

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: Mark Sievers, Chairman
Ward Loyd
Thomas E. Wright

In the Matter of determining responsibility for) Docket No. 12-CONS-249-CPLG
the Helen Hall #1 well located in the S2 NW/4)
NE/4 of Section 19, Township 21 South,) CONSERVATION DIVISION
Range 12 West, the Burke #1 well located in)
the SW/4 SW/4 NE/4 of Section 2, Township)
24 South, Range 14 West, and the Dudrey #1)
well located in the NE/4 SW/4 SE/4 of Section)
19, Township 24 South, Range 13 West, all in)
Stafford County, Kansas.)

ABANDONED WELL PLUGGING ORDER

The above captioned matter comes on before the State Corporation Commission of the State of Kansas ("Commission"). After reviewing its files and records and being duly advised in the premises, the Commission finds and concludes as follows:

1. The Helen Hall #1 well is located in the S2 NW/4 NE/4 of Section(s) 19, Township 21 South, Range 12 West, Stafford County, Kansas.
2. The Burke #1 well is located in the SW/4 SW/4 NE/4 of Section(s) 2, Township 24 South, Range 14 West, Stafford County, Kansas.
3. The Dudrey #1 well is located in the NE/4 SW/4 SE/4 of Section(s) 19, Township 24 South, Range 13 West, Stafford County, Kansas.
4. The Commission Staff ("Staff") has identified at least 1 well(s) on the Helen Hall #1 lease, at least 1 well(s) on the Burke #1 lease, and at least 1 well(s) on the Dudrey #1 lease which are not producing or injecting, are not fully equipped for production or operation, appear to have been idle for a lengthy period of time, and thus appear to be abandoned.

5. K.S.A. 55-179(a) states,

"...If the Commission determines:

1. That such abandoned well is causing or likely to cause such pollution or loss; and

(2)(A) that no person is legally responsible for the proper care and control of such well; or (B) that the person legally responsible for the care and control of such

well is dead, is no longer in existence, is insolvent or cannot be found, then, after completing its investigation, and as funds are available, the commission shall plug, replug or repair such well, or cause it to be plugged, replugged or repaired, in such a manner as to prevent any further pollution or danger of pollution of any usable water strata or supply or loss of usable water, and shall remediate pollution from the well, whenever practicable and reasonable. The cost of the investigation; the plugging, replugging or repair; and the remediation shall be paid by the commission from the conservation fee fund or the abandoned oil and gas well fund, as appropriate."

6. Staff reports that it has reviewed Commission records, the public record, and any other known information, and has determined that the person(s) legally responsible for the care and control of such wells is/are dead, no longer in existence, insolvent or cannot be found.

7. K.S.A. 55-179(d) states that, "...any well which has been abandoned, in fact, and has not been plugged pursuant to the rules and regulations in effect at the time of plugging such well shall be and is hereby deemed likely to cause pollution of any usable water strata or supply."

8. The Commission finds and concludes that the wells on the Helen Hall #1 lease, Burke #1 lease and the Dudrey #1 lease are abandoned in fact, within the meaning of K.S.A. 55-179, that the wells are deemed likely to cause pollution of any usable water strata or supply, that the wells should be plugged, and that the cost of the investigation; the plugging, replugging or repair; and the remediation of the wells on the Helen Hall #1 lease, the Burke #1 lease, and the Dudrey #1 lease should be paid by the Commission from the conservation fee fund or the abandoned oil and gas well fund, as appropriate.

9. K.S.A. 55-180(c) provides that,

"The commission or any other person authorized by the commission who has no obligation to plug, replug or repair any abandoned well, but who does so in accordance with the provisions of this act, shall have a cause of action for the reasonable cost and expense incurred in plugging, replugging or repairing the well against any person who is legally responsible for the proper care and control of such well pursuant to the provisions of K.S.A. 55-179 and amendments thereto and the commission or other person shall have a lien upon the interest of such obligated person in and to the oil and gas rights in the land and equipment located thereon."

10. Pursuant to K.S.A. 55-179 and 55-180, if at any time, the Commission determines that there is cause to believe that one or more persons are responsible for the Helen Hall #1 lease, the Burke #1 lease, and the Dudrey #1 lease, such person(s) shall be required to come before the Commission at a hearing held in accordance with the provisions of the Kansas Administrative Procedure Act to show cause why the requisite care and control has not been exercised with respect to such well, and why the costs incurred in plugging, replugging, repairing and remediating the well(s) should not be assessed in whole or in part against said responsible party(ies).

11. A copy of this Order should be served upon the current surface owner(s) of record of the above-described lease, and the last leasehold owner of record at its last known address, and

notice of this Order should be published in the official county newspaper for Stafford County, and notice of this Order should be filed with the Register of Deeds of Stafford County.

IT IS, THEREFORE, BY THE COMMISSION ORDERED, that:

- a. The above findings and conclusions shall be the order of the Commission.
- b. The abandoned wells, Helen Hall #1 well located in the S2 NW/4 NE/4 of Section 19, Township 21 South, Range 12 West, the Burke #1 well located in the SW/4 SW/4 NE/4 of Section 2, Township 24 South, Range 14 West, and the Dudrey #1 well located in the NE/4 SW/4 SE/4 of Section 19, Township 24 South, Range 13 West, all in Stafford County, Kansas, shall be plugged, replugged or repaired, and remediated and that the cost of the investigation; the plugging, replugging or repair; and the remediation of said wells shall be paid by the Commission from the Conservation Fee Fund or the Abandoned Oil and Gas Well Fund, as appropriate.
- c. The Commission Staff is hereby authorized and directed to plug or cause the wells, Helen Hall #1, Burke #1, and Dudrey #1 to be plugged, replugged, repaired and remediated, and to pay the costs associated therewith in accordance with this Order.
- d. A copy of this Order shall be served upon the current surface owner(s) of record of the above-described lease, and the last leasehold owner of record at its last known address, and notice of this Order shall be published in the official county newspaper for Stafford County, and notice of this Order shall be filed with the Register of Deeds of Stafford County.
- e. Any party affected by this Order may file with the Commission a petition for reconsideration pursuant to K.S.A. 77-529(a). Such petition shall be filed within fifteen (15) days after service of this Order and must state the specific grounds upon which relief is requested. This petition for reconsideration shall be filed with the Executive Director of the Commission, Finney State Office Building, 130 S. Market, Room 2078, Wichita, Kansas 67202-3802.

The Commission retains jurisdiction of the subject matter and the parties for the purpose of entering such further Order or Orders as from time-to-time it may deem proper.

BY THE COMMISSION IT IS SO ORDERED.

Sievers, Chmn.; Loyd, Com.; Wright, Com.

Date: APR 11 2012



Patrice Petersen-Klein
Executive Director

Date Mailed: 04-12-2012

JM

I CERTIFY THE ORIGINAL
COPY IS ON FILE WITH
The State Corporation Commission

APR 11 2012



CERTIFICATE OF SERVICE

I hereby certify that on 04-12-2012, I caused a true and correct copy of the foregoing "Abandoned Well Plugging Order" to be served by placing the same in the United States mail, postage prepaid, to the following parties:

Evan Jantz Associates
PO Box 670
Moundridge, KS 67107

Leo Hall
RR 2
Great Bend, KS 67530

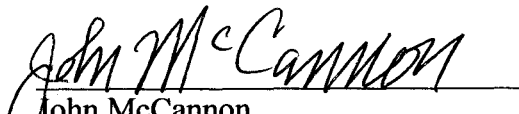
JFW, Inc.
RR 1
1014 N. Huntsville Rd.
Plenva, KS 67568

Richard Burke Trust
2200 Crescent Dr.
Dodge City, KS 67801

Evan Catt Drilling Co.
PO Box 220
Holyrood, KS 67450

Carl Dudrey
PO Box 65
St. John, KS 67576-0065

Richard Lacey
KCC District #1 Office
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John McCannon
Litigation Counsel
Kansas Corporation Commission