

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

Before Commissioners: Mark Sievers, Chairman
 Ward Loyd
 Thomas E. Wright

In the matter of the application of John C. Mears, for) Docket No. 12-CONS-257-CWLE
an Order granting a well location exception for and)
assigning a full allowable at the appropriate time to)
the applicant's Shockley-Sizemore 33 well, Shockley-) CONSERVATION DIVISION
Sizemore 34 well, Shockley-Sizemore 35 well, and)
Shockley-Sizemore 36 well located in the North Half)
of the Southeast Quarter of Section 34, Township 26)
South, Range 16 East, Woodson County, Kansas.) License No. 33718
)

ORDER GRANTING APPLICATION

Now, the above matter comes for consideration and determination by the State Corporation Commission of the State of Kansas ("Commission" or "KCC"). The Commission, being fully advised in the premises, and giving due consideration to the statutes of Kansas and the regulations of this Commission, finds and concludes as follows:

1. An application was filed on April 12, 2012, by John C. Mears ("Applicant"), for a well location exception for his Shockley-Sizemore 33 well, Shockley-Sizemore 34 well, Shockley-Sizemore 35 well, and Shockley-Sizemore 36 well (collectively the "subject wells").
2. Applicant is an individual doing business in Kansas who can be served at 4100 – 240th Road, Chanute, Kansas 66720. KCC records indicate the operator is currently licensed to conduct oil and gas activities in Kansas pursuant to K.S.A. 55-155.
3. The application in this docket was filed pursuant to the rules and regulations of the Commission and the Kansas Statutes, thus fulfilling all regulatory and statutory requirements.
4. Notice was proper in every respect and was published as prescribed by the Commission's rules and regulations. Notice of the application was furnished to all interested

parties at least 15 days prior to the granting of the application and timely, and notice was properly published in *The Wichita Eagle* and *The Yates Center News* newspapers stating that the application would be granted by the Commission if no protests were received within 15 days. No protests have been filed.

5. The subject wells are located in Section 34, Township 26 South, Range 16 East, Woodson County, Kansas, as follows:

- a. The Shockley-Sizemore 33 is 2512 feet from the South line and 1152 feet from the East line;
- b. the Shockley-Sizemore 34 is 2553 feet from the South line and 1444 feet from the East line;
- c. the Shockley-Sizemore 35 is 2575 feet from the South line and 1709 feet from the East line; and
- d. the Shockley-Sizemore 36 is 2611 feet from the South line and 2076 feet from the East line;

6. The application states that the wells are closer than 165 feet from the nearest lease or unit boundary. Applicant is also the operator of the leased acreage located nearer than the required distance, and the surface and mineral owners of this offset acreage have consented to the locations for the subject wells and waived their notice and protest rights. The application states that the most favorable drilling pattern dictates movement incrementally to the North for full development of the production source. The application further states that the exceptions will prevent waste and protect correlative rights.

7. According to K.A.R. 82-3-207, an oil well shall not be drilled closer than 330 feet from any lease or unit boundary, and a standard drilling unit shall be 10 acres. Oil wells in certain eastern counties, including Woodson County, are subject to reduced setbacks of 165 feet pursuant to K.A.R. 82-3-108(b). According to K.A.R. 82-3-312, a gas well shall not be drilled

closer than 330 feet from any lease or unit boundary, and a standard drilling unit shall be 10 acres. Exceptions to each regulation may be granted, pursuant to K.A.R. 82-3-108(c), to prevent waste or protect correlative rights.

8. The acreage to be attributed to each of the subject wells includes the following:

10 acres surrounding each of the subject wells in Section 34,
Township 26 South, Range 16 East, Woodson County, Kansas.

9. The Commission finds that the application for an exception to the well location restrictions should be granted to prevent waste and protect correlative rights, the above acreage should be attributed to the subject wells, and the subject wells should be assigned a full allowable.

THEREFORE, THE COMMISSION ORDERS THAT:

A. The application for well location exceptions for each of the subject wells is hereby granted, the above acreage is attributed to the wells, and a full allowable is assigned to the wells.

B. 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 and must state the specific grounds upon which relief is requested. If service of this Order is by mail, three days will be added to the deadline. The petition shall be filed with the Executive Director of the Conservation Division, Finney State Office Building, 130 South Market, Room 2078, Wichita, KS 67202-3802.

C. 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.

Sievers, Chmn.; Loyd, Com.; Wright, Com.

Dated: MAY 15 2012



Patrice Petersen-Klein
Executive Director

Date Mailed: 05-15-2012

LRP

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

MAY 15 2012



CERTIFICATE OF SERVICE

I certify that on 05-15-2012, 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:

R. Kent Pringle
221 W. Main
P.O. Box 748
Chanute, Kansas 66720
Attorney for Applicant

Steve Korf
District Office No. 3
1500 W. Seventh
Chanute, Kansas 66720

And delivered by hand to:

Jim Hemmen, KCC Production Department
Conservation Division Central Office

/s/ Lane R. Palmateer
Lane R. Palmateer
Litigation Counsel
Kansas Corporation Commission