THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

	Before Commissioners:	Andrew J. French, Chairperson
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Dwight D. Keen Susan K. Duffy

In the matter of the application of Norstar)	Docket No. 22-CONS-3108-CWLE
Petroleum for its Dinges #3-18 well located in)	
the NE/4 NE/4 of Section 18-18S-24W, Ness)	CONSERVATION DIVISION
County, Kansas.)	
•)	License No. 31652

ORDER GRANTING APPLICATION

The Commission rules as follows:

I. JURISDICTION

- 1. K.S.A. 74-623 provides the Commission exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.
- 2. K.A.R. 82-3-108(a) provides that the setback requirement for oil and gas wells shall be 330 feet from any lease or unit boundary line, except as provided in subsection (b) or (c).
- 3. K.A.R. 82-3-108(b) provides that an oil well drilled to a total depth of less than 2,000 feet in any of the following counties in eastern Kansas shall be subject to a setback of 165 feet from any lease or unit boundary: Allen, Anderson, Atchison, Bourbon, Brown, Cherokee, Coffey, Crawford, Douglas, Elk, Franklin, Greenwood, Jackson, Jefferson, Johnson, Labette, Leavenworth, Linn, Lyon, Miami, Montgomery, Neosho, Osage, Shawnee, Wilson, Woodson, and Wyandotte. Further, wells drilled to a total depth of less than 2,500 feet in Chautauqua County are subject to the 165-foot setback.
- 4. K.A.R. 82-3-108(c) provides that the Commission may grant an exception to well setback requirements, and adjust assigned allowables, if necessary either to prevent waste or protect correlative rights.

5. K.A.R. 82-3-207 provides that a standard oil-well drilling unit shall be 10 acres, except that the standard drilling unit for counties and well depths listed in K.A.R. 82-3-108(b) shall be 2.5 acres.

II. FINDINGS OF FACT

- 6. On August 26, 2021, Norstar Petroleum, Inc. (Operator) filed an Application requesting a well location exception and an allowable of 58 barrels of oil per day for its proposed Dinges #3-18 well (Subject Well). Operator intends to drill the Subject Well at a surface location of 268 feet from the North line and 178 feet from the East line of Section 18, Township 18 South, Range 24 West in Ness County, Kansas. Between September 1, 2021, and October 7, 2021, Operator filed various affidavits of mailing and publication.
- 7. Operator requests an exception pursuant to K.A.R. 82-3-108.² Operator seeks a well location exception for the Subject Well because the Subject Well will be drilled less than 330 feet from the adjacent lease or boundary line. Operator states two similar location exception applications have been approved by the Commission for Palomino Petroleum's Spectre #1 and Coombs-Williamson #2 wells.³ Further, Operator believes a well equidistant from those two well locations is necessary to protect Operator's correlative rights.⁴
- 8. Commission Staff recommends that Operator's Application be granted. Staff believes drilling the Subject Well will protect correlative rights, prevent waste, and raises no pollution issues.

III. CONCLUSIONS OF LAW

- 9. The Commission has jurisdiction over Operator and this matter.
- 10. Operator's Application was filed in accordance with the rules and regulations of the Commission and in accordance with Kansas statutes.
 - 11. Notice was properly served and published. No protest was filed.

¹ See Application, ¶1 (August 26, 2021).

² Id. at \P 2.

 $^{^{3}}$ *Id.* at ¶3.

⁴ *Id.* at ¶3.

12. Operator's Application should be granted to protect correlative rights and prevent waste, and raises no apparent pollution issues.

THEREFORE, THE COMMISSION ORDERS:

A. Operator's Application for a well location exception for the Subject Well under K.A.R. 82-3-108 is granted. The Subject Well is assigned an oil allowable of 58 barrels of oil per day. The Subject Well shall have a standard drilling unit, except that the acreage of the drilling unit shall be reduced along the northern and eastern sides to match the lease line.⁵

B. Operator's Application is being granted via summary proceeding; thus, this Order does not take effect until after the time for requesting a hearing has expired. Any party may request a hearing on the above issues by submitting a written request setting forth the specific grounds upon which relief is sought, to the Commission at 266 N. Main, Suite 220, Wichita, Kansas 67202, within 15 days from the date of service of this Order. If a hearing is not requested, then this Order shall become effective upon expiration of the time for requesting hearing.

C. If this Order becomes effective, then any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen; Commissioner, Duffy, Commissioner.

Dated: 11/02/2021	Lynn M. Reg
	Lynn M. Retz
	Executive Secretary
Mailed Date: 11/02/2021	-
KAM	

⁵ Application, ¶8.

⁶ See K.S.A. 77-537.

⁷ See K.S.A. 77-542.

⁸ See K.S.A. 77-537.

⁹ See K.S.A. 55-606; K.S.A. 77-503(c); K.S.A. 77-531(b).

CERTIFICATE OF SERVICE

22-CONS-3108-CWLE

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

first class mail and electronic service on11/02/2021	.
PER BURCHARDT Norstar Petroleum, Inc. 88 Inverness Circle E, Unit F104 Englewood, CO 80112	JAKE EASTES, GEOLOGIST SPECIALIST KANSAS CORPORATION COMMISSION 266 N. Main St., Ste. 220 WICHITA, KS 67202-1513 j.eastes@kcc.ks.gov
JEFF KENNEDY MARTIN, PRINGLE, OLIVER, WALLACE & BAUER, LLP 645 E. DOUGLAS STE 100 WICHITA, KS 67202 jkennedy@martinpringle.com	KELCEY MARSH, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION CENTRAL OFFICE 266 N. MAIN ST, STE 220 WICHITA, KS 67202-1513 k.marsh@kcc.ks.gov
	/S/ Desirae Mayfield

Desirae Mayfield