

55-1304. Matters to be found by the commission precedent to issuance of unitization order; hearings. The commission may make an order providing for the unitization and unit operation of such pool or part thereof sought to be unitized, if, upon application of any working interest owner and after notice and hearing in accordance with the provisions of the Kansas administrative procedure act, the commission finds all of the following conditions exist:

(a) (1) The primary production from a pool or a part thereof sought to be unitized has reached a low economic level and, without introduction of artificial energy, abandonment of oil or gas wells is imminent; or (2) the unitized management, operation and further development of the pool or the part thereof sought to be unitized is economically feasible and reasonably necessary to prevent waste within the reservoir and thereby increase substantially the ultimate recovery of oil or gas;

(b) the value of the estimated additional recovery of oil or gas substantially exceeds the estimated additional cost incident to conducting such operations; and

(c) the proposed operation is fair and equitable to all interest owners.

History: L. 1967, ch. 299, § 4; L. 1988, ch. 356, § 175; L. 2000, ch. 15, § 1; Mar. 30.