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CONSERVATION DIVISION WICHATA, KS

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

IN THE MATTER OF THE APPLICATION)	Docket No. 15-CONS 362 -CWLE
OF SANDRIDGE EXPLORATION AND)	
PRODUCTION, LLC FOR A WELL)	
LOCATION EXCEPTION FOR THE)	License No. 32062
CAROTHERS 3206 #2-34H 1L & 2L WELLS IN)	
SECTION 34, TOWNSHIP 32 SOUTH, RANGE)	
6 WEST, HARPER COUNTY, KANSAS)	Conservation Division

APPLICATION

SandRidge Exploration and Production, LLC ("SandRidge") submits this Application, pursuant to K.A.R. § 82-3-108, for well location exception and for the assignment of an allowable to SandRidge's Carothers 3206 #2-34H 1L & 2L wells located in the E/2 of Section 34, Township 32 South, Range 6 West, Harper County, Kansas. In support of this Application, SandRidge states as follows:

- 1. SandRidge is a corporation duly authorized to do business within the State of Kansas, with its correct mailing address being SandRidge Exploration and Production, LLC, 123 Robert S. Kerr Ave., Oklahoma City, OK 73102.
- 2. SandRidge is the owner and operator of oil and gas leases covering the E/2 of Section 34, Township 32 South, Range 6 West, Harper County, Kansas. SandRidge intends to drill two horizontal wells in the Mississippi Formation, known as the Carothers 3206 #2-34H 1L & 2L wells on that land. Each of those wells will be drilled from the following surface location:

Surface Location: 200' FNL & 1,320' FEL of Section 3-33S-6W

Those wells will be drilled horizontally from that surface location to the following bottom hole locations:

1L well:

330' FNL & 400' FEL of Section 34-32S-6W

2L well: 330' FNL & 2,240' FEL of Section 34-32S-6W

A plat showing the proposed locations of the wellbores of the Carothers 1L well and the Carothers 2L well is attached hereto as Exhibit A. Both of those wells will be operated by SandRidge.

- 3. At certain points when the Carothers 1L well and the Carothers 2L well are within the Mississippi Formation, the wellbores of those wells will be less than 660' from each other. However, the remaining portions of the wellbores of the Carothers 1L well and the Carothers 2L well will be at least 660' from the wellbore of the other well.
- 4. SandRidge seeks an exception to the well location restrictions set out in K.A.R. § 82-3-108(a) for the Carothers 1L well and the Carothers 2L well. The location of each of those wells was selected by SandRidge as the optimum location for the drilling and operation of that well as a producing horizontal well, and only a short portion of the horizontal wellbore in those wells will be located less than 660' from the wellbore of the other well. SandRidge does not believe that locating the wellbores of the Carothers 1L well and the Carothers 2L well at their intended locations will have a material adverse impact upon production from the other horizontal well, and it will allow SandRidge to drill two horizontal wells from one surface location, thus minimizing the disruption of the surface.
- 5. SandRidge believes that the granting of the requested well location exception will prevent economic and physical waste and will not violate correlative rights. Accordingly, SandRidge seeks well location exceptions for the Carothers 1L well and the Carothers 2L well pursuant to K.A.R. § 82-3-108(c).
- 6. A plat showing the location of the Carothers 1L well and the Carothers 2L well, the location of all other producing wells and dry holes on the acreage attributed to said wells, and

the location and approximate depths of all wells and dry holes which have been drilled on all properties adjacent to the location of said wells is attached hereto as Exhibit "A" and made a part of this Application.

- 7. Notice of the Application for a well location exception filed in the docket has been published once in both <u>The Wichita Eagle</u> newspaper and <u>The Anthony Republican</u> newspaper in Harper County, Kansas.
- 8. SandRidge owns the oil and gas leases covering E/2 of Section 34-32S-6W on which the Carothers 1L well and the Carothers 2L well will be located and, as a result, there are no unleased mineral owners. The names and addresses of the persons owning royalty or leasehold interests in those wells, as reflected by SandRidge's books and records, are shown on Exhibit "B" attached to this Application. Copies of this Application will be served on those persons and entities.
- 9. The production of oil and/or gas from the Carothers 1L well and the Carothers 2L well will neither promote waste nor violate correlative rights. Allowing SandRidge to drill those wells at the proposed locations and to produce oil and/or gas from the Mississippi formation through those horizontal wellbores will prevent economic waste.
- 10. SandRidge requests that the Carothers 1L well and the Carothers 2L well be granted a full allowable in accordance with rules and regulations of the Commission.

WHEREFORE, SandRidge Exploration and Production, LLC ("SandRidge") prays that, if no timely written protest is received by the Conservation Division, the Commission grant this Application for a well location exception and assign a full allowable to the Carothers 1L well and the Carothers 2L well, as requested herein, at the appropriate time in accordance with the laws of the State of Kansas and the orders of this Commission.

QUERL

David E. Bengtson (#12184) STINSON LEONARD STREET LLP 1625 N. Waterfront Parkway, Suite 300 Wichita, KS 67206-6620

Attorneys for SandRidge Exploration and Production, LLC

(316) 265-8800 (FAX) 265-1349

VERIFICATION

STATE OF KANSAS)		
COUNTY OF SEDGWICK) ss:		
David E. Bengtson, of lawful age, being first duly sworn upon oath states:		
That he is the attorney for the Applicant named in the foregoing Application and is duly authorized to make this verification; that he has read the foregoing Application and knows the contents thereof and that the facts set forth therein are true and correct to the best of his information and belief.		
David E. Bengtson		
SUBSCRIBED AND SWORN to before me this 23rd day of October, 2014.		
Kay Saderns Notary Public		
My Appointment Expires: KAY L. ADAMS NOTARY PUBLIC		

AFFIDAVIT OF MAILING

STATE OF KANSAS)
COUNTY OF SEDGWICK) ss:
David E. Bengtson, of lawful age, being first duly sworn upon oath states:
That on October 23, 2014, a true and correct copy of the Notice of Application and the
Application were mailed to all interested parties as set out in the foregoing Application, by
depositing the same in the United States mail, postage prepaid.
David E. Bengtson SUBSCRIBED AND SWORN to before me this 23rd day of October, 2014. Kay David E. Bengtson
My Appointment Expires: KAY LADAMS

EXHIBIT # A



EXHIBIT B

Working Interest Owners (other than SandRidge):

Atinum MidCon I, LLC 343 Clay Street, Suite 700 Houston, TX 77002

Repsol E&P USA Inc. 2001 Timberlock Place, Suite 3000 The Woodlands, TX 77380

Royalty Owners:

Eugene H. Carothers 302 S. Jefferson Ave. Anthony, KS 67003

Kenneth and Marsha Carothers 224 S. Jefferson Ave. Anthony, KS 67003

Kregg and Katie Carothers 821 N. Anthony Ave. Anthony, KS 67003

Kyle and Crystal Carothers 136 N.E. 10th Road Anthony, KS 67003

Robert Truby 2830 Rivera Wichita, KS 67211-3844