THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Dw	ners: Andrew J. French, Chairperson Dwight D. Keen Annie Kuether				
In the matter of the failure of ATP (Services LLC (Contractor) to comply	ilfield) Docket No.: 25-CONS-3038-CPEN with)				
	nout a) CONSERVATION DIVISION				

License No.: N/A

PENALTY ORDER

The Commission finds Contractor violated K.A.R. 82-3-120 by plugging a well without a current license, assesses a \$10,000 penalty, and further rules as described below.

I. JURISDICTION

1. K.S.A. 74-623 provides the Commission exclusive jurisdiction and authority to regulate oil and gas activities in Kansas. K.S.A. 55-152 provides the Commission with jurisdiction to regulate the construction, operation, and abandonment of any well, and also the protection of the usable water of this state from any actual or potential pollution from any well. The Commission has licensing authority under K.S.A. 55-155.

2. K.S.A. 55-162(a) provides the Commission authority to issue penalty orders for violations of Chapter 55 of the Kansas Statutes Annotated, or of any rule, regulation, or order of the Commission.

3. Under K.SA. 55-164, a penalty order may include a monetary penalty of up to \$10,000, the penalty must constitute a substantial and actual economic deterrent to the violation, and each day of a continuing violation constitutes a separate violation.

4. K.A.R. 82-3-120 provides that no operator or contractor shall conduct any drilling activities without first obtaining or renewing a current license.

II. FINDINGS OF FACT

5. On November 8, 2023, Contractor plugged the Clark #21-4 stratigraphic test well (Subject Well), API #15-127-20604, for High Plains Resources LLC (Operator).

6. On or around June 26, 2024, Commission Staff received a Well Plugging Application (CP-1) form and a Well Plugging Record (CP-4) form from Operator to record the plugging of the Subject Well.¹ The forms indicated that Contractor plugged the Subject Well even though it did not have a license from the Kansas Corporation Commission (KCC).

7. Commission records indicate Contractor has never had a KCC license.

III. CONCLUSIONS OF LAW

8. The Commission has jurisdiction over Contractor and this matter under K.S.A. 74-623, K.S.A. 55-152, K.S.A. 55-155, K.S.A. 55-162, and K.S.A. 55-164.

9. Contractor has violated K.A.R. 82-3-120 by conducting plugging operations without a current license in violation of K.A.R. 82-3-120.

THEREFORE, THE COMMISSION ORDERS:

A. Contractor shall pay a \$10,000 penalty.

B. Contractor may request a hearing on the above issues by submitting a written request, pursuant to K.S.A. 55-164, K.S.A. 77-537, and K.S.A. 77-542, to the Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202, within 30 days from the date of service of this Order. A request for hearing must comply with K.A.R. 82-1-219.

¹ Exhibit A.

C. <u>Failure to timely request a hearing will result in a waiver of Contractor's right to a hearing. If no party timely requests a hearing, then this Order shall become final. If Contractor is not in compliance with this Order and the Order is final, then Contractor's license shall be suspended without further notice and shall remain suspended until Contractor complies. The notice and opportunity for a hearing on this Order shall constitute the notice required by K.S.A. 77-512 regarding license suspension. A party may petition for reconsideration of a final order pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).</u>

D. Credit card payments may be made by calling the Conservation Division at 316-337-6200. Checks and money orders shall be payable to the Kansas Corporation Commission. Payments shall be mailed to the Kansas Corporation Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202. <u>Payments must reference the docket number of this proceeding</u>.

BY THE COMMISSION, IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: ____08/01/2024

Lynn M. Ref

Lynn M. Retz Executive Director

Mailed Date: 08/01/2024

KAM

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CP-1 July 2014 This Form must be Typed Form must be Signed All blanks must be Filled

WELL PLUGGING APPLICATI

Form KSONA-1, Certific	cation of Compliance with th MUST be submitted wi		Owner Notification Act,	inust be l'ineu	
OPERATOR: License #: 35965	most be submitted wi		15*-127-20604-00-00		
Name: HIGH PLAINS RESOURCES L	LC				
		Spot Description:			
Address 2: _ 2ND FLOOR PMB 2688		<u>NW</u> N	↓E Sec. 4 Twp. 14 S. R. 8 ✔	East West	
City: WICHITA State: KA	_ Zip: <u>67202</u> + <u>5428</u>				
			lated from Nearest Outside Section Corne		
Phone: (<u>303</u>) <u>565-4699</u>			NE □ NW □ SE □ SW NRRIS		
		Lease Name:	CLARK Well #: _21-4	1	
Check One: Oil Well Gas Well OG	B D&A Cathod	lic Water Suppl	y Well 🗹 Other: ST		
SWD Permit #:	ENHR Permit #:	[Gas Storage Permit #:		
Conductor Casing Size:16	Set at:	Cemer	nted with:	Sacks	
Surface Casing Size:	Set at:	Cemer	nted with:	Sacks	
Production Casing Size:	Set at:	Cemer	nted with:	Sacks	
List (ALL) Perforations and Bridge Plug Sets:					
Condition of Well: Good Poor Junk in Hole Proposed Method of Plugging <i>(attach a separate page if additt</i> The Clark 21-4 well had surface conductor if grade and filled with cement from the base of Is Well Log attached to this application? Yes No If ACO-1 not filed, explain why:	tional space is needed): installed, but was not dri (60' below grade) to sur	^{Interval)} Iled. The surfac face. A cap was			
Plugging of this Well will be done in accordance with K. Company Representative authorized to supervise plugging of		-	of the State Corporation Commission		
Address: 801 E. Douglas Ave, 2nd Floor PM			<u>State:KSZip:67202</u>	+	
795 202 0207					
Plugging Contractor License #:		ATP Oilfield	Services LLC		
Address 1: 1001 West Main St					
City [.] Lyons	Addre	ess 2:		+	
	Addre	ess 2:		.+	
City: <u>Lyons</u> Phone: (<u>303</u>) <u>857-2272</u> Proposed Date of Plugging (if known): <u>11/8/2023</u>	Addre	ess 2:		.+	

Mail to: KCC - Conservation Division, 266 N Main St, Ste 220, Wichita, KS 67202-1513

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

Form KSONA-1 July 2021 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 # 35965 Name: HIGH PLAINS RESOURCES LLC Address 1: 801 E DOUGLAS AVE Address 2: 2ND FLOOR PMB 2688 City: WICHITA	Well Location:
Surface Owner Information: Name: WILLIAM AND SONYA CLARK Address 1: 130 S 1000 ROAD Address 2:	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 (see Chapter 55 of the Kansas Statutes Annotated), 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: 6/26/2024 Signature of Operator or Agent:

Title: LAND MANAGER

1.

Notice: Fill out COMPLETELY and return to Conservation Division at the address below within 60 days from plugging date.

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CP-4 July 2014 Type or Print on this Form Form must be Signed All blanks must be Filled

WELL	PLUGGING RECORD
	K.A.R. 82-3-117

OPERATOR: License #: 35965	API No. 15 - 15-127-20604-00-00
Name:HIGH PLAINS RESOURCES LLC	Spot Description:
Address 1: 801 E DOUGLAS AVE	<u>NW_NE_Sec.4Twp.14_SR.8</u> EastWest
Address 2: 2ND FLOOR PMB 2688	690 Feet from 🖌 North / 🗌 South Line of Section
City: WICHITA State: KS Zip: <u>67202</u> +	
Contact Person:JASON RAYBURN	Footages Calculated from Nearest Outside Section Corner:
Phone: (303_) _565-4699	🖌 NE 🗌 NW 🗌 SE 🔄 SW
Type of Well: (Check one) Oil Well Gas Well OG D&A Cathodic	County: MORRIS
Water Supply Well Vother: STRATIGRAPHIC TEST SWD Permit #:	Lease Name: CLARK Well #: 21-4
ENHR Permit #: Gas Storage Permit #:	Date Well Completed:
Is ACO-1 filed? 🖌 Yes 🗌 No If not, is well log attached? 🗌 Yes 🗌 No	The plugging proposal was approved on: (Date)
Producing Formation(s): List All (If needed attach another sheet)	by:(KCC District Agent's Name)
NONE Depth to Top: Bottom: T.D	Plugging Commenced: 11/8/2023
Depth to Top: Bottom: T.D	Plugging Completed: 11/8/2023
Depth to Top: Bottom:T.D	

Show depth and thickness of all water, oil and gas formations.

Oil, Gas or Water Records			Casing Record (Surface, Conductor & Production)			
Formation	Content	Casing	Size	Setting Depth	Pulled Out	
		CONDUCTOR	16	60		

Describe in detail the manner in which the well is plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same depth placed from (bottom), to (top) for each plug set.

THE CLARK 21-4 WELL HAD SURFACE CONDUCTOR INSTALLED BUT WAS NOT DRILLED. THE SURFACE CONDUCTOR WAS CUT 5' BELOW SURFACE GRADE AND FILLED WITH CEMBENT FROM THE BASE (60' BELOW GRADE) TO SURFACE. A CAP WAS INSTALLED A THE TOP OF THE CONDUCTOR.

Plugging Contractor License #:	Name: <u>AT</u>	TP OIL FIELD SERVIC	ES	
Address 1: 1001 WEST MAIN AVE	Address 2:			
City: _IYONS	Stat	e: _KS	Zip: 67554	_+
Phone: (<u>303</u>) <u>587-2272</u>				
Name of Party Responsible for Plugging Fees: <u>HIGH PLAINS RESOUR</u>	CES			
State of COLORADO County, DENVER	, ss			
JASON RAYBURN (Print Name)	🖌	Employee of Operator or	Operator on above-o	described well,
being first duly sworn on oath, says: That I have knowledge of the facts statements, a	nd matters here	in contained, and the log of the	above-described well	is as filed, and
the same are true and correct, so help me God.				
Signature:	0			
			Cybibit	^

CERTIFICATE OF SERVICE

25-CONS-3038-CPEN

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of

first class mail and electronic service on $\underline{-08/01/2024}$

KELCEY MARSH, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION CENTRAL OFFICE 266 N. MAIN ST, STE 220 WICHITA, KS 67202-1513 kelcey.marsh@ks.gov

TONYA PLATT ATP OILFIELD SERVICES LLC 1247 FACTORY DR FORT LUPTON, CO 80621-2810 CELENA PETERSON, PRODUCTION DEPARTMENT KANSAS CORPORATION COMMISSION 266 N. Main St., Ste. 220 WICHITA, KS 67202-1513 celena.peterson@ks.gov

ATTN: REGISTERED AGENT ATP OILFIELD SERVICES LLC 1001 W MAIN LYONS, KS 67554-2425

/S/ KCC Docket Room KCC Docket Room