

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

Before Commissioners: Mark Sievers, Chairman
 Thomas E. Wright

In the Matter of the Application of Steven)	Docket No. 12-CONS-265-CUIC
A. Leis for a permit to authorize the)	(E-21983)
injection of saltwater for enhanced)	
recovery on the Hartzler Lease located in)	CONSERVATION DIVISION
the SE/4 of Section 28, Township 25)	
South, Range 15 East, Woodson County,)	License No. 33960
Kansas.	

ORDER GRANTING APPLICATION

This matter comes before the State Corporation Commission of the State of Kansas, ("Commission") on the application of Steven A. Leis, ("Leis" or "Applicant") for a permit to inject saltwater for enhanced recovery into five wells on the Hartzler lease. Giving due consideration to the record herein, the statutes and its regulations the Commission makes the following findings and conclusions:

1. The application was filed by Leis on April 30, 2012. The application seeks a permit for injection into 5 wells on the Hartzler lease located in the SE/4 of Section 28, Township 25 South, Range 15 East, Woodson County, Kansas.
2. On May 4, 2012, Sylven Hartzler filed a protest to the application and on July 19, 2012, L.D. and Cheryl McCormick filed a protest to the application.
3. The matter was noticed for hearing on August 16, 2012.

4. The matter was heard as noticed. William R. Griffin appeared on behalf of Steven A. Leis and John McCannon, Litigation Counsel, appeared on behalf of the Commission Staff and the public generally. The Protestants did not appear either in person or through counsel.

5. There being no objection to notice the Commission found that notice was proper and that it had jurisdiction of the subject matter and the parties.

6. Steven A. Leis, the applicant, testified that the five wells were drilled in 1982 and 1983 and have been in operation as injection wells since that time. He took over operation of the lease from his brother, John Leis, in December 2011. When he filed the change of operator form with the Commission it was discovered that the five wells had never been authorized for injection. The wells have been MITed on a five year cycle since they were drilled and have always demonstrated integrity. Each of the five wells recently passed MIT's. In response to the protests, Mr. Leis stated that since he has taken over operations he has installed shut-off valves, cleaned up old spills, performed a lot of lease maintenance and has generally tried to clean up the lease.

7. Rene Stucky, Environmental Scientist, testified for staff. He was the staff geologist that reviewed the application. He verified Mr. Leis testimony that the wells had been in operation since the 1980's, had always passed MIT's but for unknown reasons had never been formally authorized. The wells are constructed to Commission standards and fresh and usable water will be protected. He believed the protestant's concern that injection into these wells would harm production was not valid since the wells have been used for injection since the 1980's. The injection zone, the Squirrel Sand, has produced for many years in this area and to continue to be a productive formation needs to be repressured by waterflooding. He recommended granting the application.

8. The Commission finds that the application should be granted. The wells are constructed to Commission standards and have recently passed MIT's. Water recourses will be protected. The wells have been in use as injection wells since the 1980's and continue to be necessary for secondary recovery of oil from the Squirrel Sand.

IT IS, THEREFORE, BY THE COMMISSION ORDERED: That Steven A. Leis' application to inject saltwater into the Hartzler #23, #29, #30, #33 and #34 wells be granted. Staff is directed to issue the appropriate permits authorizing the wells at the applied for rate and pressure.

Any party affected by this Order may file with the Commission a petition for reconsideration pursuant to K.S.A. 77-529(a). Such petition shall be filed within fifteen (15) days after service of this Order and must state the specific grounds upon which relief is requested. This petition for reconsideration shall be filed with the Executive Director of the Conservation Division, Finney State Office Building, 130 S. Market, Room 2078, Wichita, Kansas 67202-3802.

The Commission retains jurisdiction of the subject matter and the parties for the purpose of entering such further Order or Orders as from time-to-time it may deem proper.

BY THE COMMISSION IT IS SO ORDERED.
Sievers, Chmn.; Wright, Com.


Dated: AUG 29 2012



Patrice Petersen-Klein
Executive Director

Date Mailed: 08-29-2012

JM

I CERTIFY THE ORIGINAL
COPY IS ON FILE WITH
The State Corporation Commission
AUG 29 2012


CERTIFICATE OF SERVICE

I hereby certify that on 08-29-2012, I caused a true and correct copy of the foregoing "Order Granting Application" to be served by placing the same in the United States mail, postage prepaid, to the following parties:

William R. Griffin
Martin, Pringle, Oliver, Wallace & Bauer L.L.P.
100 N. Broadway, Ste. 500
Wichita, KS 67202


Syiven Hartzler
P.O. Box 55
Yates Center, Kansas 66783

L.D. and Cheryl McCormick
1266 80th Rd.
Yates Center, Kansas 66783

Steven A. Leis
1092 Osage Rd.
Yates Center, Kansas 66783

and by hand delivery to the following:

Alan Snider and Rene Stucky,
UIC Department, KCC Central Office


John McCannon
Litigation Counsel
Kansas Corporation Commission