

APR 24 2017

CONSERVATION DIVISION
WICHITA, KS

2017.04.24 11:14:41
Kansas Corporation Commission
/S/ Amy L. Green

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

In the Matter of the Application of)
D & Z Exploration, Inc. for)
Well Location Exception for SRF #53)
Upon the Sugar Ridge Farms Lease)
Located in Section 29, Township 14)
North, Range 22 East, Johnson County,)
Kansas.)

Docket No. 17-CONS-3620-CWLE

APPLICATION

D & Z Exploration, Inc. ("D&Z") requests an order approving the application for a well location exception for well SRF #53 pursuant to K.A.R. 82-3-108d "Application for Well Location Exception". This well is to be located on the Sugar Ridge Farms Lease located in Section 29, Township 14 South, Range 22 East, Johnson County, Kansas.

In support of its Application, D&Z states as follows:

1. D&Z is an Illinois S-corp., duly authorized to do business within the State of Kansas with its principal business address being P.O. Box 159, St. Elmo, IL 62458.

2. D&Z operates an oil and gas lease covering the following described tract of land located in Johnson County, Kansas:

Part of the Southeast Quarter (SE/4) of Section Twenty-nine (29), Township Fourteen (14) South, Range Twenty-two (22) East, in Johnson County, Kansas, described as follows:

Beginning at the Southeast corner of the Southeast Quarter of said Section 29; thence North 89°45'39" West, along the South line of the Southeast Quarter of said Section 29, a distance of 1961.30 feet to a point 660.00 feet East of the Southwest corner of the Southeast Quarter of said Section 29; thence North 0°00'00" East, parallel with the West line of the Southeast Quarter of said Section 29, a distance of 1382.00 feet; thence North 89°45'39" West, parallel with the South line of the Southeast Quarter of said Section 29, a distance of 660.00 feet, to a point on the West line of the Southeast Quarter of said Section 29; thence North 0°00'00" East, along the West line of the Southeast Quarter of said Section 29 a distance of 1245.00 feet to the Northwest corner of the Southeast Quarter of said Section 29; thence South 89°42'42" East, along the North line of the Southeast Quarter of said Section 29, a distance of 2612.29 feet, to the Northeast corner of the Southeast Quarter of said Section 29;

thence South 0°11'48" East, along the East line of the Southeast Quarter of said Section 29 a distance of 2624.81 feet, to the point of beginning; containing 136.80 acres, more or less;

said described land including, and sometimes referred to as, Lot One (1), Sugar Ridge Farms, a subdivision in the Southeast Quarter (SE/4) of Section Twenty-nine (29), Township Fourteen (14) South, Range Twenty-two (22) East, in Johnson County, Kansas (the "Subject Land").

3. D&Z has drilled several wells on the Lease, all of which were drilled to total depths of less than 2,000 feet; said wells are drilled on a 440' pattern with producing wells located approximately 440 feet from the nearest producing well (the "Existing Wells"). D&Z intends to drill an additional oil well (Planned Well) upon that lease as outlined in Exhibit A and Exhibit B, of which will be drilled to a total depth of less than 2,000 feet and be located approximately 220 feet from the nearest producing well. The locations of both the Existing wells and Planned well are outlined in Exhibit A and depicted in Exhibit B. Each of the existing wells have approximately 4.44 acres attributable to each well. The Planned well will have approximately 1.11 acres attributable.

4. Pursuant to K.A.R. 82-3-108d, D&Z requests an order approving of the location of the Planned Well. Due to the nature and characteristics of the producing formation beneath the Lease, and the viscosity and API Gravity of the oil within the formation, it is necessary for the oil wells to be drilled on a denser spacing pattern in order to efficiently produce the oil reserves therefrom without committing undue waste.

5. The granting of this application will prevent waste and not violate correlative rights. In 2014 D&Z was approved to drill SRF #38 well on an identical pattern, Docket No. 15-CONS-340-CWLE. This well has since proved to be a success both economically and by preventing waste and allowing the recovery of previously unrecoverable resources.

6. None of the Existing wells or the Planned well are located closer than 165 feet from the nearest lease boundary lines as required by K.A.R. 82-3-108b(1).

7. There are no offset operators whose lease line is located less than the distance required by K.A.R. 82-3-108b(1), from the Planned well location.

8. There are no unleased mineral owners whose property boundary is located less than the minimum distance required by K.A.R. 82-3-108b(1).

9. D&Z requests an allowable of 11 bbls of oil per day from the Planned well.

10. If approved, D&Z will file the new, proposed well intent to drill pursuant to K.A.R. 82-3-108d.

11. The accompanying documents required by K.A.R. 82-3-108e are enclosed herewith.

12. D&Z will cause a Notice of the filing of this Application to be published once in the following newspapers:

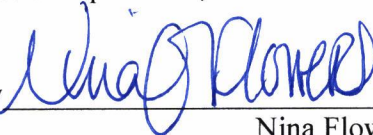
The Olathe News
514 S. Kansas Avenue
Olathe, KS 66061

The Wichita Eagle
825 East Douglas
Wichita, KS 67202

in accordance with the rules of this Commission. D&Z will file Affidavits of Publication by the publishers with the Commission when the same are received from the publishers.

WHEREFORE, D & Z Exploration, Inc. ("D&Z") prays that this Application be granted, and that an appropriate Order be entered, allowing D&Z to permit, drill and operate the Planned well.

D & Z Exploration, Inc.

By 

Nina Flowers
D & Z Exploration, Inc.
P.O. Box 159
St. Elmo, IL 62458
(618)-829-3274
Fax: 618-829-5510

Exhibit A

Sugar Ridge Farms Well List

Existing Wells

S29, T14S, R22E Johnson County, KS

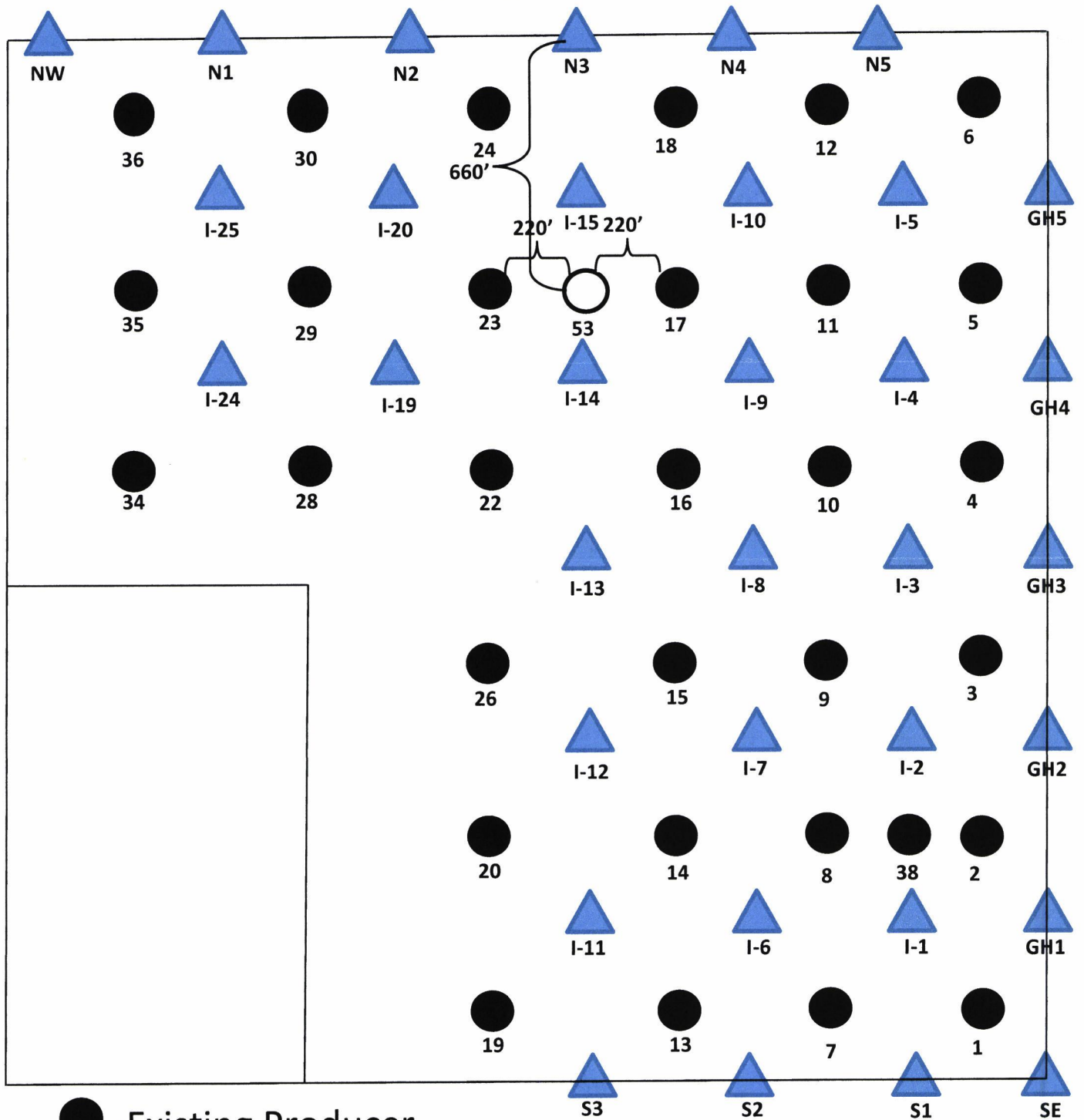
Well Number	API Number	Location Footages		
#5	15-091-23479-0000	1980 FSL	220 FEL	OIL
28	15-091-24048-0000	1540 FSL	1980 FEL	OIL
29	15-091-24049-0000	1980 FSL	1980 FEL	OIL
34	15-091-24050-0000	1540 FSL	2420 FEL	OIL
35	15-091-24051-0000	1980 FSL	2420 FEL	OIL
I-19	15-091-24041-0000	1760 FSL	1745 FEL	EOR
I-20	15-091-24042-0000	2200 FSL	1745 FEL	EOR
I-24	15-091-24045-0000	1760 FSL	2200 FEL	EOR
I-25	15-091-24046-0000	2200 FSL	2200 FEL	EOR
# I-1	15-091-23513-0000	440 FSL	440 FEL	EOR
# I-10	15-091-23709-0001	2210 FSL	859 FEL	EOR
# I-11	15-091-23781-0000	438 FSL	1305 FEL	EOR
# I-12	15-091-23782-0000	880 FSL	1313 FEL	EOR
# I-13	15-091-23783-0000	1320 FSL	1320 FEL	EOR
# I-14	15-091-23784-0000	1760 FSL	1320 FEL	EOR
# I-15	15-091-23785-0000	2217 FSL	1298 FEL	EOR
# I-2	15-091-23514-0000	880 FSL	440 FEL	EOR
# I-3	15-091-23515-0000	1320 FSL	440 FEL	EOR
# I-4	15-091-23516-0000	1760 FSL	440 FEL	EOR
# I-5	15-091-23517-0000	2202 FSL	422 FEL	EOR
# I-6	15-091-23705-0001	443 FSL	878 FEL	EOR
# I-7	15-091-23706-0001	888 FSL	901 FEL	EOR
# I-8	15-091-23707-0001	1321 FSL	872 FEL	EOR
# I-9	15-091-23708-0001	1775 FSL	868 FEL	EOR
#1	15-091-23475-0000	220 FSL	220 FEL	OIL
#10	15-091-23484-0000	1540 FSL	660 FEL	OIL
#11	15-091-23485-0000	1980 FSL	660 FEL	OIL
#12	15-091-23486-0000	2420 FSL	660 FEL	OIL
#13	15-091-23758-0000	220 FSL	1100 FEL	OIL
#14	15-091-23759-0000	660 FSL	1100 FEL	OIL
#15	15-091-23760-0000	1100 FSL	1100 FEL	OIL
#16	15-091-23761-0000	1540 FSL	1100 FEL	OIL
#17	15-091-23762-0000	1980 FSL	1100 FEL	OIL
#18	15-091-23763-0000	2420 FSL	1100 FEL	OIL
#19	15-091-23826-0000	220 FSL	1540 FEL	OIL
#2	15-091-23476-0000	660 FSL	220 FEL	OIL
#20	15-091-23827-0000	660 FSL	1540 FEL	OIL
#21	15-091-23828-0000	1100 FSL	1540 FEL	OIL
#22	15-091-23829-0000	1540 FSL	1540 FEL	OIL

#23	15-091-23830-0000	1980 FSL	1540 FEL	OIL
#24	15-091-23764-0000	2420 FSL	1540 FEL	OIL
#3	15-091-23477-0000	1100 FSL	220 FEL	OIL
#30	15-091-23765-0000	2420 FSL	1980 FEL	OIL
#36	15-091-23766-0000	2420 FSL	2420 FEL	OIL
#4	15-091-23478-0000	1540 FSL	220 FEL	OIL
#6	15-091-23480-0000	2420 FSL	220 FEL	OIL
#7	15-091-23481-0000	220 FSL	660 FEL	OIL
#8	15-091-23482-0000	660 FSL	660 FEL	OIL
#9	15-091-23483-0000	1100 FSL	660 FEL	OIL
#GH1	15-091-23462-0000	440 FSL	0 FEL	EOR
#GH2	15-091-23463-0000	880 FSL	0 FEL	EOR
#GH3	15-091-23464-0000	1320 FSL	0 FEL	EOR
#GH4	15-091-23465-0000	1760 FSL	0 FEL	EOR
#GH5	15-091-23466-0000	2200 FSL	0 FEL	EOR
#L-1	15-091-24155-0100	2475 FSL	90 FEL	OIL
#S1	15-091-24285-0000	0 FSL	440 FEL	EOR
#S2	15-091-24286-0000	78 FSL	868 FEL	EOR
#S3	15-091-24287-0000	83 FSL	1303 FEL	EOR
#SE	15-091-24288-0000	0 FSL	0 FEL	EOR
#SED	15-091-24166-0000	0 FSL	0 FEL	SWD
#38	15-091-24445-0000	660 FSL	440 FEL	OIL
#5	15-091-23479-0000	1980 FSL	220 FEL	OIL
#N1	15-091-24357-0000	2635 FSL	440 FEL	EOR
#N2	15-091-24358-0000	2635 FSL	880 FEL	EOR
#N3	15-091-24359-0000	2635 FSL	1320 FEL	EOR
#N4	15-091-24360-0000	2635 FSL	1760 FEL	EOR
#N5	15-091-24362-0000	2635 FSL	2200 FEL	EOR
#NW	15-091-24361-0000	2635 FSL	2635 FEL	EOR

Planned Well

#53	1980 FSL	1320 FEL	Oil
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Exhibit B



D & Z EXPLORATION, INC.

Sugar Ridge Farms Lease

SE/4 29-14S-22E

Johnson County, Kansas