

**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 application of Quail Oil)	Docket No: 17-CONS-3484-CUIC
& Gas, LC to authorize injection of saltwater)	
into the Arbuckle formation at the Sly 2-6)	CONSERVATION DIVISION
SWD well, located in the NE NE SE of)	
Section 6, Township 17S, Range 6E in)	License No. 33185
<u>Morris County, Kansas.</u>)	

**NOTICE OF FILING OF PRE-FILED TESTIMONY OF WRAY VALENTINE
ON BEHALF OF QUAIL OIL & GAS, LC**

Quail Oil & Gas, LC hereby provides notice on this 24th day of April 2017 of the filing of the Pre-filed Testimony of Wray Valentine on Behalf of Quail Oil & Gas, LC dated April 20, 2017, a copy of which is attached hereto.

Respectfully submitted,

DEPEW GILLEN RATHBUN & McINTEER, LC
8301 East 21st St. North, Suite 450
Wichita, KS 67206-2936
Office (316) 262-4000
Fax (316) 265-3819
robert@depewgillen.com

By /s/Robert J. Vincze
Robert J. Vincze #14101
Joseph A. Schremmer #25968
Attorneys for Quail Oil & Gas, LC

CERTIFICATE OF SERVICE

I hereby certify that on this 24th day of April 2017, I caused a complete and accurate copy of the foregoing Notice of Filing of the Pre-filed Testimony of Wray Valentine on Behalf of Quail Oil & Gas, LC to be served via U.S. Mail, postage prepaid and properly addressed, to the following:

Robert V. Eye, #10689
Robert V. Eye Law Office, LLC
Suite 1010
4840 Bob Billings Parkway
Lawrence, Kansas 66049
bob@kauffmaneye.com
*Attorney for Protestants Alexa Dawson,
Katherine Kelly, Cindy Hoedel,
Regina Compernelle and Karla Jo Grimmett*

And delivered electronically to:

Jonathan R. Myers
KCC Conservation Division
j.myers@kcc.ks.gov

Michael J. Duenes
Assistant General Counsel
m.duenes@kcc.ks.gov

/s/Robert J. Vincze

Robert J. Vincze #14101

**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 application of Quail Oil) & Gas, LC to authorize injection of saltwater) into the Arbuckle formation at the Sly 2-6) SWD well, located in the NE NE SE of) Section 6, Township 17S, Range 6E in) <u>Morris County, Kansas.</u>)	Docket No: 17-CONS-3484-CUIC CONSERVATION DIVISION License No. 33185
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PRE-FILED TESTIMONY OF WRAY VALENTINE
ON BEHALF OF QUAIL OIL & GAS, LC

- 1 Q. Please state your name, position, employer and office address.
- 2 A. My name is Wray Valentine. I am the Manager of Quail Oil & Gas, LC with a business
3 address of P.O. Box K, Garden City, Kansas 67846.
- 4 Q. Please state your educational background.
- 5 A. I received my high school diploma from Garden City High School, Garden City, Kansas. I
6 was awarded my B.S. in Petroleum Engineering from Oklahoma State University in 1989.
- 7 Q. Please summarize your work experience.
- 8 A. 38 years working in all facets of the oil industry, i.e. I have worked as a roustabout and in
9 drilling operations, completions and production. Upon graduation from Oklahoma State
10 University, I began my career with Schlumberger as a field engineer primarily in Texas and
11 the Mid-Continent. After 5 years with Schlumberger, I worked for Cheyenne Drilling, a
12 contract driller, as a drilling manager for the next 12 years. At Cheyenne, I supervised the
13 drilling of over 1,000 wells in Kansas and Colorado. Since then I have been a member of
14 Quail Oil & Gas, LC. Quail Oil & Gas, LC has drilled over 100 wells in Kansas and also

1 has drilled wells in Oklahoma, Illinois and Indiana. Approximately 25% of the production
2 from these wells in Kansas is from the Arbuckle formation.

3 Q. Please generally describe the operations of Quail Oil & Gas, LC.

4 A. It is an oil and gas production and exploration company working mainly in Kansas and
5 Oklahoma.

6 Q. Are you familiar with the Application filed by Quail Oil & Gas, LC with the Kansas
7 Corporation Commission ("Commission") to use the Sly 2-6 well as a saltwater disposal
8 well in the Arbuckle formation?

9 A. Yes. I have attached a copy of the Application to this Testimony as Exhibit A.

10 Q. Did you help prepare such Application?

11 A. Yes.

12 Q. Is the Application complete and made in accordance with the requirements of K.A.R. 82-3-
13 401?

14 A. Yes.

15 Q. What oil and gas experience do you have with the Arbuckle formation in Morris County
16 and Central Kansas?

17 A. I have knowledge of the lithology and formation characteristics of the Arbuckle formation.

18 Q. What are the characteristics of the Sly 2-6 well that make it a good prospect for a disposal
19 well?

20 A. The formation has good permeability which makes it an ideal formation to dispose of water
21 on a vacuum.

22 Q. Why does Quail Oil & Gas, LC want to permit the Sly 2-6 well as a disposal well?

23 A. To prevent waste by disposing of produced water from the Sager 1-6 and Sly 1-6 wells,
24 which are oil wells, at a lower expense than having to haul water by truck from these wells.

1 Having a disposal well will thus make these wells more economic and will extend their
2 production.

3 Q. What wells are within ¼ mile radius of the proposed injection well, including all
4 abandoned, plugged, producing, and other injection wells?

5 A. Just the Sly 1-6 and Sager 1-6 wells.

6 Q. What type of fluid do you plan to inject into the Arbuckle formation?

7 A. Saltwater from the Sly 1-6 and Sager 1-6 wells. The chlorides from the water from these
8 wells are approximately 5000 ppm, which is very low for produced saltwater.

9 Q. Will the injection of saltwater into the Arbuckle formation at a perforated depth of 2710 to
10 2730 feet, at a maximum injection rate of 5000 bbls/day and at a maximum injection
11 pressure of 650 psig, affect the correlative rights of others in the Camp Creek field or any
12 of the producing wells within ¼ mile radius of the proposed injection well?

13 A. No.

14 Q. In your opinion, will fluids introduced into the proposed injection zone be confined to that
15 zone?

16 A. Yes.

17 Q. What is the depth of any fresh or useable water within ¼ mile of the proposed injection
18 well?

19 A. 120 feet from surface, according to the information provided by both the KCC's and
20 Kansas Geological Survey's websites.

21 Q. Is the Arbuckle formation into which you plan to dispose of saltwater separated from fresh
22 and usable water formations by impervious beds?

23 A. Yes, many.

24 Q. Have you reviewed publically available information on the United States' Geological

1 Survey National Earthquake Information Center (NEIC) website?

2 A. Yes, on April 13, 2017.

3 Q. As of April 13, 2017, did such NEIC website show any earthquakes since 1990 with an

4 epicenter in Morris County, Kansas?

5 A. No.

6 Q. Does Quail Oil & Gas, LC request that the Commission grant its Application for Injection

7 Well?

8 A. Yes.

9 Q. Does this conclude your testimony?

10 A. Yes, and I reserve the right to submit rebuttal testimony.

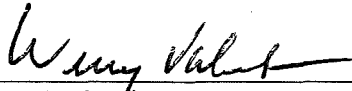
EXHIBIT LIST FOR PRE-FILED TESTIMONY OF WRAY VALENTINE
ON BEHALF OF QUAIL OIL & GAS, LC

1. Exhibit A: Application

VERIFICATION

STATE OF OKLAHOMA)
) ss:
COUNTY OF PAYNE)

I, Wray Valentine, being duly sworn, upon my oath, state that I have read the foregoing Pre-Filed Testimony to which this verification is attached, that I am aware of its contents, and the statements and attached exhibits are true and correct.

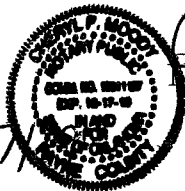



Wray Valentine

SUBSCRIBED AND SWORN to before me on this 20 day of April 2017.

My commission expires:

12/17/18





Notary Public

17-CONS-3484-CUIC

17-02-09 09:07:32
 Kansas Corporation Commission
 /s/ Amy L. Green

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION
APPLICATION FOR INJECTION WELL

Form U-1
 July 2014
 Form must be Typed
 Form must be Signed
 All blanks must be Filled

Disposal ☒Enhanced Recovery: ☐ Repressuring☐ Waterflood☐ Tertiary

Date: 1-5-2017

Operator License Number: 33185 Exp. 02/28/17

Operator: Quail Oil & Gas, LC

Address: PO Box K

Garden City, KS 67846

Contact Person: Wray Valentine

Phone: 620-271-0236

Email: wray@wrayzier.com

Permit Number: 0-32464

2-TV

API Number: 15-127-20597-00-00

Well LocationNE - NE - SE Sec. 6 Twp. 17 S. R. 6 ☒ E ☐ W2205 feet from ☐ N / ☒ S Line of Section335 feet from ☒ E / ☐ W Line of SectionGPS Location: Lat: 38.601045364 Long: 96.801970474
(e.g. xx.xxxxx) (e.g. -xxx.xxxxx)Datum: ☐ NAD27 ☒ NAD83 ☐ WGS84

Lease Description: SE/4 Sec 6-17S-6E

Lease Name: Sly Well Number: 2-6 SWD

Field Name: Camp Creek

County: Morris

Deepest Usable Water

Formation: Unknown

Depth to Bottom of Formation: 220

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JAN 12 2017

Check One: ☐ Old Well Being Converted ☒ Newly Drilled Well ☐ Well to be Drilled

Surface Elevation: 1399 feet Well Total Depth: 2762 feet Plug Back Depth: 2762 feet

Datum of top of injection formation: -1287 feet (reference mean sea level)

Injection Formation Description:

Name	top / bottom	perf / open hole	depth
Arbuckle	2681 / 2762	4 spf	at 2710 to 2730 feet

List of Wells/Facilities Supplying Produced Saltwater or Other Fluids Approved by the Conservation Division:

(attach additional sheets if necessary)

Lease Operator	Lease/Facility Name	Lease/Facility Description	Well ID & Spot Location
1. Quail Oil & Gas, LC	Sager 1-6	W/2 Sec 6-17S-6E	12720594 2300'S 2300'W
2. Quail Oil & Gas, LC	Sly 1-6	SE/4 Sec 6-17S-6E	12720596 2305'SL 335'EL

Producing Formation	Strata Depth	Total Dissolved Solids (if available)
1. Mississippi	2160 to 2170 feet	KCC CONSERVATION mg/l
2. Mississippi	2070 to 2080 feet	PAID mg/l

Maximum Requested Liquid Injection Rate: 5000 bbls / day; or

Maximum Requested Gas Injection Rate: scf / day. Type of Gas:

Maximum Requested Injection Pressure: 650 psig

AMT. \$ 260.00

#14051

Mail to: KCC - Conservation Division, 266 N Main St, Ste 220, Wichita, Kansas 67202-1513

EXHIBIT

tabbies

A

Well CompletionType: ☒ Tubing & Packer ☐ Packerless ☐ Tubingless

	Conductor	Surface	Intermediate	Production	Tubing
Size	N/A	8 5/8"	N/A	5 1/2"	2 3/8" Lined
Setting Depth		286'		2762'	2665'
Amount of Cement		190 sks		185 sks	N/A
Top of Cement		Surface		1350'	
Bottom of Cement		286'		2762'	

If Alternate II cementing, complete the following:

Perforations / D.V. Tool at _____ feet, cemented to _____ feet with _____ sx.

Tubing: Type 2 3/8" Seal Tite Grade J-55Packer: Type AD-1 Depth 2665'Annulus Corrosion Inhibitor: Type Nalco CIW2124

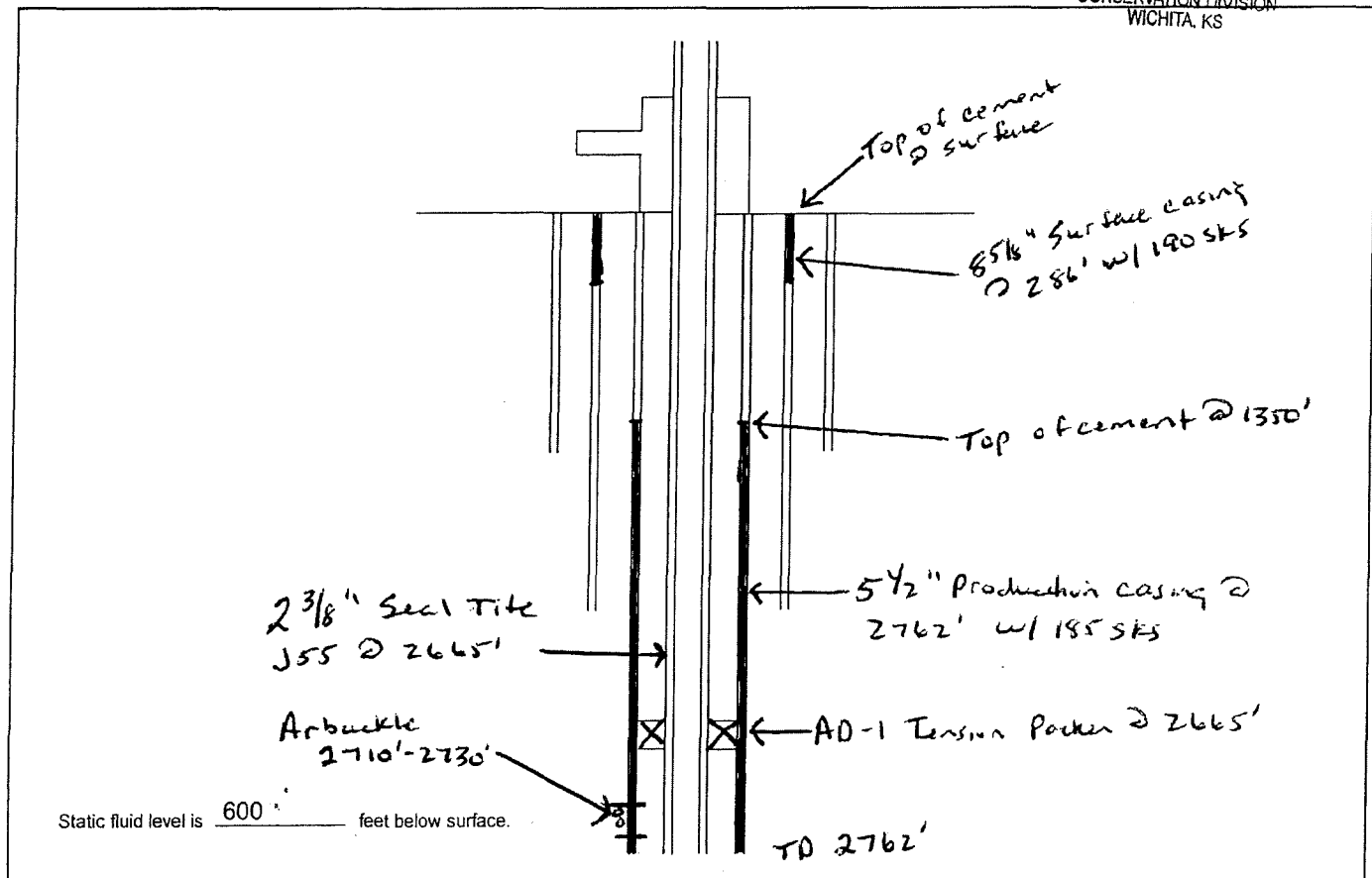
Concentration _____

List Logs Enclosed: Cement Bond logReceived
KANSAS CORPORATION COMMISSION

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CONSERVATION DIVISION
WICHITA, KS**Well Sketch**

(To sketch installation, darken the appropriate lines, indicate cement, and show depths.)



Offset Operators, Unleased Mineral Owners and Landowners acreage

(Attach additional sheets if necessary)

Name:

Legal Description of Leasehold:

NO OFFSET OPERATORS WITHIN 1 MILE

LEASED MINERAL OWNERS

Doris Sly

SE/4 Sec 6-17S-6E

Marvin Barlow

NE/4 Sec 6-17S-6E

Tom-Ray Farms, Inc.

W/2 Sec 6-17S-6E

UNLEASED MINERAL OWNERS

Schwoeppe Family Limited Partnership

Sec 5-17S-6E

Barbara Meyers Keys

NE/4 Sec 7-17S-6E

Nancy Landon Kassebaum

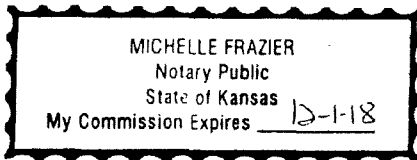
Sec 8-17S-6E

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KANSAS CORPORATION COMMISSION

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CONSERVATION DIVISION
WICHITA, KS

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Wm. Valent
Applicant or duly Authorized AgentSubscribed and sworn before me this 6th day of January, 2017*Michelle Frazier*
Notary PublicMy Commission Expires: 12-1-2018**Instructions:**

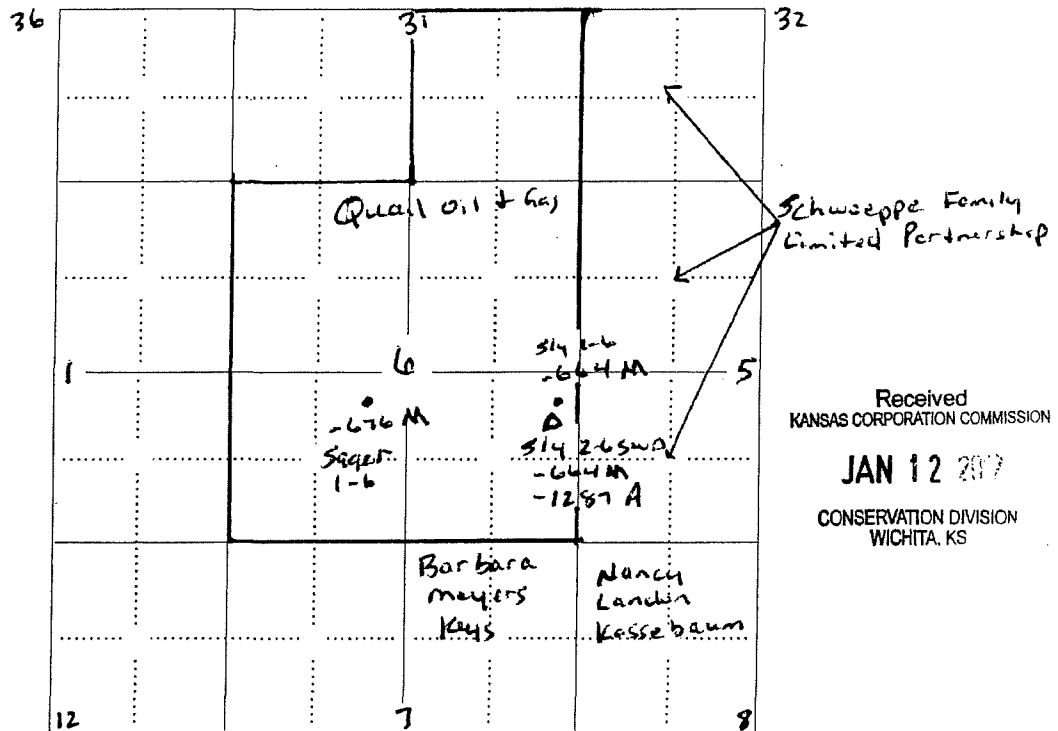
1. Fully complete application, including page 4 (*plat map*) showing subject well and all known oil, gas and input wells, including wells being drilled, inactive wells, or dry holes, within one-half mile. Show lease names and operators or unleased mineral rights owners of all lands within one-half mile. Show well numbers and elevations of producing formation tops.
2. Attach some type of log (*drillers log, electric log, etc.*).
3. Attach some type of verification of cementing for surface casing, longstring, D.V. tool, perforations, etc. (*Cement ticket and job log, bond log, etc.*)
4. Attach Affidavit of Notice.
5. Fill in schematic drawing of subsurface facilities including: size, setting depth, amount of cement, measured or calculated tops of cement for each of surface, intermediate (*if any*) and production casing; size and setting depth of tubing and packer; geological zone of injection showing top and bottom of injection interval.
6. The original and one copy of the application and all attachments shall be mailed to the State Corporation Commission, Conservation Division.
7. Deliver or mail one (1) copy of the application to the landowner on whose land the injection well is located and to each operator or lessee of record and each unleased mineral rights owner within one-half mile of the applicant well.
8. Approval of this application, if granted, is valid only as long as there are no substantial changes in operation set forth in the application. A substantial change requires the approval of a new application. **No injection well may be used without prior written authorization.**
9. All application fees must accompany the application.

Plat and Certificate of Injection Well Location and Surrounding Acreages

Operator: Quail Oil & Gas, LC Location of Well: NE NE SE Sec 6-17S-6E
 Lease: Sly 2205 feet from ☐ N / ☒ S Line of Section
 Well Number: 2-6 SWD 335 feet from ☒ E / ☐ W Line of Section
 County: Morris Sec. 6 Twp. 17 S. R. 6 ☒ East ☐ West

Plat

Show the following information: applicant injection well, all producing wells, inactive wells, plugged wells, and other wells within a one-half mile radius, all lease boundaries, lease operators, unleased mineral rights owners, well numbers, and producing wells producing formation tops.



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CONSERVATION DIVISION
WICHITA, KS

applicant well

producing well

plugged injection well

D & A well

other injection well

temporary abandoned well

plugged producer

water supply well

The undersigned hereby certifies that he / she is a duly authorized agent for Quail Oil & Gas, LC, and that all of the information shown herein is true, complete and correct to the best of his / her knowledge.

Wendy Valente
Applicant or Duly Authorized Agent

Subscribed and sworn before me this 6th day of January, 2017

MICHELLE FRAZIER
Notary Public
State of Kansas
My Commission Expires 12-1-18

Michelle Frazier
Notary Public

My Commission Expires: 12-1-2018

Affidavit of Notice ServedRe: Application for: Quail Oil & Gas, LCWell Name: Sly 2-6 SWDLegal Location: 2205' FSL 335' FEL Sec 6-17S-6E

The undersigned hereby certifies that he / she is a duly authorized agent for the applicant, and that on the day 6th of January, 2017, a true and correct copy of the application referenced above was delivered or mailed to the following parties:

Note: A copy of this affidavit must be served as a part of the application.

Name

Address (Attach additional sheets if necessary)

Doris Sly

1908 400 Rd., Herington, KS 67449

Marvin Barlow

103 Smith, Burdick, KS 66838

Tom Ray Farms, Inc. Rodney Wilson

PO Box 93, Council Grove, KS 66846

Schwoeppe Family Limited Partnership, Eugene Schwoeppe

2390 Montclair Ave., Cincinnati, OH 45211

Barbara Meyers Keys

1761 S 2800 Rd, Herington, KS 67449

Nancy Landon Kassebaum

2750 Z Ave, Burdick, KS 66838

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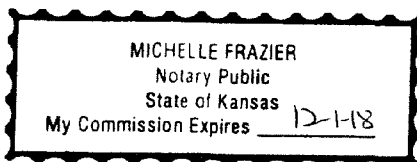
JAN 12 2017

CONSERVATION DIVISION
WICHITA, KS

I further attest that notice of the filing of this application was published in the Council Grove Republican, the official county publication of Morris county. A copy of the affidavit of this publication is attached.

Signed this 6th day of January, 2017

Wesley Valente
Applicant or Duly Authorized Agent



Subscribed and sworn to before me this 6th day of January, 2017

Michelle Frazier
Notary Public

My Commission Expires: 12-1-2018

Protests may be filed by any party having a valid interest in the application. Petitions for protests shall be in writing and shall clearly identify the name and address of the protestant and the title of the application. The petition shall include a clear and concise statement of the direct and substantial interest of the protestant in the proceedings, including the manner in which the protestant may be affected, and the nature, extent, character and grounds of the protest. Protestants shall serve the protest upon the applicant by mail or personal service at the same time or before the protestant files the protest with the Conservation Division. Protests must be filed within 30 days of the publication notice of the application.

810 E 7TH
PO Box 92
EUREKA, KS 67045
(620) 583-5561



Cement or Acid Field Report
Ticket No. **3046**
Foreman Kevin McCoy
Camp EUREKA

Date	Cust. ID #	Lease & Well Number	Section	Township	Range	County	State	
11-18-16	1016	Sly #2 SWD	6	17S	6E	MORRIS	KS	
Customer <u>QUAIL OIL & GAS, LC</u>			Unit #		Driver		Unit #	Driver
			105		DAVE G.			
Mailing Address <u>525 INDUSTRIAL DR PO Box K</u>			112		Steve M.			
City <u>Garden City</u>			State <u>KS</u>		Zip Code <u>67846</u>			

Job Type SURFACE Hole Depth 287' A.B Slurry Vol. 42 BBL Tubing _____
Casing Depth 276.94' G.L. Hole Size 12 1/4" Slurry Wt. 14.8 # Drill Pipe _____
Casing Size & Wt. 8 5/8" 28 # Cement Left in Casing 15' Water Gal/SK _____ Other _____
Displacement 17 BBL Displacement PSI _____ Bump Plug to _____ BPM _____

Remarks: Safety Meeting: Rm up to 3 5/8" casing. DASH circulation w/ 5 BBL Fresh water.
Mixed 170 SKS 60/40 Pozmix Cement w/ 3% CGL 2% GEL 1/4" FluSeal/SKs @ 14.8#/gal
Yield 1.24 = 42 BBL SLURRY. Displace w/ 17 BBL Fresh water. Shut casing in. Good Cement
Returns to SURFACE = 8 GAL SLURRY to 17'. Job Complete. Rig down.

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KANSAS CORPORATION COMMISSION

JAN 12 2017

CONSERVATION DIVISION
WICHITA, KS

Code	Qty or Units	Description of Product or Services	Unit Price	Total
C 101	1	Pump Charge	840.00	840.00
C 107	60	Mileage	3.95	237.00
C 203	170 SKS	60/40 Pozmix Cement	12.75	2167.50
C 205	490 #	CGL 3%	.60 #	294.00
C 206	325 #	GEL 2%	.20 #	65.00
C 204	50 #	FluSeal 1/4" /sk	2.25 #	112.50
C 108A	8.17 Tons	Ton Mileage 60 miles	1.35	661.77
THANK YOU			Sub Total	4632.77
			Less 5%	242.49
			7.5% Sales Tax	212.05
Authorization <u>Dan Potlato</u> Title _____			Total	4607.33

I agree to the payment terms and conditions of services provided on the back of this job ticket. Any amendments to payment terms must be in writing on the front of this job ticket or in the Customer's records at ELITE's office.

810 E 7TH
PO Box 92
EUREKA, KS 67045
(620) 583-5561



Cement or Acid Field Report

Ticket No. **3052**

Foreman KEVIN MCCOY

Camp _____

Date	Cust. ID #	Lease & Well Number	Section	Township	Range	County	State
11-30-16	1016	Sly #2 SWD	6	17S	6E	MORRIS	KS
Customer <u>QUAIL OIL & GAS, LLC</u>			Safety Meeting KM AM 5M RL	Unit # 104 112 141	Driver ALAN M. Steve M. Rick L.	Unit #	Driver
Mailing Address <u>525 INDUSTRIAL DR. P.O. Box K</u>							
City <u>GARDEN CITY</u>	State <u>KS</u>	Zip Code <u>67846</u>					

Job Type Longstring Hole Depth 2762' KB Slurry Vol. _____ Tubing _____
Casing Depth 2749-88' G.L. Hole Size 7 7/8" Slurry Wt. 13.7# Drill Pipe _____
Casing Size & Wt. 5 1/2 15.50 Cement Left in Casing 0' Water Gal/SK 2.0 Other _____
Displacement 66.5 BBL Displacement PSI 800 Bump Plug to 1400 PSI BPM _____

Remarks: SAFETY Meeting: Rig up to 5 1/2 casing. BREAK CIRCULATION w/ 10 BBL FRESH WATER. Mixed 185 SKS THICK Set Cement w/ 5" KOL-SEAL/sk 2" PhenoSeal/sk @ 13.7#/gal, yield 1.85, = 60 BBL slurry. WASH out Pump & Lines. Shut down. Release Latch down Plug. Displace Plug to SEAT w/ 66.5 BBL FRESH WATER. Final Pumping Pressure 800 PSI. Bump Plug to 1400 PSI. wait 2 min Release Pressure. Float & Plug Held. Good Circulation @ ALL times while Cementing. Job Complete. Rig down

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JAN 12 2017

CONSERVATION DIVISION
WICHITA, KS

Plug Rat hole w/ 15 SKS, Mouse hole w/ 10 SKS

Centralizers on #1, 3, 5, 7, 9, 11, 13, 15, 17, 19
Basket on top of #5

Code	Qty or Units	Description of Product or Services	Unit Price	Total
C 102	1	Pump Charge	1050.00	1050.00
C 107	60	Mileage	3.45	207.00
C 201	185 SKS	THICK Set Cement	19.50	3607.50
C 207	725 #	KOL-SEAL 5#/SK	.45 #	416.25
C 208	370 #	PhenoSeal 2#/SK	1.25 #	462.50
C 108.5	10.17 Tons	Ton Makeup 60 miles	1.35	823.77
C 113	4 Hrs	80 BBL VAC TRUCK	85.00	340.00
C 224	3300 gals	City water	10.00/1000	33.00
C 661	1	5 1/2 AFU Float shoe w/ Latch down	294.00	294.00
C 421	1	5 1/2 Latch down Plug	230.00	230.00
C 604	1	5 1/2 Cement Basket	225.00	225.00
C 504	10	5 1/2 x 7 1/8 Centralizers	48.00	480.00
			Sub Total	8179.02
			Less 5%	408.95
			7.5% Sales Tax	451.12
			Total	8178.63

Authorization Dan Poth Title _____

I agree to the payment terms and conditions of services provided on the back of this job ticket. Any amendments to payment terms must be in writing on the front of this job ticket or in the Customer's records at ELITE's office.

810 E 7TH
PO Box 92
EUREKA, KS 67045
(620) 583-5561



ement or Acid Field Report
Ticket No. **3052**
Foreman Kevin McCoy
Camp _____

Date	Cust. ID #	Lease & Well Number	Section	Township	Range	County	State
11-30-16	1016	Sly #2 SWD	6	17S	6E	MORRIS	KS
Customer			Safety Meeting KM RM SM RL	Unit #	Driver	Unit #	Driver
Quail Oil & Gas, LC				104	ALAN M.		
Mailing Address				112	Rich L.	Steve M.	
525 INDUSTRIAL DR. P.O. Box K				141	Rich L.		
City	State	Zip Code					
Garden City	KS	67846					

Job Type Longstring Hole Depth 2762' KB Slurry Vol. _____ Tubing _____
Casing Depth 2747-88' G.L. Hole Size 7 7/8" Slurry Wt. 13.7# Drill Pipe _____
Casing Size & Wt. 5 1/2 15.50" Cement Left in Casing 0' Water Gal/SK 9.0 Other _____
Displacement 66.5 BBL Displacement PSI 800 Bump Plug to 1400 PSI BPM _____

Remarks: Safety Meeting: Rig up to 5 1/2 casing. Break Circulation w/ 10 BBL Fresh Water. Mixed 185 SKS THICK Set Cement w/ 5" HOL-SEAL /SK 2" PhenoSEAL /SK @ 13.7# / 9AL. Yield 1.85 = 60 BBL Slurry. Wash out Pump & Lines. Shut down. Release Latch down Plug. Displace Plug to Seat w/ 66.5 BBL Fresh Water. FINAL Pumping Pressure 800 PSI. Bump Plug to 1400 PSI. Wait 2 mins. Release Pressure. Float & Plug Held. Good Circulation @ ALL times while Cementing. Job Complete. Rig Down

Received
KANSAS CORPORATION COMMISSION

JAN 12 2017

CONSERVATION DIVISION
WICHITA, KS

Centralizers on #1, 3, 5, 7, 9, 11, 13, 15, 17, 19
Basket on top of #5

Code	Qty or Units	Description of Product or Services	Unit Price	Total
C 102	1	Pump Charge	1050.00	1050.00
C 107	60	Mileage	3.45	237.00
C 201	185 SKS	THICK Set Cement	19.50	3607.50
C 207	925 #	HOL-SEAL 5" /SK	.45 #	416.25
C 208	370 #	PhenoSEAL 2" /SK	1.25 #	462.50
C 108 B	10.17 Tons	Ton Mileage 60 miles	1.35	823.77
C 113	4 HRS	80 BBL VAC TRUCK	85.00	340.00
C 224	3300 gals	City water	10.00 / 1000	33.00
C 661	1	5 1/2 AFE FLOAT SHOT w/ LATCH DOWN	294.00	294.00
C 421	1	5 1/2 LATCH DOWN PLUG	230.00	230.00
C 604	1	5 1/2 Cement BASKET	225.00	225.00
C 504	10	5 1/2 x 7 1/8 CENTRALIZERS	48.00	480.00
			Sub Total	8199.02
			Less 5%	431.51
			Sales Tax	431.12
			Total	8198.63

Authorization Dan Potter Title _____

I agree to the payment terms and conditions of services provided on the back of this job ticket. Any amendments to payment terms must be in writing on the front of this job ticket or in the Customer's records at ELITE's office.

810 E 7TH
PO Box 92
EUREKA, KS 67045
(620) 583-5561



Cement or Acid Field Report

Ticket No. **3052**

Foreman KEVIN MCCOY

Camp _____

Date	Cust. ID #	Lease & Well Number	Section	Township	Range	County	State
11-30-16	1016	Sly # 2 SWD	6	17S	6E	MORRIS	Ks
Customer <u>QUAIL OIL & GAS, LLC</u>			Safety Meeting KM RM SM RL	Unit # 104 112 141	Driver ALAN M. BETTY E. PICK L.	Unit # 	Driver
Mailing Address <u>525 INDUSTRIAL DR. PO. BOX K</u>							
City <u>GARDEN CITY</u>	State <u>KS</u>	Zip Code <u>67846</u>					

Job Type Longstring Hole Depth 2762' KB Slurry Vol. _____ Tubing _____
Casing Depth 2747-88' G.L. Hole Size 7 7/8" Slurry Wt. 13.7 # Drill Pipe _____
Casing Size & Wt. 5 1/2 15.50" Cement Left in Casing 0' Water Gal/SK 9.0 Other _____
Displacement 66.5 BBL Displacement PSI 800 Bump Plug to 1400 PSI BPM _____

Remarks: SAFETY Meeting: Rig up to 5 1/2 casing. BREAK CIRCULATION w/ 10 BBL FRESH WATER.
Mixed 185 SKS THICK Set Cement w/ 5" HOL-SEAL/SK 2" PhenoSeal/SK @ 13.7 #/gal.
yield 185 = 60 BBL SLURRY. WASH OUT PUMP & LINES. SHUT DOWN. Release LATCH DOWN
Plug. Displace Plug to SEAT w/ 66.5 BBL FRESH WATER. FINAL Pumping Pressure 800 PSI.
Bump Plug to 1400 PSI. wait 2 mins Release Pressure. Float & Plug Held. Good Circulation
@ ALL times while Cementing. Job Complete. Rig down

Received
KANSAS CORPORATION COMMISSION

Plug Rat hole w/ 15 SKS, Mouse hole w/ 10 SKS

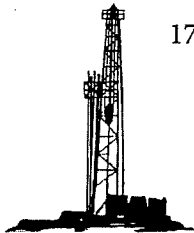
JAN 12 2017

Centralizers on #1, 3, 5, 7, 9, 11, 13, 15, 17, 19
Basket on top of #5

CONSERVATION DIVISION
WICHITA, KS

Code	Qty or Units	Description of Product or Services	Unit Price	Total
C 102	1	Pump Charge	1050.00	1050.00
C 107	60	Mileage	3.45	207.00
C 201	185 SKS	THICK Set Cement	19.50	3607.50
C 207	925 #	HOL-SEAL 5 #/SK	.45 #	416.25
C 208	370 #	PhenoSeal 2 #/SK	1.25 #	462.50
C 108 B	10.17 Tons	Ton Mileage 60 miles	1.35	823.77
C 113	4 HRS	80 BBL VAC TRUCK	85.00	340.00
C 224	3300 gals	City water	10.00 / 1000	33.00
C 661	1	5 1/2 AFU FLOAT SHOE w/ LATCH DOWN	294.00	294.00
C 421	1	5 1/2 LATCH DOWN PLUG	230.00	230.00
C 604	1	5 1/2 Cement BASKET	225.00	225.00
C 504	10	5 1/2 x 7 1/8 CENTRALIZERS	48.00	480.00
			Sub TOTAL	8199.02
			Less 5%	431.51
			7.5% Sales Tax	431.12
Authorization <u>Dan Pott</u> Title _____			Total	8198.63

I agree to the payment terms and conditions of services provided on the back of this job ticket. Any amendments to payment terms must be in writing on the front of this job ticket or in the Customer's records at ELITE's office.



17-CONS-3484-CUIC

QUAIL OIL & GAS, LC

OIL & GAS PRODUCER

(620) 271-0236
(620) 271-0615 FAX

PO Box K

GARDEN CITY, KANSAS 67846

January 6, 2017

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

Re: Sly 2-6 SWD Application

Received
KANSAS CORPORATION COMMISSION

JAN 12 2017

CONSERVATION DIVISION
WICHITA, KS

Dear Sir/Madam:

Please find enclosed the Application for Injection Well and all the necessary paperwork associated with the application. The notice was run in the Council Grove Republican January 6, 2017 and will run again January 16, 2017. The MIT for the well was completed on December 29, 2016 and the local KCC official filed the necessary paperwork.

If there is anything else needed or if you have any questions, please call me at 620-290-1537.

Sincerely,
Quail Oil & Gas, LC

Wray Valentine
Manager

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



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

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

Sam Brownback, Governor

January 13, 2017

WRAY VALENTINE
QUAIL OIL & GAS LC
P O BOX K
GARDEN CITY KS 67846

RE: **Application for Injection Well**
D-32,464
Sly #2-6 SWD
Sec. 06-17S-06E
Morris County

Dear Mr. Valentine:

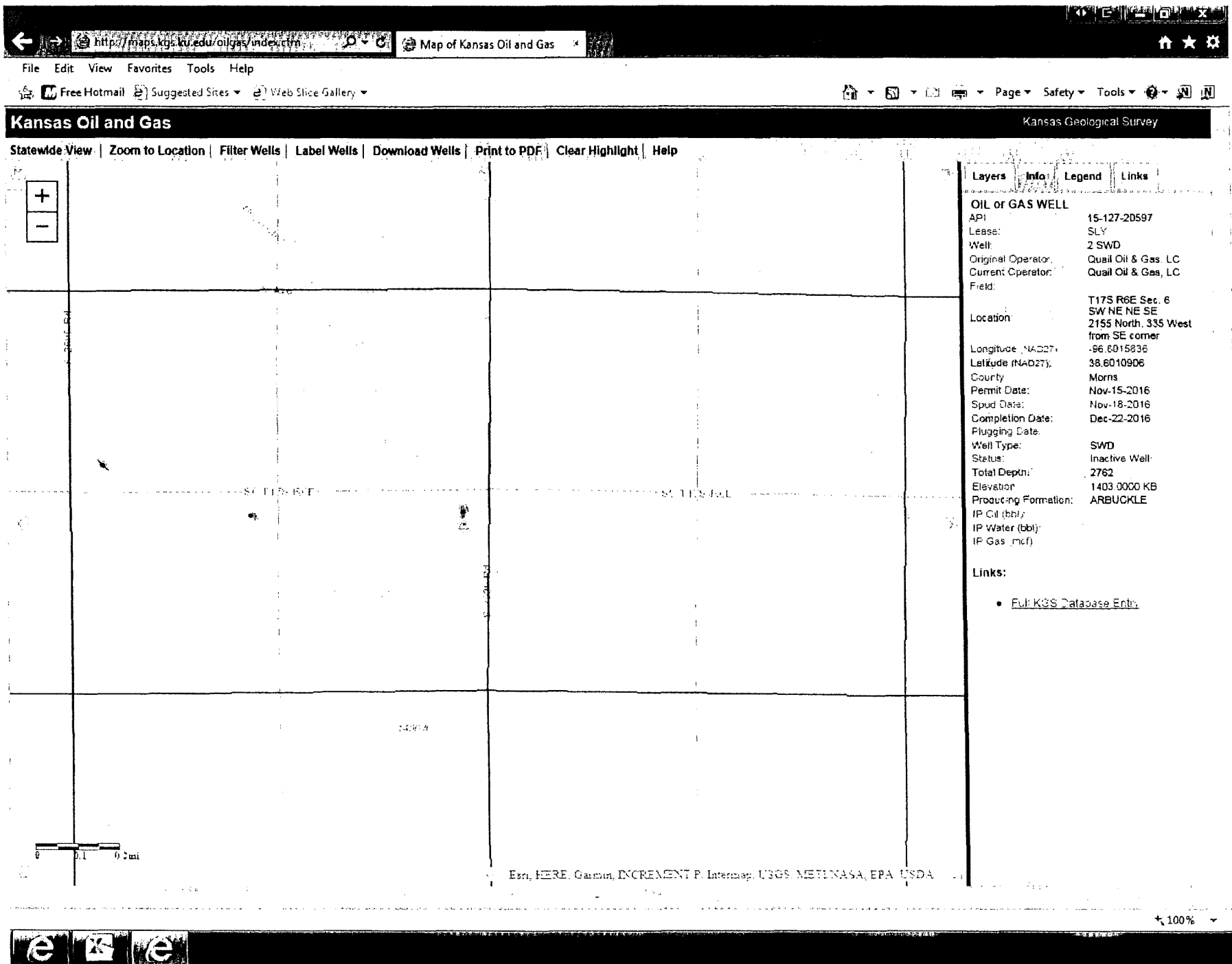
This letter is to confirm that we received the above referenced application in the KCC-Central Office on January 12, 2017.

Should you have any questions in regards to the application, please do not hesitate to contact Tony Vail at t.vail@kcc.ks.gov or 316-337-6198.

Sincerely,

Cindy Metcalf
UIC/Production Department

Cc: Tony Vail
file ✓



NEW WELL

CASING MECHANICAL INTEGRITY TEST

Disposal ☒ Enhanced Recovery:

Repressuring ☐
Flood ☐
Tertiary ☐

Date injection started _____
API #15 -127 - 20597

DOCKET # _____

SW NE NE SE, Sec 6, T 17 S, R 6 E/W

2169 Feet from South Section Line
5134 Feet from East Section Line

Lease SLY Well # 2
County MORRIS

Operator: Quail Petroleum Operator License # 33185
Name & Address 525 Industrial Drive Contact Person Daron Patterson
Garden City KS 67846 Phone 620 539 0464 620 271-0236

Max. Auth. Injection Press. _____ psi; Max. Inj. Rate _____ bbl/d;
If Dual Completion - Injection above production _____ Injection below production _____

Conductor	Surface	Production	Liner	Size	Tubing
Size _____	5 1/2"	5 1/2"	_____	2 3/8"	2 3/8"
Set at _____	286'	2757'	_____	Set at 2665'	_____
Cement Top _____	Surface	1350'	_____	Type _____	Seal Tite
" Bottom _____	_____	_____	_____	_____	_____

DV/Perf. _____ TD (and plug back) 2750' ft. depth
Packer type Brake AD 1 Tens 160 Size 2 3/8" x 5 1/2" Set at 2665'
Zone of injection Artificial ft. to ft. 2710-2730 (Perf) or open hole Perf

Type Mit: Pressure ☒ Radioactive Tracer Survey ☐ Temperature Survey ☐

F Time: Start 8:05 Min. 8:20 Min. 8:35 Min.
I
E Pressures: 305 305 305 Set up 1 System Pres. during test _____
L
D _____ Set up 2 Annular Pres. during test _____
D _____ Set up 3 Fluid loss during test _____ bbls.
A
T Tested: Casing ☐ or Casing - Tubing Annulus ☒
A

JAN 17 2017

The bottom of the tested zone is shut in with PACKER

Test Date 12-29-16 Using Company Tools Company's Equipment _____

The operator hereby certifies that the zone between 2665 feet and 0 feet
was the zone tested Daron Patterson Production Foreman
Signature Title

The results were Satisfactory PASS, Marginal _____, Not Satisfactory _____

State Agent Jerry Spaulding Title ECRS Witness: Yes ☒ No _____

REMARKS: _____

☐ Origin. Conservation Div.; ☐ KDHE/T; ☐ Dist. Office;
☐ Computer Update

KCC Form U-7 6/8'

LEGALS

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

NOTICE OF FILING APPLICATION

RE: Quail Oil & Gas, LC - Application for permit to authorize the injection of saltwater into the following well located in Morris County, Kansas:

Sly 2-6 SWD NE NE SE Sec 6-17S-6E

TO: All Oil and Gas Producers, Unleased Minerals Interest Owners, Landowners, and all persons whomever concerned

You, and each of you, are hereby notified that Quail Oil & Gas, LC has filed an application for permit to authorize the injection of saltwater into the Arbuckle formation at the Sly 2-6 SWD, located in the NE-NE-SE Sec 6-T17S-R6E Morris County, Kansas, with a maximum injection rate of 5000 bbls per day and a maximum injection pressure of 500 psi.

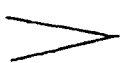
Any person who objects to or protest this application shall be required to file their objections or protests with the Conservation Division of the State Corporation of the State of Kansas within thirty (30) days from the date of this publication. These protests shall be filed pursuant to Commission regulations and must state specific reasons why the grant of the application may cause waste, violate correlative rights or pollute the natural resources of the State of Kansas.

All persons interested or concerned shall take notice of the foregoing and shall govern themselves accordingly.

Quail Oil & Gas, LC
525 Industrial Drive
PO Box K
Garden City, KS 67846
620-271-0236

(Published in the Council Grove Republican Jan. 31, 2017)

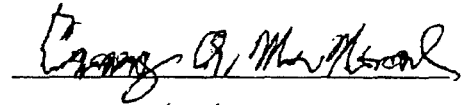
AFFIDAVIT OF PUBLICATION

State of Kansas,  ss.
Morris County

CRAIG A. McNEAL, being first duly sworn, Deposes and says: That he is Publisher of the Council Grove Republican, a daily Newspaper printed in the State of Kansas, and published in and of general circulation in Morris County, Kansas, with a general paid circulation on a daily basis in Morris County, Kansas, and that said newspaper is not a trade, religious or fraternal publication.

Said newspaper is a daily published at least weekly 50 times a year, has been so published continuously and uninterruptedly in said county and state for a period of more than five years prior to the first publication of said notice; and has been admitted at the post office of Council Grove in said County as second class matter.

That the attached notice is a true copy thereof and was published in the regular and entire issue of said newspaper for one time, the publication thereof being made as aforesaid on the 31st day of January, 2017.



Subscribed and sworn to before me this 1 day of Feb, 20 17

