

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

Before Commissioners: Andrew J. French, Chairperson
 Dwight D. Keen
 Susan K. Duffy

In the matter of the failure of Rama Operating) Docket No.: 22-CONS-3130-CPEN
Co., Inc. (Operator) to comply with K.A.R.)
82-3-111 at the Tatlock A OWWO #1 well in) CONSERVATION DIVISION
Pratt County, Kansas.)
_____) License No.: 3911

PENALTY ORDER

The Commission finds Operator has violated K.A.R. 82-3-111 regarding the captioned well, assesses a \$100 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. 82-3-111 provides that within 90 days after operations cease on any well, the operator of that well shall plug the well, return the well to service, or file an application with

the Conservation Division requesting temporary abandonment (TA) status. If not plugged or returned to service, the operator must obtain TA approval; TA status may be denied by the Conservation Division if necessary to prevent pollution. A well shut-in for 10 years or more cannot be granted TA status without the operator filing an application for an exception pursuant to K.A.R. 82-3-100 and approval from the Commission. K.A.R. 82-3-111(e) provides a TA exemption for certain wells fully equipped and capable of production.

II. FINDINGS OF FACT

4. Operator is licensed to conduct oil and gas activities in Kansas and is responsible for the Tatlock A OWWO #1 well (Subject Well), API #15-151-10920-00-03, located in Section 31, Township 26 South, Range 15 West, Pratt County, Kansas.

5. On March 29, 2021, Commission records indicated the Subject Well had been inactive and unplugged for longer than the 90 days allowed by K.A.R. 82-3-111, that the well was not exempt pursuant to K.A.R. 82-3-111(e), and that the well was not approved for TA status. Thus, Commission Staff sent a letter to Operator, requiring Operator to bring the Subject Well into compliance with K.A.R. 82-3-111 by April 26, 2021.¹

6. On August 10, 2021, Commission Staff inspected the Subject Well, because the deadline in the letter had passed and the violation had not been resolved, verifying that the well continued to be inactive and unplugged.²

III. CONCLUSIONS OF LAW

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

¹ Exhibit A.

² Exhibit B.

8. Operator has committed one violation of K.A.R. 82-3-111 because the Subject Well has been inactive in excess of the time allowed by regulation without being plugged, returned to service, or approved for TA status.³

THEREFORE, THE COMMISSION ORDERS:

A. Operator shall pay a \$100 penalty.

B. Operator shall plug the Subject Well, or return the well to service, or obtain TA status for the well if eligible.

C. Commission Staff may require Staff-witnessed static fluid level measurements before a Subject Well is returned to service. A Subject Well may not be returned to service if (1) any measurement has shown fluid in the wellbore at or above the appropriate minimum surface casing requirement described in Table I of the Commission's August 1, 1991, Order in Docket 34,780, (2) any measurement has shown fluid in the wellbore at or above any salt formation or other corrosive formation, or (3) in the opinion of Staff, variation in measurements indicates the possibility of a casing leak. Provided, however, a Subject Well may be returned to service upon (a) passing a casing integrity test after issuance of this Penalty Order to the satisfaction of Staff, or (b) Staff providing written, well-specific authorization after issuance of this Penalty Order.

D. 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.

E. 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.

³ K.S.A. 55-164; K.A.R. 82-3-111(b).

F. 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. If a Subject Well has been inactive for more than 10 years and Operator applies for an exception to the 10-year limit on TA status for the Subject Well prior to this Order becoming final, and Operator would be in compliance with this Order if the application were approved, then suspension shall not be enforced unless: (1) the application is denied, and (2) 30 days have elapsed since the denial. The notice and opportunity for a hearing on this Order shall constitute the notice required by K.S.A. 77-512 regarding license suspension.

G. 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).⁴

H. 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; Duffy, Commissioner

Dated: 09/16/2021



Lynn M. Retz
Executive Director

Mailed Date: 09/16/2021

TSK

⁴ 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
Susan K. Duffy, Commissioner

Corporation Commission

Laura Kelly, Governor

NOTICE OF VIOLATION

March 29, 2021
KCC Lic.-3911

RAMA OPERATING CO., INC.
101 S MAIN ST
STAFFORD KS 67578-1429

RE: **TEMPORARY ABANDONMENT**
API Well No. 15-151-10920-00-03
TATLOCK A OWWO 1
31-26S-15W, SWNWNW
PRATT County, Kansas

Operator:

On March 19, 2021, a lease inspection documented a probable violation of the following regulation at the referenced well:

- K.A.R. 82-3-111. Within 90 days after operations cease on a well, the operator must return the well to service, plug the well, or obtain approval for temporary abandonment status.

**Failure to remedy this violation
by APRIL 26, 2021
shall be punishable by a \$100 penalty.**

You may contact me if you have any questions.

Sincerely,


DAVID RING
KCC District # 1

KCC OIL/GAS REGULATORY OFFICES

Date: 8/10/21

District: 1

Case #: _____

New Situation

Lease Inspection

Response to Request

Complaint

Follow-Up

Field Report

Operator License No: 3911

API Well Number: 15-151-10920-00-03

Op Name: Rama Operating Co., Inc.

Spot: NW SW NW NW Sec 31 Twp 26 S Rng 15 E / W

Address 1: 101 S. Main St.

4323 Feet from N / S Line of Section

Address 2: _____

4822 Feet from E / W Line of Section

City: Stafford

GPS: Lat: 37.74486 Long: 99.01239 Date: 3/19/21

State: Kansas Zip Code: 67578 -1429

Lease Name: Tatlock "A" owwo Well #: 1

Operator Phone #: (620) 234-5191

County: Pratt

Reason for Investigation:

8/10/21 Failure to respond to KCC-NOV letter dated March 29, 2021.
3/19/21 Past due RLI-90 Day production check. CP check. 2/14/20 RLI

Problem:

8/10/21 Probable violation.
2/14/20 None

Persons Contacted:

8/10/21 None. 3/19/21 Todd Gatton, State of Kansas Land Manager for access. 620-450-7208
2/14/20 Operator about access due to locked gate. Had to take down the fence.

Findings:

8/10/21 1:15 PM
No change at the lease site from the previous inspection. No appearance of any recent activity. Meter run remains locked out. Lease road overgrown.
Last Oil production record listed on KGS: September 2013. Last Gas production record listed on KGS: February 2020.
CP-1 filed 5/3/21, Expires 10/30/21. No other coorispondance.

3/19/21 9:50 AM
No change at the lease site from the previous inspection. No appearance of any recent activity.
Last Oil production record listed on KGS: September 2013. Last Gas production record listed on KGS: February 2020.

2/14/20 Tank battery located 4036' FSL, 4736' FEL. Tank battery consists of 1 100 bbl steel stock tank, 1 200 bbl open-top fiberglass produced water tank, 1 16" x 76" horizontal heater treater, with no dike.
Meter run also on location. Locked-out tagged out. Water trucked off lease.

Secondary Tank Battery located 31'FSL, 80' FEL SE SE SE SE Sect. 30-T26S-R15W. 1 200 bbl steel stock tank w/2.5' earthen dike.

#1 NW SW NW NW. Fully equipped oil/gas well with natural gas pumping unit. Valve closed.
Last Oil production record listed on KGS: September 2013. Last Gas production record listed on KGS: October 2019.

No current leaks, spills or scarring.

Action/Recommendations:

Follow Up Required Yes No

Date: _____

8/10/21 Forward to legal.
3/19/21 Send NOV CP-111 letter.
2/14/20 Recheck in 90 days. Should have been CP, check in 1 year.

Verification Sources:

Photos Taken: _____

<input checked="" type="checkbox"/> RBDMS	<input checked="" type="checkbox"/> KGS	<input type="checkbox"/> TA Program
<input type="checkbox"/> T-I Database	<input checked="" type="checkbox"/> District Files	<input type="checkbox"/> Courthouse
<input checked="" type="checkbox"/> Other: <u>Leo 7, On-site inspection</u>		

By: David Ring, ECRS

Retain 1 Copy District Office
Send 1 Copy to Conservation Division

Form: 02/14/2020

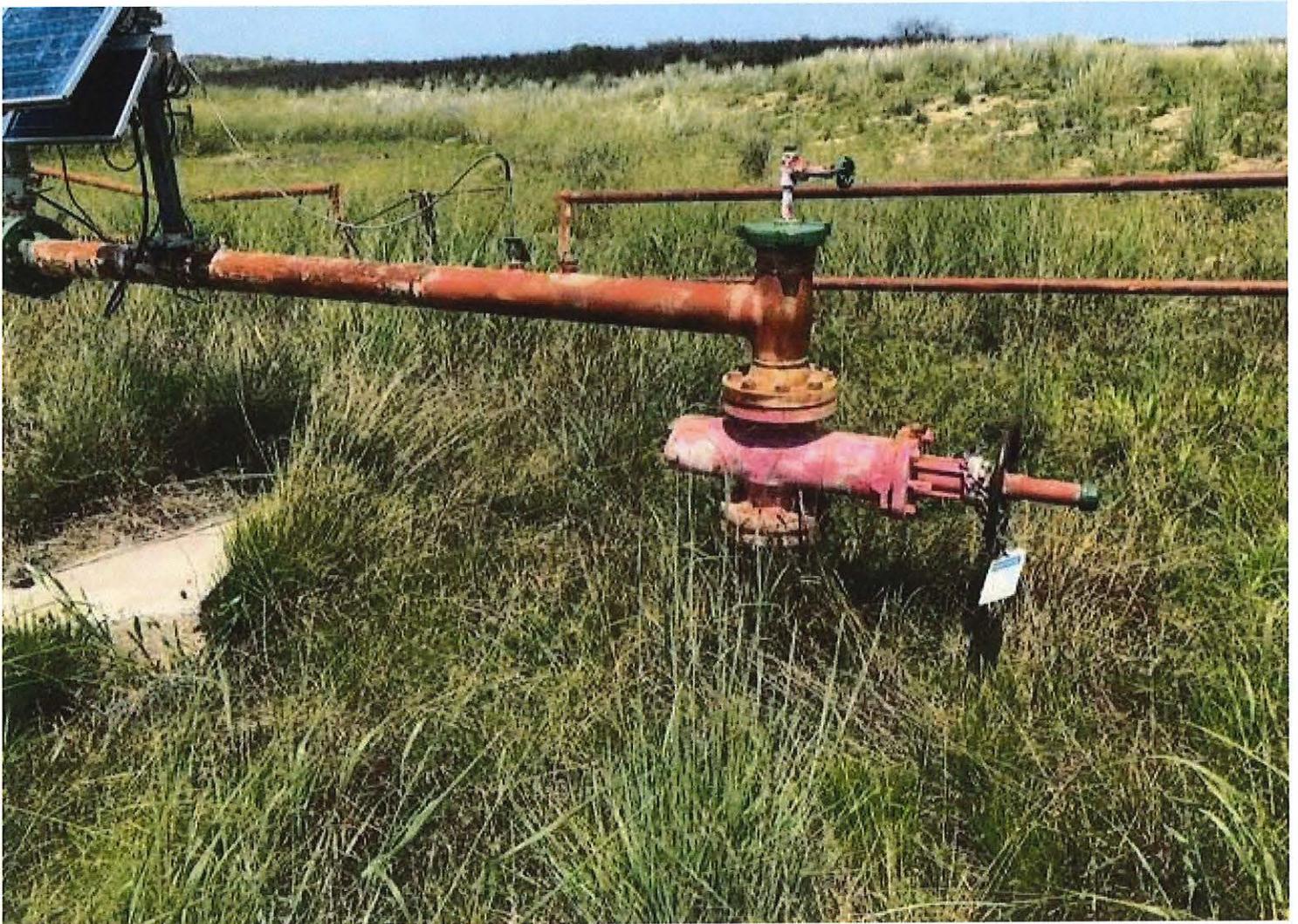


8/10/21 Facing Northwest. Overgrown tank battery. Well in background.

Tatlock "A" OWWO 1 API Number: 15-151-10920-00-03 PR Sec. 31-T26S-R15W

Rama Operating Company, Inc. KLN: 3911

GPS: 37.74486, -99.01239 4323'FSL, 4822'FEL NW SW NW NW



8/10/21 Facing East. Meter run locked-out/tagged out.

Tatlock "A" OWWO 1 API Number: 15-151-10920-00-03 PR Sec. 31-T26S-R15W

Rama Operating Company, Inc. KLN: 3911

GPS: 37.74486, -99.01239 4323'FSL, 4822'FEL NW SW NW NW



8/10/21 Facing Northwest. Pump jack not operating.

Tatlock "A" OWWO 1 API Number: 15-151-10920-00-03 PR Sec. 31-T26S-R15W

Rama Operating Company, Inc. KLN: 3911

GPS: 37.74486, -99.01239 4323'FSL, 4822'FEL NW SW NW NW

CERTIFICATE OF SERVICE

22-CONS-3130-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 09/16/2021.

ROBERT L. AUSTIN
RAMA OPERATING CO., INC.
101 S MAIN ST
STAFFORD, KS 67578-1429

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/S/ Desirae Mayfield

Desirae Mayfield