

**THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS**

Before Commissioners:                    Andrew J. French, Chairperson  
   Dwight D. Keen  
   Annie Kuether

In the matter of the failure of Ambrotra ) Docket No.: 25-CONS-3171-CPEN  
Energy, LLC (Operator) to comply with )  
K.A.R. 82-3-602 and K.A.R. 82-3-608 at the ) CONSERVATION DIVISION  
Ron Dehaan #1 well in Graham County, )  
Kansas. ) License No.: 35671

**PENALTY ORDER**

The Commission finds Operator has violated K.A.R. 82-3-602 and K.A.R. 82-3-608 regarding the captioned well, assesses a \$350 penalty, directs Operator to come into compliance, and further rules as more fully 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 and K.S.A. 55-164 provide 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. Under K.S.A. 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.

3. K.A.R. 82-3-602(a) provides that unless otherwise specified in writing by the Commission, each operator shall close drilling pits within 365 calendar days after the spud date of a well. K.A.R. 82-3-602(c) provides that each operator of a pit shall file a pit closure form prescribed by the Commission within 30 days after the closure of the pit. Failure to file the pit closure form shall be punishable by a \$100 penalty.<sup>1</sup>

4. K.A.R. 82-3-602(b) provides that before backfilling any pit, the operator shall dispose of the pit contents according to K.A.R. 82-3-607 and shall submit the required form pursuant to K.A.R. 82-3-608.<sup>2</sup> K.A.R. 82-3-608(a) provides that each operator shall file a form prescribed by the commission within 30 days after the operator transfers refuse from any pit or diked area or refuse relating to any remediation or cleanup activity. K.A.R. 82-3-608(b) provides that the failure to timely submit the form shall be punishable by the following penalties: \$250 for the first violation, \$500 for the second violation, and \$1,000 and an operator license review for the third violation.<sup>3</sup>

## **II. FINDINGS OF FACT**

5. Operator is licensed to conduct oil and gas activities in Kansas and is responsible for the Ron Dehaan #1 well (Subject Well), API #15-065-24263-00-00, located in Section 1, Township 10 South, Range 22 West, Graham County, Kansas.

6. Commission records indicate that Operator filed an Application for Surface Pit (CDP-1) along with a Notice of Intent to Drill (C-1) for the Subject Well. The CDP-1 indicated that a drilling pit would be used while drilling the well. As part of the CDP-1 approval process, either Operator stated refuse would be transferred, or Commission Staff required refuse to be transferred, prior to the closure of the drilling pit.

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<sup>1</sup> K.A.R. 82-3-602(c).

<sup>2</sup> K.A.R. 82-3-602(b).

<sup>3</sup> K.A.R. 82-3-608(b).

7. Commission regulations require drilling pits to be closed within 365 calendar days of the spud date; Operator did not receive an extension. Commission regulations further require a Closure of Surface Pit (CDP-4) form to be filed within 30 days after the closure of a pit, and an Exploration and Production Waste Transfer (CDP-5) form to be filed within 30 days after an operator transfers refuse from any pit.

8. Commission records indicate the Subject Well was spud on August 25, 2023. More than 395 days (365 plus 30) have passed since the Subject Well was spud. Commission records indicate that CDP-4 and CDP-5 forms have not been filed for the Subject Well.

9. On October 10, 2024, Commission Staff sent Notice of Violation letters to Operator, requiring Operator to file CDP-4 and CDP-5 forms by October 24, 2024.<sup>4</sup> The Commission did not receive complete, accurate CDP-4 and CDP-5 forms by the deadline in the letters.

### **III. CONCLUSIONS OF LAW**

10. The Commission has jurisdiction over Operator and this matter under K.S.A. 74-623 and K.S.A. 55-152.

11. Operator has committed one violation of K.A.R. 82-3-602 because Operator did not submit a complete and accurate CDP-4 for the pit associated with the Subject Well in a timely manner.

12. Operator has committed one violation of K.A.R. 82-3-608 because Operator did not submit a complete and accurate CDP-5 for the pit associated with the Subject Well in a timely manner.

#### **THEREFORE, THE COMMISSION ORDERS:**

A. Operator shall pay a \$350 penalty.

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<sup>4</sup> Exhibit A

B. Operator shall submit complete, accurate CDP-4 and CDP-5 forms for the pit associated with the Subject Well.

C. Operator 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.

D. Failure to timely request a hearing will result in a waiver of Operator's right to a hearing. If no party timely requests a hearing, then this Order shall become final. If Operator is not in compliance with this Order and the Order is final, then Operator's license shall be suspended without further notice and shall remain suspended until Operator 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).<sup>5</sup>

E. 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. Payments must reference the docket number of this proceeding.

**BY THE COMMISSION IT IS SO ORDERED.**

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 11/19/2024



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Lynn M. Retz  
Executive Director

Mailed Date: 11/19/2024

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<sup>5</sup> See K.S.A. 55-162; K.S.A. 55-164; K.S.A. 55-606; K.S.A. 55-707; K.S.A. 77-503(c); K.S.A. 77-531(b).

Andrew J. French, Chairperson  
Dwight D. Keen, Commissioner  
Annie Kuether, Commissioner

Laura Kelly, Governor

October 10, 2024

George H Beck Jr  
Ambrotra Energy LLC  
PO BOX 227  
MEDICINE LODGE KS 67104-0227

License No. 35671

**NOTICE OF VIOLATION**

**Re: Surface Pit Closure Form(s) - ("CDP-4")**

Operator:

Commission records indicate that for the well(s) on the attached list, you filed an Application for Surface Pit (CDP-1) form for each well along with your Intent to Drill.

If any drilling pits remain open, they must be closed.

Since no CDP-4 is on file for the well(s), you are in violation of K.A.R. 82-3-602(c).

**We have not received the necessary Surface Pit Closure Form(s).**

Commission records indicate that the well(s) were spudded more than 13 months ago.

Under K.A.R. 82-3-602, drilling pits must be closed within 12 months after the spud date of the well.

Further, an operator must submit a CDP-4 within 1 month after closing a pit.

**Failure to submit a complete, accurate CDP-4  
for the pit(s) associated with the well(s) on the attached list  
by OCTOBER 24, 2024  
shall be punishable by a \$100 per-well administrative penalty.**

The information requested above must be submitted on KOLAR. If a CDP-4 is returned to you as incomplete, you do not have additional time - the deadline above governs.

Please contact me at (316) 337-6200 if you have any questions.

Sincerely,

KATHY HAYNES  
Environmental Protection and Remediation Department

**List of Wells: Missing CDP-4**

API Well #	Lease Name / Well #	Well Location	County
15-065-24263-00-00	RON DEHAAN 1	1-10S-22W, SWNWSESE	GRAHAM

Andrew J. French, Chairperson  
Dwight D. Keen, Commissioner  
Annie Kuether, Commissioner

Laura Kelly, Governor

October 10, 2024

George H Beck Jr  
Ambrotra Energy LLC  
PO BOX 227  
MEDICINE LODGE, KS 67104-0227

License No. 35671

**NOTICE OF VIOLATION**

**Re: Waste Transfer Form(s) - ("CDP-5")**

Operator:

Commission records indicate that for the well(s) on the attached list, you filed an Application for Surface Pit (CDP-1) form for each well along with your Intent to Drill. The CDP-1 indicated that fluids would be transferred from a drilling pit, or Commission Staff required that fluids be transferred from a drilling pit.

**We have not received the necessary Waste Transfer Form(s).**

Commission records indicate that the well(s) were spudded more than 13 months ago. Under K.A.R. 82-3-602, drilling pits must be closed within 12 months after the spud date of the well. Further, an operator must submit a CDP-5 within 1 month after transferring waste.

Since no CDP-5 is on file for the well(s), you are in violation of K.A.R. 82-3-608.

**Failure to submit a complete, accurate CDP-5  
for the pit(s) associated with the well(s) on the attached list  
by OCTOBER 24, 2024  
shall be punishable by a \$250 per-well administrative penalty.**

The information requested above must be submitted on KOLAR. If a CDP-5 is returned to you as incomplete, you do not have additional time - the deadline above governs.

Please contact me at (316) 337-6200 if you have any questions.

Sincerely,

KATHY HAYNES  
Environmental Protection and Remediation Department

**List of Wells: Missing CDP-5**

API Well #	Lease Name / Well #	Well Location	County
15-065-24263-00-00	RON DEHAAN 1	1-10S-22W, SWNWSESE	GRAHAM



**CERTIFICATE OF SERVICE**

25-CONS-3171-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 11/19/2024.

GEORGE H BECK, JR.  
AMBROTRA ENERGY LLC  
PO BOX 227  
MEDICINE LODGE, KS 67104-0227

KATHLEEN HAYNES  
KANSAS CORPORATION COMMISSION  
266 N. Main St., Ste. 220  
WICHITA, KS 67202-1513  
kathy.haynes@ks.gov

TRISTAN KIMBRELL, LITIGATION COUNSEL  
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CENTRAL OFFICE  
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KRAIG STOLL, EP&R SUPERVISOR  
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CENTRAL OFFICE  
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/S/ KCC Docket Room  
KCC Docket Room