

MAR 07 2012  
LEGAL SECTION

BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

IN THE MATTER OF THE APPLICATION OF )  
NEW GULF OPERATING LLC FOR A ) DOCKET NO. 12 CONS-235FWLE  
LOCATION EXCEPTION FOR THE A.C. FELT )  
#1 WELL IN SECTION 6, TOWNSHIP 18 ) OPERATOR NO. 34162  
SOUTHRANGE 34 WEST IN SCOTT ) CONSERVATION DIVISION  
COUNTY, KANSAS. )

APPLICATION

COMES NOW, New Gulf Operating LLC, 6310 E. 102<sup>nd</sup> Street, Tulsa, Oklahoma, 74137, Applicant herein and respectfully states to the Commission as follows:

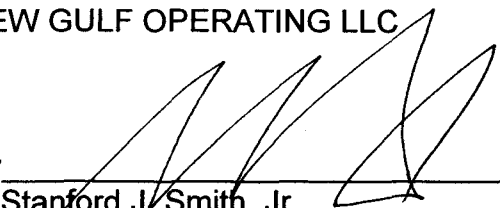
1. The Applicant is the owner of oil and gas leasehold interests in Scott County, Kansas.
2. The Applicant desires to drill the A.C. Felt #1 well at a location approximately 2522 feet from the North line and approximately 2565 feet from the East line of Section 6, Township 18 South, Range 34 West, Scott County, Kansas.
3. Applicant desires to drill the A.C. Felt #1 well at that location in order to gain the most advantageous geological position and to assure reservoir availability in a deep formation at that location.
4. Applicant requests an exception pursuant to K.A.R. 82-3-108 in order to allow the drilling of this well closer than 330 feet from the nearest lease or unit boundary, to prevent waste without violating correlative rights.
5. There are no offset operators whose lease line is located less than 330 feet from the proposed location. There are also no unleased offset mineral interest owners whose property boundary is within 330 feet of the proposed location. Attached hereto and made a part of this Application, marked Exhibit "2" is a consent to well location exception and waiver of protest executed by the Applicant's lessor located within 330 feet from the proposed well location.
6. Applicant has sent by regular mail a copy of this Application and Notice to their consenting lessor.
7. The acreage to be attributable to the well will be the 10 acres surrounding the well located in the NE ¼ and Applicant requests the well be assigned a full

allowable. Attached as Exhibit No. 3 is a plat showing the proposed location and all surrounding deep wells.

8. That Applicant is causing Notice of this pending Application to be published as required by the Commission, in *The Wichita Eagle* and *The Scott County Record* newspapers. Said notice provides that unless written protest is received by the Commission within fifteen (15) days after the date of publication of said notice, the Applicant in this matter will be granted administrative approval of the Application after the 15 day period.

WHEREFORE, Applicant prays that this cause be docketed and in the event that no protest is made to the Commission within the time period provided, an Order be entered granting the well location exception and a full allowable to the A.C. Felt #1 well in Scott County, Kansas.

NEW GULF OPERATING LLC

By 

Stanford J. Smith, Jr.  
MARTIN, PRINGLE, OLIVER, WALLACE  
& BAUER, L.L.P.

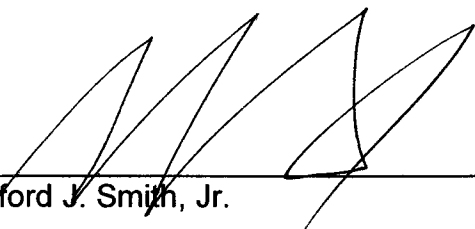
100 North Broadway, Suite 500  
Wichita, KS 67202  
Telephone: (316) 265-9311  
Attorneys for the Applicant

# VERIFICATION

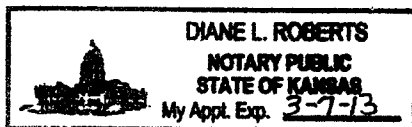
STATE OF KANSAS       )  
                                  ) ss:  
COUNTY OF SEDGWICK )

COMES NOW, Stanford J. Smith, Jr., of lawful age, being first duly sworn on his oath states:

That he is employed by New Gulf Operating LLC. as its attorney and is authorized to make this verification; that he has read the above and foregoing Application and is familiar with the contents thereof and that the statements made therein are true and correct to the best of his knowledge and belief.

  
\_\_\_\_\_  
Stanford J. Smith, Jr.

SUBSCRIBED AND SWORN to before me this 7th day of March, 2012.



  
\_\_\_\_\_  
Notary Public

My Appointment Expires:  
March 7, 2013

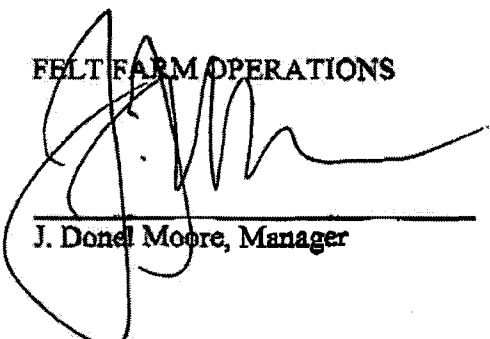
**EXHIBIT I**  
**WORKING AND ROYALTY INTEREST OWNERS**

Felt Farm Operations  
J. Donel Moore, Manager  
14444 Behling Road  
Concord, Michigan 49237

**WAIVER OF PROTEST AND CONSENT  
TO LOCATION EXCEPTION**

COMES NOW the undersigned, J. Donel Moore, Manager of Felt Farms Operations, a Kansas general partnership, Lessor and mineral interest owner in Township 18 South – Range 34 West, Section 6 (Tract 1 – NW/4) (Tract 2 – NE/4) (Tract 3 – SW/4) and (Tract 4 – SE/4) and hereby consents to the location of the proposed A.C. Felt #1 well at a location 2565' FEL and 2522' FNL in Section 6 despite the fact that the well will be located in Tract 2 closer than 330' from other lease or tract boundaries in Section 6. Further, the undersigned hereby waives any right to protest any Location Exception Application filed by Lessee NEW GULF OPERATING, LLC for the A.C. Felt #1 Well.

FELT FARM OPERATIONS

  
\_\_\_\_\_  
J. Donel Moore, Manager

EXHIBIT

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2



# New Gulf Resources, LLC

6310 East 102nd St.

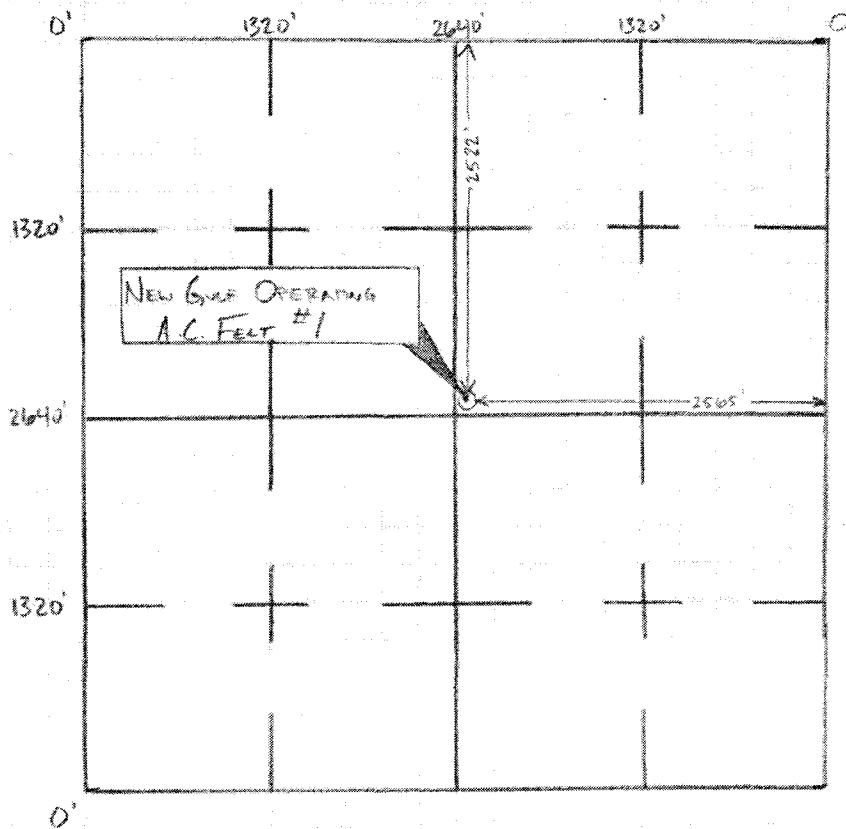
Tulsa, OK 74137

Phone: 918-728-3020 Fax: 918-728-3194



API #: <b>TBD</b>	PROJECT: <b>NAME A.C. FELT #1</b>	DATE: <b>3/6/12</b>
LOCATION: <b>6-18S-34W SCOTT COUNTY, KS</b>	PROJECT: <b>TYPE VERT. OIL WELL</b>	SHEET: <b>1</b> OF: <b>1</b>

SECTION 6, T18S, R34W



SCOTT COUNTY, KANSAS

\* - PUBLIC RECORDS INDICATE NO ACTIVE WELLS IN SURROUNDING SECTIONS.

EXHIBIT

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BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

IN THE MATTER OF THE APPLICATION OF )  
NEW GULF OPERATING LLC FOR A ) DOCKET NO. \_\_\_\_ CONS-\_\_\_\_-CWLE  
LOCATION EXCEPTION FOR THE A.C. FELT )  
#1 WELL IN SECTION 6, TOWNSHIP 18 ) OPERATOR NO. 34162  
SOUTHRANGE 34 WEST IN SCOTT ) CONSERVATION DIVISION  
COUNTY, KANSAS. )

**NOTICE OF PENDING APPLICATION**

THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS:

ALL OIL AND GAS PRODUCERS AND OIL  
AND GAS PURCHASERS, ROYALTY OWNERS,  
LAND OWNERS, AND ALL PERSONS  
WHATSOEVER CONCERNED:

YOU, and each of you, are hereby notified that New Gulf Operating LLC, has filed an Application with the State Corporation Commission of the State of Kansas requesting an Order for the assignment of allowable at the appropriate time and a location exception to the A.C. Felt #1 well located approximately 2522 feet from the North line and approximately 2565 feet from the East line of Section 6, Township 18 South, Range 34 West, Scott County, Kansas.

YOU are further notified that unless written protest is received by the State Corporation Commission within 15 days after publication of this Notice, the Application in this matter will be granted by administrative approval after said 15 day period. Any such protest should be mailed to the State Corporation Commission of the State of Kansas, Conservation Division, 130 South Market, Room 2078, Wichita, KS 67202, and to the Applicant at the address below.

All parties in any wise interested or concerned shall take notice of the foregoing and govern themselves accordingly.

NEW GULF OPERATING LLC  
By: Stanford J. Smith, Jr.  
Martin, Pringle, Oliver, Wallace  
& Bauer, LLP  
100 N. Broadway, Suite 500  
Wichita, KS 67202  
(316) 265-9311