THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Jay Scott Emler Shari Feist Albr Pat Apple		
In the matter of the application of D for a Well Location Exception for the	,		Docket No. 16-CONS-3984-CWLE
domestic Gas well located at 21320 Spring Hill, Johnson County, Kansa	Kill Creek,)		CONSERVATION DIVISION
opinig iiii, voimbon county, italia			License No. 35301

ORDER GRANTING APPLICATION

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

I. JURISDICTION

- 1. K.S.A. 74-623 provides that the Commission has the exclusive jurisdiction and authority to regulate oil and gas activities.
- 2. K.A.R. 82-3-108 provides that the setback requirement for gas wells shall be 330 feet from any lease or unit boundary line.
- 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.

II. FINDINGS OF FACT

- 4. Daniel Rice is currently licensed to conduct oil and gas activities in Kansas under K.S.A. 55-155.
- 5. On April 18, 2016, Daniel Rice filed an application requesting a well location exception for a residential gas well, a proposed well to be drilled into the Squirrel formation in Johnson County, Kansas.

- 6. Daniel Rice has verified that notice was properly served and published under K.A.R. 82-3-108(f) and K.A.R. 82-3-135a. No timely protest was filed under K.A.R. 82-3-135b.
 - 7. The residential gas well will be located as follows:
 21320 Kill Creek, Springhill, Kansas.
 1,174' FSL and 3,408' FEL of Section 15, Township 15 South, Range 22 East,
 Johnson County, Kansas.
- 8. The residential gas well will be located 166' from the nearest lease or unit boundary instead of the required 330' from the nearest lease or unit boundary.
- 9. The residential gas well will not cause waste and will not violate correlative rights since it is being used for residential purposes only as permitted by the State of Kansas. The well will be constructed to protect fresh and usable water.
- 10. Staff recommends that Daniel Rice's application should be granted to prevent waste and protect correlative rights.

III. CONCLUSIONS OF LAW

- 11. The Commission has jurisdiction over Daniel Rice and this matter.
- 12. The application was filed in accordance with the rules and regulations of the Commission and in accordance with Kansas statutes.
 - 13. Notice was properly served and published, and no protest was received.
- 14. Based on the available facts, the Commission concludes that the application should be granted to prevent waste.

THEREFORE, THE COMMISSION ORDERS:

A. Daniel Rice's application for a well location exception for the residential gas well is hereby granted.

- B. This Order is a summary proceeding pursuant to K.S.A. 77-537, which provides in paragraph (b)(4) that summary proceedings are not effective until the time for requesting a hearing has expired. K.S.A. 77-542 provides that a request for hearing shall be filed within 15 days of any agency notice resulting in a right to request a hearing. If service of this Order is by mail, three days are added to the deadline. Any party taking an action permitted by this summary proceeding before the deadline for requesting a hearing has expired shall be deemed to have waived their right to a hearing pursuant to K.S.A. 77-504.
- C. Any party affected by this Order may file with the Commission a petition for reconsideration pursuant to K.S.A. 77-529(a). The petition shall be filed within 15 days after service of this Order. If service of this Order is by mail, three days are added to the deadline. The petition shall be addressed to the Commission and sent to 266 N. Main, Suite 220, Wichita, Kansas 67202. Pursuant to K.S.A. 55-606, K.S.A. 66-118b, and K.S.A. 77-529(a), reconsideration is prerequisite for judicial review of this Order. Any party taking an action permitted by this summary proceeding before the deadline for a petition for reconsideration does so at their own risk of further proceedings.
- D. The Commission retains jurisdiction of the subject matter and the parties and may enter additional orders as it deems appropriate.

BY THE COMMISSION IT IS SO ORDERED.

Emler, Chairman; Albrecht, Commissioner; Apple, Commissioner

Date:	0 3 206	Hay I Treen
		Amy L. Green
Date Mailed:	May 3, 2016	Secretary to the Commission

CERTIFICATE OF SERVICE

I certify that on $5/3/2016$, I caused a complete and accurate copy of this Order to be served via United States mail, with the postage prepaid and properly addressed to the following:
Daniel Rice 21320 S. Kill Creek Spring Hill. KS 66083
Lesli Stuteville 120 Shoreline Drive Louisburg, KS 66053

Rick Hesterman, KCC Central Office

And delivered by email to:

John McCannon Litigation Counsel

Kansas Corporation Commission