

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

Before Commissioners:                      Shari Feist Albrecht, Chair  
   Jay Scott Emler  
   Dwight D. Keen

In the Matter of the Application of Trans	)	Docket No. 18-CONS-3388-CWLE
Pacific Oil Corporation for a Well Location	)	
Exception for the Dumler #3-14 Well in	)	CONSERVATION DIVISION
Section 14, Township 17 South, Range 26	)	
<u>West, Ness County, Kansas.</u>	)	License No. 9408

**ORDER GRANTING APPLICATION**

The above captioned matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined its files and records, and being duly advised in the premises, the Commission makes the following findings and conclusions:

**I. JURISDICTION**

1. The Commission has the exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.<sup>1</sup>
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(c) provides that the Commission may grant an exception to the well setback requirements if necessary either to prevent waste or protect correlative rights.
4. K.A.R. 82-3-207 states 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.

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<sup>1</sup> K.S.A. 74-623.

## II. FINDINGS OF FACT

5. Trans Pacific Oil Corporation (Operator) conducts oil and gas activities in Kansas under active license number 9408.

6. On June 12, 2018, the Operator filed an Application requesting a well location exception and full allowable for the proposed Dumler #3-14 well (the subject well), to be located 1040 feet from the north line and 2266 feet from the west line of Section 14, Township 17 South, Range 26 West, Ness County.<sup>2</sup>

7. The Operator seeks a well location exception for the subject well because the proposed location for the subject well is 280 feet from the boundary line between the S/2 NW/4 of Section 14 rather than the required 330 feet.<sup>3</sup> The Operator states that drilling of the well in this location is necessary due to an overhead power line, which services nearby producing oil wells with electricity, being located above the original well location.<sup>4</sup> Therefore, in order to drill, complete, or workover the well at the original location the power line would have to be disconnected and moved out of the way; rendering the nearby producing wells inactive for an unknown span of time.

8. The location of the subject well proposed in this Application is the most desirable location for the discovery and production of oil in commercial quantities after ruling out the original well location and a location further to the north.<sup>5</sup>

9. Commission Staff recommended that the Operator's Application should be granted to prevent waste. Staff has identified no correlative rights issues. No protest has been received by the Commission.

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<sup>2</sup> See Application (April 30, 2018), ¶3.

<sup>3</sup> *Id.* at ¶ 7.

<sup>4</sup> *Id.* at ¶ 4.

<sup>5</sup> *Id.* at ¶ 5.

### III. CONCLUSIONS OF LAW

10. The Commission finds and concludes that it has jurisdiction over the Operator in this matter.

11. The Commission finds and concludes the Application was filed in accordance with the rules and regulations of the Commission and in accordance with Kansas statutes.

12. The Commission finds and concludes that notice was properly served and published.

13. Based on the above facts, the Commission finds and concludes that the Application should be granted to prevent waste.

#### THEREFORE, THE COMMISSION ORDERS:

A. The Operator's Application for a well location exception for the subject well under K.A.R. 82-3-108 is granted. A full allowable pursuant to K.A.R. 82-3-203 is also granted. The subject well shall have a standard drilling unit, except that the acreage of the drilling unit shall be reduced along the northern side to match the lease line.

B. 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).<sup>6</sup>

#### BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner.

Dated: 07/31/2018.



Lynn M. Retz  
Secretary to the Commission

Mailed Date: 08/01/2018

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<sup>6</sup> K.S.A. 55-162; K.S.A. 55-606; K.S.A. 55-707; K.S.A. 77-503(c); K.S.A. 77-531(b).

**CERTIFICATE OF SERVICE**

18-CONS-3388-CWLE

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of first class mail and electronic service on 07/31/2018.

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