

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

Before Commissioners: Pat Apple, Chairman  
Shari Feist Albrecht  
Jay Scott Emler

In the Matter of the Application of Shelby Resources, LLC, for an Order Authorizing the Drilling of the Brubaker #1-17H as a Horizontal Wellbore upon its Brubaker Unit located in Pratt County, Kansas ) Docket No. <sup>18</sup>17-CONS- 3192 -CHOR  
)  
) CONSERVATION DIVISION  
)  
) License No. 31725

**APPLICATION FOR HORIZONTAL WELLBORE**

COMES NOW Shelby Resources, LLC ("Shelby"), by and through its legal counsel, and files this Application for Horizontal Wellbore ("Application") requesting an order pursuant to K.A.R. 82-3-103a authorizing the drilling of the Brubaker #1-17H as a horizontal wellbore in Pratt County, Kansas. In support of its Application, Shelby states as follows:

1. Shelby is a foreign limited liability company duly authorized by and in good standing with the Kansas Secretary of State's office to do business in the State of Kansas. Shelby's mailing address is 13949 W. Colfax Ave., Bldg. 1, Suite 120, Lakewood, Colorado 80401.

2. The Commission has issued Shelby oil and gas Operator's License No. 31725, which license is in full force and effect through July 30, 2018.

3. Shelby owns and operates oil and gas leases covering the following described tracts of land located in Pratt County, Kansas, to-wit:

A portion of the South Half (S/2), the Northwest Quarter (NW/4), and the South Half of the Northeast Quarter (S/2 NE/4) of Section Seventeen (17), and the Northeast Quarter (NE/4) of Section Eighteen (18), all in Township Twenty-nine (29) South, Range Twelve (12) West of the 6<sup>th</sup> P.M.;

(the "Subject Land"). Portions of the oil and gas leases covering the Subject Land will be unitized by Shelby for the production of oil and gas prior to the drilling of the subject horizontal wellbore.

4. Shelby proposes to drill a horizontal wellbore on the Subject Land to be known as the Brubaker #1-17H well. The target producing formation for that well is the Viola Formation.

5. Shelby intends to spud the Brubaker #1-17H well at a surface location that is 1,800 feet from the South Line ("FSL") and 249 feet from the East Line ("FEL") of Section 17, Township 29 South, Range 12 West of the 6<sup>th</sup> P.M., Pratt County, Kansas. Shelby intends to drill vertically from the Brubaker #1-17H surface location to a determined depth, at which point drilling will begin to deviate horizontally in a Northwesterly direction. Shelby estimates there will be approximately 585 feet of build to deviate the drilling of the Brubaker #1-17H well in a horizontal direction. Shelby anticipates that the Brubaker #1-17H well will first enter the Unitized Formation at a location that is approximately 4,478 feet true vertical depth ("TVD"). The drilling of the Brubaker #1-17H well will continue horizontally in a Northwesterly direction through the Unitized Formation until it reaches its bottom-hole location estimated to be 4,438 feet TVD, 521 feet from the North Line ("FNL") and 1,798 feet from the East Line ("FEL") of Section 18, Township 29 South, Range 12 West of the 6<sup>th</sup> P.M., Pratt County, Kansas. Shelby anticipates the Brubaker #1-17H well will be drilled to a measured total depth ("MTD") of 11,691 feet, with a TVD of 4,438 feet. A staking plat depicting the surface location and bottom-hole location of the Brubaker #1-17H is attached hereto as Exhibit A. A Directional Survey of the Brubaker #1-17H wellbore is attached hereto as Exhibit B.

6. Shelby requests an order from the Commission authorizing it to drill the Subject Well as a horizontal wellbore as described above pursuant to K.A.R. 82-3-103a. Shelby requests that the Commission assign the Subject Well a production allowable consistent with the provisions of K.A.R. 82-3-1303. If Shelby is successful in drilling the Subject Well with 6,873 feet MTD of completion interval, the allowable prescribed by K.A.R. 82-3-1303 would be 2,082.72



barrels of oil per day in the event of an oil well and 3 million cubic feet of gas per day in the event of a gas well.

7. The Subject Well will be drilled, operated, and produced in compliance with the Commissioner's rules and regulations for the production of oil and gas from horizontal wells. Consistent with the requirements of K.A.R. 82-3-1307, Shelby will furnish a copy of a directional survey and detailed as-drilled plat map with the completion report for each of the Subject Wells. Exhibit A attached hereto is a detailed plat depicting the surface location, completion interval, and estimated bottom-hole location of the Subject Well along with the boundaries of the Brubaker Unit.

8. The granting of this Application will not cause waste or violate the correlative rights of any party. The drilling of the Subject Well is necessary to produce hydrocarbon reserved from the Unitized Formation underlying the unit lands, and will therefore prevent waste and protect the correlative rights of Shelby and the mineral owners in the Brubaker Unit. At no point will the completion interval of the Subject Well be drilled nearer than 330 feet from the boundary of the Brubaker Unit.

9. The Subject Well will be cased and cemented to the Unitized Formation in compliance with Commission regulations, minimizing the risk of pollution in fresh and usable waters.

10. Oil and gas produced from the Subject Well will be allocated among the interest owners of the Brubaker Unit in accordance with the terms of the oil and gas leases which comprise the Brubaker Unit.

11. A list of all operators or lessees, other than Shelby, and unleased mineral owners within one-half mile of the completion interval of the Subject Well whose names and addresses Shelby has been able to determine after reasonable search and inquiry is attached as Exhibit C. Notice of this Application is being provided to all persons identified on Exhibit C and will be published in the *Wichita Eagle* and the *Pratt Tribune*, the official newspaper for Pratt County, Kansas. A true and correct copy of the Notice of Application to be published is enclosed

herewith. Each publisher's affidavit will be provided to the Commission upon Shelby's receipt from the publisher. As such, notice of this Application will be compliant with K.A.R. 82-3-135a and K.A.R. 82-3-103a(b) and be lawful and proper in all respects.

WHEREFORE, Shelby Resources, LLC prays that this Application for Horizontal Wellbore be adopted by the Commission and that if no written protest is received by the Commission within fifteen (15) days after Notice of the Application is published and has been duly provided to all interested parties, that the Commission administratively grant, without hearing, Shelby's request to (a) drill the Brubaker #1-17H as a horizontal wellbore completed in the Unitized Formation of the Brubaker Unit consistent with the provisions of this Application and Commission regulations, and (b) assign a production allowable to the horizontal well consistent with the provisions of K.A.R. 82-3-1303. In the event a timely and proper protest is filed, Shelby requests that the Commission set this Application for hearing and, upon such hearing, grant the requested order and afford such other and further relief as the Commission deems necessary and proper.

Respectfully submitted,

THOMPSON, ARTHUR, DAVIDSON & KATZ

By

  
Chasen R. Katz, #24819

525 North Main

P.O. Box 111

Russell, KS 67665

785-483-3195

[chasen.tad@eaglecom.net](mailto:chasen.tad@eaglecom.net)

Attorneys for Shelby Resources, LLC

**VERIFICATION**

STATE OF KANSAS  
COUNTY OF RUSSELL

Signed and sworn to before me on October 23, 2017, by Chasen R. Katz, attorney  
for Shelby Resources, LLC.

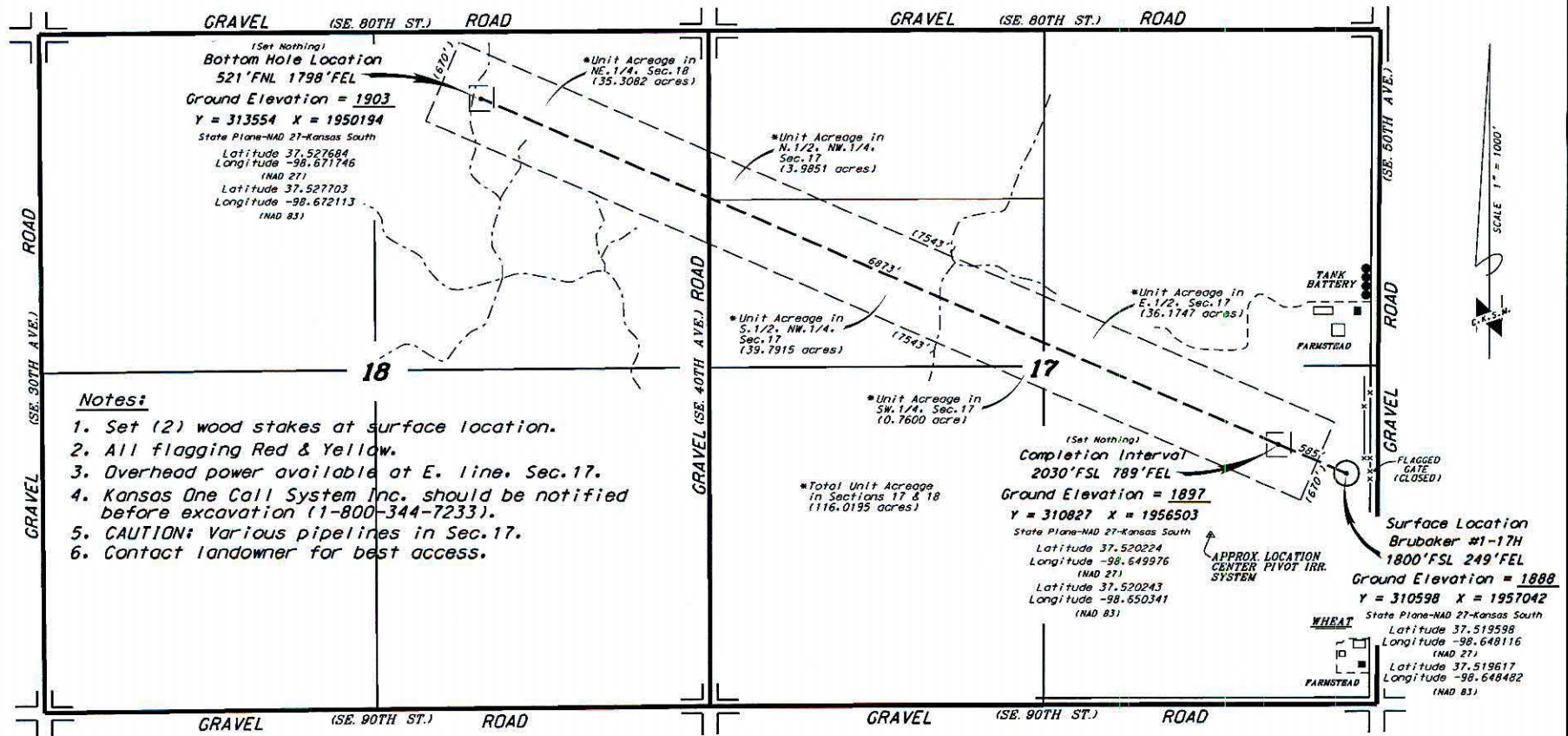


Cindy Ross  
Notary Public  
Printed Name Cindy Ross  
My appointment expires: June 1, 2020



# EXHIBIT A

## SHELBY RESOURCES, LLC BRUBAKER LEASE SECTIONS 17 & 18, T29S, R12W PRATT COUNTY, KANSAS



\*Ingress and egress to location as shown on this plot is for usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.

\*Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.  
\*Approximate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the oilfield location in the section is not guaranteed; therefore, the operator securing this service and accepting this plot and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and solid entities released from any liability from incidental or consequential damages.  
\*Elevations derived from National Geodetic Vertical Datum.

CENTRAL KANSAS OILFIELD SERVICES, INC. (620)792-1977

Date October 10, 2017



# Shelby Resources, LLC

Project: Pratt County (KS27S)  
Site: Sec 17-T29S-R12W  
Well: Brubaker 1-17H  
Wellbore: Wellbore #1  
Design: 10-17-17

EXHIBIT B



Azimuths to Grid North  
True North: 0.09°  
Magnetic North: 4.55°  
  
Magnetic Field  
Strength: 51385.6snT  
Dip Angle: 65.32°  
Date: 2017/10/17  
Model: IGRF2015

## VOLVERINE

### DIRECTIONAL

#### WELL DETAILS: Brubaker 1-17H

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.0	0.0	310598.00	1957042.00	37° 31' 10.551 N	-98° 38' 53.219 W
SHL: 1800' FSL / 249' FEL					
BHL: 521' FNL / 1798' FEL					

#### SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	3905.1	0.00	0.00	3905.1	0.0	0.0	0.00	0.00	0.0	
3	4808.4	90.33	293.35	4478.0	228.4	-529.1	10.00	293.35	576.3	
4	11691.0	90.34	293.35	4438.0	2956.0	-6848.0	0.00	-34.14	7458.8	Brubaker 1-17H PBHL

#### PROJECT TARGET DETAILS (MAP CO-ORDINATES)

Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
Brubaker 1-17H PBHL	4438.0	2956.0	-6848.0	313554.00	1950194.00	Point

#### Annotations

TVD	MD	Annotation
3905.1	3905.1	KOP - 10/100
4478.0	4808.4	EOC - Hold to TD
4438.0	11691.0	TD at 11691.0

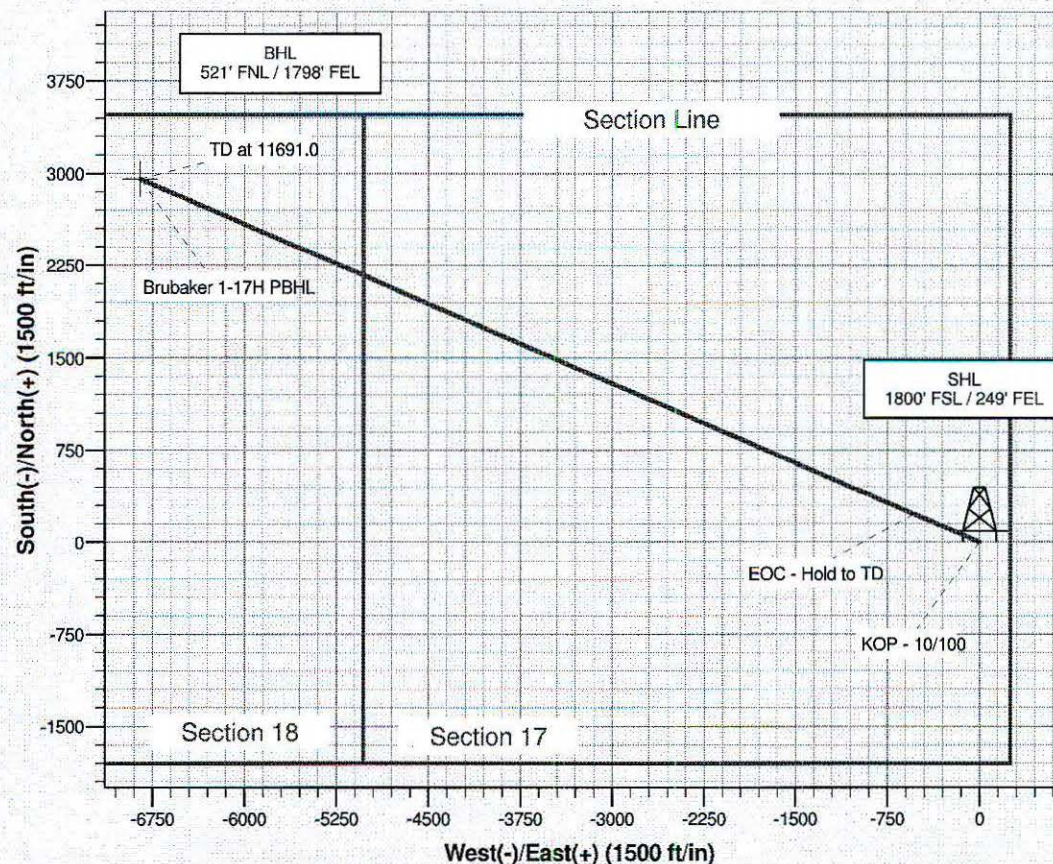
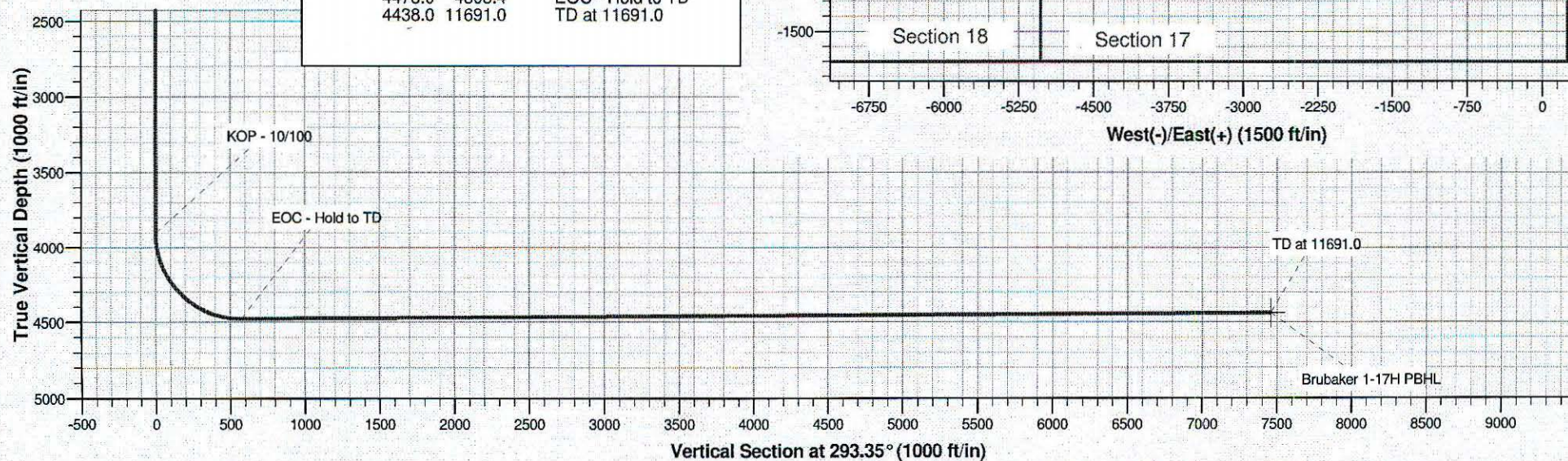




EXHIBIT "C"

OFFSETTING OPERATORS AND UNLEASED MINERAL OWNERS

There are no other operators or lease owners within ½ mile of the wellbore.

There are no unleased mineral owners within ½ mile of the wellbore.