# **KANSAS**

## I. Administration

- 1. Agency regulating oil and gas exploration/production: <u>Kansas Corporation</u> <u>Commission, Conservation Division</u>, 266 N. Main St., Ste. 220, Wichita, KS 67202-1513. Phone: (316) 337-6200.
- Contact for regulatory updates: Kansas Corporation Commission, Conservation Division, 266 N. Main St., Ste. 220, Wichita, KS 67202-1513. Phone: (316) 337-6200.
- 3. Docketing procedure:
  - a. Emergency orders: Yes, emergency action may be taken by the Commission without notice and hearing, such action to remain in force no longer than 30 days from the effective date. <u>K.S.A. 55-605</u> and <u>K.S.A. 55-162</u>.
  - b. Notice: At least ten days prior to hearing. Kansas Corporation Commission, Conservation Division. K.S.A. 55-605 and K.A.R. 82-3-135.
- 4. Agency regulating air emissions: <u>Kansas Department of Health and Environment</u>, <u>Division of Environment</u>, <u>Bureau of Air</u>. 1000 SW Jackson, Suite 310, Topeka, KS 66612. Phone: (785) 296-1500.
- 5. Agency regulating water quality: <u>Kansas Department of Health and Environment</u>, <u>Division of Environment</u>, <u>Bureau of Water</u>. 1000 SW Jackson, Suite 420, Topeka, KS 66612. Phone: (785) 296-1500.

## II. License

- 1. License required: Yes, for every operator or contractor. <u>K.S.A. 55-150</u>, <u>55-155</u> and K.A.R. 82-3-120.
- 2. Conditions of license: Filing of a verified application, certificate of good standing from Secretary of State if applicable, payment of proper fees, financial assurance, and certified well inventory. Must display ID tag on each rig at all times. <u>K.S.A.</u> 55-155 and <u>K.A.R. 82-3-120</u>.

### III. Bond/Surety

- 1. Purpose of surety: Required by statute for an operator to receive a license. <u>K.S.A.</u> <u>55-155</u>.
- 2. Plugging and restoration: No extra bond/surety required.

- 3. Compliance bond required: No, so long as the operator has an acceptable three-year past record of compliance with rules, regulations, and orders, or can provide other means of financial assurance. K.S.A. 55-155 and K.A.R. 82-3-120.
- 4. Types of surety accepted: Performance bond, letter of credit, fee, state lien on tangible personal property, other. <u>K.S.A. 55-155</u>.
- 5. Conditions of bond:
  - a. Amount per well: 75¢ times the aggregate depth for all wells drilled or operated.
  - b. Amount of blanket bond: Ranges from \$7,500 to \$45,000 depending on the number of wells and depth.

### IV. Land Leasing Information

- 1. Leasing method:
- 2. Notice method:
- 3. Minimum bidding \$ (per acre):
- 4. Qualification of the bidder:
- 5. State statutes:
- 6. Maximum acres:
- 7. Royalty rates:
- 8. Agency in control of leasing: <u>Kansas Department of Administration</u>, <u>Office of Facilities and Property Management</u>. 1000 SW Jackson, Suite 500, Topeka, KS 66612. Phone: (785) 296-6060.

### V. Setbacks

- What rules/regulations/policies does your jurisdiction have in regard to well setbacks from private residences and/or other habitable structures for use by humans or animals? <u>K.S.A. 55-211</u> prohibits wells from being located upon school grounds within 100 feet of a schoolhouse. No regulations regarding setbacks from homes, etc. These types of provisions are usually addressed in the Lease Agreement.
- 2. Are there other sources of information on this matter that you could identify? N/A

## VI. Spacing

1. Spacing requirements:

- a. Density: Ten acres for oil and gas wells, except for certain oil wells in eastern Kansas. K.A.R. 82-3-207 and 82-3-312.
- b. Lineal: Gas and oil wells shall be located 330' or more from any lease or unit boundary line to qualify for a full allowable. K.A.R. 82-3-108, 82-3-207 and 82-3-312. Also see Appendix I, Table B, EASTERN SURFACE CASING Order #133,891-C which requires notification to owners of water wells within 660 feet of an existing domestic or municipal water well.

# 2. Exceptions:

- a. Basis: Oil wells drilled to a depth of less than 2,000 feet in certain counties in eastern Kansas have a lineal distance requirement of 165 feet from the nearest lease or unit boundary line. K.A.R. 82-3-108. Other exceptions to spacing requirements maybe granted by Commission order after notice of the application and possible hearing. K.A.R. 82-3-108 and K.A.R. 82-3-109(c).
- b. Approval: Commission order. Hearing if needed after notice. <u>K.A.R. 82-3-108</u> and <u>K.A.R. 82-3-109(c)</u>.

# VII. Pooling

- 1. Authority to establish voluntary: Yes. Terms of contract (lease).
- 2. Authority to establish compulsory: No.

### VIII. Unitization

- 1. Compulsory unitization of all or part of a pool or common source of supply: Yes, upon application of working interest owner, notice, and hearing. K.S.A. 55-1301 *et seq*.
- 2. Minimum percentage of voluntary agreement before approval of compulsory unitization:
  - a. Working interest: 63%
  - b. Royalty interest: 75% for efficient management; 63% for secondary recovery units.

# IX. <u>Drilling Permit</u>

- 1. Permits required for:
  - a. Drilling a producing or service well: Yes. K.S.A. 55-151, K.A.R 82-3-103.
  - b. Seismic drilling: Yes. <u>K.S.A. 55-151</u>, <u>K.A.R 82-3-103</u>, <u>82-3-115a</u>.

- c. Recompletion: No. <u>K.A.R 82-3-103</u>. Must notify Conservation Division or district office at least 48 hours prior to reentering an abandoned or plugged well. <u>K.A.R. 82-3-132</u>. Completion report (ACO-1 Form) is required. <u>K.A.R. 82-3-107</u>(d)(1) and <u>82-3-130</u>.
- d. Plugging and abandoning: Yes. K.A.R. 82-3-113.

#### 2. Permit fee:

- a. Drilling: No.
- b. Seismic drilling: No.
- c. Recompletion: No.
- d. Plugging and abandoning: Yes. \$.0325 per foot of well depth. Minimum \$35. <u>K.A.R. 82-3-118</u>. For plugging seismic holes, minimum fee \$5. K.A.R. 82-3-115b(k).
- 3. Require filing report of work performed: Yes. Must be filed within 120 days of commencement of drilling operations. K.A.R. 82-3-130.
- 4. Sundry notices used: No "sundry notice" form. CP-111 for temporary abandonment; CP-1 for well plugging; various other forms.

## X. Vertical Deviation

- 1. Regulation requirement: Yes. K.A.R. 82-3-103a.
  - a. When is a directional survey necessary: On all horizontal and deviated well completions.
  - b. Filing of survey required: Yes, with the well completion report.
  - c. Format of filing: No specific format required.

# XI. Casing and Tubing

- 1. Minimum amount required:
  - a. Surface casing: Varies. Table I used to determine the required depth of surface casing and cementing requirements. <u>K.A.R. 82-3-106</u>. Cathodic borehole surface casing must comply with K.A.R. 82-3-702.
  - b. Production casing: Casing must seal off and isolate producing and water-bearing zones by being cemented in place. K.A.R. 82-3-105.
- 2. Minimum amount of cement required:

- a. Surface casing: Varies. Table I used to determine the required depth of surface casing and cementing requirements. <u>K.A.R. 82-3-106</u>.
- b. Production casing: Varies. Casing must seal off and isolate producing formations and usable water formations by being cemented in place. K.A.R. 82-3-105.
- c. Setting time: Eight hours and a compressive strength of 300 psi. <u>K.A.R.</u> 82-3-106(d)(4). For cathodic boreholes, 24 hours or time recommended by grout manufacturer's instructions. K.A.R. 82-3-702(b)(8).

# 3. Tubing requirements:

- a. Oil wells: No.
- b. Gas wells: No, except for certain gas storage wells.
- c. Injection wells: Yes, see <u>K.A.R. 82-3-406</u>.

# XII. <u>Hydraulic Fracturing</u>

- 1. Permitting: No permit necessary for fracing.
  - a. Before drilling: Drilling a producing well requires a permit. <u>K.S.A. 55-151</u>, <u>K.A.R 82-3-103</u>.
  - b. Before fracing: No.
  - c. How long before: Approved drilling permits expire one year from date of approval. K.A.R. 82-3-103(f).
- 2. Reporting requirements: A completion report must be filed for any well within 120 days of spud date, or date of commencement of recompletion. <u>K.A.R. 82-3-107(d)(1)</u> and 82-3-130.
  - a. Where reported: Conservation Division. <u>K.A.R. 82-3-107</u>(d)(1) and <u>82-3-130</u>.
  - b. When reported: Within 120 days of spud date. <u>K.A.R. 82-3-107(d)(1)</u> and 82-3-130.
- 3. Source water requirements: Regulated by Kansas Department of Agriculture, Division of Water Resources.
- 4. Mechanical integrity: No fracing-specific rules.
  - a. Cementing log required: N/A
  - b. Pressure testing: N/A

- c. Pressure monitoring: N/A
- d. Blowout preventer required: N/A
- 5. Disposal of flowback fluids: No fracing-specific rules. Would typically be done by underground injection.
  - a. Retaining pits: No fracing-specific rules. Regulated by Conservation Division.
  - b. Tanks: No fracing-specific rules. Regulated by Conservation Division.
  - c. Approved discharge to surface water: No fracing-specific rules. Regulated by Kansas Department of Health and Environment
  - d. Underground injection: No fracing-specific rules. Regulated by Conservation Division under the Class II program.
- 6. Chemical disclosure requirement: Yes. See <u>K.A.R. 82-3-1400</u> et. seq.
  - a. Mandatory: Yes, on all hydraulic fracturing treatments exceeding 350,000 gallons of total base fluid. K.A.R. 82-3-1401(a).
  - b. Where disclosed: To the Conservation Division as part of the ACO-1 Well Completion Report or to <a href="https://www.fracfocus.com">www.fracfocus.com</a>. <a href="https://www.fracfocus.com">K.A.R. 82-3-1401</a>(b).
  - c. When disclosed (pre-fracing, post-fracing, both): Post fracing <u>K.A.R. 82-</u>3-1401.
  - d. Time limit to disclose: 120-days from the spud date of the well. <u>K.A.R.</u> 82-3-1401.
  - e. Information required to be disclosed: (1) The base fluid used, including its total volume; (2) each proppant; and (3) each chemical constituent at its maximum concentration in the hydraulic fracturing fluid and its CAS number. K.A.R. 82-3-1401(b)
  - f. Trade secret protection: Yes. K.A.R. 82-3-1401-1402.
  - g. Required disclosure to health/emergency personnel: Yes. <u>K.A.R. 82-3-1402(b)</u>.

## XIII. <u>Underground Injection</u>

- 1. Agencies that control the underground injection of fluid by well class:
  - Class I Kansas Department of Health and Environment
  - Class II Kansas Corporation Commission, Conservation Division

Class III - Kansas Department of Health and Environment

Class IV – N/A

Class V - Kansas Department of Health and Environment

Class VI - EPA

## XIV. <u>Completion</u>

- 1. Completion report required: Yes, ACO-1 Form.
  - a. Time limit: Within 120 days of spud date. K.A.R. 82-3-130.
  - b. Where submitted: Conservation Division.
- 2. Well logs required to be filed: Yes
  - a. Time limit: Within 120 days of spud date. <u>K.A.R. 82-3-107(d)(1)</u> and K.A.R. 82-3-130.
  - b. Where submitted: Conservation Division
  - c. Confidential time period: Request letter must be received within 120 days of spud date. One year from date of letter request. May be extended an additional year. <u>K.A.R. 82-3-107(e)</u>.
  - d. Available for public use: Yes, available through Kansas Geological Survey.
  - e. Log catalog available: Yes, available through Kansas Geological Survey.
- 3. Multiple completion regulation: <u>K.A.R. 82-3-124</u>.
  - a. Approval obtained: By application. Hearing if needed after notice. <u>K.A.R.</u> 82-3-124(b).
- 4. Commingling in well bore: K.A.R. 82-3-123
  - a. Approval obtained: By application. Hearing if needed after notice. <u>K.A.R.</u> 82-3-123(b).

# XV. Oil Production

1. Definition of an oil well: "Oil well" means a well that produced one stock tank barrel or more of crude oil to each 15,000 standard cubic feet of gas, as measured by the gas-oil ratio test prescribed by and reported on the form prescribed and furnished by the Commission. K.A.R. 82-3-101(a)(81)(I).

- 2. Potential tests required: Yes, only in prorated pools. <u>K.A.R. 82-3-202</u>.
  - a. Time interval: In prorated pools, productivity tests within 30 days of filing (ACO-1) completion report. <u>K.A.R. 82-3-202(d).</u>
  - b. Witness required: Yes. K.A.R. 82-3-202(c).
- 3. Maximum gas-oil ratio: 15,000 standard cubic feet to one stock tank barrel of oil.
  - a. Provision for limiting gas-oil ratio: Special individual field rules provide for limiting oil production from high GOR wells.
  - b. Exception to limiting gas-oil ratio: Petition of interested party. <u>K.S.A. 55-605</u>.
- 4. Bottom-hole pressure test reports required: Not required unless by special order. Drill stem pressure tests are reported per ACO-1. <u>K.A.R. 82-3-130</u>, <u>82-3-107</u>.
  - a. Periodical bottom-hole pressure surveys: No.
- 5. Commingling oil in common facilities: Yes. The production from one or more common source of supply may be commingled before delivery to a purchaser. K.A.R. 82-3-125.
- 6. Measurement involving meters: Yes, including electronic measurement devices.
- 7. Production reports: Yes, only in prorated pools. K.A.R. 82-3-204.
  - a. By lease: Yes.
  - b. By well: Yes.
  - c. Time limit: By 15th of succeeding month to the Conservation Division. K.A.R. 82-3-204.

### XVI. Gas Production

- 1. Definition of a gas well:
  - (a) Produces gas not associated with oil at the time of production from that reservoir; or
  - (b) Produces more than 15,000 standard cubic feet of gas to each stock tank barrel of oil from the same common source of supply, as measured by the gas-oil ratio test prescribed by and reported on the form prescribed and furnished by the

Commission.

### K.A.R. 82-3-101(a)(81)(E).

- 2. Pressure base <u>14.65</u> psia @ <u>60</u> degrees F.
- 3. Initial potential tests: Yes. <u>K.A.R. 82-3-303</u> and <u>82-3-304</u>.
  - a. Time interval: 30 days from first gas sales for initial tests of wells producing at least 250 mcf per day, with results submitted within 60 days from first gas sales. For wells producing less than 250 mcf per day, initial 24-hour shut-in pressure test within 30 days from first gas sales, results reported to the Commission within 30 days from the test date. Annual flow tests of on all gas wells not covered by a proration order or special order, unless the wells are granted an exemption by the conservation division. K.A.R. 82-3-303 and 82-3-304.
  - b. Witness required: Yes, if requested by Corporation Commission, or representative of any producer, purchaser, or transporter in the gas field from which the well produces. K.A.R. 82-3-304.
  - c. Bottom-hole pressure test reports required: No.
  - d. Periodical bottom-hole pressure surveys: No.
- 4. Commingling of gas in common facilities: Yes. <u>K.A.R. 82-3-125</u>. However, production from each individual well must be metered.
- 5. Measurement involving meters: Yes. <u>K.A.R. 82-3-305</u> is the general rule, electronic gas measurement and measurement with a turbine meter is allowed and can be used in deliverability testing in certain prorated fields.
- 6. Production reports: K.A.R. 82-3-306.
  - a. By lease: Yes.
  - b. By well: Yes.
  - c. Time limits: By 20th of succeeding month to Conservation Division. K.A.R. 82-3-306(a).