16-CONS-679-CUIC



Sender's email: jschlatter@morrislaing.com Direct Phone: (316) 383-6423 Direct Fax: (316) 383-6523

Robert I. Guenthner Ken M. Peterson A.J. Schwartz William B. Sorensen Jr. Jeffery L. Carmichael Robert W. Covkendall Robert K. Anderson Karl R. Swartz Roger L. Theis Richard F. Hayse Thomas R. Docking Diane H. Sorensen Janet Huck Ward Roger N. Walter James D. Young Kelly S. Herzik Luke A. Sobba Kimberly K. Bonifas Richard A. Kear Cameron V. Michaud

Ryan M. Peck Shannon M. Braun Will B. Wohlford Joshua J. Hofer Joon K. Park Justin F. Carter Danielle J. Carter Christopher T. Borniger Megan L. Hoffman Jonathan A. Schlatter Khari E. Taustin* Nanette Turner Kalcik Sarah G. Briley Alexander T. Briggs* Ronnie A. Farhat Masimba M. Mutamba* Douglas J. Coe Katherine J. Andrusak Julie E. Parisi Angela M. Barbosa*

2016-01-15 14:40:00 Kansas Corporation Commission /s/ Amy L. Green

January 13, 2016

David F. Knobel Scott B. Goodger Kelsey Fowler Floyd Nicholas B. Kenney Kyle W. Ohlenschlaeger* Hunter G. Cavell‡ Grant A. Brazill Cody A. Phillips

Of Counsel

John W. Johnson C. Michael Lennen Thomas E. Wright Sabrina K. Standifer Trevor C. Wohlford Kristen D. Wheeler Benjamin D. Carnahan‡ Alicia Gale Windsor* Rose Marie L. Fiore‡

- * Resident & Licensed in FL
- ♦ Licensed only in IL & MI
- ‡ Resident & Licensed in OH

RECEIVED KANSAS CORPORATION COMMISSION

JAN 14 2016

LEGAL SECTION

Kansas Corporation Commission, Conservation Division 266 N. Main Street, Suite 220 Wichita, KS 67202-1513

RE: Lebsack Oil Production, Inc.'s Protest of PetroSantander(USA) Inc.'s ("PSI") Application for an amendment to the existing injection authority for the injection of saltwater for enhanced recovery purposes in the Christabelle (Morrow) Unit, located in Finney and Kearny Counties, Kansas; UIC Permit E-30,071 Scott 4-13 well (NW SW NW Section 13-21S-35W, Kearny County, Kansas)

To whom it may concern,

Our firm represents Lebsack Oil Production, Inc. ("LOP"). LOP received notice of PSI's above-referenced application to amend UIC Permit E-30,071 to include the Scott 4-13 well as an injection well authorized to inject up to 3,000 BOWD into the Morrow formation at a maximum pressure of 2,000 psig. As proposed, PSI would utilize the Scott 4-13 well as an injection well in its secondary recovery operations on the Christabelle (Morrow) Unit ("Unit").

LOP operates the Foster "D" lease and the Van Doren Trust lease, which leases offset the Unit to the West and Southwest, respectfully. In fact, LOP's Foster "D" #2 oil well directly offsets the Scott 4-13 well to the West, and is located only about 720' from the Scott 4-13 well according to KGS records. All of LOP's wells on the Foster "D" lease and the Van Doren Trust lease produce oil from the Morrow formation.

LOP is concerned that waste will be caused and its correlative rights violated if PSI is permitted to inject water at the volume and pressure it proposes to inject into the Scott 4-13 well. LOP has already seen an increase in produced water from its wells on the Foster "D" and Van Doren Trust leases, which may be attributable to the waterflood operations conducted by PSI on the Unit. LOP is concerned that authorizing the Scott 4-13 as an additional well injecting large volumes of water at high pressures in such close proximity to its Foster "D" and Van Doren Trust leases will cause the wells on those leases to prematurely water out, necessitating they be plugged and abandoned. This could result in the waste of recoverable oil reserves from the Morrow formation beneath the Foster "D" and Van Doren Trust leases and would also be in violation of the correlative rights of LOP, its co-working interest owners and the leasehold mineral and royalty interest owners. LOP has reviewed the U3C's filed by PSI since the formation of the Unit, and notes that PSI has consistently exceeded its injection authority in numerous Unit injection wells on numerous occasions, further compounding LOP's concerns with the application.

For the foregoing reasons, LOP respectfully requests that the Commission enter an order denying PSI's application.

Sincerely,

For Jonathan A. Schlatter

For the Firm

Attorneys for Lebsack Oil Production, Inc.

JAS/cda

cc: PetroSantander (USA) Inc. 6363 Woodway Drive, Suite 350 Houston, TX 77057

> Rene Stucky, UIC Director KCC, Conservation Division 266 N. Main Street, Suite 220 Wichita, KS 67202-1513

Lebsack Oil Production, Inc. Attn: Wayne Lebsack P.O. Box 354 Chase, KS 67524