

JUL 01 2016

LEGAL SECTION



2016.07.01 12:47:00  
Kansas Corporation Commission  
/S/ Amy L. Green

June 28, 2016

Kansas Corporation Commission  
Conservation Division  
266 N. Main St., Ste 220  
Wichita, KS 67202-1513

RE: Notice of Penalty Assessment  
Docket No. 16-CONS-4068-CPEN

Dear Sir or Madam,

On June 15, 2016, EnergyQuest II, LLC (License No. 35216) received a notice of penalty assessment for unauthorized injection into eight wells for 2015. EnergyQuest would like to request a hearing to contest the penalty.

Form U3Cs for the wells in question were submitted by EnergyQuest incorrectly due to a miscommunication between field personnel and the regulatory department. Corrected Form U3Cs have been resubmitted and a copy is also enclosed. All eight wells are injected into by gravity feed and have never exceeded permitted injection pressures.

If you have any questions or comments, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "PHH", written over a horizontal line.

Phil Hudgens  
V.P. of Production  
EnergyQuest II, LLC  
4526 Research Forest Dr, Ste 200  
The Woodlands, TX 77381



## CORRECTION #1

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form U3C

June 2013

Form must be Typed  
Form must be completed  
on a per well basisANNUAL REPORT OF PRESSURE MONITORING,  
FLUID INJECTION AND ENHANCED RECOVERY

Complete all blanks - add pages if needed. Copy to be retained for five (5) years after filing date.

OPERATOR: License # 35216

API No.: 15-155-21110-00-00

Name: Energyquest II, LLC

Permit No: D25550.0

Address 1: 4526 RESEARCH FOREST DR&gt;

Reporting Year: 2015

Address 2: SUITE 200

(January 1 to December 31)

City: THE WOODLANDS State: TX Zip: 77381 +

NW SE SE Sec. 15 Twp. 26 S. R. 9 ☐ E ☒ W

Contact Person: Debra Moore

1291 feet from ☐ N / ☒ S Line of Section

Phone: (281) 875-6200

1242 feet from ☒ E / ☐ W Line of Section

Lease Name: ADKINS

County: Reno

Well Number: 1-15

## I. Injection Fluid:

Type (Pick one):

☒ Fresh Water☐ Treated Brine☐ Untreated Brine☐ Water Brine

Source:

☒ Produced Water☐ Other (Attach list)

Quality:

Total Dissolved Solids:

mg/l

Specific Gravity:

Additives:

(Attach water analysis, if available)

## II. Well Data:

Maximum Authorized Injection Pressure: 0

psi

Injection Zone: ARBUCKLE

Maximum Authorized Injection Rate: 5000

barrels per day

Total Number of Enhanced Recovery Injection Wells Covered by this Permit: (Include TA's)

III. Month:	Total Fluid Injected BBL	Maximum Fluid Pressure	Total Gas Injected MCF	Maximum Gas Pressure	# Days of Injection
January	3492	0	0		31
February	3156	0	0		28
March	3492	0	0		31
April	3380	0	0		30
May	3492	0	0		31
June	3380	0	0		30
July	3492	0	0		31
August	3492	0	0		31
September	3380	0	0		30
October	3492	0	0		31
November	3380	0	0		30
December	3492	0	0		31
<b>TOTAL</b>	<b>41120</b>		<b>0</b>		

## CORRECTION #1

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form U3C

June 2015

Form must be Typed  
Form must be completed  
on a per well basisANNUAL REPORT OF PRESSURE MONITORING,  
FLUID INJECTION AND ENHANCED RECOVERY

Complete all blanks - add pages if needed. Copy to be retained for five (5) years after filing date.

OPERATOR: License # 35216

API No.: 15-065-23016-00-01

Name: Energyquest II, LLC

Permit No: D30345.0

Address 1: 4526 RESEARCH FOREST DR&gt;

Reporting Year: 2015

Address 2: SUITE 200

(January 1 to December 31)

City: THE WOODLANDS State: TX Zip: 77381 +

SE NW SW Sec. 33 Twp. 9 S. R. 21 ☐ E ☒ W

Contact Person: Debra Moore

1806 feet from ☐ N / ☒ S Line of Section

Phone: (281) 875-6200

4349 feet from ☒ E / ☐ W Line of Section

Lease Name: ALLPHIN

County: Graham

Well Number: 4

## I. Injection Fluid:

Type (Pick one):

☒ Fresh Water☐ Treated Brine☐ Untreated Brine☐ Water Brine

Source:

☒ Produced Water☐ Other (Attach list)

Quality:

Total Dissolved Solids:

mg/l

Specific Gravity:

Additives:

(Attach water analysis, if available)

## II. Well Data:

Maximum Authorized Injection Pressure: 0

psi

Injection Zone: Arbuckle

Maximum Authorized Injection Rate: 3000

barrels per day

Total Number of Enhanced Recovery Injection Wells Covered by this Permit: (include TA's)

III. Month:	Total Fluid Injected BBL	Maximum Fluid Pressure	Total Gas Injected MCF	Maximum Gas Pressure	# Days of Injection
January	44555	0	0		31
February	40236	0	0		28
March	44500	0	0		31
April	43118	0	0		30
May	44500	0	0		31
June	43120	0	0		30
July	44500	0	0		31
August	44500	0	0		31
September	43120	0	0		30
October	44500	0	0		31
November	30421	0	0		30
December	29282	0	0		31
<b>TOTAL</b>	<b>496352</b>		<b>0</b>		



## CORRECTION #1

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form U3C

June 2015

Form must be Typed  
Form must be completed  
on a per well basisANNUAL REPORT OF PRESSURE MONITORING,  
FLUID INJECTION AND ENHANCED RECOVERY

Complete all blanks - add pages if needed. Copy to be retained for five (5) years after filing date.

OPERATOR: License # 35216API No.: 15-009-25162-00-01Name: Energyquest II, LLCPermit No: D30597.0Address 1: 4526 RESEARCH FOREST DR>Reporting Year: 2015

(January 1 to December 31)

Address 2: SUITE 200City: THE WOODLANDS State: TX Zip: 77381 + \_\_\_\_\_\_\_\_\_\_ SE \_\_\_\_\_ NW Sec. 19 Twp. 17 S. R. 13 ☐ E ☒ WContact Person: Debra Moore3435 feet from ☐ N / ☒ S Line of SectionPhone: ( 281 ) 875-62003026 feet from ☒ E / ☐ W Line of SectionLease Name: BRACK FAMILY FARMSCounty: BartonWell Number: 1-19

## I. Injection Fluid:

Type (Pick one):

☒ Fresh Water☐ Treated Brine☐ Untreated Brine☐ Water Brine

Source:

☒ Produced Water☐ Other (Attach list)

Quality: Total Dissolved Solids: \_\_\_\_\_ mg/l Specific Gravity: \_\_\_\_\_ Additives: \_\_\_\_\_

(Attach water analysis, if available)

## II. Well Data:

Maximum Authorized Injection Pressure: 0 psiInjection Zone: LANSINGMaximum Authorized Injection Rate: 1500 barrels per day

Total Number of Enhanced Recovery Injection Wells Covered by this Permit: \_\_\_\_\_ (Include TA's)

III.	Month:	Total Fluid Injected BBL	Maximum Fluid Pressure	Total Gas Injected MCF	Maximum Gas Pressure	# Days of Injection
	January	2635	0	0		31
	February	2380	0	0		28
	March	2635	0	0		31
	April	2550	0	0		30
	May	2635	0	0		31
	June	2550	0	0		30
	July	2635	0	0		31
	August	2635	0	0		31
	September	2550	0	0		30
	October	2635	0	0		31
	November	2550	0	0		30
	December	2635	0	0		31
	<b>TOTAL</b>	<b>31025</b>		<b>0</b>		

## CORRECTION #1

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form U3C

June 2015

Form must be Typed  
Form must be completed  
on a per well basisANNUAL REPORT OF PRESSURE MONITORING,  
FLUID INJECTION AND ENHANCED RECOVERY

Complete all blanks - add pages if needed. Copy to be retained for five (5) years after filing date.

OPERATOR: License # 35216 API No.: 15-155-21153-00-00  
 Name: Energyquest II, LLC Permit No: D26193.0  
 Address 1: 4526 RESEARCH FOREST DR> Reporting Year: 2015  
 Address 2: SUITE 200 (January 1 to December 31)  
 City: THE WOODLANDS State: TX Zip: 77381 + 0000 NW NW SE Sec. 10 Twp. 26 S. R. 9 ☐ E ☒ W  
 Contact Person: Debra Moore 1996 feet from ☐ N / ☒ S Line of Section  
 Phone: 281 875-6200 2088 feet from ☒ E / ☐ W Line of Section  
 Lease Name: NUNEMAKER B County: Reno  
 Well Number: 1

## I. Injection Fluid:

Type (Pick one): ☒ Fresh Water ☐ Treated Brine ☐ Untreated Brine ☐ Water Brine  
 Source: ☒ Produced Water ☐ Other (Attach list)  
 Quality: Total Dissolved Solids: \_\_\_\_\_ mg/l Specific Gravity: \_\_\_\_\_ Additives: \_\_\_\_\_  
 (Attach water analysis, if available)

## II. Well Data:

Maximum Authorized Injection Pressure: 0 psi Injection Zone: ARBUCKLE  
 Maximum Authorized Injection Rate: 5000 barrels per day  
 Total Number of Enhanced Recovery Injection Wells Covered by this Permit: \_\_\_\_\_ (include TA's)

III. Month:	Total Fluid Injected BBL	Maximum Fluid Pressure	Total Gas Injected MCF	Maximum Gas Pressure	# Days of Injection
January	15655	0	0		31
February	14140	0	0		28
March	15655	0	0		31
April	15150	0	0		30
May	15655	0	0		31
June	15150	0	0		30
July	15655	0	0		31
August	15655	0	0		31
September	15150	0	0		30
October	15655	0	0		31
November	15150	0	0		30
December	15655	0	0		31
<b>TOTAL</b>	<b>184325</b>		<b>0</b>		

## CORRECTION #1

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form U3C

June 2015

Form must be Typed  
Form must be completed  
on a per well basisANNUAL REPORT OF PRESSURE MONITORING,  
FLUID INJECTION AND ENHANCED RECOVERY

Complete all blanks - add pages if needed. Copy to be retained for five (5) years after filing date.

OPERATOR: License # 35216 API No: 15-009-25142-00-01  
 Name: Energyquest II, LLC Permit No: D30318.0  
 Address 1: 4526 RESEARCH FOREST DR> Reporting Year: 2015  
 Address 2: SUITE 200 (January 1 to December 31)  
 City: THE WOODLANDS State: TX Zip: 77381 +  
 Contact Person: DEBRA MOORE Sec. 15 Twp. 17 S. R. 13 ☐ E ☒ W  
 Phone: (281) 875-6200 4633 feet from ☐ N ☒ S Line of Section  
 Lease Name: DEMEL 3189 feet from ☒ E ☐ W Line of Section  
 Well Number: 2-15 County: Barton

## I. Injection Fluid:

Type (Pick one): ☒ Fresh Water ☐ Treated Brine ☐ Untreated Brine ☐ Water Brine  
 Source: ☒ Produced Water ☐ Other (Attach list)  
 Quality: Total Dissolved Solids: \_\_\_\_\_ mg/l Specific Gravity: \_\_\_\_\_ Additives: \_\_\_\_\_  
 (Attach water analysis, if available)

## II. Well Data:

Maximum Authorized Injection Pressure: 0 psi Injection Zone: Arbuckle  
 Maximum Authorized Injection Rate: 2000 barrels per day  
 Total Number of Enhanced Recovery Injection Wells Covered by this Permit: \_\_\_\_\_ (Include TAs)

III. Month:	Total Fluid Injected BBL	Maximum Fluid Pressure	Total Gas Injected MCF	Maximum Gas Pressure	# Days of Injection
January	5800	0	0		31
February	5800	0	0		28
March	5800	0	0		31
April	5800	0	0		30
May	5800	0	0		31
June	5800	0	0		30
July	5800	0	0		31
August	5800	0	0		31
September	5800	0	0		30
October	5800	0	0		31
November	5800	0	0		30
December	5800	0	0		31
<b>TOTAL</b>	<b>69600</b>		<b>0</b>		



## CORRECTION #1

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form U3C

June 2015

Form must be Typed  
Form must be completed  
on a per well basisANNUAL REPORT OF PRESSURE MONITORING,  
FLUID INJECTION AND ENHANCED RECOVERY

Complete all blanks - add pages if needed. Copy to be retained for five (5) years after filing date.

OPERATOR: License # 35216API No.: 15-051-19136-00-02Name: Energyquest II, LLCPermit No.: D11763.0Address 1: 4526 RESEARCH FOREST DR>Reporting Year: 2015

(January 1 to December 31)

Address 2: SUITE 200City: THE WOODLANDS State: TX Zip: 77381 +W2 SW Sec. 14 Twp. 11 S. R. 19 ☐ E ☒ WContact Person: Debra MoorePhone: (281) 875-6200Lease Name: H W VINEWell Number: 21296 feet from ☐ N / ☒ S Line of Section5148 feet from ☒ E / ☐ W Line of SectionCounty: Ellis

## I. Injection Fluid:

Type (Pick one): ☒ Fresh Water ☐ Treated Brine ☐ Untreated Brine ☐ Water BrineSource: ☒ Produced Water ☐ Other (Attach list)

Quality: Total Dissolved Solids: \_\_\_\_\_ mg/l Specific Gravity: \_\_\_\_\_ Additives: \_\_\_\_\_

(Attach water analysis if available)

## II. Well Data:

Maximum Authorized Injection Pressure: 400 psi Injection Zone: GRANIT WASHMaximum Authorized Injection Rate: 8000 barrels per day

Total Number of Enhanced Recovery Injection Wells Covered by this Permit: \_\_\_\_\_ (include TAs)

III.	Month:	Total Fluid Injected BBL	Maximum Fluid Pressure	Total Gas Injected MCF	Maximum Gas Pressure	# Days of Injection
	January	73900	0	0		31
	February	66750	0	0		28
	March	73900	0	0		31
	April	71520	0	0		30
	May	73900	0	0		31
	June	71520	0	0		30
	July	73900	0	0		31
	August	73900	0	0		31
	September	71520	0	0		30
	October	73900	0	0		31
	November	54835	0	0		30
	December	47625	0	0		31
	<b>TOTAL</b>	<b>827170</b>		<b>0</b>		

## CORRECTION #1

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form U3C

June 2015

Form must be Typed  
Form must be completed  
on a per well basisANNUAL REPORT OF PRESSURE MONITORING,  
FLUID INJECTION AND ENHANCED RECOVERY

Complete all blanks - add pages if needed. Copy to be retained for five (5) years after filing date.

OPERATOR: License # 35216

Name: Energyquest II, LLC

Address 1: 4526 RESEARCH FOREST DR&gt;

Address 2: SUITE 200

City: THE WOODLANDS State: TX Zip: 77381 +

Contact Person: Debra Moore

Phone: (281) 875-6200

Lease Name: HULLMAN TRUST

Well Number: 2

API No.: 15-185-23401-00-01

Permit No: D30004.0

Reporting Year: 2015

(January 1 to December 31)

SW NE NW Sec. 36 Twp. 21 S. R. 12 ☐ E ☒ W4452 feet from ☐ N ☒ S Line of Section3865 feet from ☒ E ☐ W Line of Section

County: Stafford

## I. Injection Fluid:

Type (Pick one):

☒ Fresh Water☐ Treated Brine☐ Untreated Brine☐ Water Brine

Source:

☒ Produced Water☐ Other (Attach list)

Quality:

Total Dissolved Solids:

mg/l

Specific Gravity:

Additives:

(Attach water analysis, if available)

## II. Well Data:

Maximum Authorized Injection Pressure: 0 psi

Injection Zone: Arbuckle

Maximum Authorized Injection Rate: 2000 barrels per day

Total Number of Enhanced Recovery Injection Wells Covered by this Permit: (Include TA's)

III.	Month:	Total Fluid Injected BBL	Maximum Fluid Pressure	Total Gas Injected MCF	Maximum Gas Pressure	# Days of Injection
	January	10650	0	0		31
	February	9604	0	0		28
	March	10650	0	0		31
	April	10290	0	0		30
	May	10650	0	0		31
	June	10290	0	0		30
	July	10650	0	0		31
	August	10650	0	0		31
	September	10290	0	0		30
	October	10650	0	0		31
	November	10276	0	0		30
	December	10653	0	0		31
	TOTAL	125303		0		



## CORRECTION #1

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form U3C

June 2015

Form must be Typed  
Form must be completed  
on a per well basisANNUAL REPORT OF PRESSURE MONITORING,  
FLUID INJECTION AND ENHANCED RECOVERY

Complete all blanks - add pages if needed. Copy to be retained for five (5) years after filing date.

OPERATOR: License # 35216 API No.: 15-185-01796-00-01  
 Name: Energyquest II, LLC Permit No: E27862.0  
 Address 1: 4526 RESEARCH FOREST DR> Reporting Year: 2015  
 Address 2: SUITE 200 (January 1 to December 31)  
 City: THE WOODLANDS State: TX Zip: 77381 + SE NE SE Sec. 32 Twp. 21 S. R. 13 ☐ E ☒ W  
 Contact Person: Debra Moore 1677 feet from ☐ N / ☒ S Line of Section  
 Phone: 281 875-6200 322 feet from ☒ E / ☐ W Line of Section  
 Lease Name: CHAPMAN County: Stafford  
 Well Number: 5

## I. Injection Fluid:

Type (Pick one): ☒ Fresh Water ☐ Treated Brine ☐ Untreated Brine ☐ Water Brine  
 Source: ☒ Produced Water ☐ Other (Attach list)  
 Quality: Total Dissolved Solids: \_\_\_\_\_ mg/l Specific Gravity: \_\_\_\_\_ Additives: \_\_\_\_\_  
 (Attach water analysis if available)

## II. Well Data:

Maximum Authorized Injection Pressure: 300 psi Injection Zone: Arbuckle  
 Maximum Authorized Injection Rate: 3000 barrels per day  
 Total Number of Enhanced Recovery Injection Wells Covered by this Permit: \_\_\_\_\_ (include TA's)

III. Month:	Total Fluid Injected BBL	Maximum Fluid Pressure	Total Gas Injected MCF	Maximum Gas Pressure	# Days of Injection
January	18883	0	0		31
February	18397	0	0		28
March	18522	0	0		31
April	18479	0	0		30
May	18999	0	0		31
June	18596	0	0		30
July	17934	0	0		31
August	18791	0	0		31
September	18684	0	0		30
October	18578	0	0		31
November	17509	0	0		30
December	17651	0	0		31
<b>TOTAL</b>	<b>221023</b>		<b>0</b>		