

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



2017-10-12 13:16:17
Kansas Corporation Commission
/s/ Lynn M. Retz

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

Pat Apple, Chairman
Shari Feist Albrecht, Commissioner
Jay Scott Emler, Commissioner

Sam Brownback, Governor

NOTICE OF PENALTY ASSESSMENT

18-CONS-3167-CPEN

This is a notice of a penalty assessment for violation 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:

The Penalty Order may include the assessment of a monetary penalty. You have 30 days from the service date of this Penalty Order to pay \$10,100. Check or money order must be made payable to the Kansas Corporation Commission. Payment is to be mailed to the Conservation Division of the Kansas Corporation Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202, and must include a reference to the docket number of this proceeding. Credit card payment may be made by calling the Conservation Division at 316-337-6200.

The Penalty Order may require you to perform certain actions by deadlines stated therein. Compliance must be obtained by the applicable deadlines to avoid further compliance actions. If you have any questions about how compliance can be obtained, you may contact the legal department or the appropriate department or district office.

IF YOU CONTEST THE PENALTY:

You have the right to request a hearing. A request for hearing must be made in writing, setting forth the specific grounds upon which relief is sought. Respondent must submit an original and seven copies of the request to the Commission, at 266 N. Main St., Suite 220, Wichita, Kansas 67202, within 30 days, plus three days to account for the mail, from the mailed date on the last page of the Penalty Order. K.A.R. 82-1-215.

IF YOU FAIL TO ACT:

Failure to either comply with the penalty order or request a hearing will result in the attached Penalty Order becoming a Final Order. Failure to comply or request a hearing by the deadlines in the Penalty Order 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.

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

Before Commissioners: Pat Apple, Chairman
 Shari Feist Albrecht
 Jay Scott Emler

In the matter of the failure of Benjamin M.)	Docket No.: 18-CONS-3167-CPEN
Giles ("Operator") to comply with K.A.R.)	
82-3-104 and K.A.R. 82-3-111 at the Wright)	CONSERVATION DIVISION
#1 OWWO well in Butler County, Kansas.)	
_____)	License No.: 5446

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. K.S.A. 74-623 provides that the Commission has the exclusive jurisdiction and authority to regulate oil and gas activities. K.S.A. 55-152 provides that 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. The Commission has licensing authority pursuant to K.S.A. 55-155.

2. K.S.A. 55-162 and K.S.A. 55-164 provide the Commission with authority to issue a penalty regarding a violation of Chapter 55 of the Kansas Statutes Annotated, or of any rule, regulation, or order of the Commission. A Penalty Order issued pursuant to this authority may include a monetary penalty of up to \$10,000, and each day of a continuing violation constitutes a separate violation.

3. K.A.R. 82-3-104 provides that every person who drills a well that penetrates formations containing oil, gas, fresh water, mineralized water, or valuable minerals shall case or

seal off the formations to effectively prevent migration of oil, gas, or water from or into strata that would be damaged by such migration. The effectiveness of the casing or sealing off shall be tested in a manner prescribed or approved by an agent of the Commission.

4. 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. A well shall not be eligible for TA status if the well has been shut-in for 10 years or more without an application for an exception pursuant to K.A.R. 82-3-100 and approval by the Commission. The failure to file an application for TA status shall be punishable by a \$100 penalty. K.A.R. 82-3-111(e) provides an exemption for certain wells for 365 days if they are fully equipped and capable of production.

II. FINDINGS OF FACT

5. Operator conducts oil and gas activities in Kansas under license number 5446, and is responsible for the care and control of the Wright #1 OWWO well, API #15-015-01211, (“the subject well”) located in Section 32, Township 25 South, Range 4 East, Butler County.

6. The subject well was originally completed and plugged in 1965.

7. On July 9, 2014, Operator submitted an Intent-to-Drill (C-1) Form, proposing to work over the subject well as an Alternate II completion.¹ Operator also sought an exception to the Table 1 Minimum Surface Casing Requirements.² The request was granted on July 9, 2014, via a Commission Staff (“Staff”) letter.³ In the letter Staff noted a July 8, 2014, inspection had verified that the original 15-inch casing was present, as was 130 feet of 8-and-5/8-inch casing, and that the 8-and-5/8-inch casing was not cemented in place.⁴

¹ Exhibit A.

² Exhibit B.

³ Exhibit C.

⁴ *Id.*

8. On July 14, 2014, Operator contacted District #2 Staff and reported that he had spud the subject well. At that time, Operator pulled out the 130 feet of 8-and-5/8-inch casing and did no further work on the well.⁵

9. On July 9, 2015, the July 9, 2014, Intent-to-Drill (C-1) Form for the subject well expired without any additional work having been conducted on the well.⁶

10. On July 16, 2015, Commission District #2 Staff conducted an inspection and found the subject well inactive with fluid in the wellbore 20 feet from surface.⁷

11. On August 31, 2015, Operator submitted an Intent-to-Drill (C-1) Form, proposing to work over the subject well as an Alternate I completion, which was approved by Commission Staff the same day.⁸

12. On January 17, 2017, Operator submitted a Well Completion (ACO-1) Report for the subject well, in which Operator stated that the well had been spud on August 29, 2016, and completed on September 7, 2016, to a depth of 250 feet. Operator reported that 205 feet of surface casing had been set.⁹

13. On January 18, 2017, Commission District #2 Staff sent a Notice of Violation letter to Operator, noting the subject well was in violation of K.A.R. 82-3-111 because it had been inactive in excess of the time allowed by regulation without being plugged, returned to service, or approved for temporary abandonment status.¹⁰ The letter gave a February 15, 2017, deadline for returning the subject well to compliance.¹¹

⁵ See Exhibit D; see also Exhibit E, which are pictures from a Staff July 16, 2015, field inspection.

⁶ See K.A.R. 82-3-103(f).

⁷ Exhibit E.

⁸ Exhibit F.

⁹ Exhibit H.

¹⁰ Exhibit G.

¹¹ *Id.*

14. On February 10, 2017, Commission District #2 Staff conducted an inspection and determined that Operator had continued drilling out the subject well, beyond a total depth of 250 feet, creating another raw borehole condition.¹² On June 7, 2017, Staff conducted an inspection and determined Operator was no longer actively working on the well.¹³

15. On June 26, 2017, Commission District #2 Staff sent a letter to Operator, noting the subject well had not been completed and no production casing had been set and cemented in place.¹⁴ The letter stated that the well was in violation of K.A.R. 82-3-104 and K.A.R. 82-3-111, and gave a July 26, 2017, deadline to complete the well with production casing set and cemented, or plug the subject well.

16. On July 14, 2017, Commission District #2 Staff sent an email in response to correspondence from Operator's counsel, reiterating its concerns about the status of the subject well and refusing to extend the July 26, 2017, compliance deadline.¹⁵

17. On July 27, 2017, Commission District #2 Staff conducted an inspection and found that work had resumed on the subject well.¹⁶ Staff's investigation determined that the rig crew on site was circulating out debris at 2,100 feet.¹⁷ Staff's investigation further determined no production casing was set and the well was not plugged.¹⁸ On August 2, 2017, Staff conducted an inspection and determined that Operator was still working at the well site.¹⁹ No production casing was set and the well was not plugged.²⁰

¹² See Exhibit I, a chronology of inspections compiled by Commission District #2 Staff.

¹³ See Exhibit J, which are pictures from Staff's June 7, 2017, field inspection.

¹⁴ Exhibit K.

¹⁵ Exhibit L.

¹⁶ Exhibit I.

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ *Id.*

18. On August 18, 2017, Commission District #2 Staff conducted an inspection and determined that although a rig remained on site, no rig crew was present or working on the well site.²¹ On September 15, 2017, Staff inspected and found that the rig was no longer on site.²² An unknown amount of 5-and-1/2-inch casing hung in the well, with the annulus open to the atmosphere.²³ On September 21, 2017, Staff inspected and found no change to the site.²⁴

III. ANALYSIS

19. The Commission notes that the above findings of fact demonstrate Operator allowed the subject well to sit as a raw borehole from July 2014 to September 2016, from a depth of at least 150 feet to surface. Given that a minimum of 200 feet of surface casing is required to protect fresh and usable water in Butler County,²⁵ and District Staff's July 16, 2015, inspection finding fluid in the subject well at 20 feet from surface,²⁶ the raw borehole constituted a threat to fresh and usable water.

20. The Commission notes that Operator's January 17, 2017, Well Completion (ACO-1) Report indicates that Operator spud the well on August 29, 2016, and that no current, approved Intent-to-Drill (C-1) Form was on file at that time, in violation of K.A.R. 82-3-106.²⁷

21. The Commission notes that Commission Staff did not submit penalty recommendations for the above violations, although such violations occurred.

22. The Commission takes administrative notice of the following dockets, in each of which Operator was penalized for non-compliance with Commission regulations in the last five years: 13-CONS-153-CPEN, 14-CONS-338-CPEN, 14-CONS-756-CPEN, 14-CONS-760-

²¹ See Exhibit M, a picture from Staff's field inspection.

²² See Exhibit N, pictures from Staff's field inspection.

²³ *Id.*

²⁴ Exhibit I.

²⁵ See KCC Docket 34,780-C, Order (April 1, 1994), Table I.

²⁶ See Exhibit E.

²⁷ See K.A.R. 82-3-103(a) and (f).

CPEN, 15-CONS-377-CPEN, 15-CONS-577-CPEN, 16-CONS-002-CPEN, 16-CONS-031-CPEN, 16-CONS-106-CPEN, 17-CONS-3100-CPEN, 17-CONS-3254-CPEN, 17-CONS-3329-CPEN, 17-CONS-3397-CPEN.

23. The Commission takes administrative notice of the following dockets, in each of which Operator was penalized for non-compliance with Commission regulations, although the Commission recognizes that such dockets have pending appeals and/or are not yet final Commission orders: 17-CONS-3684-CPEN, 18-CONS-3057-CPEN, and 18-CONS-3160-CPEN.

24. The Commission takes administrative notice that dockets in the preceding paragraphs total 16 dockets, constituting 31 separate violations, and \$8,000 in assessed penalties. The Commission takes administrative notice that Operator's license has been suspended eight times in the last five years for non-compliance with Commission orders.

25. Commission takes administrative notice that there are over 2,000 active operators in Commission databases. The total of Operator's violations in the last three years makes Operator fifth in violations among all active operators in Kansas, despite Operator's well inventory indicating Operator is only responsible for approximately 80 wells, which ranks Operator approximately 270th largest among all active operators in Kansas.

26. The Commission notes that K.S.A. 55-164 requires any penalty assessed to constitute a substantial and actual economic deterrent to the violation for which the penalty is assessed. The Commission finds that previous penalties assessed against Operator have not constituted a substantial and actual economic deterrent sufficient to deter Operator from continuing to violate Commission Orders and regulations.

III. CONCLUSIONS OF LAW

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

28. The above findings of fact are sufficient evidence to support the conclusion that Operator committed one violation of K.A.R. 82-3-104 because Operator has failed to demonstrate the effectiveness of the casing or sealing off in a manner prescribed or approved by an agent of the Commission.

29. The above findings of fact are sufficient evidence to support the conclusion that Operator 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.

30. While the Commission is generally more interested in obtaining compliance than it is in assessing penalties, in this case the Commission concludes that a significant substantial and actual economic penalty is necessary to impress upon Operator the severity of the violations and to deter Operator's continued non-compliance with Commission regulations. Therefore, the Commission finds a \$10,000 penalty for Operator's violation of K.A.R. 82-3-104 and a \$100 penalty for Operator's violation of K.A.R. 82-3-111 is reasonable.

THEREFORE, THE COMMISSION ORDERS:

- A. Operator shall pay a \$10,000 penalty for its violation of K.A.R. 82-3-104.
- B. Operator shall pay a \$100 penalty for its violation of K.A.R. 82-3-111.
- C. Staff shall seal the subject well. The subject well shall remain sealed at all times Operator is not actively working on the well, until such time as Operator either plugs the subject well, or completes it with production casing set and cemented to a producing formation.
- D. Operator shall plug the subject well or complete it with production casing set and cemented to a producing formation. If Operator completes the well, no non-producing formation shall remain uncased and uncemented.

E. If Operator completes the well and does not return it to service, then Operator shall obtain temporary abandonment status for the well.

F. Due to the environmental hazards inherent in the existence of a raw borehole, if Operator remains out of compliance with Paragraph D of this Penalty Order after 30 days from the date of this Order, then Staff is directed to plug the subject well and assess the costs to Operator, and to notify the Commission and seek an additional \$10,000 penalty to be assessed against Operator, regardless of whether Operator requests a hearing in this matter.

G. If no party requests a hearing, and Operator is not in compliance with this Order within 30 days, 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. For credit card payments, include the type of card (Visa, MasterCard, Discover, or American Express), account number, and expiration date. 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.

I. 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, setting forth the specific grounds upon which relief is sought, 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.

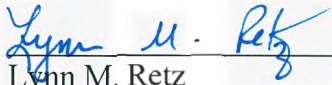
J. If a party requests a hearing, a corporation or similar entity shall not be permitted to enter an appearance except by its attorney. Attorneys for all parties shall enter their appearances in Commission proceedings by giving their names and addresses for the record.

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

BY THE COMMISSION IT IS SO ORDERED.

Apple, Chairman; Albrecht, Commissioner; Emler, Commissioner

Dated: OCT 12 2017


Lynn M. Retz
Secretary to the Commission

Mailed Date: October 12, 2017

JRM



For KCC Use:
 Effective Date: 07/14/2014
 District # 2
 SGA? ☐ Yes ☒ No

KANSAS CORPORATION COMMISSION 1211464
 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: 06/27/2014
 month day year

OPERATOR: License# 5446
 Name: Giles, Benjamin M.
 Address 1: 346 S. LULU
 Address 2: _____
 City: WICHITA State: KS Zip: 67211 + _____
 Contact Person: Ben Giles
 Phone: 316-265-1992

CONTRACTOR: License# 5446
 Name: Giles, Benjamin M.

Well Drilled For: Well Class: Type Equipment:
☒ Oil ☐ Enh Rec ☒ Infield ☒ Mud Rotary
☐ Gas ☐ Storage ☐ Pool Ext. ☐ Air Rotary
☐ Seismic; # of Holes ☐ Disposal ☐ Wildcat ☐ Cable
☐ Other: _____

☒ If OWWO: old well information as follows:

Operator: Kewanee Oil Company
 Well Name: Edmiston #1
 Original Completion Date: 04/26/1949 Original Total Depth: 2627

Directional, Deviated or Horizontal wellbore? ☐ Yes ☒ No
 If Yes, true vertical depth: _____
 Bottom Hole Location: _____
 KCC DKT #: _____

*SURF. CSG EXC. OWWO

Spot Description: NE NE SW 32-25S-4E
 NE NE SW Sec. 32 Twp. 25 S. R. 4 ☒ E ☐ W
 2310 feet from ☐ N / ☒ S Line of Section
 2310 feet from ☐ E / ☒ W Line of Section

Is SECTION: ☒ Regular ☐ Irregular?

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

County: Butler
 Lease Name: Wright Well #: 1 OWWO
 Field Name: Whitewater

Is this a Prorated / Spaced Field? ☐ Yes ☒ No
 Target Formation(s): Viola

Nearest Lease or unit boundary line (in footage): 330
 Ground Surface Elevation: 1303 Estimated 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: 100
 Depth to bottom of usable water: 180

Surface Pipe by Alternate: ☐ I ☒ II
 Length of Surface Pipe Planned to be set: 130

Length of Conductor Pipe (if any): _____
 Projected Total Depth: 2640

Formation at Total Depth: Viola
 Water Source for Drilling Operations:

☐ Well ☐ Farm Pond ☒ Other: Hauled
 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 - 15-015-01211-00-01
 Conductor pipe required 0 feet
 Minimum surface pipe required 130 feet per ALT. ☐ I ☒ II
 Approved by: Rick Hestermann 07/09/2014
 This authorization expires: 07/09/2015
 (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: _____

Mail to: KCC - Conservation Division,
 130 S. Market - Room 2078, Wichita, Kansas 67202

1211464

For KCC Use ONLY

API # 15 - 15-015-01211-00-01

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

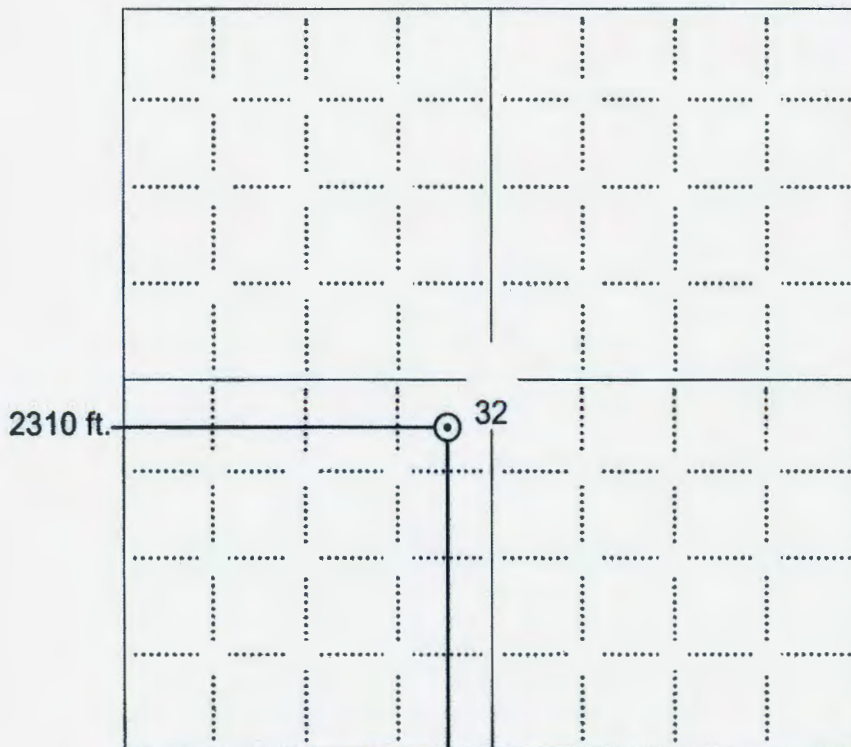
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: Giles, Benjamin M.Lease: WrightWell Number: 1 OWWOField: WhitewaterNumber of Acres attributable to well: 10QTR/QTR/QTR/QTR of acreage: - NE - NE - SWLocation of Well: County: Butler2310 feet from ☐ N / ☒ S Line of Section2310 feet from ☐ E / ☒ W Line of SectionSec. 32 Twp. 25 S. R. 4 ☒ E ☐ WIs 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 location.**

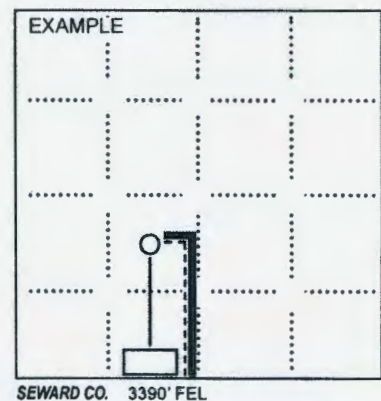
2310 ft.

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.

LEGEND

- ☐ Well Location
- ☐ Tank Battery Location
- ☐ Pipeline Location
- ☐ Electric Line Location
- ☐ Lease Road Location



**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 # 5446
Name: Giles, Benjamin M.
Address 1: 346 S. LULU
Address 2: _____
City: WICHITA State: KS Zip: 67211 + _____
Contact Person: Ben Giles
Phone: (316) 265-1992 Fax: (316) 265-1999
Email Address: ben@bengiles.kscoxmail.com

Well Location:
NE NE SW Sec. 32 Twp. 25 S. R. 4 ☒ East ☐ West
County: Butler
Lease Name: Wright Well #: 1 OWWO

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

Surface Owner Information:

Name: Kelly W. & Lynne Wright
Address 1: 11276 SW 30th
Address 2: _____
City: Towanda State: KS Zip: 67144 + _____

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

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: Benjamin M. GilesLease: WrightWell Number: #1 OWWOField: WhitewaterNumber of Acres attributable to well: 10

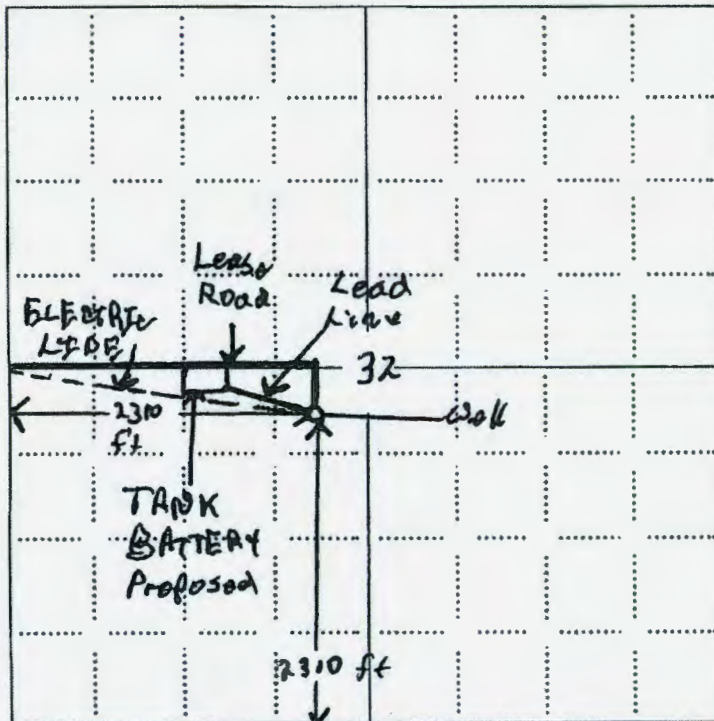
QTR/QTR/QTR/QTR of acreage: _____ - NE - NE - SW

Location of Well: County: Butler2,310 feet from ☐ N / ☒ S Line of Section2,310 feet from ☐ E / ☒ W Line of SectionSec. 32 Twp. 25 S. R. 4 ☒ E ☐ WIs Section: ☒ Regular or ☐ Irregular

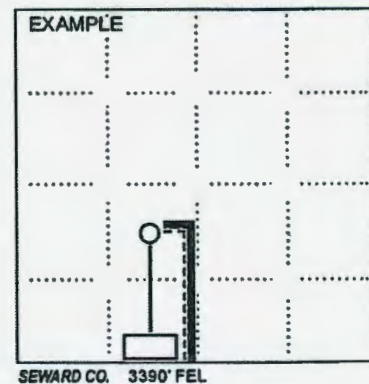
If Section is Irregular, locate well from nearest corner boundary.

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.

**LEGEND**

- ☐ Well Location
- ☐ Tank Battery Location
- ☐ Pipeline Location
- ☐ Electric Line Location
- ☐ Lease Road Location



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

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

- 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.
- The distance of the proposed drilling location from the south / north and east / west outside section lines.
- The distance to the nearest lease or unit boundary line (in footage).
- If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).
- The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

WELL LOG BUREAU--KANSAS GEOLOGICAL SOCIETY
412 Union National Bk. Bldg., Wichita, Kansas

Bovaird Supply Co.

Company. E. H. ADAIR OIL CO.
Farm. Edmiston

No. 1

SEC. 32 T. 25 R. 1E
NE NE SW

Total Depth. 2627'

Comm. 4-2-49

Comp. 4-26-49

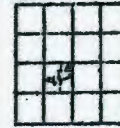
Shot or Trapped.

Contractor. Rex & Morris Drilg. Co.,

Issued. 6-4-49

County. Butler

KANSAS



Elevation. _____

Production. 40 Bbls.

CASING:
15" 190' 10" 1670'
13" 860' 7" 2618'

Figures indicate Bottom of Formations.

cellar.	8	shale	1220
clay	15	lime	1260
shale	50	shale	1270
lime	80	lime	1320
shale	105	shale	1325
lime	140	lime	1350
shale	175	shale	1370
lime	183	lime	1395
shale	190	shale	1400
lime	235	lime	1440
shale	240	shale	1455
red rock	245	lime	1460
lime	270	shale	1475
shale	280	lime	1525
lime	290	shale	1530
shale	320	lime	1550
lime	355	shale	1560
shale	360	lime	1575
lime	405	shale	1590
shale	420	sand 4 BW	1610
lime	425	shale	1710
shale & shells	470	lime	1725
lime	545	shale	1740
shale	550	lime	1750
lime	555	shale	1790
shale	560	lime	1795
shale & shells	625	lime	1930
shale	630	shale	2075
red rock	635	lime	2175
lime	650	shale	2180
shale & shells	675	lime	2205
shale	685	shale	2211
lime	690	lime	2235
shale	700	shale	2315
lime	710	lime	2325
shale	730	shale	2340
sand	740	lime	2355
shale & shells	860	shale	2360
lime	865	lime	2370
shale & shells	895	shale	2390
lime	935	lime	2400
shale	945	shale	2405
lime	950	lime	2415
shale	970	shale	2420
lime	975	lime	2435
shale & shells	1050	shale	2440
lime	1100	lime 2450	
shale	1105	shale & shells	2470
lime	1115	shale	2475
shale	1125	chert	2510
lime	1130	lime	2550
shale	1140	shale	2617
lime	1150	lime Viola	2619
shale	1170	dolo. 20% chert,	
lime	1215	good sat.	2621

denso dolo. poorly
saturated 2625
coarse xlyn dolo.
good sat. 2627
Total Depth

Water Record:
8 B 65-80, 3 BW 105-15
HEW 115-25, 1 BWPH 490
2 BW 730-40, 1 BW 1125-30
1 BW 1140-50, 1 BW 1195-1205
Hole making 2 BWPH
4 BW 1590-1610,
Hole making 2 BWPH
4 BW 1590-1610
Hole making 6 BWPH
2 BWPH 1835-45, HEW 2135-45
Show oil 2480-2486
small show oil 2620-2622
water 2624 to 2526'
2 1/2 BOPH 2619-2624
oil increased 2625-2627
200' oil in 1 1/2 hour.

RECEIVED
STATE CORPORATION COMMISSION

NOV 4 1965

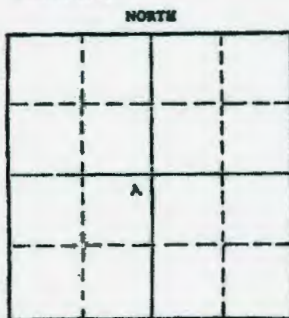
CONSERVATION DIVISION
Wichita, Kansas

STATE OF KANSAS
STATE CORPORATION COMMISSION

Give All Information Completely
Make Required Affidavit
Mail or Deliver Report to:
Conservation Division
State Corporation Commission
211 No. Broadway
Wichita, Kansas

Form CP-4

WELL PLUGGING RECORD



Locate well correctly on above
Section Plat

Butler County, Sec. 32 Twp. 25 Rge. 4 (E) MWY
Location as "NE/CNW/SW" or footage from line: NE NE SW
Lease Owner: Roward Supply Company
Lease Name: Edmiston Well No. 1
Office Address: Box 897, Great Bend, Kansas
Character of Well (completed as Oil, Gas or Dry Hole): oil well
Date well completed: 10-21-65
Application for plugging filed: 10-21-65
Application for plugging approved: 10-21-65
Plugging commenced: 10-21-65
Plugging completed: 10-23-65
Reason for abandonment of well or producing formation: depleted

If a producing well is abandoned, date of last production: 10-21-65
Was permission obtained from the Conservation Division or its agents before plugging was commenced? yes

Name of Conservation Agent who supervised plugging of this well: Paul Turpin
Producing formation: Depth to top: Bottom: Total Depth of Well 2627 Feet
Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS

CASING RECORD

FORMATION	CONTENT	FROM	TO	SIZE	PUT IN	PULLED OUT
				8 5/8	130	none
				7	2618	2318.89

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same and depth placed, from feet to feet for each plug set.

Fill hole with chat from 2627' to 2600' and dump 5 sacks cement.
Set 15' rock bridge from 160' to 145' and dump 25 sacks cement.
Mud hole to 40', rock bridge to 30' and dump 10 sacks cement.

RECEIVED
STATE CORPORATION COMMISSION
NOV 1 1965
CONSERVATION DIVISION
KANSAS

(If additional description is necessary, use BACK of this sheet)
Name of Plugging Contractor: Flint Engineering & Construction Company
Address: Box 950, El Dorado, Kansas

STATE OF KANSAS, COUNTY OF BUTLER ss.

(employee of owner) or (owner or operator) of the above-described well, being first duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the log of the above-described well as filed and that the same are true and correct. So help me, God.

(Signature) *Paul Turpin*

El Dorado, Kansas

(Address)

SUBSCRIBED AND SWORN to before me this 27th day of October 1965

Ronald R. Hansen

My commission expires 9-27-67

Notary Public.

67
69

Form CP-3
Rev. 6-26-62

KANSAS
STATE CORPORATION COMMISSION

CONSERVATION DIVISION AGENT'S REPORT

J. P. Roberts
Assitant Director
500 Insurance Building
212 North Market
Wichita 2, Kansas

RECEIVED
STATE CORPORATION COMMISSION

OCT 25 1965

CONSERVATION DIVISION
Wichita, Kansas

Operator's Full Name The Bonbird Supply Co.
Complete Address: Box 897 - Great Bend Kans.
Lease Name Edmiston Well No. 1
Location NE-NE-SW- Sec. 32 Twp. 25 Rge. 4 (E) (W)
County Butler Total Depth 2627
Abandoned Oil Well ☒ Gas Well ☐ Input Well ☐ SWD Well ☐ D & A ☐
Other well as hereafter indicated: _____
Plugging Contractor: Flint Inc & Const. Co.
Address: El Dorado Kans. License No. 547
Operation Completed: Hour 3:30 Day 23 Month 10 Year 1965

The Above well was plugged as follows:

Filled hole with chat to 2600 ft.
Mixed & dumped 5 sacks cement.
Pulled 2270 ft. of 7" casing.
Bailed hole down - Set a 15 ft. Rock Bridge
at 160 ft. Added 25 sacks cement.
Muddered hole to 40 ft. added 10 ft. of
Rock - then 10 sacks cement to surface.
130 ft. of 8" surface pipe - Circulated

I hereby certify that the above well was plugged as herein stated.

INVOICED

DATE 10-26-65

INV. NO. 2370-E

Signed: Paul Turpin
Well Plugging Supervisor



MWM Oil Co., Inc.
346 S. Lulu St.
Wichita, KS 67211
Phone: (316) 265-1992
Fax: (316) 265-1999

June 23, 2014

Mr. Rick Hesterman
c/o Kansas Corporation Commission
130 S. Market
Wichita, KS 67202

Dear Mr. Hesterman,

In accordance with your request regarding the filing of my intent to drill the Wright #1 OWWO, I am requesting an exception to Table I surface casing requirements and to utilize Alternate II cementing rules. If this washdown is successful, the top 200' of casing will be cemented in place in accordance with the current KCC regulations. If this washdown is not successful, the top 200' will be plugged in accordance with the KCC regulations.

Thank you for your help with this matter.

Very truly yours,

Benjamin M. Giles

BMG/tr

July 9, 2014

Benjamin M. Giles
346 S. Lulu
Wichita, KS 67211

RE: Table I Exception
Wright 1 OWWO, NE-NE-SW Sec.32-T25S-R4E, Butler County, Kansas

Dear Mr. Giles:

The Kansas Corporation Commission (KCC) has received your request, dated June 23, 2014, for an exception to the Table 1 minimum surface pipe requirement of 200 feet for the proposed well. From your request, the KCC understands that you are to utilize the existing 130 feet of surface casing in this well bore and Alternate II cementing rules.

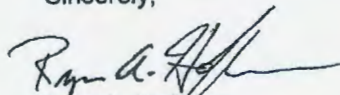
After review of this matter by technical staff it was determined that:

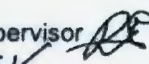
1. Bedrock at this location is the Permian Chase Group and is located at or near surface.
2. The depth of the deepest water well of record within one mile of the proposed location is 140 feet.
3. Upon inspection on 7-8-2014, it was verified that the 130 feet of 8-5/8" casing was not cemented in place and the original 15" casing was also present.

Based on this information, an exception is granted for the Table 1 Minimum Surface Casing Requirements with the following stipulations:

1. The annular space between the existing 130 feet of 8-5/8" and the 15" casing must be cemented in place from 130 feet to surface prior to starting the wash down of this well.
2. Upon completion of the well, the production or long string casing nearest the formation wall shall be immediately cemented from a depth of at least 250 feet back to the surface. Notify the KCC District #2 office prior to spudding the well and one day before cementing the longstring so they may have the opportunity to witness the procedure.
3. In the event the well is dry and no additional production pipe has been cemented in-place, plugging will be performed according to KCC rules and KCC District #2 requirements.

Sincerely,


Ryan A. Hoffman
Director

cc: Rene Stucky, Prod. Dept. Supervisor
Jeff Klock - Dist #2 Supervisor 



MWM Oil Co., Inc.
346 S. Lulu St.
Wichita, KS 67211
Phone: (316) 265-1992
Fax: (316) 265-1999

July 15, 2015

Mr. Rick Hesterman
c/o Kansas Corporation Commission
266 N. Main, Ste. 220
Wichita, Kansas 67202-1513

Dear Mr. Hesterman,

Attached please find an intent to drill form for the Wright #1 OWWO. I previously filed this intent approximately one year ago. However, after digging out the well head and finding that the 8 5/8" casing was not cemented and, in fact, was just hanging on some oak timbers, we pulled it out leaving the 15" casing. We did not feel that our equipment was powerful enough to handle this large of a hole and decided to use a rotary. We did not have a rotary available to us until we decided to wash down the McCulloch #12 SWD.

Since the 8 5/8" casing is out of the way we will be setting 200' of new surface casing and cementing it to surface.

Thank you for your help with this matter.

Very truly yours,

Benjamin M. Giles

BMG/tr



Ben Giles -- Wright 1 OWWO
SW 32-25S-4E
7/16/2015

Inactive well covered with debris

Ben Giles – Wright 1 OWWO

SW 32-25S-4E

7/16/2015

Open 24" conductor/drive pipe
under plywood



Ben Giles – Wright 1 OWWO

SW 32-25S-4E

7/16/2015

Looking down pipe at surface:

- Conductor/drive pipe approx. 6' down
- Possible old casing string in well
- Fluid level approx . 20' from surface
- Hole depth >100' (100' tape did not tag bottom)



For KCC Use:
Effective Date: 09/05/2015
District # 2
SGA? ☐ Yes ☒ No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

1258127

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: 07/23/2015
month day year

OPERATOR: License# 5446
Name: Giles, Benjamin M.
Address 1: 346 S. LULU
Address 2:
City: WICHITA State: KS Zip: 67211 +
Contact Person: BEN GILES
Phone: 316-265-1992

CONTRACTOR: License# 32701
Name: C & G Drilling, Inc.

Well Drilled For: ☒ Oil ☐ Gas ☐ Enh Rec ☐ Storage ☐ Disposal ☐ Seismic; # of Holes ☐ Other
Well Class: ☒ Infield ☐ Pool Ext. ☐ Wildcat ☐ Other
Type Equipment: ☒ Mud Rotary ☐ Air Rotary ☐ Cable

☒ If OWWO: old well information as follows:

Operator: KAWANEE OIL COMPANY
Well Name: EDMISTON #1
Original Completion Date: 04/26/1949 Original Total Depth: 2627

Directional, Deviated or Horizontal wellbore? ☐ Yes ☒ No
If Yes, true vertical depth:
Bottom Hole Location
KCC DKT #:

Spot Description: NE NE SW 32-25S-4E
NE NE SW Sec. 32 Twp. 25 S. R. 4 ☒ E ☐ W
2310 feet from ☐ N / ☒ S Line of Section
2310 feet from ☐ E / ☒ W Line of Section
Is SECTION: ☒ Regular ☐ Irregular?

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

County: Butler
Lease Name: WRIGHT Well #: 1 OWWO
Field Name: WHITEWATER
Is this a Prorated / Spaced Field? ☐ Yes ☒ No
Target Formation(s): VIOLA
Nearest Lease or unit boundary line (in footage): 330
Ground Surface Elevation: 1303 Estimated 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: 100
Depth to bottom of usable water: 180
Surface Pipe by Alternate: ☒ I ☐ II
Length of Surface Pipe Planned to be set: 200
Length of Conductor Pipe (if any):
Projected Total Depth: 2640
Formation at Total Depth: VIOLA
Water Source for Drilling Operations
☐ Well ☐ Farm Pond ☒ Other: HAULED
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 - 15-015-01211-00-02
Conductor pipe required 0 feet
Minimum surface pipe required 200 feet per ALT. ☒ I ☐ II
Approved by: Rick Hestermann 08/31/2015
This authorization expires: 08/31/2016
(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:

Mail to: KCC - Conservation Division,
130 S. Market - Room 2078, Wichita, Kansas 67202



1258127

For KCC Use ONLY

API # 15 - 15-015-01211-00-02

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: Giles, Benjamin M.

Lease: WRIGHT

Well Number: 1 OWWO

Field: WHITEWATER

Location of Well: County: Butler

2310

feet from

N

/

S

Line of Section

2310

feet from

E

/

W

Line of Section

Sec. 32

Twp. 25

S. R. 4

E

W

Number of Acres attributable to well:

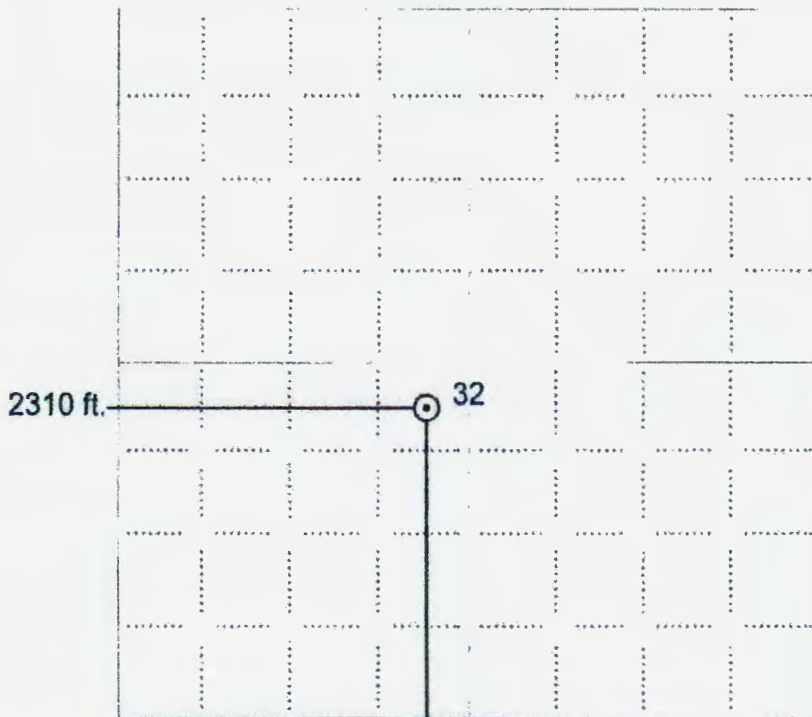
QTR/QTR/QTR/QTR of acreage: - NE - NE - SW

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 location.**

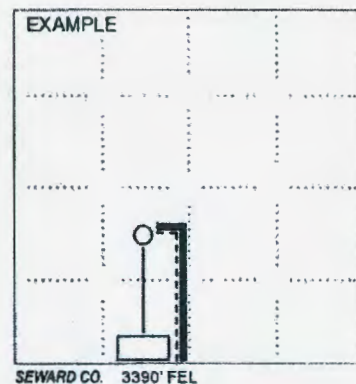
2310 ft.

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: (CO-7 for oil wells; CG-8 for gas wells).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location



1980' FSL

SEWARD CO. 3390' FEL



KANSAS CORPORATION COMMISSION 1258127
OIL & GAS CONSERVATION DIVISION

Form CDP-1
May 2010
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Giles, Benjamin M.		License Number: 5446	
Operator Address: 346 S. LULU		WICHITA KS 67211	
Contact Person: BEN GILES		Phone Number: 316-265-1992	
Lease Name & Well No : WRIGHT 1 OWWO		Pit Location (QQQQ): NE NE SW Sec. 32 Twp. 25 R. 4 <input checked="" type="checkbox"/> East <input type="checkbox"/> West 2310 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 2310 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Butler County	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit is: <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Existing If Existing, date constructed: 07/15/2014 Pit capacity: 80 (bbls)		
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l (For Emergency Pits and Settling Pits only)	
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? BENTONITE	
Pit dimensions (all but working pits): 20 Length (feet) 8 Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: 8 (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: 1988 feet Depth of water well 85 feet		Depth to shallowest fresh water 55 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KDWR	
Emergency, Settling and Burn Pits ONLY: 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		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: DRILLING MUD Number of working pits to be utilized: 2 Abandonment procedure: SUCK OUT MUD; LET PITS DRY; FILL IN WITH DIRT Drill pits must be closed within 365 days of spud date.	
Submitted Electronically			

KCC OFFICE USE ONLY			
Date Received: 07/15/2015	Permit Number: 15-015-01211-00-02	Permit Date: 08/31/2015	Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input checked="" type="checkbox"/> RFAC <input type="checkbox"/> RFAS			

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202



KANSAS CORPORATION COMMISSION 1258127
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 # 5446
Name: Giles, Benjamin M.
Address 1: 346 S. LULU
Address 2:
City: WICHITA State: KS Zip: 67211 +
Contact Person: BEN GILES
Phone: (316) 265-1992 Fax: ()
Email Address:

Well Location:
NE NE SW Sec. 32 Twp. 25 S. R. 4 ☒ East ☐ West
County: Butler
Lease Name: WRIGHT Well #: 1 OWWO

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

Surface Owner Information:

Name: KELLY W. & LYNNE WRIGHT
Address 1: 11276 SW 30TH
Address 2:
City: TOWANDA State: KS Zip: 67144 +

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

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



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

Shari Feist Albrecht, Chair
Jay Scott Euler, Commissioner
Pat Apple, Commissioner

Sam Brownback, Governor

August 31, 2015

BEN GILES
Giles, Benjamin M.
346 S. LULU
WICHITA, KS 67211

Re: Drilling Pit Application
WRIGHT 1 OWWO
SW/4 Sec.32-25S-04E
Butler County, Kansas

Dear BEN GILES:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed without slots, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit within 48 hours of completion of drilling operations.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (316) 630-4000 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through KOLAR within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the District Office at (316) 630-4000.

Conservation Division
Finney State Office Building
130 S. Market, Rm. 2078
Wichita, KS 67202-3802



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

Shari Feist Albrecht, Chair
Jay Scott Emley, Commissioner
Pat Apple, Commissioner

Sam Brownback, Governor

August 31, 2015

Benjamin M. Giles
346 S. Lulu
Wichita, KS 67211

RE: Table 1 Exception
Wright 1 OWWO, NE-NE-SW Sec.32-T25S-R4E, Butler County, Kansas

Dear Mr. Giles:

The Kansas Corporation Commission (KCC) has received your request, dated July 15, 2015, for an exception to the Table 1 minimum surface pipe requirement of 200 feet for the proposed well. After review of this matter by technical staff it was determined that:

1. Bedrock at this location is the Permian Chase Group and is located at or near surface.
2. The depth of the deepest water well of record within one mile of the proposed location is 140 feet.
3. Upon inspection by District Staff the existing casing near surface is much larger than the 15" casing shown on the driller's log, and that there was no 15" casing visible in the wellbore. You have indicated to District Staff that due to the large diameter casing at surface you plan on setting and cementing 200' of 10" casing to meet the Alternate 1 surface casing requirement.

Based on this information, an exception is granted for the Table 1 Minimum Surface Casing Requirements with the following stipulations:

1. The 10" casing shall be immediately cemented from a depth of at least 200 feet back to the surface. Notify the KCC District #2 office prior to spudding the well and one day before cementing any casing strings so they may have the opportunity to witness the procedure.
2. In the event the well is dry and no additional production pipe has been cemented in-place, plugging will be performed according to KCC rules and KCC District #2 requirements.
3. In the event you do not re-enter this wellbore you will still be required to set and cement in place 200' of surface pipe per KCC rules and KCC District #2 requirements.

Sincerely,

Ryan A. Hoffman
Director

cc: Rene Stucky, Prod. Dept. Supervisor *RF 8/31/15*
Jeff Klock - Dist #2 Supervisor *via e-mail 8/31/15*



Jay Scott Emler, Chairman
Shari Feist Albrecht, Commissioner
Pat Apple, Commissioner

Corporation Commission

Sam Brownback, Governor

NOTICE OF VIOLATION

January 18, 2017

KCC Lic.-5446

GILES, BENJAMIN M.
346 S. LULU
WICHITA KS 67211

RE: **TEMPORARY ABANDONMENT**
API Well No. 15-015-01211-00-02
WRIGHT 1 OWWO
32-25S-4E, NENESW
BUTLER County, Kansas

Operator:

On January 18, 2017, a file review 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 FEBRUARY 15, 2017
shall be punishable by a \$100 penalty.**

You may contact me if you have any questions.

Sincerely,

JONATHAN HILL
KCC District # 2

Confidentiality Requested:

☐ Yes ☒ NoKANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

1328158

Form ACO-1

August 2013

Form must be Typed

Form must be Signed

All blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASEOPERATOR: License # 5446Name: Giles, Benjamin M.Address 1: 346 S. LULU

Address 2: _____

City: WICHITA State: KS Zip: 67211 + _____Contact Person: Ben GilesPhone: (316) 265-1992CONTRACTOR: License # 99998Name: COMPANY TOOLSWellsite Geologist: Bob LewellynPurchaser: Maclasky

Designate Type of Completion:

- ☐ New Well ☒ Re-Entry ☐ Workover
- ☒ Oil ☐ WSW ☐ SWD ☐ SIOW
- ☐ Gas ☐ D&A ☐ ENHR ☐ SIGW
- ☐ OG ☐ GSW ☐ Temp. Abd.
- ☐ CM (Coal Bed Methane)
- ☐ Cathodic ☐ Other (Core, Expl., etc.): _____

If Workover/Re-entry: Old Well Info as follows:

Operator: Adair & Rex & MorrisWell Name: Edmiston #1Original Comp. Date: 05/13/1949 Original Total Depth: 2627

- ☐ Deepening ☒ Re-perf. ☐ Conv. to ENHR ☐ Conv. to SWD
- ☐ Plug Back ☐ Conv. to GSW ☐ Conv. to Producer

- ☐ Commingled Permit #: _____
- ☐ Dual Completion Permit #: _____
- ☐ SWD Permit #: _____
- ☐ ENHR Permit #: _____
- ☐ GSW Permit #: _____

08/29/2016Spud Date or
Recompletion Date

Date Reached TD

-09/07/2016Completion Date or
Recompletion DateAPI No. 15 - 15-015-01211-00-02Spot Description: NE NE SW 32-25S-4ENE NE SW Sec. 32 Twp. 25 S. R. 4 ☒ East ☐ West2310 Feet from ☐ North / ☒ South Line of Section2310 Feet from ☐ East / ☒ West Line of Section

Footages Calculated from Nearest Outside Section Corner:

☐ NE ☐ NW ☐ SE ☒ SWGPS Location: Lat: _____, Long: _____
(e.g. xx.xxxxx) (e.g. -xxx.xxxxx)Datum: ☐ NAD27 ☐ NAD83 ☐ WGS84County: ButlerLease Name: WRIGHT Well #: 1 OWWO

Field Name: _____

Producing Formation: ViolaElevation: Ground: 1303 Kelly Bushing: 1307Total Vertical Depth: 250 Plug Back Total Depth: _____Amount of Surface Pipe Set and Cemented at: 205 FeetMultiple Stage Cementing Collar Used? ☐ Yes ☒ No

If yes, show depth set: _____ Feet

If Alternate II completion, cement circulated from: _____

feet depth to: _____ w/ _____ sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: _____ ppm Fluid volume: _____ bbls

Dewatering method used: _____

Location of fluid disposal if hauled offsite: _____

Operator Name: _____

Lease Name: _____ License #: _____

Quarter _____ Sec. _____ Twp. _____ S. R. _____ ☐ East ☐ West

County: _____ Permit #: _____

AFFIDAVIT

I am the affiant and I hereby certify that all requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Submitted Electronically

KCC Office Use ONLY

☐ Confidentiality Requested

Date: _____

☐ Confidential Release Date: _____☐ Wireline Log Received☐ Geologist Report Received☐ UIC DistributionALT ☒ I ☐ II ☐ III Approved by: Karen Ritter Date: 01/19/2017

Exhibit H

Page 1 of 5

1328158

Operator Name: Giles, Benjamin M. Lease Name: WRIGHT Well #: 1 OWWO
 Sec. 32 Twp. 25 S. R. 4 ☐ East ☐ West County: Butler

INSTRUCTIONS: Show important tops of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed.

Final Radioactivity Log, Final Logs run to obtain Geophysical Data and Final Electric Logs must be emailed to kcc-well-logs@kcc.ks.gov. Digital electronic log files must be submitted in LAS version 2.0 or newer AND an image file (TIFF or PDF).

Drill Stem Tests Taken (Attach Additional Sheets)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Lansing	1790	-487
Electric Log Run	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Kansas City	2075	-772
List All E. Logs Run:		Mississippi	2475	-1172
		Viola	2618	-1315

CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (in O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	15	10.75	32	205	Class A	200	CA/CHL

ADDITIONAL CEMENTING / SQUEEZE RECORD

Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
___ Perforate				
___ Protect Casing	-			
___ Plug Back TD				
___ Plug Off Zone	-			

Did you perform a hydraulic fracturing treatment on this well? ☐ Yes ☒ No (If No, skip questions 2 and 3)
 Does the volume of the total base fluid of the hydraulic fracturing treatment exceed 350,000 gallons? ☐ Yes ☐ No (If No, skip question 3)
 Was the hydraulic fracturing treatment information submitted to the chemical disclosure registry? ☐ Yes ☐ No (If No, fill out Page Three of the ACO-1)

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth

TUBING RECORD:		Size:	Set At:	Packer At:	Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR.		Producing Method: <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) _____			
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled (Submit ACO-5) (Submit ACO-4) <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
--	---	--

Form	ACO1 - Well Completion
Operator	Giles, Benjamin M.
Well Name	WRIGHT 1 OWWO
Doc ID	1328158

Casing

Purpose Of String	Size Hole Drilled	Size Casing Set	Weight	Setting Depth	Type Of Cement	Number of Sacks Used	Type and Percent Additives
Surface	15	10.75	32	205	Class A	200	CA/CHL



CONSOLIDATED
Oil Well Services, LLC

REMIT TO

Consolidated Oil Well Services, LLC
Dept: 970
P.O. Box 4346
Houston, TX 77210-4346

MAIN OFFICE

P.O. Box 884
Chanute, KS 66720
620/431-9210, 1-800/467-8676
Fax 620/431-0012

Invoice

Invoice#

808549

Invoice Date: 09/13/16

Terms: C.O.D.

Page 1

GILES, BEN

346 S. LULU

WICHITA KS 67211

USA

3162651992

WRIGHT #1

Part No	Description	Quantity	Unit Price	Discount(%)	Total
CE0450	Cement Pump Charge 0 - 1500'	1.000	1,500.0000	45.000	825.00
CE0002	Equipment Mileage Charge - Heavy Equipment	12.000	7.1500	45.000	47.19
CE0711	Minimum Cement Delivery Charge	1.000	660.0000	45.000	363.00
CC5800A	Class A Cement - Sack	200.000	20.0000	45.000	2,200.00
CC5325	Calcium Chloride	500.000	1.0000	45.000	275.00
CC6075	Celloflake	150.000	2.0000	45.000	165.00
CC5965	Bentonite	600.000	0.3000	45.000	99.00
WE0853	80 BBL Vacuum Truck (Cement Services)	3.000	100.0000	45.000	165.00
WC6159W	City Water	3,360.000	0.0500	45.000	92.40
CP8633	10 3/4" Basket	2.000	635.0000	45.000	698.50
CP8430	10 3/4" Insert Float, Flapper Style	1.000	425.0000	45.000	233.75
CP8530	10 3/4" Float Collar, Sure Seal (Ball & Spring)	1.000	125.0000	45.000	68.75

Subtotal 9,513.80

Discounted Amount 4,281.21

SubTotal After Discount 5,232.59

Amount Due 9,984.14 If paid after 09/13/16

Tax: 258.69

Total: 5,491.28

Cement Wright

BARTLESVILLE, OK
918/338-0808

EL DORADO, KS
316/322-7022

EUREKA, KS
620/583-7554

PONCA CITY, OK
580/762-2303

OAKLEY, KS
785/672-8822

OTTAWA, KS
785/242-4044

THAYER, KS
620/839-5269

GILLETTE, WY
307/686-4511
CUSHING, OK
620/225-2550



CONSOLIDATED
Oil Well Services, LLC

PO Box 884, Chanute, KS 66720
620-431-9210 or 800-467-8676

FIELD TICKET & TREATMENT REPORT
CEMENT

TICKET NUMBER 51366
LOCATION 180
FOREMAN LARRY J. TORRES

INVOICE #808549

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
9-7-16	3079	Wright #1	32	255	4E	Butler
CUSTOMER <u>Ben G. O'Leary</u>			TRUCK # DRIVER TRUCK # DRIVER			
MAILING ADDRESS <u>346 S Lulu</u>			<u>760 / Chris</u>			
CITY <u>Wichita</u>			<u>611 / Mark</u>			
STATE <u>KS</u>			<u>637 / Ron</u>			
ZIP CODE <u>67211</u>			<u>557 / Larry</u>			
JOB TYPE <u>Surface</u>	HOLE SIZE <u>20"</u>	HOLE DEPTH <u>—</u>	CASING SIZE & WEIGHT <u>1034</u>			
CASING DEPTH <u>204.70</u>	DRILL PIPE <u>—</u>	TUBING <u>—</u>	OTHER <u>—</u>			
SLURRY WEIGHT <u>—</u>	SLURRY VOL <u>—</u>	WATER gal/sk <u>—</u>	CEMENT LEFT in CASING <u>20 ft</u>			
DISPLACEMENT <u>18.5</u>	DISPLACEMENT PSI <u>150</u>	MIX PSI <u>0</u>	RATE <u>3.5</u>			
REMARKS: <u>Pumped 10 bbls Dry Water. Pumped to break circulation</u> <u>MPW 200 bbls A + 3% CMC + 3% Gel + 34 lb Poly Flare. Displaced</u> <u>18.5 bbls - Cement to Surface. 2 bbls - Was falling back.</u>						

Cemented Cement to Surface.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
CE0450	1	PUMP CHARGE		1500.00
CE0002	12	MILEAGE	7.15	85.80
CE0711	1	MPW Bulk Delivery		660.00
CC5800	200	2% CMC	20.00	4000.00
CC5325	500	1% CMC	1.00	500.00
CC6075	150	1% Poly Flare	2.00	300.00
CC5965	600	1% Gel	.30	180.00
WE0853	3	80' AC	100.00	300.00
WE6159	2360	CITY WATER	.05	168.00
CP8633	2	1034 Cement Baskets	635.00	1270.00
CP8430	1	1034 Float Valve	425.00	425.00
CP8530	1	1034 Casing Collar	125.00	125.00
				9513.80
		Less Discount 4%		4281.21
		Subtotal		5232.59
		SALES TAX		258.91
		ESTIMATED TOTAL		\$5491.28

Ravin 3737

AUTHORIZATION [Signature]

TITLE —

DATE —

I acknowledge that the payment terms, unless specifically amended in writing on the front of the form or in the customer's account records, at our office, and conditions of service on the back of this form are in effect for services identified on this form.

KCC OIL/GAS REGULATORY OFFICES

Date: 09/21/17

District: 02

Case #: _____

- ☐ New Situation
☒ Response to Request
☒ Follow-Up

- ☒ Lease Inspection
☐ Complaint
☒ Field Report

Operator License No: 5446
 Op Name: Ben Giles
 Address 1: 346 S. Lulu
 Address 2: _____
 City: Wichita
 State: KS Zip Code: _____
 Operator Phone #: _____

API Well Number: 15-015-01211-00-02
 Spot: NW-NE-NESW Sec 32 Twp 25 S Rng 4 ☒ E ☐ W
2395 Feet from ☐ N ☒ S Line of Section
2994 Feet from ☒ E ☐ W Line of Section
 GPS: Lat: 37.83155 Long: 97.01588 Date: 9/3/15
 Lease Name: Wright Well #: 1 OWWO
 County: Butler

Reason for Investigation:

- Deadline to bring well into compliance passed on 7/26/2017

Problem:

- Well is not plugged
- Well does not have production casing installed.

Persons Contacted:

N/A

Findings:

- Well received surface casing exception on 7/9/2014. It was known at this time the well was not adequately plugged. 15-015-01211-00-01 record indicates an original spud date of 7/14/2014. Intent expired on 7/9/2015
 - 8/31/2015: operator filed a new drilling intent (15-015-01211-00-02) and recorded a spud date of 8/29/2016 (per ACO-1). 10.75" surface casing set at 205' was installed/cemented on 9/7/2016.
 - 1/18/2017: TA NOV sent to operator
 - 2/10/2017: KCC staff discovered operator had drilled out of the surface pipe creating another raw well-bore condition.
 - 6/7/2017: Well location inspected---area overgrown, well was not actively being worked on.
 6/26/2017: Operator informed in letter that well was not in compliance with K.A.R. 82-3-104 (production casing not set) and K.A.R. 82-3-111 (inactive greater than 90 days). Letter gives a deadline for compliance on 7/26/2017
 7/27/2017: Inspected well, washdown had resumed--rig crew stated that tubing was washing down/circulating out debris at 2100'. Well was not plugged nor was production casing installed.
 8/2/2017: Inspected well, operator still washing down. Well was not plugged nor was production casing installed
 8/18/2017: Inspected well, Equipment on lease --- rig crew not present.
 9/15/2017: Inspected well, operator pulled service rig off of location. Unknown amount 5.5" casing hung in well with the annulus open to atmosphere. Observed approx. 54 joints of 5.5" casing racked out on location. No evidence 5.5" casing is cemented in place
 9/21/2017: No changes from 9/15/2017 inspection

Action/Recommendations:

Follow Up Required ☒ Yes ☐ No ☐

Date: _____

- Submit field report to District Supervisor
- Recommend penalty for violation of K.A.R. 82-3-104, production casing not installed in well.

Verification Sources:

Photos Taken: Yes

<input checked="" type="checkbox"/> RBDMS	<input 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 type="checkbox"/> Other: _____		

By: Jonathan Hill
ECRS

Retain 1 Copy District Office
 Send 1 Copy to Conservation Division

Form: _____

Ben Giles – Wright 1 OWWO
SW 32-25S-4E
6/7/2017

Equipment on location – no recent
activity/ location overgrown

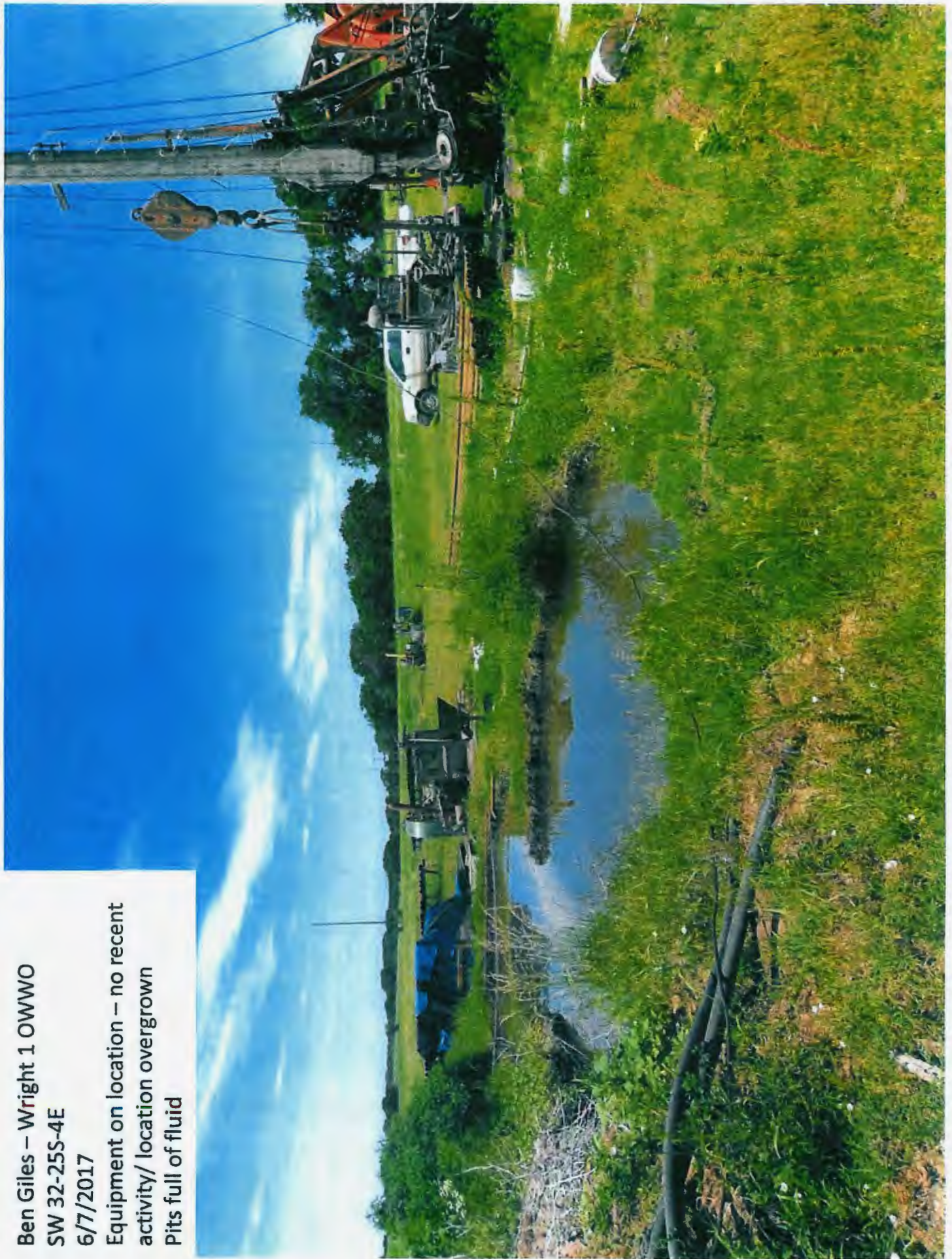


Ben Giles – Wright 1 OWWO

SW 32-25S-4E

6/7/2017

Equipment on location – no recent
activity/ location overgrown
Pits full of fluid



Ben Giles – Wright 1 OWWO

SW 32-25S-4E

6/7/2017

Equipment on location – no recent
activity/ location overgrown



June 26, 2017

Benjamin M. Giles
346 S. Lulu
Wichita, KS 67211

KCC #5446

Re: Wright 1 OWWO, NE NE SW, Sec. 32-25-4E, Butler County, KS
API 15-015-01211-00-02

Mr. Giles:

KCC records reflect that the Wright 1 OWWO has not been completed and that no production casing has been set and cemented in place. Lease inspections also reflect that there has been no activity taking place. Therefore the well is in violation of K.A.R. 82-3-104 and K.A.R. 82-3-111.

At this time, the well must either be completed with production casing set and cemented to your producing formation, or plugged. The due date to have the well in compliance with K.A.R. 82-3-104 and K.A.R. 82-3-111 is July 26, 2017.

Sincerely,

Jeff Klock
District 2 Supervisor

Cc: Jon Myers – Litigation Counsel
Jonathan Hill – ECRS
Dan Fox – Compliance Officer

Jon Myers

From: Jeff Klock
Sent: Friday, July 14, 2017 3:57 PM
To: Jonathan Schlatter
Cc: Jon Myers; Ryan A. Hoffman; Jonathan Hill
Subject: Wright #1 OWWO
Attachments: Schlatter Spreadsheet.pdf; Giles Well Inventory_Compliance.xlsx; 2014 Notice of Intent.pdf; 2015 Notice of Intent.pdf

Mr. Schlatter,

You are correct that my letter dated June 26, 2017 requires Mr. Giles to either complete the well or plug it, by July 26, 2017. However, Staff's awareness that the Wright #1 OWWO was not properly plugged was determined independent of Mr. Giles's recent work. Specifically, Staff is aware the well was not properly plugged due to its July 8, 2014, lease inspection. Further, this is not just a belief, but something your client has already twice admitted, first in his July 15, 2015, letter, in which he states the 8 5/8" casing left in the well was not cemented in place and he pulled out, and in his Notice of Intent to Drill approved August 31, 2015, in which he states the same thing.

In addition, contrary to your email, I can assure you that nobody on staff has advised Mr. Giles that he must drill down to the original total depth of the well. Mr. Giles may elect to plug the well at its current depth, or he may continue to recomplete the well to the depth indicated on his approved Notice of Intent to drill, namely the Viola formation. July 26, 2017, remains his compliance deadline.

The Wright #1 OWWO has been out of compliance with K.A.R. 82-3-104 since 2014, when Mr. Giles dug it out. This was brought to the attention of both you and your client no later than September 2015, in a meeting where I provide both of you a spreadsheet with all of Mr. Giles's compliance issues. At that time, I stated that from Staff's perspective, the number one issue was the Wright #1 OWWO, because it was a raw borehole with fluid at 25 feet. You later provided Jon Myers, Staff Litigation Counsel, with a spreadsheet outlining the corrective action that would be taken to bring Mr. Giles into compliance. You stated the Wright #1 OWWO would be completed or plugged upon the completion of the McCullough #12 SWD. That well was completed on October 27, 2015.

In Mr. Giles's July 15, 2015, letter, he stated that the reason he wanted to wait on the Wright #1 OWWO is that he did not have a rotary rig available to him until he washed down the McCullough #12, and that he did not feel that his other equipment was powerful enough to handle the Wright #1 OWWO. To Staff's knowledge, a rotary rig was never used on this well. The casing was not cemented in place until September 7, 2016, when Consolidated Oil Well

Services did the work. It took one year from our September 2015 meeting for Mr. Giles to get the surface casing set and cemented in place. The well sat as a raw borehole during that time, in violation of Commission regulations.

Staff believes it has been more than generous with the time allowed to recomplete this well. It remains in violation of Commission regulations, and the July 26, 2017, deadline will not be extended.

Sincerely,

Jeff Klock
District 2 Supervisor



Conservation Division
Kansas Corporation Commission
3450 N Rock Road, Building 600, Suite 601
Wichita, KS 67226
Phone (316) 337-7405 Fax (316) 630-4005

Ben Giles – Wright 1 OWWO

SW 32-25S-4E

8/18/2017

Equipment over well – no rig crew
on location



Ben Giles – Wright 1 OWWO
SW 32-25S-4E
9/15/2017
5.5" casing hung in well



Ben Giles – Wright 1 OWWO
SW 32-25S-4E
9/15/2017
5.5" casing inside surface—
annulus open to atmosphere



CERTIFICATE OF SERVICE

I certify that on 10/12/17, I caused a complete and accurate copy of this Order to be served via United States mail, with the postage prepaid and properly addressed to the following:

Benjamin M. Giles
346 S. Lulu
Wichita, KS 67211

and delivered by e-mail to:

Dan Fox
KCC District #2

Jonathan R. Myers, Litigation Counsel
KCC Central Office

/s/ Paula J. Murray
Paula J. Murray
Legal Assistant
Kansas Corporation Commission