

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

IN THE MATTER OF THE APPLICATION)	Docket No. 18-CONS- ³²⁴⁰ _____CWLE
OF TRANS PACIFIC OIL CORPORATION)	
FOR A WELL LOCATION EXCEPTION)	
FOR THE J. WILLIAM UNIT #3-29 WELL IN)	License No. 9408
SECTION 29, TOWNSHIP 14 SOUTH, RANGE)	
32 WEST, LOGAN COUNTY, KANSAS)	CONSERVATION DIVISION
_____)	

APPLICATION

Trans Pacific Oil Corporation ("TPO") submits this Application, pursuant to K.A.R. §§ 82-3-108 and 82-3-203, for a well location exception and the assignment of a full allowable for the J. William Unit #3-29 well in Logan County, Kansas. In support of this Application, TPO states as follows:

1. TPO is a Kansas corporation with its principal place of business being at 100 South Main, Suite 200, Wichita, Kansas 67202. The State Corporation Commission for the State of Kansas has issued TPO operator's license #9408, which license is in full force and effect.
2. TPO is an owner and the operator of oil and gas leases covering the S/2 SW/4 of Section 29, Township 14 South, Range 32 West, Logan County, Kansas.
3. TPO seeks a well location exception for the production of oil from the J. William Unit #3-29 well (the "Subject Well") which will be drilled at the following location in the S/2 SW/4 of said Section 29, to-wit:

80' FSL and 550' FWL of Section 29, Township 14 South, Range 32
West, Logan County, Kansas.

Said well will be drilled to test and produce oil from the Lansing-Kansas City, Marmaton, Cherokee, Johnson, Morrow Sand and Mississippi formations.

4. TPO is also the owner and operator of an oil and gas lease covering the W/2 W/2 of Section 32, Township 14 South, Range 32 West, Logan County, Kansas, which is the land directly offsetting the location of the Subject Well. That lease covers an undivided one-half (1/2) of the mineral rights in and under that land. The other undivided one-half (1/2) of the mineral rights in and under that land are unleased, and the owners of those unleased mineral rights are identified in paragraph 13, below.

5. The Subject Well will be located less than 330 feet from the boundary line between the S/2 SW/4 of Section 29 and the W/2 W/2 of Section 32.

6. Pursuant to the authority granted to TPO under the terms of the oil and gas leases owned and operated by TPO covering the S/2 SW/4 of Section 29 and the W/2 W/2 of Section 32, TPO intends to form a 40-acre oil production unit for the Subject Well consisting of 20-acres in the S/2 SW/4 of Section 29 and 20-acres in the W/2 W/2 of Section 32.

7. The location of the Subject Well was selected by TPO based on seismic interpretation and mapping as the most desirable location for the discovery and production of oil in commercial quantities.

8. Pursuant to K.A.R. § 82-3-108(e), attached hereto as Exhibits "A" and "B," respectively, are (A) the proposed Notice of Intent to Drill for the Subject Well; and (B) a plat showing the location of the property on which the Subject Well is located, all other wells located on that property, and all other wells located on the adjacent acreage.

9. K.A.R. § 82-3-108(a) provides that oil wells shall be located not less than 330' from any lease or unit boundary line. As to the unleased mineral owners in the W/2 W/2 of Section 32, the boundary between Section 29 and Section 32 is a "lease line" and, therefore, a location exception is necessary to obtain a full allowable for the Subject Well. As to the leased mineral owners in the W/2 W/2 of Section 32, the Subject Well is at a legal location since it is located more

than 330' feet from the unit boundary.

10. Pursuant to K.A.R. § 82-3-108(c) & (d), TPO seeks an exception to the general well location restrictions for oil wells for the Subject Well.

11. TPO requests that the allowable for the Subject Well be governed by the provisions of K.A.R. § 82-3-203(a).

12. Notice of this Application will be published in The Wichita Eagle newspaper and in the The Oakley Graphic, the official county newspaper in Logan County, Kansas.

13. The land that is located less than the minimum distance required by K.A.R. § 82-3-108(a) from the Subject Well is both leased and unleased. The owners of the unleased minerals in the W/2 W/2 of Section 32 are as follows:

Ilene Rose, Trustee of the Rose Family Trust UTI 6/29/06
325 Smokyhill Ave.
Oakley, KS 67748

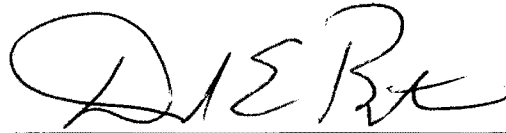
Ilene Rose, Trustee of the Rose Survivor's Trust UTI 6/29/06
325 Smokyhill Ave.
Oakley, KS 67748

TPO has offered to purchase oil and gas leases from those mineral owners covering that land, but those mineral owners have refused to accept that offer. Notice of the filing of this Application will be given to those unleased mineral owners.

12. The production of oil from the Subject Well will neither cause waste nor violate correlative rights. In fact, granting the well location exception requested herein will prevent physical and economic waste. Oil and other hydrocarbons produced from said well will be utilized for purposes permitted by the laws of the State of Kansas and the regulations of this Commission.

WHEREFORE, for the reasons set forth herein, Trans Pacific Oil Corporation ("TPO") 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, this Commission grant TPO's

Application for a well location exception for the Subject Well as requested herein in accordance with the laws of the State of Kansas and the rules, regulations, and orders of this Commission.



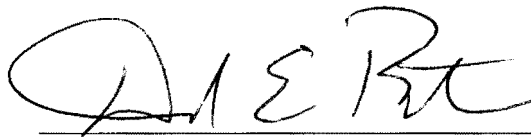
David E. Bengtson (#12184)
STINSON LEONARD STREET LLP
1625 N. Waterfront Pkwy., Suite 300
Wichita, Kansas 67206-6620
(316) 265-8800
Fax: (316) 265-1349
David.bengtson@stinson.com

Attorneys for Applicant, Trans Pacific Oil Corporation

VERIFICATION

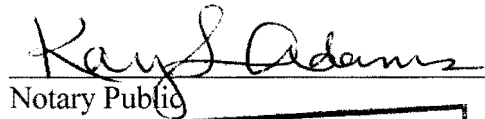
STATE OF KANSAS)
) ss:
COUNTY OF SEDGWICK)

David E. Bengtson, of lawful age, being first duly sworn upon oath states: that he is 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.



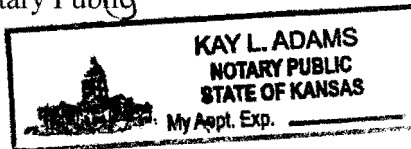
David E. Bengtson

SUBSCRIBED AND SWORN to before me this 21st day of November, 2017.


Notary Public

My Appointment Expires:

11/3/2018

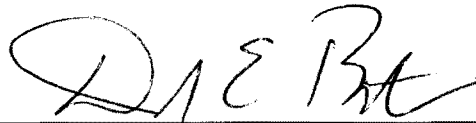


AFFIDAVIT OF MAILING

STATE OF KANSAS)
) ss:
COUNTY OF SEDGWICK)

David E. Bengtson, of lawful age, being first duly sworn upon oath states:

That on the 22nd day of November, 2017, true and correct copies of the foregoing Application and the Notice of Application were mailed to all interested parties, as set out in the Application, by depositing the same in the United States mail, first class postage prepaid.



David E. Bengtson

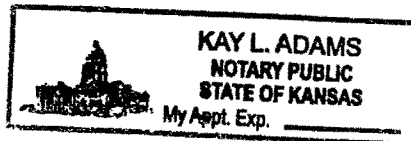
SUBSCRIBED AND SWORN to before me this 21st day of November, 2017.



Notary Public

My Appointment Expires:

11/3/2018



For KCC Use:

Effective Date: _____

District # 4

SGA? ☒ Yes ☐ No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

Form C-1

March 2010

Form must be Typed

Form must be Signed

All blanks must be Filled

Expected Spud Date: 02/15/2018
month day year

OPERATOR: License# 9408

Name: Trans Pacific Oil Corporation

Address 1: 100 S MAIN STE 200

Address 2:

City: WICHITA State: KS Zip: 67202 + 3735

Contact Person: BRYCE BIDLEMAN

Phone: 316-262-3596

CONTRACTOR: License#

Name: Advise on ACO-1 -- Must be licensed by KCC

Well Drilled For:

☒ Oil
☐ Gas

☐ Enh Rec
☐ Storage
☐ Disposal

Well Class:

☐ Infield
☒ Pool Ext.
☐ Wildcat
☐ Other

Type Equipment:

☒ Mud Rotary
☐ Air Rotary
☐ Cable

☐ Seismic ; # of Holes

☐ Other:

☐ If OWWO: old well information as follows:

Operator:

Well Name:

Original Completion Date: Original Total Depth:

Directional, Deviated or Horizontal wellbore?

☐ Yes ☒ No

If Yes, true vertical depth:

Bottom Hole Location:

KCC DKT #:

Spot Description:

SE SW SW SW Sec. 29 Twp. 14 S. R. 32 ☐ E ☒ W
(Q/Q/Q/Q) 80 feet from ☐ N / ☒ S Line of Section

550 feet from ☐ E / ☒ W Line of Section

Is SECTION: ☒ Regular ☐ Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Logan

Lease Name: J. WILLIAM UNIT

Well #: 3-29

Field Name: UNKNOWN

Is this a Prorated / Spaced Field?

☐ Yes ☒ No

Target Formation(s): Lansing-Marmaton

Nearest Lease or unit boundary line (in footage): 550

Ground Surface Elevation: 2762 Estimated

feet MSL

Water well within one-quarter mile:

☐ Yes ☒ No

Public water supply well within one mile:

☐ Yes ☒ No

Depth to bottom of fresh water: 150

Depth to bottom of usable water: 1150

Surface Pipe by Alternate: ☐ I ☒ II

Length of Surface Pipe Planned to be set: 220

Length of Conductor Pipe (if any): 4500

Projected Total Depth: 4500

Formation at Total Depth: Mississippi

Water Source for Drilling Operations:

☐ Well ☒ Farm Pond ☐ Other:

DWR Permit #:

(Note: Apply for Permit with DWR ☐)

Will Cores be taken?

☐ Yes ☒ No

If Yes, proposed zone:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office **prior** to spudding of well;
2. A copy of the approved notice of intent to drill **shall be** posted on each drilling rig;
3. The minimum amount of surface pipe as specified below **shall be set** by circulating cement to the top; in all cases surface pipe **shall be set** through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary **prior to plugging**;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 DAYS** of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **In all cases, NOTIFY district office** prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: _____ Signature of Operator or Agent: _____ Title: _____

For KCC Use ONLY

API # 15 -

Conductor pipe required _____ feet

Minimum surface pipe required _____ feet per ALT. ☐ I ☒ II

Approved by: _____

This authorization expires:

(This authorization void if drilling not started within 12 months of approval date.)

Spud date: _____ Agent: _____

Remember to:

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed (within 60 days);
- Obtain written approval before disposing or injecting salt water.
- If well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.

☐ Well will not be drilled or Permit Expired Date: _____
Signature of Operator or Agent:

Exhibit "A"

29

14

32

☐ E ☒ W

For KCC Use ONLY

API # 15 - _____

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: Trans Pacific Oil CorporationLease: J. WILLIAM UNITWell Number: 3-29Field: UNKNOWNNumber of Acres attributable to well: 40QTR/QTR/QTR/QTR of acreage: SE - SW - SW - SWLocation of Well: County: Logan80

feet from

☐

N

/

☒

S

Line of Section

550

feet from

☐

E

/

☒

W

Line of Section

Sec. 29Twp. 14S. R. 32☐

E

/

☒

W

Is Section: ☒ Regular or ☐ Irregular

If Section is Irregular, locate well from nearest corner boundary.

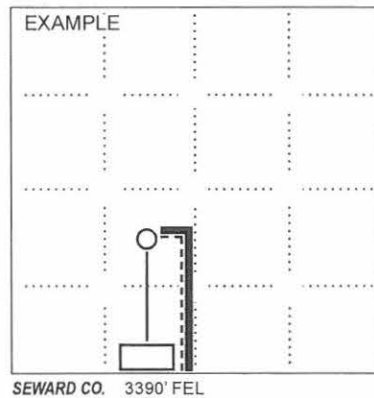
Section corner used: ☐ NE ☐ NW ☐ SE ☐ SW**PLAT**

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).

You may attach a separate plat if desired.

LEGEND

- ☐ Well Location
- ☐ Tank Battery Location
- ☐ Pipeline Location
- ☐ Electric Line Location
- ☐ Lease Road Location



550 ft.

NOTE: In all cases locate the spot of the proposed drilling location.

80 ft.

In plotting the proposed location of the well, you must show:

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

Exhibit "A"

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT

Form CDP-1
May 2010
Form must be Typed

Submit in Duplicate

Operator Name: Trans Pacific Oil Corporation		License Number: 9408
Operator Address: 100 S MAIN STE 200		WICHITA KS 67202
Contact Person: BRYCE BIDLEMAN		Phone Number: 316-262-3596
Lease Name & Well No.: J. WILLIAM UNIT 3-29		Pit Location (QQQQ): SE - SW - SW - SW Sec. 29 Twp. 14 R. 32 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 80 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 550 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Logan County
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 1200 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
How is the pit lined if a plastic liner is not used? Native Clays & Bentonite		
Pit dimensions (all but working pits): 80 Length (feet) 80 Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: 4 (feet) <input type="checkbox"/> No Pit		
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.
Distance to nearest water well within one mile of pit: 3883 feet Depth of water well 40 feet		Depth to shallowest fresh water 30 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KDWR
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Fresh Mud Number of working pits to be utilized: 3 Abandonment procedure: Allow pits to dry completely, fill pits, smooth location Drill pits must be closed within 365 days of spud date.
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.		
_____ Date		_____ Signature of Applicant or Agent

KCC OFFICE USE ONLY

☐ Liner ☐ Steel Pit ☐ RFAC ☐ RFAS

Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: ☐ Yes ☒ No

Exhibit "A"

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

**CERTIFICATION OF COMPLIANCE WITH THE
KANSAS SURFACE OWNER NOTIFICATION ACT**

Form KSONA-1
January 2014
Form Must Be Typed
Form must be Signed
All blanks must be Filled

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: ☒ C-1 (Intent) ☐ CB-1 (Cathodic Protection Borehole Intent) ☐ T-1 (Transfer) ☐ CP-1 (Plugging Application)

OPERATOR: License # 9408
Name: Trans Pacific Oil Corporation
Address 1: 100 S MAIN STE 200
Address 2: _____
City: WICHITA State: KS Zip: 67202 + 3735
Contact Person: Lance Felhoelter
Phone: (620) 388-2306 Fax: (316) 267-7184
Email Address: _____

Well Location:
SE SW SW SW Sec. 29 Twp. 14 S. R. 32 ☐ East ☒ West
County: Logan
Lease Name: J. WILLIAM UNIT Well #: 3-29

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: Ilene Rose
Address 1: 325 Smokyhill Avenue
Address 2: _____
City: Oakley State: Kansas Zip: 67748 + _____

When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

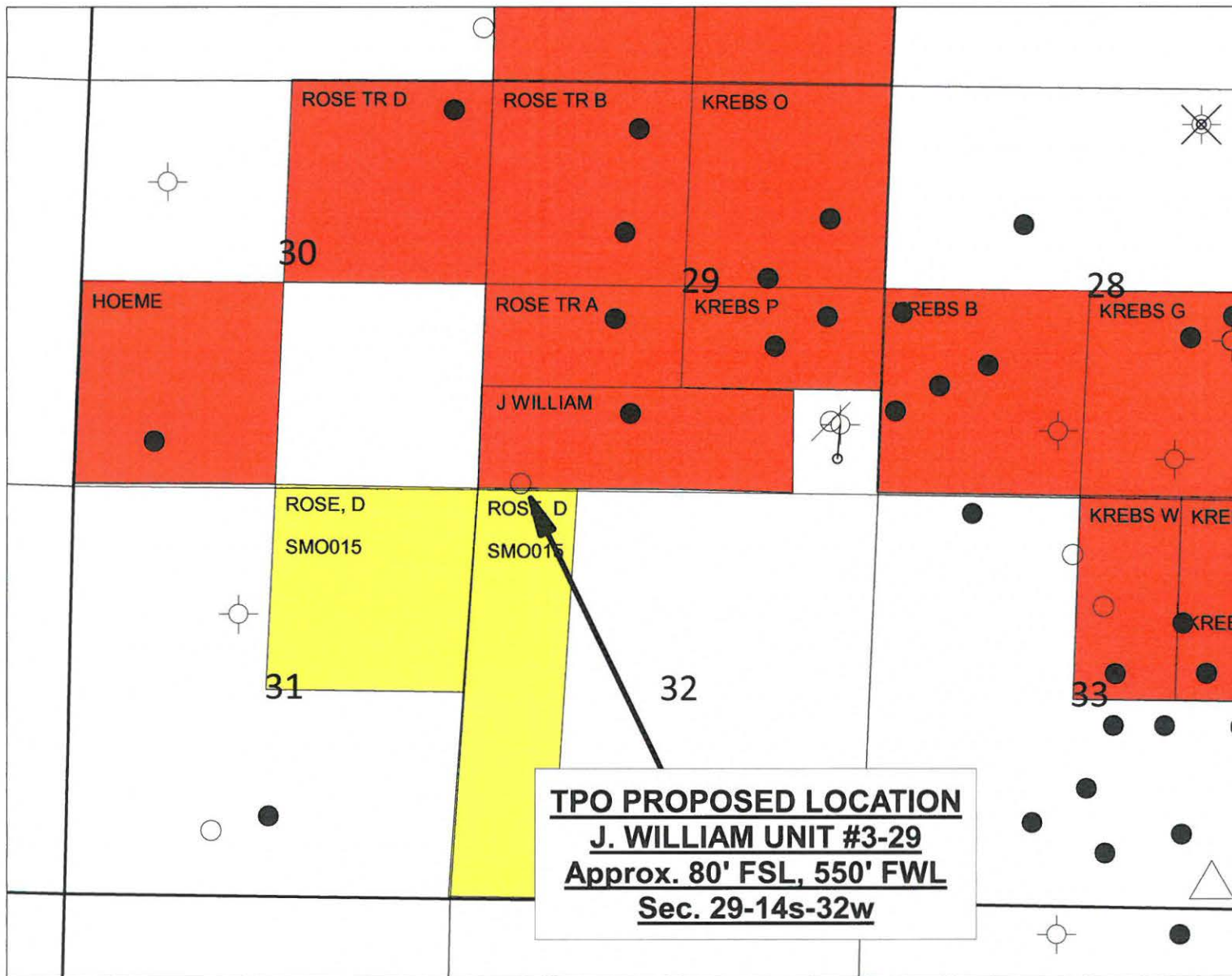
- ☒ I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- ☐ I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I must provide the name and address of the surface owner by filling out the top section of this form and that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: _____ Signature of Operator or Agent: _____ Title: _____

Exhibit "A"



TPO PROPOSED LOCATION
J. WILLIAM UNIT #3-29
Approx. 80' FSL, 550' FWL
Sec. 29-14s-32w

TPO - GULF
J. WILLIAM UNIT
#3-29
Sec. 29-14s-32W
Logan County,
Kansas