OCT C 9 2014

2014.10.09 16:30:17 Kansas Corporation Commission /S/ Thomas A. Day

CONSERVATION DIVISION WICHITA, KS

# THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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IN THE MATTER OF THE APPLICATION	)	Docket No. 15-CONSCWLE
OF SANDRIDGE EXPLORATION AND	)	
PRODUCTION, LLC FOR A WELL	)	
LOCATION EXCEPTION FOR THE	)	License No. 34192
JONES TRUST 3408 #2-28H 1L & 2L WELLS IN	1)	
SECTION 28, TOWNSHIP 34 SOUTH, RANGE	)	
8 WEST, HARPER COUNTY, KANSAS	)	Conservation Division

#### APPLICATION

SandRidge Exploration and Production, LLC ("SandRidge") submits this Application, pursuant to K.A.R. § 82-3-108, for well location exception and for the assignment of an allowable to SandRidge's Jones Trust 3408 #2-28H 1L & 2L wells located in the Section 28, Township 34 South, Range 8 West, Harper County, Kansas. In support of this Application, SandRidge states as follows:

- SandRidge is a corporation duly authorized to do business within the State of Kansas, with its correct mailing address being SandRidge Exploration and Production, LLC, 123 Robert S. Kerr Ave., Oklahoma City, OK 73102.
- 2. SandRidge is the owner and operator of oil and gas leases covering all of Section 28, Township 34 South, Range 8 West, Harper County, Kansas. SandRidge intends to drill two horizontal wells in the Mississippi Formation, known as the Jones Trust 3408 #2-28H 1L & 2L wells. Both of those wells will be drilled from the following surface location:

Those wells will be drilled horizontally from that surface location to the following bottom hole locations:

1L well: 330' FSL & 500' FWL of Section 28-34S-8W

Surface Location: 200' FNL & 1,560' FWL of Section 28-34S-8W

2L well: 330' FSL & 1,680' FWL of Section 28-34S-8W

A plat showing the proposed locations of the wellbores of Jones Trust 1L well and the Jones Trust 2L well is attached hereto as Exhibit A. Both of those wells will be operated by SandRidge.

- 3. At certain points when the Jones Trust 1L well and the Jones Trust 2L well are within the Mississippi Formation, the horizontal wellbores of those wells will be less than 660' from each other. However, the remaining portions of the horizontal wellbores of the Jones Trust 1L well and the Jones Trust 2L well will be more than 660' from the wellbore of the other well.
- 4. SandRidge seeks an exception to the well location restrictions set out in K.A.R. § 82-3-108(a) for the Jones Trust 1L well and the Jones Trust 2L well. The location of each of those wells was selected by SandRidge as the optimum location for the drilling and operation of that well as a producing horizontal well, and only a small portion of the horizontal wellbore in each of those wells will be located less than 660' from the wellbore of the other well. SandRidge does not believe that locating the wellbores of the Jones Trust 1L well and the Jones Trust 2L well at their intended locations will have a material adverse impact upon production from the other horizontal well, and it will allow SandRidge to drill two horizontal wells from one surface location, thus minimizing the disruption of the surface.
- 5. SandRidge believes that the granting of the requested well location exception will prevent economic and physical waste and will not violate correlative rights. Accordingly, SandRidge seeks well location exceptions for the Jones Trust 1L well and the Jones Trust 2L well pursuant to K.A.R. § 82-3-108(c).
- 6. A plat showing the location of the Jones Trust 1L well and the Jones Trust 2L well, the location of all other producing wells and dry holes on the acreage attributed to said

wells, and the location and approximate depths of all wells and dry holes which have been drilled on all properties adjacent to the location of said wells is attached hereto as Exhibit "A" and made a part of this Application.

- 7. Notice of this Application for a well location exception will be published once in both The Wichita Eagle newspaper and The Anthony Republican newspaper in Harper County, Kansas.
- 8. SandRidge is an owner of and operates the oil and gas leases covering all of Section 28-34S-8W on which the Jones Trust 1L well and the Jones Trust 2L well are located and, as a result, there are no unleased mineral owners. The names and addresses of the persons owning royalty and leasehold interests in those wells, as reflected by SandRidge's books and records, are shown on Exhibit "B" attached hereto and incorporated herein by reference.
- 9. The production of oil and/or gas from the Jones Trust 1L well and the Jones Trust 2L well will neither promote waste nor violate correlative rights. Allowing SandRidge to drill those wells at the proposed locations and to produce oil and/or gas from the Mississippi formation through those horizontal wellbores will prevent economic waste.
- 10. SandRidge requests that the Jones Trust 1L well and the Jones Trust 2L well be granted a full allowable in accordance with rules and regulations of the Commission.

WHEREFORE, SandRidge Exploration and Production, LLC ("SandRidge") prays that if no written protest is received by the Conservation Division within fifteen (15) days after notice of this Application has been duly published and served, that this Commission grant SandRidge's Application for a well location exception and assign a full allowable to the Jones Trust 1L well and the Jones Trust 2L well, as requested herein, at the appropriate time in accordance with the laws of the State of Kansas and the orders of this Commission.

Q1 E RX

David E. Bengtson

(#12184)

Stinson Leonard Street LLP

1625 N. Waterfront Parkway, Suite 300

Wichita, KS 67206-6620

(316) 265-8800 (FAX) 265-1349

Attorneys for SandRidge Exploration and Production, LLC

## **VERIFICATION**

STATE OF KANSAS ) ) ss:
COUNTY OF SEDGWICK ) ss:
David E. Bengtson, of lawful age, being first duly sworn upon oath states:
That he is the attorney for the Applicant named in the foregoing Application and is duly authorized to make this verification; that he has read the foregoing Application and knows the contents thereof and that the facts set forth therein are true and correct to the best of his information and belief.
David E. Bengtson
SUBSCRIBED AND SWORN to before me this $8\%$ day of October, 2014.
Notary Public
Notary 1 dore
My Appointment Expires: KAY L. ADAMS NOTARY PUBLIC

## **AFFIDAVIT OF MAILING**

STATE OF KANSAS )
COUNTY OF SEDGWICK ) ss:
David E. Bengtson, of lawful age, being first duly sworn upon oath states:
That on October <u>S</u> , 2014, a true and correct copy of the Notice of Pending Application and the Application were mailed to all interested parties as set out in the foregoing Application, by depositing the same in the United States mail, postage prepaid.
David E. Bengtson
SUBSCRIBED AND SWORN to before me this 8th day of October, 2014.
Hay adowns Notary Public
My Appointment Expires:  KAY L. ADAMS  NOTARY PUBLIC  STATE OF KANSAS  My Appt. Exp. U-3-2014

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#### **EXHIBIT B**

### All of Section 8-34S-8W, Harper County, KS

Working Interest Owners (other than SandRidge): Atinum MidCon I, LLC 343 Clay Street, Suite 700 Houston, Texas 77002

Repsol E&P USA Inc. 2001 Timberlock Place, Suite 3000 The Woodlands, Texas 77380

Chesapeake Exploration LLC Attn: Doug Martin 6100 N. Western Ave Oklahoma City, OK 73118

HRC Investments, LLC 633 SW 70th Rd. Waldron, KS 67150

Royalty Owners: Samuel R. Jones Trust, dated May 11, 2000 6023 Maple Wichita, KS 67209

Hughes Ranch Corp. 633 SW 70<sup>th</sup> Rd. Waldron, KS 67150

Dennis Leonard Perry 549 SW 60 Avenue Anthony, KS 67003-9271

Deanna K. Gehlback Revocable Trust 149 Nelson Circle Dr Olathe, KS 66051

McKee Family Loving Trust dated April 26, 1991 409 Trout Circle Wamego, KS 66547-9018

Dennis Hughes & Gay Willson-Hughes 1342 N. Hickory Creek Ct Wichita, KS 67235