



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

Phone: 316-337-6200  
Fax: 316-337-6211  
<http://kcc.ks.gov/>

Susan K. Duffy, Chair  
Shari Feist Albrecht, Commissioner  
Dwight D. Keen, Commissioner

Laura Kelly, Governor

**NOTICE OF PENALTY ASSESSMENT**  
20-CONS-3225-CPEN

February 13, 2020

Zachary Roy Patterson  
Patterson Energy, LLC  
PO Box 400  
Hays, KS 67601-0400

This is a notice of a penalty assessment for violation(s) of Kansas Oil and Gas Conservation Statutes, Rules, and Regulations. For a full description of the penalty and process please refer to the Penalty Order that is attached to this notice.

**IF YOU ACCEPT THE PENALTY:**

You have been assessed a \$1,250 penalty. You have 30 days from the service date of this Penalty Order to pay the fine amount. Check or money order must be made payable to the Kansas Corporation Commission and mailed to the Conservation Division of the Kansas Corporation Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202. The payment must include a reference to the docket number of this proceeding. Payment by credit card may be made by calling the Conservation Division at 316-337-6200.

**IF YOU CONTEST THE PENALTY:**

You have the right to request a hearing. A written request for hearing must be made within 30 days after service of the Penalty Order. Respondent must submit the request to the Commission, at 266 N. Main St., Suite 220, Wichita, Kansas 67202. The Commission shall conduct a hearing in accordance with the provisions of the Kansas administrative procedure act within 30 days after receipt of such request. K.S.A. 55-164; K.S.A. 77-542; K.A.R. 82-1-215.

**IF YOU FAIL TO ACT:**

Failure to pay the fine amount, or in the alternative, provide a written request for a hearing, within thirty (30) days of service of the Penalty Order, will result in the attached Penalty Order becoming a Final Order and may result in additional sanctions, including additional monetary penalties, the suspension of your oil and gas operating license, and the shutting-in of all operations until compliance is obtained. K.S.A. 55-162; K.S.A. 55-164; K.S.A. 77-537.

Respectfully,

Michael Glamann  
Litigation Counsel  
316-337-6200

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

Before Commissioners: Susan K. Duffy, Chair  
Shari Feist Albrecht  
Dwight D. Keen

In the matter of the failure of Patterson ) Docket No.: 20-CONS-3225-CPEN  
Energy, LLC (“Operator”) to comply with )  
K.A.R. 82-3-602 and K.S.A. 55-164 at the ) CONSERVATION DIVISION  
Beach ‘A’ #2 well in Ellis County, Kansas. )  
\_\_\_\_\_ ) License No.: 34888

**PENALTY ORDER**

The above captioned matter comes before the State Corporation Commission of the State of Kansas. Having examined the files and records, and being duly advised in the premises, the Commission finds and concludes as follows:

**I. JURISDICTION**

1. The Commission has the exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.<sup>1</sup> The Commission has jurisdiction to regulate the “construction, operation, and abandonment of any well and the protection of the usable water of this state from any actual or potential pollution from any well.”<sup>2</sup> Every operator conducting oil and gas activity in Kansas must be licensed by the Commission.<sup>3</sup>

2. The Commission has the authority to issue a Penalty Order for violation of any provision of K.S.A. 55-101 *et seq.*, rule, regulation, or order of the Commission.<sup>4</sup> The Commission shall take appropriate action which may include, but not be limited to, imposing a monetary penalty “not to exceed \$10,000, which shall constitute an actual and substantial

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<sup>1</sup> K.S.A. 74-623.

<sup>2</sup> K.S.A. 55-152.

<sup>3</sup> K.S.A. 55-155.

<sup>4</sup> K.S.A. 55-162; K.S.A. 55-164.

economic deterrent to the violation for which the penalty is assessed.”<sup>5</sup> “In the case of a continuing violation, every day such violation continues shall be deemed a separate violation.”<sup>6</sup>

3. 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 or request an extension.<sup>7</sup>

4. Failure to close any pit or to file an extension within the prescribed time limits shall be punishable by a \$250 penalty.<sup>8</sup>

## II. FINDINGS OF FACT

5. Operator conducts oil and gas activities in Kansas under active license number 34888.

6. Operator is responsible for the care and control of the Beach ‘A’ #2 (“the subject well”), API #15-051-26917, located in Section 21, Township 11 South, Range 17 West, Ellis County, Kansas.

7. On June 11, 2018, Operator filed an Application for Surface Pit (“CDP-1”) along with the Notice of Intent to Drill (“C-1”) for the subject well. The C-1 and CDP-1 are attached hereto as **Exhibit A**. The CDP-1 indicated that three working pits would be used while drilling the subject well.

8. Commission regulations require drilling pits to be closed within 365 calendar days of the spud date. Commission regulations further require a Closure of Surface Pit (“CDP-4”) form to be filed within 30 days after the closure of a pit.

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<sup>5</sup> K.S.A. 55-164.

<sup>6</sup> *Id.*

<sup>7</sup> K.A.R. 82-3-602(a).

<sup>8</sup> *Id.*

9. On September 5, 2019, the Commission issued a Penalty Order against Operator in Docket No. 20-CONS-3070-CPEN for failure to file CDP-4 forms for three wells, one of which was the subject well.<sup>9</sup> In the order, the Commission noted that 395 days had passed since the wells in question had been spud,<sup>10</sup> that at least one drilling pit was associated with each of the wells, and that no CDP-4 was on file with the Commission for the wells, which is a violation of K.A.R. 82-3-602(c) for failure to file a pit closure form. The order assessed a \$100 per-well penalty and ordered Operator to file complete, accurate CDP-4 forms within 30 days of the order being issued.

10 On October 17, 2019, Operator submitted a CDP-4 for the pit(s) associated with the subject well indicating that the pit(s) were closed on October 23, 2018. The CDP-4 is attached hereto as **Exhibit B**. However, on October 22, 2019, District Staff conducted a lease inspection and found that the pit(s) associated with the subject well remain open. The field report is attached hereto as **Exhibit C**.

### III. CONCLUSIONS OF LAW

11. The Commission concludes that it has jurisdiction over Operator and this matter under K.S.A. 55-152 and K.S.A. 74-623.

12. The Commission concludes Operator committed one violation of K.A.R. 82-3-602 because Operator did not close the pit(s) associated with the subject well within the prescribed time period, nor was an extension granted. This violation carries a \$250 penalty.

13. The Commission concludes Operator committed one violation of K.S.A. 55-164 because the Penalty Order in Docket 20-CONS-3070-CPEN directed Operator to file a complete, accurate CDP-4 for the subject well but Operator submitted an inaccurate form. The Commission

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<sup>9</sup> Docket No. 20-CONS-3070-CPEN, Penalty Order.

<sup>10</sup> Docket No. 20-CONS-3070-CPEN, Penalty Order, ¶8.

finds an actual and substantial economic deterrent for submission of the false form in violation of its Penalty Order to be \$1,000.

**THEREFORE, THE COMMISSION ORDERS:**

- A. Operator shall pay a \$1,250 penalty.
- B. Operator shall close the pit(s) associated with the subject well by March 19, 2020.
- C. Operator shall submit a complete, accurate CDP-4 for the pit(s) associated with the subject well within 30 days of the closure of the pit(s).
- D. If the pit(s) associated with the subject well are not closed by March 19, 2020, then Operator shall be assessed an additional \$5,000 penalty and Staff is directed to close the pit(s) and assess the costs to Operator.
- E. If a complete, accurate CDP-4 has not been submitted within 30 days of the closure of the pit(s) associated with the subject well, then Operator shall be assessed an additional \$500 penalty.
- F. Any party 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. Hearings will be scheduled only upon written request. Failure to timely request a hearing will result in a waiver of Operator's right to a hearing.
- G. If no party requests a hearing, and Operator is not in compliance with this Order within 30 days from the date of service of this Order, then Operator's license shall be suspended without further notice. The notice and opportunity for a hearing on this Order shall constitute the notice required by K.S.A. 77-512 regarding license suspension. The Commission may impose

further sanctions, including additional monetary penalties and any other remedies available to the Commission by law, without further notice.

H. 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. The payment must include a reference to the docket number of this proceeding. Credit card payments may be made by calling the Conservation Division at 316-337-6200.

I. A corporation shall appear before the Commission by a Kansas licensed attorney.<sup>11</sup>

J. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further orders as it may deem necessary.

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

Keen, Chair; Albrecht, Commissioner; Duffy, Commissioner

Dated: 02/13/2020

  
\_\_\_\_\_  
Lynn M. Retz  
Executive Director

Mailed Date: 02/13/2020

JMG/KAM

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<sup>11</sup> K.S.A. 77-515(c); K.A.R. 82-1-228(d)(2).

For KCC Use:

Effective Date: \_\_\_\_\_

District # \_\_\_\_\_

SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form C-1

March 2010

Form must be Typed  
Form must be Signed  
All blanks must be Filled

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

Expected Spud Date: \_\_\_\_\_  
month day year

OPERATOR: License# \_\_\_\_\_

Name: \_\_\_\_\_

Address 1: \_\_\_\_\_

Address 2: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_

Contact Person: \_\_\_\_\_

Phone: \_\_\_\_\_

CONTRACTOR: License# \_\_\_\_\_

Name: \_\_\_\_\_

Well Drilled For:

Well Class:

Type Equipment:

- |                              |                                   |                                    |                                     |
|------------------------------|-----------------------------------|------------------------------------|-------------------------------------|
| <input type="checkbox"/> Oil | <input type="checkbox"/> Enh Rec  | <input type="checkbox"/> Infield   | <input type="checkbox"/> Mud Rotary |
| <input type="checkbox"/> Gas | <input type="checkbox"/> Storage  | <input type="checkbox"/> Pool Ext. | <input type="checkbox"/> Air Rotary |
|                              | <input type="checkbox"/> Disposal | <input type="checkbox"/> Wildcat   | <input type="checkbox"/> Cable      |

Seismic ; \_\_\_\_\_ # of Holes  Other

Other: \_\_\_\_\_

If OWWO: old well information as follows:

Operator: \_\_\_\_\_

Well Name: \_\_\_\_\_

Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Directional, Deviated or Horizontal wellbore?  Yes  No

If Yes, true vertical depth: \_\_\_\_\_

Bottom Hole Location: \_\_\_\_\_

KCC DKT #: \_\_\_\_\_

Spot Description: \_\_\_\_\_

\_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  E  W  
(Q/Q/Q/Q)

\_\_\_\_\_ feet from  N /  S Line of Section

\_\_\_\_\_ feet from  E /  W Line of Section

Is SECTION:  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: \_\_\_\_\_

Lease Name: \_\_\_\_\_ Well #: \_\_\_\_\_

Field Name: \_\_\_\_\_

Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): \_\_\_\_\_

Nearest Lease or unit boundary line (in footage): \_\_\_\_\_

Ground Surface Elevation: \_\_\_\_\_ feet MSL

Water well within one-quarter mile:  Yes  No

Public water supply well within one mile:  Yes  No

Depth to bottom of fresh water: \_\_\_\_\_

Depth to bottom of usable water: \_\_\_\_\_

Surface Pipe by Alternate:  I  II

Length of Surface Pipe Planned to be set: \_\_\_\_\_

Length of Conductor Pipe (if any): \_\_\_\_\_

Projected Total Depth: \_\_\_\_\_

Formation at Total Depth: \_\_\_\_\_

Water Source for Drilling Operations:

Well  Farm Pond  Other: \_\_\_\_\_

DWR Permit #: \_\_\_\_\_

(Note: Apply for Permit with DWR  )

Will Cores be taken?  Yes  No

If Yes, proposed zone: \_\_\_\_\_

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office **prior** to spudding of well;
2. A copy of the approved notice of intent to drill **shall be** posted on each drilling rig;
3. The minimum amount of surface pipe as specified below **shall be set** by circulating cement to the top; in all cases surface pipe **shall be set** through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary **prior to plugging**;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 DAYS** of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **In all cases, NOTIFY district office** prior to any cementing.

Submitted Electronically

**For KCC Use ONLY**

API # 15 - \_\_\_\_\_

Conductor pipe required \_\_\_\_\_ feet

Minimum surface pipe required \_\_\_\_\_ feet per ALT.  I  II

Approved by: \_\_\_\_\_

**This authorization expires:** \_\_\_\_\_  
(This authorization void if drilling not started within 12 months of approval date.)

Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

Remember to:

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed (within 60 days);
- Obtain written approval before disposing or injecting salt water.
- If well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well will not be drilled or Permit Expired Date: \_\_\_\_\_  
Signature of Operator or Agent:

E  
 W

For KCC Use ONLY

API # 15 - \_\_\_\_\_

**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: \_\_\_\_\_

Lease: \_\_\_\_\_

Well Number: \_\_\_\_\_

Field: \_\_\_\_\_

Number of Acres attributable to well: \_\_\_\_\_

QTR/QTR/QTR/QTR of acreage: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Location of Well: County: \_\_\_\_\_

\_\_\_\_\_ feet from  N /  S Line of Section

\_\_\_\_\_ feet from  E /  W Line of Section

Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  E  W

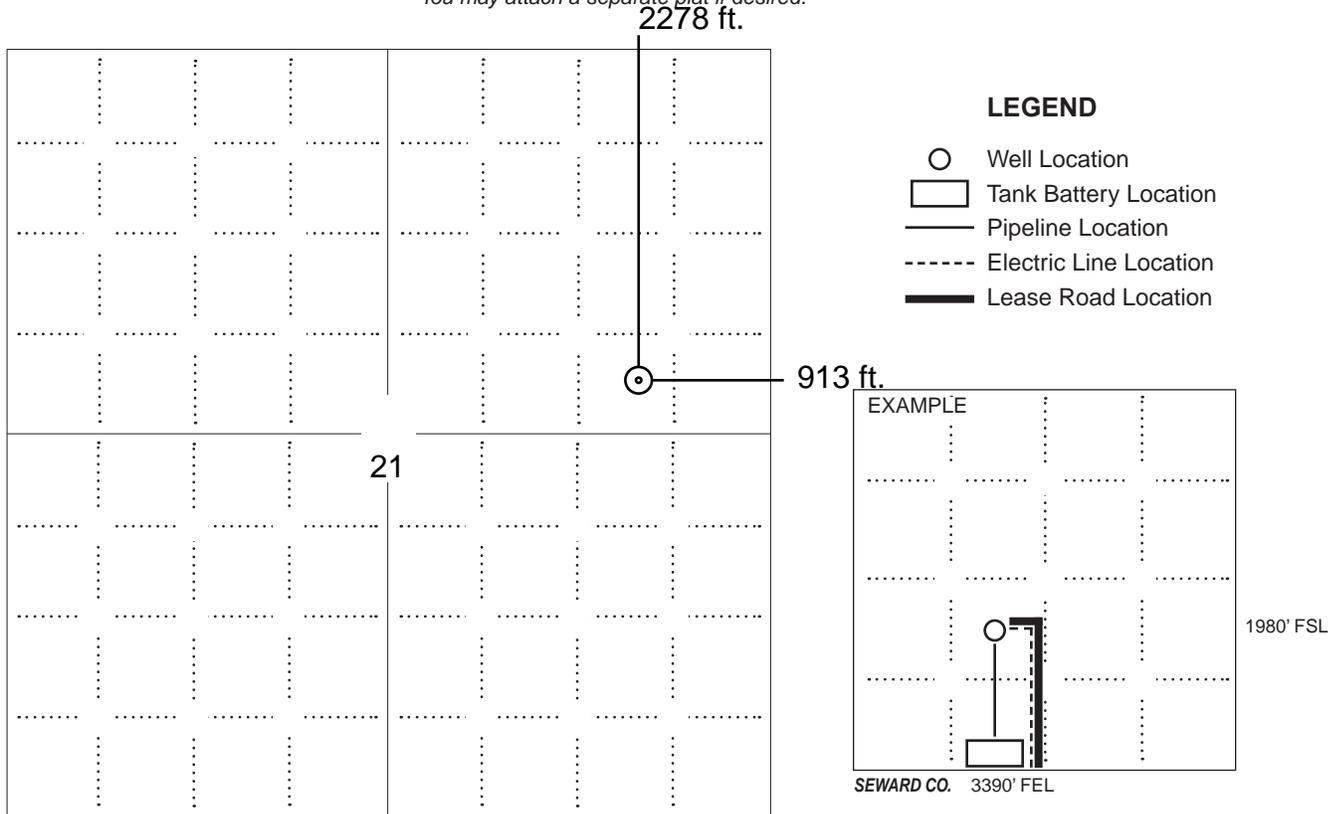
Is Section:  Regular or  Irregular

**If Section is Irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

**PLAT**

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).  
You may attach a separate plat if desired.



**NOTE: In all cases locate the spot of the proposed drilling locaton.**

**In plotting the proposed location of the well, you must show:**

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISIONForm CDP-1  
May 2010  
Form must be Typed

## APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name:		License Number:	
Operator Address:			
Contact Person:		Phone Number:	
Lease Name & Well No.:		Pit Location (QQQQ): ____ - ____ - ____ - ____ Sec. ____ Twp. ____ R. ____ <input type="checkbox"/> East <input type="checkbox"/> West ____ Feet from <input type="checkbox"/> North / <input type="checkbox"/> South Line of Section ____ Feet from <input type="checkbox"/> East / <input type="checkbox"/> West Line of Section ____ County	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>	Pit is: <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)		
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	How is the pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) <input type="checkbox"/> No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit: _____ feet    Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
<b>Emergency, Settling and Burn Pits ONLY:</b> Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ _____ Drill pits must be closed within 365 days of spud date.	
Submitted Electronically			

## KCC OFFICE USE ONLY

 Liner     Steel Pit     RFAC     RFASDate Received: \_\_\_\_\_ Permit Number: \_\_\_\_\_ Permit Date: \_\_\_\_\_ Lease Inspection:  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form KSONA-1  
January 2014  
Form Must Be Typed  
Form must be Signed  
All blanks must be Filled

**CERTIFICATION OF COMPLIANCE WITH THE  
KANSAS SURFACE OWNER NOTIFICATION ACT**

*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 # \_\_\_\_\_  
Name: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Phone: ( \_\_\_\_\_ ) \_\_\_\_\_ Fax: ( \_\_\_\_\_ ) \_\_\_\_\_  
Email Address: \_\_\_\_\_

Well Location:  
\_\_\_\_ - \_\_\_\_ - \_\_\_\_ - \_\_\_\_ Sec. \_\_\_\_ Twp. \_\_\_\_ S. R. \_\_\_\_  East  West  
County: \_\_\_\_\_  
Lease Name: \_\_\_\_\_ Well #: \_\_\_\_\_

*If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:*

**Surface Owner Information:**

Name: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_

*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 (House Bill 2032), 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 Submitted Electronically

## Summary of Changes

Lease Name and Number: Beach 'A' 2

API/Permit #: 15-051-26917-00-00

Doc ID: 1411923

Correction Number: 1

Approved By: Rick Hestermann 06/11/2018

Field Name	Previous Value	New Value
KCC Only - Alternate Completion	II	I
KCC Only - Approved By	Karen Ritter 06/06/2018	Rick Hestermann 06/11/2018
KCC Only - Approved Date	06/06/2018	06/11/2018
KCC Only - Date Received	06/05/2018	06/11/2018
KCC Only - Lease Inspection	Yes	No
KCC Only - Surface Pipe	200	560
Length of Surface Pipe Planned to be set	220	978
Surface Pipe By Alternate I or II	II	I

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form CDP-4  
April 2004  
Form must be Typed

**CLOSURE OF SURFACE PIT**

Operator Name:	License Number:
Operator Address:	
Contact Person:	Phone Number: (     )     -
Permit Number (API No. if applicable):	Lease Name & Well No.:
Type of Pit:  <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit	Pit Location (QQQQ):  _____ - _____ - _____ - _____ Sec. _____ Twp. _____ R. _____ <input type="checkbox"/> East <input type="checkbox"/> West _____ Feet from <input type="checkbox"/> North / <input type="checkbox"/> South Line of Section _____ Feet from <input type="checkbox"/> East / <input type="checkbox"/> West Line of Section _____ County
Date of closure: _____	
Was an artificial liner used? <input type="checkbox"/> Yes <input type="checkbox"/> No	
If no, how were the sides and bottom sealed to prevent downward migration of the pit contents?	
Abandonment procedure of pit:	

Submitted Electronically

# INSPECTION REPORT

Case# \_\_\_\_\_

	<b>Complaint</b>
X	<b>New Situation</b>
	<b>Response to request</b>
	<b>Follow-up</b>

**Date of Inspection:** October 22, 2019

**Operator:** Patterson Energy, LLC

**License:** #34888 (Inactive)

**Address:** P. O. Box 400

**Location:** NE/4 Sec. 21-T11S-R17W

**City/St:** Hays, Kansas 67601

**Lease:** Beach & Bemis

**Phone:** (785) 259-3717

**County:** Ellis

**Reason for investigation:** Routine file review & lease inspection conducted by Chris Neeley (Professional Geologist) and Ed Schumacher (E.C.R.S.).

**Problem:** Two UIC wells currently lacking proper documentation regarding actual status. Also drill pits which remain open, however documentation indicates said pits were closed on October 23, 2018.

**Findings:**

- Beach A #2, API #15-051-26917-00-00, located NE SW SE NE/4 Sec. 21-T11S-R17W Ellis County, Kansas is currently an active producer. (GPS LOC: LAT. 39.08251 LONG. -099.20728, Footages 2,944' F.S.L. & 887' F.E.L.)
- Beach A #1 SWD (Docket #D-32748.0), API #15-051-22910-00-01, located E/2 SE NE/4 Sec. 21-T11S-R17W Ellis County, Kansas is currently an active salt water disposal well. (GPS LOC: LAT. 39.08359 LONG. -099.20543, Footages 3,320' F.S.L. & 361' F.E.L.)
- Bemis #1, API #15-051-05790-00-01, located NE NE NE/4 Sec. 21-T11S-R17W Ellis County, Kansas is currently abandoned and unplugged. (GPS LOC: LAT. 39.08793 LONG. -099.20537, Footages 4,899' F.S.L. & 340' F.E.L.)
- Beach Tank Battery Site, located SW NE SE NE/4 Sec. 21-T11S-R17W Ellis County, Kansas is currently properly identified. (GPS LOC: LAT. 39.08351 LONG. -099.20549, Footages 3,291' F.S.L. & 378' F.E.L.)
- Beach Brine Tank, located E/2 SE NE/4 Sec. 21-T11S-R17W Ellis County, Kansas is currently properly identified. (GPS LOC: LAT. 39.08359 LONG. -099.20543, Footages 3,320' F.S.L. & 361' F.E.L.)
- Drill Pits, for the Beach A #2, API #15-051-26917-00-00, which are located SE SW SE NE/4 Sec. 21-T11S-R17W Ellis County, Kansas still remain open, however the operator filed a Closure of Surface Pit (Form CDP-4) indicating said pits were closed on October 23, 2018. (GPS LOC: LAT. 39.08238 LONG. -099.20728, Footages 2,896' F.S.L. & 887' F.E.L.)
- Bemis #6 SWD (Docket #D-00840.0), API #15-051-05795-00-01, located CSL N/2 NE/4 Sec. 21-T11S-R17W Ellis County, Kansas is currently lacking proper documentation regarding the actual status. All information has been attached for further review.
- F. Bemis #2 SWD (Docket #D-00541.0), API #15-051- -00-00, located 480' F.N.L. & 900' F.E.L. N/2 NE/4 Sec. 21-T11S-R17W Ellis County, Kansas is currently lacking proper documentation regarding actual status. All information has been attached for further review.
- Bemis A #5 SWD (Docket #D-00839.0), API #15-051-06401-00-01, located SW SW NE/4 Sec. 21-T11S-R17W Ellis County, Kansas was plugged and abandoned on July 12, 1978 by Robert R. Price.
- Bemis D #3, API #15-051-05792-00-00, located SE NE NE/4 Sec. 21-T11S-R17W Ellis County, Kansas was plugged and abandoned on July 23, 1973 by Ormand Industries, Inc.
- Bemis D #7, API #15-051-05772-00-00, located N/2 N/2 NE/4 Sec. 21-T11S-R17W Ellis County, Kansas was plugged and abandoned on April 28, 1973 by Ormand Industries, Inc.
- F. Bemis #4, API #15-051-05784-00-00, located SW SE NE/4 Sec. 21-T11S-R17W Ellis County, Kansas was plugged and abandoned on November 14, 1956 by Phillips Petroleum Company.
- F. Bemis #3, API #15-051-05783-00-00, located CNL S/2 NE/4 Sec. 21-T11S-R17W Ellis County,

- Kansas was plugged and abandoned on November 8, 1956 by Phillips Petroleum Company.
- F. Bemis #2, API #15-051-05782-00-00, located SE SE NE/4 Sec. 21-T11S-R17W Ellis County, Kansas was plugged and abandoned on November 3, 1956 by Phillips Petroleum Company.
  - F. Bemis #1, API #15-051-05781-00-01, located NE SE NE/4 Sec. 21-T11S-R17W Ellis County, Kansas was plugged and abandoned on October 26, 1956 by Phillips Petroleum Company.
  - Bemis #1 SWD (Docket #D-14534.0 a/k/a Docket #BD0205.0), API #15-051-19348-00-00, located 300' F.S.L. & 400' F.W.L. N/2 NE/4 Sec. 21-T11S-R17W Ellis County, Kansas was plugged and abandoned on July 18, 1950 by Eldorado Refining Company.
  - Bemis #5, API #15-051-05793-00-00, located NW NE NE/4 Sec. 21-T11S-R17W Ellis County, Kansas was plugged and abandoned on October 4, 1949 by El Dorado Refining Company.
  - Bemis #4, API #15-051-05794-00-01, located NE NW NE/4 Sec. 21-T11S-R17W Ellis County, Kansas was plugged and abandoned on October 17, 1946 by El Dorado Refining Company.
  - Bemis #2, API #15-051-05791-00-00, located NW NW NE/4 Sec. 21-T11S-R17W Ellis County, Kansas was plugged and abandoned on September 29, 1946 by El Dorado Refining Company.
  - F. Bemis #1 SWD (Docket #D-00407.0), API #15-051-19349-00-00, located 315' F.S.L. & 405' F.E.L. S/2 NE/4 Sec. 21-T11S-R17W Ellis County, Kansas was plugged and abandoned on May 25, 1946 by Phillips Petroleum Company.

Photos:     Yes    

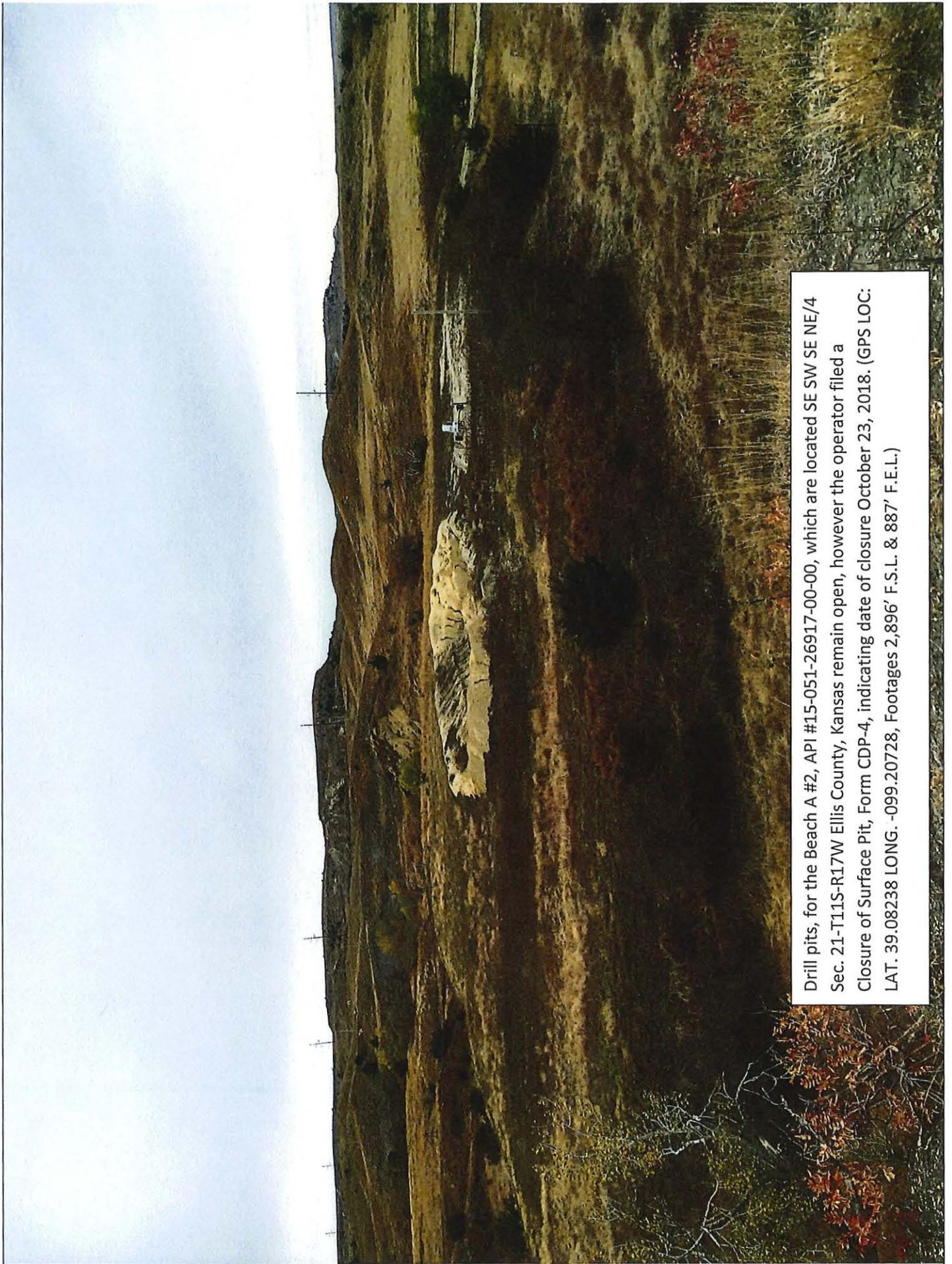
**Action /recommendations:**

- The operator is currently in violation of K.A.R. 82-3-111, regarding the filing of an application with the Conservation Division requesting temporary abandonment.
- This matter has been referred to Richard Williams (T.A. Coordinator & Compliance Officer) and Bruce Rodie (Abandoned Well Coordinator) for further review and/or recommendations.
- Further action by the Conservation Division is pending at this time.

Ed Schumacher E.C.R.S.

*Ed Schumacher*

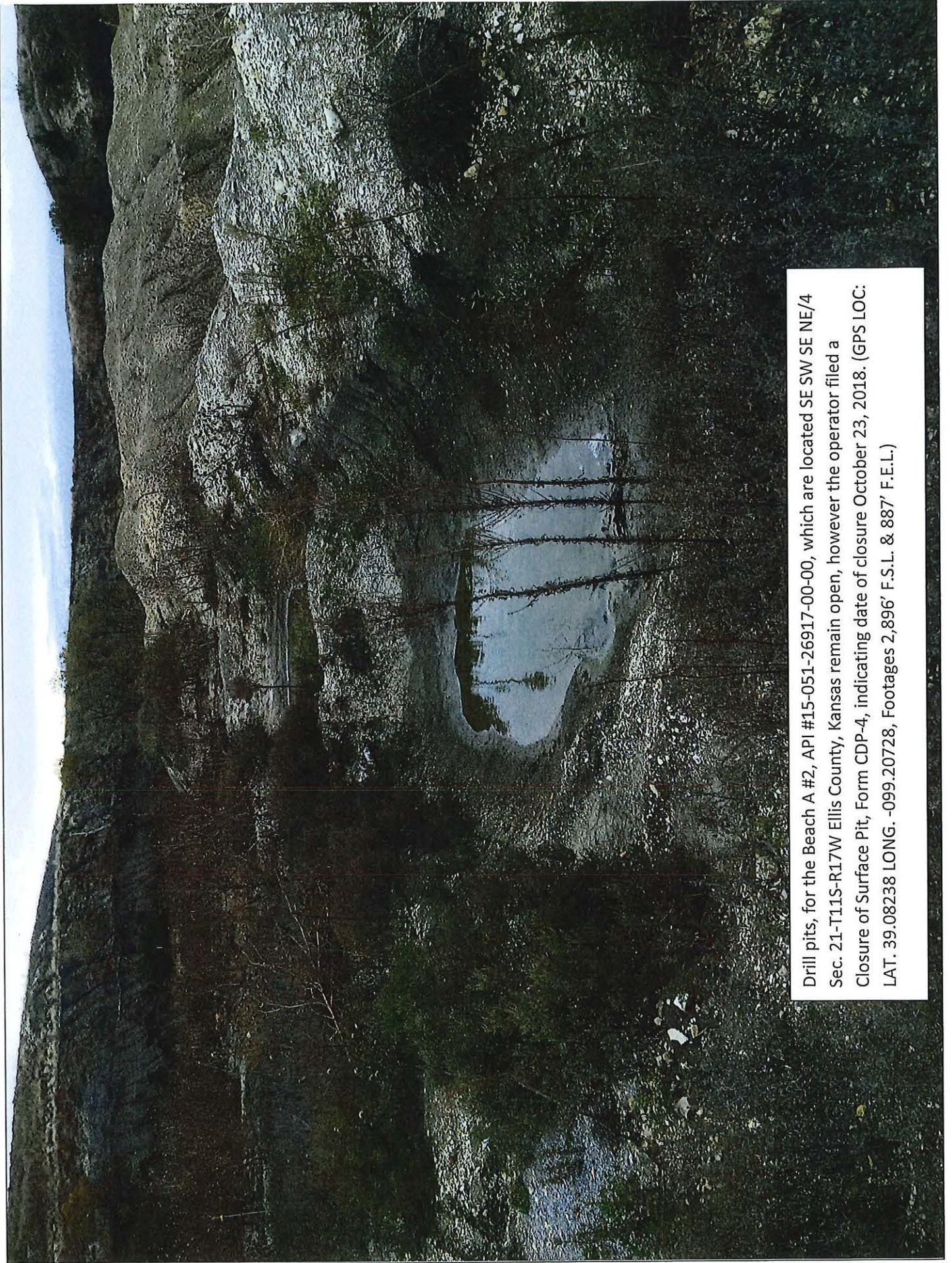
cc: file



Drill pits, for the Beach A #2, API #15-051-26917-00-00, which are located SE SW SE NE/4 Sec. 21-T11S-R17W Ellis County, Kansas remain open, however the operator filed a Closure of Surface Pit, Form CDP-4, indicating date of closure October 23, 2018. (GPS LOC: LAT. 39.08238 LONG. -099.20728, Footages 2,896' F.S.L. & 887' F.E.L.)



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**CERTIFICATE OF SERVICE**

20-CONS-3225-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 02/13/2020.

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/S/ DeeAnn Shupe  
\_\_\_\_\_  
DeeAnn Shupe