

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

IN THE MATTER OF THE APPLICATION)
OF VAL ENERGY, INC. FOR A WELL) DOCKET NO. 25-CONS-3265-CWLE
LOCATION EXCEPTION AND THE ASSIGN-)
MENT OF ATTRIBUTED ACREAGE AND) CONSERVATION DIVISION
OIL ALLOWABLES FOR ITS ROGERS 1-20)
WELL IN SECTION 20, TOWNSHIP 32 SOUTH) LICENSE NO. 5822
RANGE 6 EAST, COWLEY COUNTY, KANSAS)

APPLICATION

COMES NOW VAL Energy, Inc. (“Applicant”), and pursuant to K.A.R. 82-3-108, applies to the State Corporation Commission of the State of Kansas (“Commission”) for an order permitting a well location exception for, and assignment of acreage attribution unit and appropriate oil allowable to, Applicant's Rogers 1-20 oil well drilled in Section 20, Township 32 South, Range 6 East, Cowley County, Kansas. In support of its Application, Applicant states as follows:

1. Applicant is a Kansas corporation duly authorized to conduct business in the State of Kansas, maintaining as its principal office and mailing address at 8625 E. 37th Street North, Wichita, Kansas 67226. Applicant is authorized to operate oil and gas leases in this State by Operator’s License No. 5822 issued by the Commission.

2. Applicant is the operator of the following-described Oil and Gas Lease:

Oil and Gas Lease dated February 22, 2024 from Christopher A. Rogers and Kathleen M. Rogers, husband and wife, as lessor, to VAL Energy, Inc., as lessee, recorded in the office of the Register of Deeds, Cowley County, Kansas in Book1134 at Page 217, as amended by Amendment and Release of Oil and Gas Leases dated July 24, 2014 by and between Christopher A. Rogers and Kathleen M. Rogers, husband and

wife, as Lessors, and VAL Energy, Inc., as Lessee, recorded in the office of the Register of Deeds, Cowley County, Kansas in Book 1141 at Page 612, covering the Southeast Quarter of the Northwest Quarter (SE/4 NW/4), the Northeast Quarter (NE/4) and the East Half of the Southeast Quarter (E/2 SE/4) of Section 20, Township 32 South, Range 6 East, Cowley County, Kansas, less and except the following-described tract:

A tract of land situated in the Southeast Quarter (SE/4) of Section 20, Township 32 South, Range 6 East, Cowley County, Kansas more particularly described as follows: Commencing at the Southeast corner of said Southeast Quarter (SE/4); thence North 08 deg. 15 min. 47 sec. East (assumed), along the East line of said Southeast Quarter (SE/4) a distance of 600.00 feet to a point; thence South 89 deg. 48 min. 33 sec. West parallel with the South line of said Southeast Quarter (SE/4) a distance 432.00 feet to the point of beginning; thence continuing South 89 deg. 48 min. 33 sec. West parallel with the South line of said Southeast Quarter (SE/4) a distance of 713.71 feet to a point on the West line of the East Half of said Southeast Quarter (E/2 SE/4); thence South 06 deg. 20 min. 48 sec. West along the West line of the East Half of said Southeast Quarter (E/2 SE/4) a distance of 533.93 feet to a point on the North right-of-way for Highway 160; thence North 89 deg. 35 min. 55 sec. East along the North right-of-way a distance of 696.04 feet to a point; thence North 08 deg. 15 min. 47 sec. East parallel with the East line of said Southeast Quarter (SE/4) a distance of 533.70 feet to the point of beginning.

3. Applicant has drilled its Rogers 1-20 well upon the above-described Oil and Gas Lease at a location described as 2310 feet from the North line and 2895 feet from the West line (2310 ft. FNL & 2895 ft. FWL) in the West Half of the Southwest Quarter of the Southwest Quarter of the Northeast Quarter (W/2 SW/4 SW/4 NE/4) of Section 20, Township 32 South, Range 6 East, Cowley County, Kansas, either 330 feet from the North line of the West Half of the Southeast Quarter (W/2 SE/4) of Section 20, Township 32 South, Range 6 East, Cowley County, Kansas, being nearest lease or unit boundary as shown by Advantage Elevations survey commissioned by Applicant and appended hereto as Exhibit A, or 276 feet from said nearest lease or unit boundary as shown by Smith + Oakes survey prepared for Bill Gates and appended hereto as Exhibit B. Said well was drilled to a total vertical depth of 3251 feet and plugged back to 3226 feet to produce oil from the Mississippian formation.

4. The location at which the Rogers 1-20 well was drilled was determined by geologic evaluation to be the most advantageous for the production of oil and/or gas from said formation, and was required to avoid a draw or ravine more than fifty (50) feet deep immediately North of the well location, as shown by the topographic map attached to this Application as Exhibit C. Said well has been completed as a well capable of producing oil in commercial quantities. The Commission's Conservation Division approved Applicant's Notice of Intent to Drill the subject well (Form C-1) on or about April 17, 2024 and authorized drilling of the Rogers 1-20 well at its present location based upon Applicant's survey at Exhibit A.

5. Applicant requests that an exception to the well location requirements of K.A.R. 82-3-108(a) be granted for its Rogers 1-20 producing well, if required; that the standard drilling and acreage attribution unit surrounding such well as herein described be defined under K.A.R. 82-3-207(a) and (b) as ten (10) acres for oil; and that said well be assigned its full daily oil allowable under K.A.R. 82-3-203(a).

6. Grant of the well location exception, assignment of attributed acreage, and assignment of full oil allowable for Applicant's Rogers 1-20 well as requested herein will maximize production of oil and/or gas from the producing formation without waste, and will not violate the correlative rights of other operators and mineral or royalty owners.

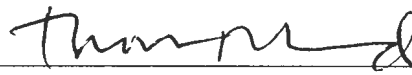
7. Appended to this Application as Exhibit D are the names and addresses of unleased mineral owners whose property boundaries in the West Half of the Southeast Quarter (W/2 SE/4) of Section 20, Township 32 South, Range 6 East, Cowley County, Kansas may be located less than the minimum distance required by K.A.R. 82-3-108(a) from the existing well location, provided in accordance with K.A.R. 82-3-108(d)(3)(B). All other owners of mineral rights in and to the land

which may be located less than said minimum distance from the existing well location have leased their interests to Applicant by presently effective Oil and Gas Leases, also shown on Exhibit D. There is no offset operator whose lease line is located less than the required distance from the Rogers 1-20 well. The topographic maps attached hereto as Exhibit C show the property on which Applicant's Rogers 1-20 well is located, all other completed, partially drilled, or permitted wells on the property, and all adjacent properties and wells.

8. Notice of this Application in the form attached as Exhibit E hereto shall be published by the Applicant in accordance with K.A.R. 82-3-108(f) and K.A.R. 82-3-135a(d). A copy of said Notice shall be mailed to the persons identified on Exhibit D as prescribed by K.A.R. 82-3-108(f).

WHEREFORE, Applicant requests that this Application be set for hearing or granted administratively if no protests be timely filed; that the Commission enter its order approving the well location exception requested for Applicant's well, and assignment of the oil allowables requested hereby; and that the Commission grant the Applicant such other and further relief as it may deem just and proper.

Respectfully submitted,




Thomas M. Rhoads (SC 10005)
Law Offices of Thomas M. Rhoads LC
200 E. 1st Street, Suite 301
Wichita, Kansas 67202-2114
Telephone: (316) 260-4440
Facsimile: (316) 260-4419
Email: tmrhoads@sbcglobal.net

Attorney for Applicant.
VAL Energy, Inc.

VERIFICATION

STATE OF KANSAS)
) SS:
COUNTY OF SEDGWICK)

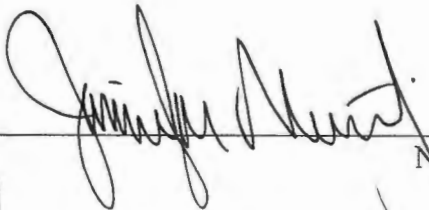
Thomas M. Rhoads, of lawful age and being first duly sworn upon his oath, deposes and states: That he is the Attorney for the Applicant in the above-captioned action; that he has read the above and foregoing Application, knows and understands the contents thereof, and states that the statements and allegations therein contained are true and correct according to his knowledge, information, and belief.



Thomas M. Rhoads

SUBSCRIBED AND SWORN TO before me, the undersigned authority, this 13th day of February 2025.

My commission expires:



Notary Public

Jennifer Martinez
Notary Public - State of Kansas
My Commission Expires May 19, 2025

Application of VAL Energy, Inc. for
Well Location Exception
Rogers 1-20 Well, Section 20-T32S-R6E
Cowley County, Kansas

EXHIBIT A

ADVANTAGE ELEVATIONS

OIL FIELD SURVEYORS

BOX 8604 - PRATT, KS 67124
(620) 672-6491

221241

INVOICE NO.

VALENERGY INC

OPERATOR

1-20

NO.

ROGERS

FARM

COWLEY CO KS

COUNTY

20

S

32B

T

6e

R

2310' PNL & 1985' DEL. of Sec.

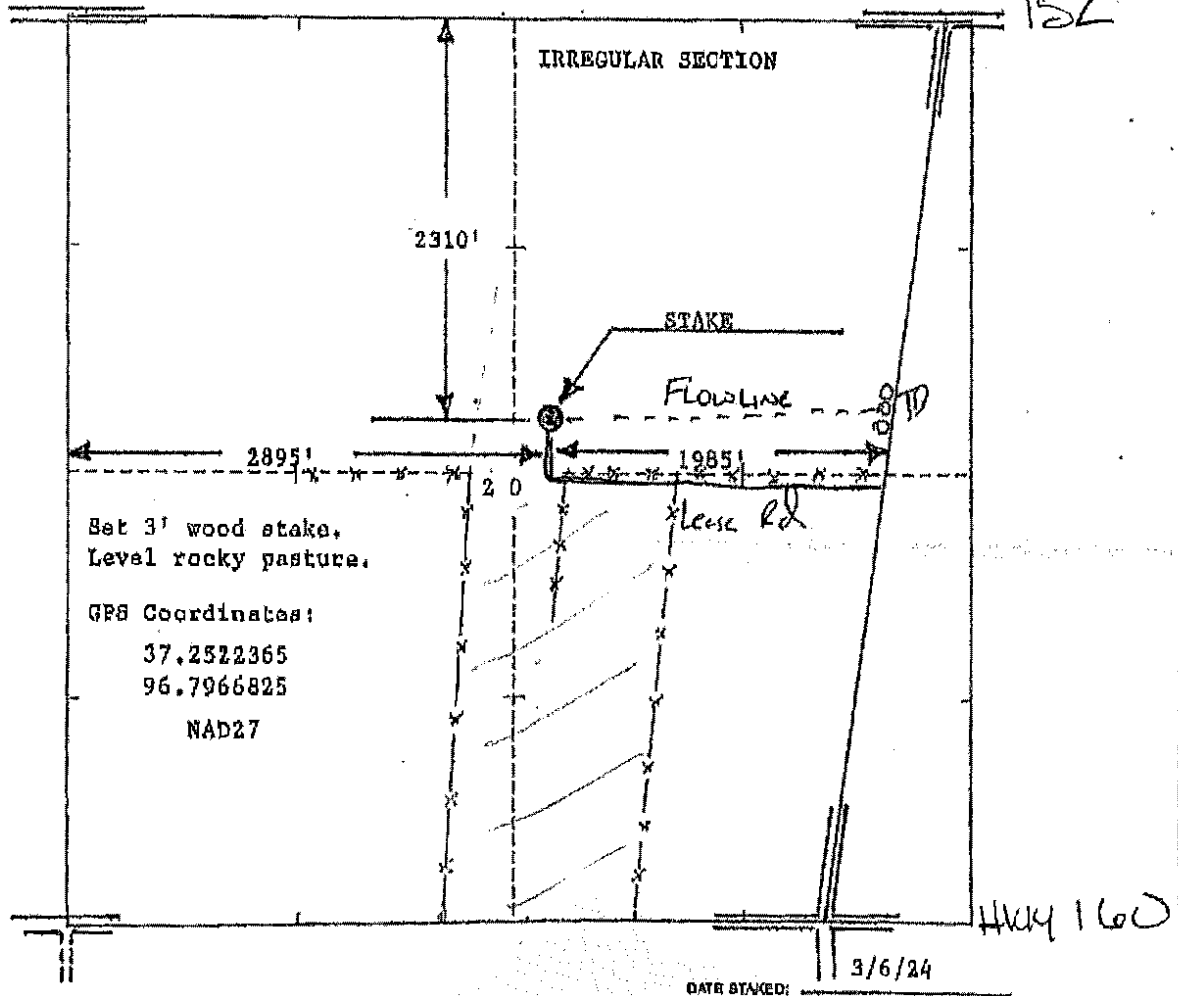
LOCATION

ELEVATION: 1311' GR

VAL ENERGY INC.
125 N. Market Sta 1110
Wichita, KS 67202

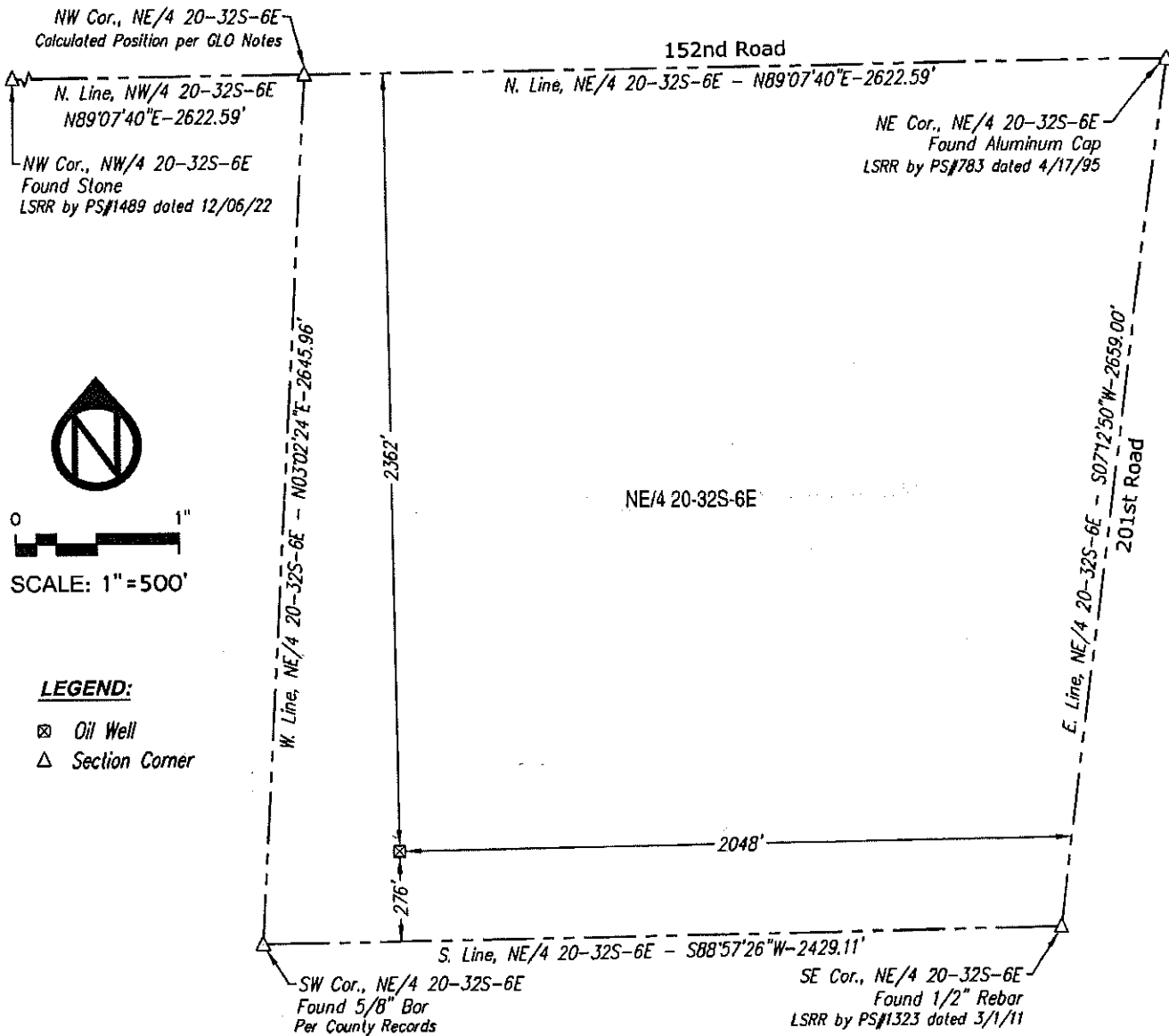
AUTHORIZED BY: Todd Allam

SCALE: 1" = 100'



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Well Location Exception
Rogers 1-20 Well, Section 20-T32S-R6E
Cowley County, Kansas

EXHIBIT B



- LEGEND:**
- ⊗ Oil Well
 - △ Section Corner

DESCRIPTION OF SURVEY:

Locote Oil Well in the Northeast Quarter of Section 20, Township 32 South, Range 6 East of the 6th Principal Meridian, Cowley County, Kansas.

NOTES:

- Bearings for this survey are based on an assumed $S88^{\circ}57'26''W$ for the South Line of the Northeast Quarter, 20-32S-6E. All distances shown are as measured in the field.
- Surveyor has made no investigation or independent search for easements of record, encumbrances, vacated lands, restrictive covenants, ownership title evidence, or any other facts that an accurate and current title search may disclose.

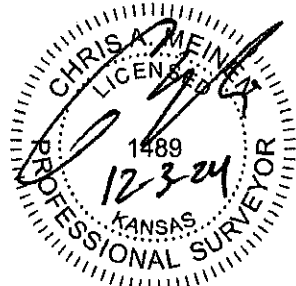
CERTIFICATION:

I hereby certify that the above is an accurate plot of the survey completed by me on the 27th day of November, 2024.

Chris A. Meinen
 Kansas LIC. NO.: PS 1489

PREPARED FOR:

Bill Gates
 18157 191st Road
 Burden, KS 67019



SMITH + OAKES
 110 W BRYANT RD, ARKANSAS CITY, KS 67005
 620-442-4756 / INFO@SMITHANDOAKES.COM

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Rogers 1-20 Well, Section 20-T32S-R6E
Cowley County, Kansas

EXHIBIT C

Oil & Gas Research and Exploration

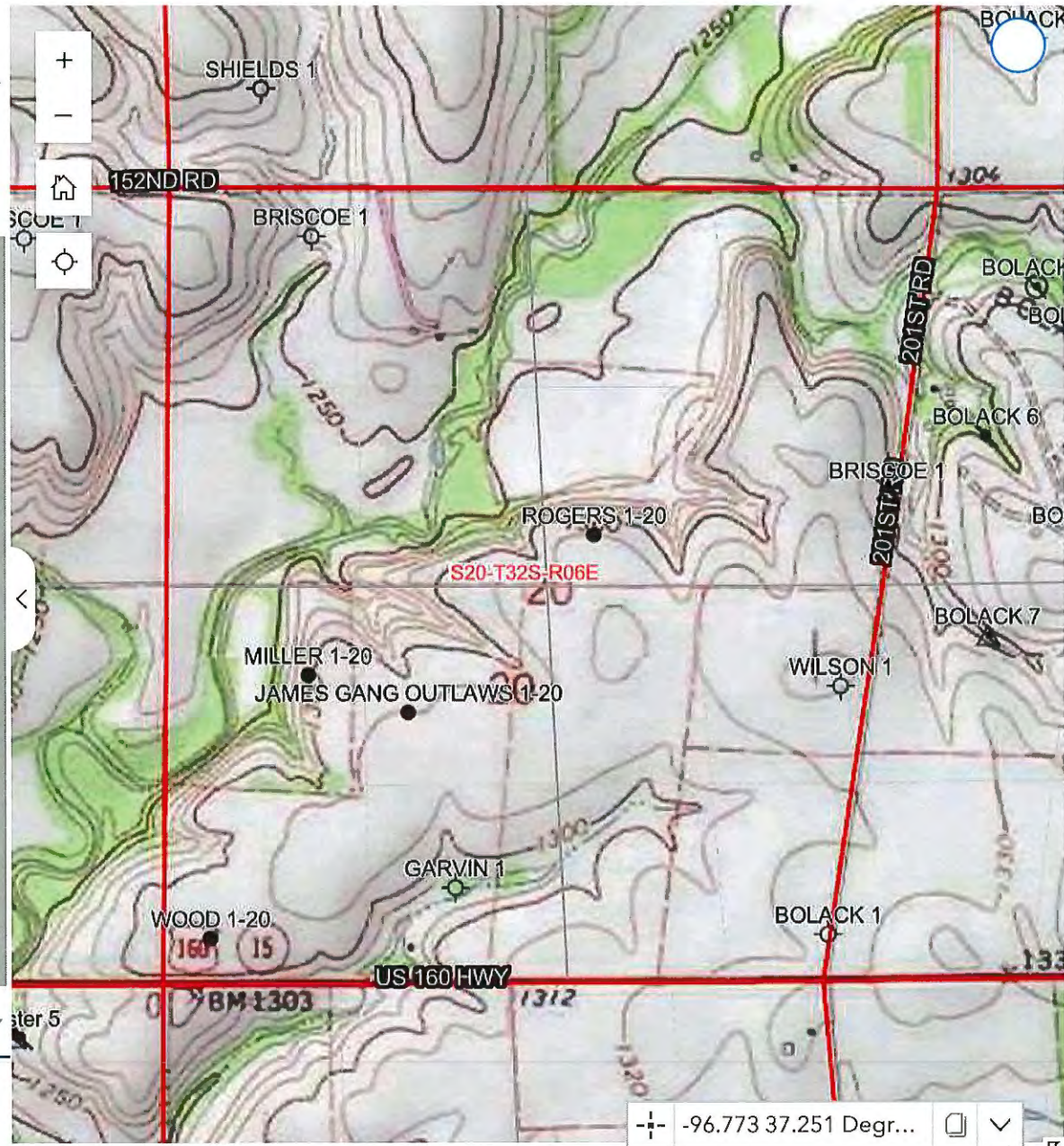
Oil and Gas Map

Help

Ab

Display

- Other Wells and Energy Data
- Oil and Gas Leases
- Counties
- Road Labels
- Alternate Road Labels
- Section-Township-Range
- Waterflood
- Oil and Gas Fields
- Gravity/Magnetic
- Regional Geology
- Topography
- Imagery
- Blank White Basemap



- Search
- Lat/Long
- Filter
- Select
- Table
- Draw
- Print
- Bookm...
- Basemap
- Legend

Some layers are only visible when zoomed in. Layers draw on top of one another in the order listed.

1,000 ft

-96.773 37.251 Degr... Esri, HERE, Garmin, INCREMENT P, USGS, ME... Powered by Esri

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Well Location Exception
Rogers 1-20 Well, Section 20-T32S-R6E
Cowley County, Kansas

EXHIBIT D

Unleased owners of mineral rights in and to the West Half of the Southeast Quarter (W/2 SE/4) of Section 20, Township 32 South, Range 6 East, Cowley County, Kansas whose property or lease boundaries may be situated less than the minimum distance required by K.A.R. 82-3-108(a) from the subject well location.

William H. Gates and Pamela M. Gates
18157 191st Street
Burden, Kansas 67109

Undivided 25% term mineral interest

Owners of mineral rights leased by Applicant in and to the West Half of the Southeast Quarter (W/2 SE/4) of Section 20, Township 32 South, Range 6 East, Cowley County, Kansas whose property or lease boundaries may be situated less than the minimum distance required by K.A.R. 82-3-108(a) from the subject well location.

Revocable Living Trust of Paul E. Lawrence and
Frances M. Lawrence dated January 20, 1997
Attn: Keith A. Lawrence
3008 E. Hartford Avenue
Ponca City, Oklahoma 74604

Bruce K. Roth
628 E. Park
Clearwater, Kansas 67026

Darrell D. Westervelt
5151 Silver Creek Road
Manhattan, Kansas 66503

Glen L. Westervelt
5100 Cody Court
Lawrence, Kansas 66049

Keith D. Westervelt
4430 Silver Creek Road
Manhattan, Kansas 66503

Aggregate undivided 75% term mineral interest

EXHIBIT E

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

IN THE MATTER OF THE APPLICATION)	
OF VAL ENERGY, INC. FOR A WELL)	DOCKET NO. 25-CONS-3265-CWLE
LOCATION EXCEPTION AND THE ASSIGN-)	
MENT OF ATTRIBUTED ACREAGE AND)	CONSERVATION DIVISION
OIL ALLOWABLE FOR ITS ROGERS 1-20)	
WELL IN SECTION 20, TOWNSHIP 32 SOUTH)	LICENSE NO. 5822
RANGE 6 EAST, COWLEY COUNTY, KANSAS)	

NOTICE OF APPLICATION

TO: All Oil and Gas Producers, Purchasers, Royalty Owners, Landowners, and all other persons whomsoever concerned.

You, and each of you, are hereby notified that VAL Energy, Inc. has filed with the State Corporation Commission of the State of Kansas an Application pursuant to K.A.R. 82-3-108 requesting a well location exception for its Rogers 1-20 well drilled 2310 feet from the North line and 2895 feet from the West line (2310 ft. FNL & 2895 ft. FWL) in the West Half of the Southwest Quarter of the Southwest Quarter of the Northeast Quarter (W/2 SW/4 SW/4 NE/4) of Section 20, Township 32 South, Range 6 East, Cowley County, Kansas. Said Application further requests that the surrounding acreage to be attributed to said well be ten (10) acres for oil, and that said well be assigned its full daily oil allowable under K.A.R. 82-3-203.

You are further notified that, unless written protest of this Application is received by the State Corporation Commission, Conservation Division, at 266 N. Main Street, Suite 220, Wichita, Kansas 67202-1513 within fifteen (15) days after publication or other service of this notice, said Application may be granted without a hearing. If written protest is timely received, you are notified that said Application, and any protests thereof, will be heard before the State Corporation Commission at the Commission's Hearing Room, Kansas Corporation Commission, 226 N. Main Street, Suite 220, Wichita, Kansas on a date and at a time to be announced by further notice.

All persons interested or otherwise concerned shall take notice of the foregoing and govern themselves accordingly.

Thomas M. Rhoads
Law Offices of Thomas M. Rhoads LC
200 E. 1st Street, Suite 301
Wichita, Kansas 67202-2114
Telephone: (316) 260-4440
Facsimile: (316) 260-4419

Attorney for Applicant,
VAL Energy, Inc.