BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the Matter of the Application of R.T. Enterprises of Kansas, Inc. for Multiple Well Location Exceptions for Wells Upon the Pearson and Finnerty Leases Located in Section 11, Township 15 South, Range 20 East in Douglas County Kansas Docket No.14-CONS-550-CWLE

License No. 33715 Conservation Division

MOTION FOR PRELIMINARY ORDER AUTHORIZING APPLICANT TO CONTINUE TO OPERATE EXISTING WELLS <u>DURING THE PENDENCY OF THIS APPLICATION</u>

R.T. Enterprises of Kansas, Inc., ("R.T."), by and through its counsel, Keith A. Brock, Anderson & Byrd, LLP, hereby moves the Kansas Corporation Commission ("Commission") for a preliminary order authorizing R.T. to continue to operate the wells identified in it's Application as the Existing Wells while R.T.'s application is pending. In support of this Motion, R.T. states as follows:

1. R.T. currently operates several oil wells upon the following described oil and gas leases, all of which were drilled to total depths of less than 2,000 feet; said wells are located less than 660 feet from the nearest oil well (the "Existing Wells"):

Finnerty Lease

Lessor: William P. Finnerty and Mary K. Finnerty, both single Lessee: James A. Moon Date: April 2, 1918 Recorded: Book 101, Page 435 Covering: S/2 SE/4 Sec. 11-T15S-R20E, Douglas County, Kansas

Pearson Lease

Lessor: Hiram T. Howard and Bertha P. Howard, husband and wife Lessee: James A. Moon Date: April 2, 1918 Recorded: Book 101, Page 496 Covering: N/2 SE/4 Sec. 11-T15S-R20E, Douglas County, Kansas

(collectively the "Leases").

2. The Existing Wells were drilled in good faith in reliance upon the close drilling practices that have been used in the area of the Leases for more than 75 years, after the Commission approved Intents to Drill for said wells filed by R.T.

3. The Existing Wells are being operated as part of a waterflood operation that was implemented upon the Leases a little more than a year ago.

4. If the Existing Wells are shut in, the oil bank which has been formed as a result of the aforesaid water flooding operations will dissipate, and will result in permanent underground waste of oil that was previously recoverable. McCune, 3:20 - 4:10.

5. The Kansas Legislature has placed the following statutory duties upon the Commission which are relevant to the subject mater of this Docket, 1) prevent waste, and 2) protect correlative rights. *See* K.S.A. 55-601, K.S.A. 55-602, K.S.A. 55-603, K.S.A. 55-604.

6. The prefiled testimony of Dwayne McCune filed in support of this Motion clearly establishes that permanent underground waste will occur if the Existing Wells are shut down during the pendency of this proceeding. **McCune**, **3:20 - 4:10**.

7. By granting this motion the Commission will be fulfilling its statutory duty to prevent waste. McCune, 4:11-18.

8. All other oil and gas leases in the area of the Leases have been drilled on close well spacing with less than 660 feet between each producing well, therefore it would violate R.T.'s correlative rights and potentially subject R.T. to uncompensated drainage if R.T. is forced to shut down the Existing Wells while this docket is pending.

9. By granting this motion the Commission will be fulfilling its statutory duty to protect correlative rights.

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WHEREFORE, R.T. prays for an order, allowing R.T. to operate the Leases and to produce

from the Existing Wells while R.T.'s Application is pending before the Commission in this Docket.

Keith A. Brock #24130 ANDERSON & BYRD, LLP 216 S. Hickory, P. O. Box 17 Ottawa, Kansas 66067 (785) 242-1234, telephone (785) 242-1279, facsimile kbrock@andersonbyrd.com Attorneys for R.T.

VERIFICATION

STATE OF KANSAS)) ss: COUNTY OF FRANKLIN)

Keith A. Brock, of lawful age, being first duly sworn on oath, states: That he is the attorney for the Movants named above, and is duly authorized to make this affidavit; that he has read the foregoing Motion, knows the contents thereof; and that the facts set forth therein are true and correct to the best of his knowledge, information and belief.

Keith A. Brock

SUBSCRIBED AND SWORN to before me this 13th day of March, 2014.

NOTARY PUBLIC - State of Kansas **RONDA ROSSMAN** My Appt. Exp. 512512014

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Notary Public

Appointment/Commission Expires:

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing was mailed, postage prepaid, this 13th day of March, 2014, addressed to:

John McCannon Litigation Counsel Kansas Corporation Commission Conservation Division Finney State Office Building 130 S. Market, Room 2078 Wichita, Kansas 67202

John L. Hampton 3311 Clinton Parkway Court Lawrence, KS 66047 Attorney for Objecting Parties

Keith A. Brock