherwise consistent with the statutory duties of the Commission.

21. SandRidge also requests that it be allowed to continue to flare the gas produced from the Perth 3302 #2-1H well during the pendency of this Application and that the relief granted by the Commission on this Application be made retroactive to the date of first production from that well.

WHEREFORE, SandRidge Exploration & Production, LLC requests that, after due notice and hearing, the Commission enter an order granting this Application and for such other and further relief as the Commission deems just and proper.

Respectfully submitted,

By



David E. Bengtson (#12184)  
STINSON LEONARD STREET LLP  
1625 N. Waterfront Pkwy., Suite 300  
Wichita, Kansas 67206  
(316) 265-8800  
(316) 265-1349 facsimile

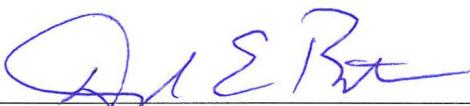
*Attorneys for SandRidge Exploration and  
Production, LLC*

VERIFICATION

STATE OF KANSAS            )  
  ) ss:  
COUNTY OF SEDGWICK    )

David E. Bengtson, of lawful age, being first duly sworn upon his oath, deposes and states:

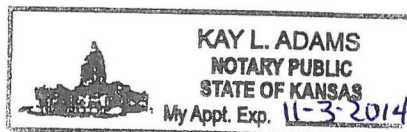
That he is the attorney for SandRidge Exploration and Production, LLC which is the Applicant in the attached Application; that he is authorized to make and makes this statement for and on behalf of said Applicant; that he is familiar with the contents thereof, and that all statements, allegations and averments therein contained are true and correct to the best of his knowledge and belief.

  
\_\_\_\_\_  
David E. Bengtson

SUBSCRIBED AND SWORN to before me this 23<sup>rd</sup> day of September, 2014.

  
\_\_\_\_\_  
Notary Public

My Appointment Expires:  
11/3/2014

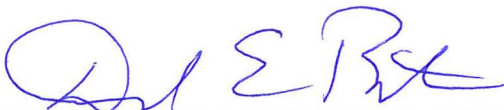


# AFFIDAVIT

STATE OF KANSAS            )  
                                      ) ss:  
COUNTY OF SEDGWICK    )

David E. Bengtson, of lawful age, being first duly sworn upon his oath, deposes and states:

That on September 23, 2014, a true and correct copy of the Notice of Pending Application for Permission to Flare Natural Gas and this Application were mailed to all interested parties as set out in the Application on file in this docket, by depositing the same in the United States mail, postage prepaid.



David E. Bengtson

SUBSCRIBED AND SWORN to before me this 23<sup>rd</sup> day of September, 2014.



Notary Public

My Appointment Expires:

11/3/2014

