CITY OF WICHITA

Wichita-Sedgwick County Metropolitan Area Planning Department

August 22, 2014

MWM Oil Co., Inc.
c/o Benjamin Giles, President
346 S Lulu Street
Wichita, KS, 67211

RE: **CON2014-00022 & CON2014-00023** – County Conditional Use request for oil drilling on RR Rural Residential zoned properties generally located approximately +/- 1/4-mile east of 127th Street East on the north side of Kansas State Highway-254.

Dear Applicant

At its regular meeting on **July 24, 2014**, the Wichita - Sedgwick County Metropolitan Area Planning Commission (MAPC) considered the above captioned requests. The action of the MAPC was to recommend APPROVAL, with the following conditions listed on the attached resolutions.

If you have any questions concerning this application, please contact our office at 268-4421.

Sincerely,

Bill Longnecker
Senior Planner - Current Plans Division

BL/mc
Attachment

Cc: Kyle L. Erdwein, 4728 N. Spyglass Court, Wichita, KS, 67226
Kermit L. & Nancy N. Erdwein, 1107 S. Briarcliff Circle, Wichita, KS, 67207
M & L Land Co., LLC, 5901 E. 77th St. North, Benton, KS, 67017
David M. Unruh, Chairman, BoCC #1, (e-mail)
Robert Parnacott, County Law, (e-mail)
Jim Weber, County Public Works, (e-mail)
Kelly Dixon, MABCD, (e-mail)

CONDITIONAL USE RESOLUTION NO. CON2014-00022
CORRECTED LEGAL DESCRIPTION

WHEREAS, M & M Land Co., LLC, c/o Marsha Meyersick (owner); pursuant to Section V-D of the Wichita-Sedgwick County Unified Zoning Code (herein referred to as Unified Zoning Code), requests a Conditional Use for "Oil and Gas Drilling," on an approximately 6-acre property zoned RR Rural Residential ("RR"), described as:

Stollei Well Legal

Beginning at the Southwest Corner of the East Half of the Southwest Quarter of Section 11, Township 26 South, Range 2 East of the Sixth Principal Meridian, Sedgwick County, Kansas. Thence North 177.6 feet along the West line of the East Half of the Southwest Quarter to the point of beginning. Thence continuing North along said West line of the East Half of the Southwest Quarter, a distance of 575.0 feet; thence East parallel with the South line of the East Half of the Southwest Quarter, a distance of 454.5 feet; thence South parallel with said West line of the East Half of the Southwest Quarter, a distance of 575.0 feet; thence West parallel with the South line of said East Half of the Southwest Quarter, a distance of 454.5 feet to the point of beginning. Said tract contains 6.0 acres; generally located east of 127th Street East on the north side of Kansas Highway 254 - 61st Street North.

WHEREAS, proper notice as required by the Unified Zoning Code and by the policy of the Metropolitan Area Planning Commission (hereinafter referred to as MAPC) has been given; and

WHEREAS, the MAPC did, at the meeting of July 24, 2014, consider said application; and

WHEREAS, the MAPC has authority to permit a Conditional Use, subject to any special conditions deemed appropriate in order to assure full compliance with the criteria of the Unified Zoning Code.

NOW, THEREFORE, BE IT RESOLVED by the Metropolitan Area Planning Commission that this application be approved to allow a Conditional Use for "Oil and Gas Drilling," on an approximately 6-acre property zoned RR Rural Residential ("RR"), described as:

Stollei Well Legal

Beginning at the Southwest Corner of the East Half of the Southwest Quarter of Section 11, Township 26 South, Range 2 East of the Sixth Principal Meridian, Sedgwick County, Kansas. Thence North 177.6 feet along the West line of the East Half of the Southwest Quarter to the point of beginning. Thence continuing North along said West line of the East Half of the Southwest Quarter, a distance of 575.0 feet; thence East parallel with the South line of the East Half of the Southwest Quarter, a distance of 454.5 feet; thence South parallel with said West line of the East Half of the Southwest Quarter, a distance of 575.0 feet; thence West parallel with the South line of said East Half of the Southwest Quarter, a distance of 454.5 feet to the point of beginning. Said tract contains 6.0 acres; generally located east of 127th Street East on the north side of Kansas Highway 254 - 61st Street North.

Approved subject to the following conditions:

A. The Conditional Use permits "oil and gas drilling" that is developed and operated in substantial compliance with the approved site plan and any associated documents, licenses or permits detailing drilling and completion activities used to obtain Conditional Use approval. Approval

does not limit new oil drilling/well sites on the subject property to the one currently under consideration. Any wash down of old, existing wells to increase or restore their production, on the subject sites is not considered a new drilling or well.

B. Provide a revised site plan showing the new oil well/drilling site, the oil production equipment and the plugged and abandoned oil drilling sites. This site plan may be revised with adjustments that show new drilling activity.

C. Any new oil wells, disposal wells, oil storage tanks, water and oil separators, pumping units, a water tank at the disposal well, electric generators or other oil production equipment located on the site after the final approval by the MAPC or the governing body must conform to the setbacks per the Unified Zoning Code.

D. The applicant shall obtain all applicable permits, licenses and/or inspections from Sedgwick County, the State of Kansas or the federal government, including but not limited to, the Wichita-Sedgwick County Metropolitan Area Building and Construction Department, Sedgwick County Environmental Resources, Sedgwick County Fire Department, Sedgwick County Public Works (including, but not limited to any required drainage plans), the Kansas Department of Health and Environment and the Kansas Corporation Commission. Prior to moving equipment into Sedgwick County, the applicant shall obtain any applicable permits required to move or transport oversized equipment on Sedgwick County public right-of-way.

E. If the Zoning Administrator finds that there is a violation of any of the provisions or conditions of the Conditional Use, the Zoning Administrator, in addition to enforcing the other remedies set forth in Article VIII of the Unified Zoning Code, may, with the concurrence of the Planning Director, declare the Conditional Use null and void.

Adopted this 11th day of September 2014.

METROPOLITAN AREA PLANNING COMMISSION

Matthew J. Goolsby, Chair MAPC

ATTEST:

John L. Schlegel, Secretary

WICHITA–SEDGWICK COUNTY
W-SC
METROPOLITAN AREA PLANNING COMMISSION

AGENDA ITEM NO. 7

STAFF REPORT
MAPC July 24, 2014

CASE NUMBER: CON2014-00022

OWNER/APPLICANT: M & M Land Co., LLC, c/o Marsha Meyersick - MWM Oil Co., c/o Benjamin M. Giles

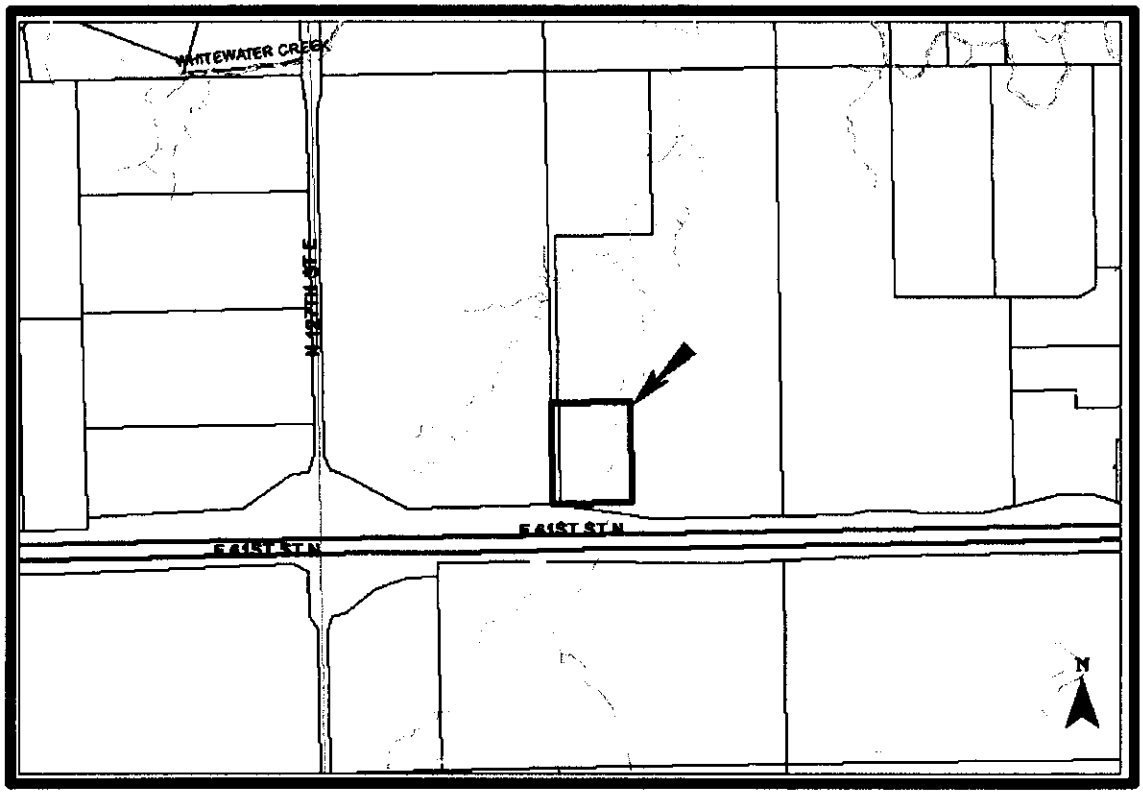
REQUEST: Conditional Use to permit Oil and Gas Drilling

CURRENT ZONING: RR Rural Residential ("RR")

SITE SIZE: 6-acres

LOCATION: Generally located a quarter-mile east of 127th Street East on the north side of Kansas Highway 254-61st Street North (BoCC #1)

PROPOSED USE: Oil Drilling



BACKGROUND: The applicant, MWM Oil Company, has requested a Conditional Use for "oil and gas drilling," specifically drilling for a new oil well on a leased 6-acre RR Rural Residential ("RR") zoned unplatted tract; Wichita-Sedgwick County Unified Zoning Code ("UZC") Article III, Section III-D.3. The new oil well on the subject site has been completed. However when the applicant applied for an electrical permit for the well through the Wichita-Sedgwick County Metropolitan Area Building and Construction Department (MABCD) the permit was denied. The applicant was directed by the MABCD and Sedgwick County Law to apply for a Conditional Use to come into compliance with the UZC. Besides the new well on the lease site (subject site), the applicant is proposing a wash down of three old, existing well to increase or restore production of this existing well. County Law has determined that the proposed wash down of the old, existing well has nonconforming use rights in that it does not increase the number of wells that have operated in the past at the subject site.

The rural Sedgwick County subject site is located on the north side of Kansas Highway 254-61st Street North (K-254) and a quarter-mile east of 127th Street East. The applicant also has another Conditional Use, CON2014-00023, for oil drilling on today's agenda. The 2.5-acre RR zoned CON2014-00023 is located approximately 220-250 feet west of the subject site. Both sites are accessed by a sand and gravel frontage road off of 127th Street East.

The applicant has provided a copy of a Kansas Geological Survey map of the area around the intersection of K-254 and 127th Street East, which references (but is not limited to) active oil wells and plugged and abandoned wells. This map can be found at; http://maps.kgs.ku.edu/oilgas/index.cfm.

The RR zoned subject site is surrounded by RR zoned lands being used for agriculture, active oil wells or plugged and abandoned oil wells. Staff found no Conditional Uses for oil or gas drilling in this area. Both types of wells may have associated accessory structures and equipment, including but not limited to; oil storage tanks, water and oil separators, pumping unit, a water tank at the disposal well, and electric generators, until the electricity is run. There are very few single-family residences located in this area, with the nearest one located over a half-mile northeast of the subject site. Besides the new oil well the subject site appears to have two plugged and abandoned oil wells located on it. The subject site's property owner, M & M Land Co., LLC, owns the abutting west and north agricultural land. These abutting lands also have plugged and abandoned oil wells located on them. As noted the applicant's other oil well site (CON2014-00023) is located approximately 220-250 west of the subject site, as is more agricultural land. South of the site, across K-254, there is agricultural land, active oil wells, plugged and abandoned wells, (both with accessory structures and equipment) and a water well. West of the site, across 127th Street East, is agricultural land and plugged and abandoned oil wells with accessory structures and equipment.

The Kansas Geological Survey map shows the site to be located over the oil holding formation, the Greenwich Pool. The Greenwich Pool was first discovered around 1929-1930 and oil drilling and production began at that time. The applicant's new well was produced using normal rotary drilling, using drilling mud to remove cuttings. There has not been any fracing done to the applicant's existing wells or to any of the old wells on either of the applicant's sites. The applicant does not propose, at this time, to do any fracing to either of the existing wells or any

future wells. Operation of the site includes a "pumper" who will check the wells each day. The pumper will be the only person on the applicant's sites on a daily basis. If a well breaks down a pulling unit with a crew of three, with the applicant's foreman there to supervise, would be there to repair it. The oil will be hauled off site by Maclaskey Oilfield Services with a semi-truck holding approximately 160 barrels of oil per load. The frequency will depend on how much the oil the site produces, but probably not more than 2 or 3 times per month. The pits used for drilling have been inspected and filled in accordance with Kansas Corporation Commission regulations. There was an emergency pit dug at the disposal well site in 1946; this pit still remains. There are no new pits proposed.

Existing equipment on the subject site includes: oil storage tanks, water and oil separators, pumping unit, a water tank at the disposal well, electric generators (until the electricity is run). These are all common oil production equipment. If additional wells are drilled or washed down, normal drilling equipment would be moved in temporarily to drill/wash down the well. This would include: drilling rig and platform, fuel and water storage tanks, engine houses, electric generators, pipe stands and racks, and other drilling and well servicing equipment. Any well washed down or drilled would probably take less than 30 days to complete. There is a disposal well already located on the property that will be used. It was originally drilled in the 1930's and converted to a disposal well in 1946 in accordance with Kansas Corporation Commission regulations at that time. It was recently updated and repaired it in accordance with Kansas Corporation Commission regulations and the applicant had the permit transferred to him. The applicant is disposing into the Granite Wash formation which is below the Arbuckle formation. The bottom producing zone in this area is the Arbuckle. The applicant is not and does not propose producing this zone. The subject site will either produce from the Mississippi formation or the Hunton/Viola formation. Both zones are located above the Arbuckle formation.

The east third of the subject site is located in a FEMA Flood Zone. Oil drilling and production on the subject site will be required to meet FEMA standards.

CASE HISTORY: The property was zoned RR when the County adopted county-wide zoning in 1985. Oil drilling on the subject site may have begun in 1930-1932. A Conditional Use, CON2005-00043, for a wireless communication facility with a 195-foot tall tower was approved on the subject site, but was never built.

ADJACENT ZONING AND LAND USE:

NORTH: RR Agriculture land, plugged and abandoned oil wells, oil wells
SOUTH: RR Agriculture land, plugged and abandoned oil wells, oil wells
EAST: RR Agriculture land, plugged and abandoned oil wells, oil wells, single-family residence
WEST: RR Agriculture land, plugged and abandoned oil wells, oil well

PUBLIC SERVICES: K-254 (61st Street North) is a four-lane Kansas State Highway, with a wide grassy median separating the east-west lanes. 127th Street East is a two-lane unpaved Lincoln Township section-line road on the north side of K-254. The sand and gravel frontage road that connects the site to 127th is located approximately 270 feet north of K-254. The subject

site is located within the service area of Sedgwick County Rural Water District No. 1. There is no public sewer service available to the subject site. Other utilities, such as electricity are or may be available to the subject site.

CONFORMANCE TO PLANS/POLICIES: The "Wichita-Sedgwick County Unified Zoning Code" requires Conditional Use approval for "oil and gas drilling"; UZC Article III, Section III-D.3. The "2013 Wichita and Small Cities Urban Growth Areas Map" categorizes the site and the area around it as "rural." The rural functional land use category includes land outside the 2030 urban growth areas for Wichita and the small cities, and is intended to accommodate agricultural uses and rural based uses that are no more offensive than those agricultural uses commonly found in Sedgwick County, and predominately larger lot residential exurban subdivisions. Oil and gas drilling are activities that have occurred in rural Sedgwick County prior to County zoning in 1985 and prior to the 1996 UZC. Staff found no Conditional Uses for oil or gas drilling in this area.

RECOMMENDATION: Based upon information available prior to the public hearings, planning staff recommends that the request be APPROVED, subject to the following conditions:

A. The Conditional Use permits "oil and gas drilling" that is developed and operated in substantial compliance with the approved site plan and any associated documents, licenses or permits detailing drilling and completion activities used to obtain Conditional Use approval. Approval does not limit new oil drilling/well sites on the subject property to the one currently under consideration.
B. Provide a revised site plan showing the new oil well/drilling site, the oil production equipment and the plugged and abandoned oil drilling sites. This site plan may be revised with adjustments that show new drilling activity.
C. Any new oil wells, disposal wells, oil storage tanks, water and oil separators, pumping units, a water tank at the disposal well, electric generators or other oil production equipment located on the site after the final approval by the MAPC or the governing body must conform to the setbacks per the Unified Zoning Code.
D. The applicant shall obtain all applicable permits, licenses and/or inspections from Sedgwick County, the State of Kansas or the federal government, including but not limited to, the Wichita-Sedgwick County Metropolitan Area Building and Construction Department, Sedgwick County Environmental Resources, Sedgwick County Fire Department, Sedgwick County Public Works (including, but not limited to any required drainage plans), the Kansas Department of Health and Environment and the Kansas Corporation Commission. Prior to moving equipment into Sedgwick County, the applicant shall obtain any applicable permits required to move or transport oversized equipment on Sedgwick County public right-of-way.
E. If the Zoning Administrator finds that there is a violation of any of the provisions or conditions of the Conditional Use, the Zoning Administrator, in addition to enforcing the other remedies set forth in Article VIII of the Unified Zoning Code, may, with the concurrence of the Planning Director, declare the Conditional Use null and void.

This recommendation is based on the following findings:

1. The zoning, uses and character of the neighborhood: The RR zoned subject site is surrounded by RR zoned lands being used for agriculture, active oil wells or plugged and abandoned oil drilling sites and their associated accessory structures and equipment. There are very few single-family residence located in this area, with the nearest one located a half-mile northeast of the subject site.

2. The suitability of the subject property for the uses to which it has been restricted: The site is zoned RR, which permits agricultural activities, larger lot residential uses and a limited set of nonresidential uses by right. A Kansas Geological Survey map shows the subject site to be located over the Greenwich Pool, an oil holding formation that was discovered 1929-1930. Oil production from the Greenwich Pool has continued to the present. The subject site/area has been used for oil well drilling and production prior to County zoning in 1985 and prior to the 1996 UZC. The current UZC permits consideration for approval of gas and oil drilling through the Conditional Use process in the RR zoning district.

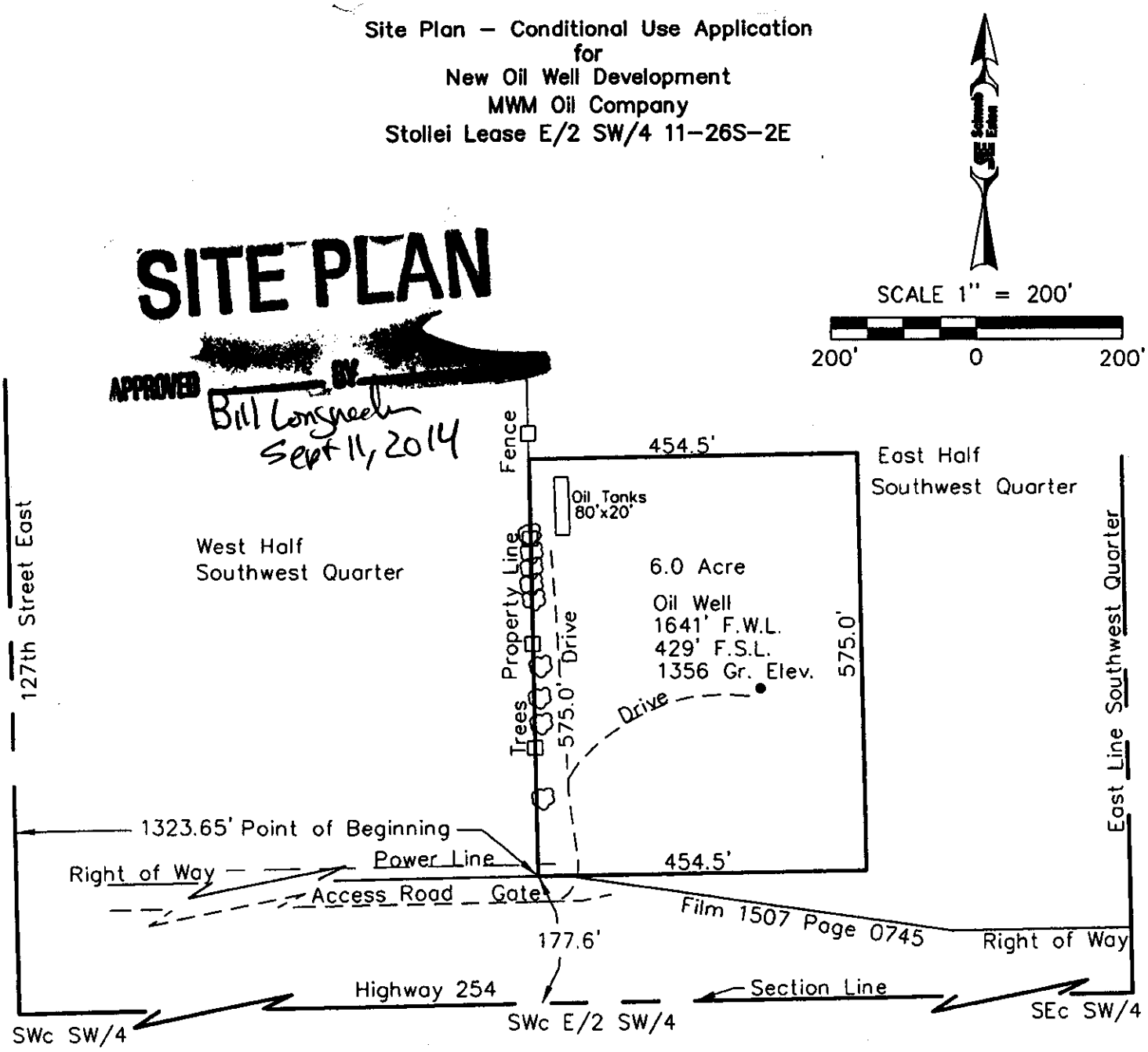
3. Extent to which removal of the restrictions will detrimentally affect nearby property: The subject site and the area around it are located over the Greenwich Pool, an established oil producing formation. The Greenwich Pool was discovered 1929-1930 and has been an active oil producing site since then. The area is also actively used for agricultural. The proposed oil well is not out of character with the area.

4. Relative gain to the public health, safety and welfare as compared to the loss in value or the hardship imposed upon the applicant: Approval would bring the site into compliance with the UZC and provide the public with additional oil reserves. Denial would presumably be an economic loss to the mineral rights owners.

5. Conformance of the requested change to the adopted or recognized Comprehensive Plan and policies: The "Wichita-Sedgwick County Unified Zoning Code" requires Conditional Use approval for "oil and gas drilling"; UZC Article III, Section III-D.3. The "2013 Wichita and Small Cities Urban Growth Areas Map" categorizes the site and the area around it as "rural." The rural functional land use category includes land outside the 2030 urban growth areas for Wichita and the small cities, and is intended to accommodate rural based uses that are no more offensive than those agricultural uses commonly found in Sedgwick County, and predominately larger lot residential exurban subdivisions. Oil and gas drilling are activities that have occurred in rural Sedgwick County prior to County zoning in 1985 and prior to the 1996 UZC.

6. Impact of the proposed development on community facilities: The conditions of approval of this Conditional Use and other regulations should minimize impacts on community facilities.

Site Plan – Conditional Use Application
for
New Oil Well Development
MWM Oil Company
Stollei Lease E/2 SW/4 11–26S–2E



~LEGAL DESCRIPTION~

Beginning at the Southwest Corner of the East Half of the Southwest Quarter of Section 11, Township 26 South, Range 2 East of the Sixth Prinicipal Meridian, Sedgwick County, Kansas. Thence North 177.6 feet along the West line of the East Half of the Southwest Quarter to the point of beginning. Thence continuing North along said West line of the East Half of the Southwest Quarter, a distance of 575.0 feet; thence East parallel with the South line of the East Half of the Southwest Quarter, a distance of 454.5 feet; thence South parallel with said West line of the East Half of the Southwest Quarter, a distance of 575.0 feet; thence West parallel with the South line of said East Half of the Southwest Quarter, a distance of 454.5 feet to the point of beginning. Said tract contains 6.0 acres.

CON2014-22

Schwab Eaton
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