

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

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

In the matter of an Order to Show Cause issued) Docket No.: 17-CONS-3374-CSHO
to Nordmeyer Oil, Inc. ("Operator") for its)
failure to comply with either K.A.R. 82-3-400) CONSERVATION DIVISION
or K.A.R. 82-3-409 regarding injection that)
took place during the 2015 calendar year.) License No.: 6788

**MOTION FOR AN ORDER TO SHOW CAUSE, THE DESIGNATION OF A
PREHEARING OFFICER, AND THE SCHEDULING OF A PREHEARING
CONFERENCE**

For the following reasons, Commission Staff moves for an Order to Show Cause, the designation of a prehearing officer, and the scheduling of a prehearing conference in this matter:

I. JURISDICTION & LEGAL STANDARD

1. The Commission has jurisdiction to regulate oil and gas production in Kansas under Chapter 55 of the Kansas Statutes Annotated and the General Rules and Regulations for the Conservation of Crude Oil and Natural Gas, K.A.R. 82-3-100 *et seq.*
2. K.S.A. 55-162 provides the Commission with jurisdiction to institute proceedings to enforce the laws of Kansas and Commission rules, regulations, and orders. K.S.A. 55-164 provides the Commission with authority to impose a penalty for a violation of such rules, regulations, and orders.
3. K.A.R. 82-3-400 provides that the penalty for unauthorized injection shall be \$1,000 for first-time violators, \$5,000 for second-time violators, and \$10,000 and operator license review for third-time violators.
4. K.A.R. 82-3-409(b) provides that each operator of an injection well shall submit a report to the conservation division, showing for the previous calendar year the following

information, by March 1 of the following year: the monthly average wellhead pressure; the maximum wellhead pressure; the amount and kind of fluid injected into each well; and any other performance information required by the conservation division.

II. STAFF'S ALLEGATION OF FACTS

5. On July 23, 2015, Operator was penalized in Docket 16-CONS-065-CPEN for either conducting unauthorized injection in violation of K.A.R. 82-3-400, or misreporting injection in violation of K.A.R. 82-3-409, during the 2014 calendar year at the Tipton R #3B, API #15-207-02445.

6. In February 2016, Operator reported unauthorized injection during the 2015 calendar year at the same well.¹ An August 1, 2016, Commission Staff inspection did not conclusively indicate whether Operator conducted unauthorized injection in violation of K.A.R. 82-3-400, or instead misreported its injection in violation of K.A.R. 82-3-409, for the 2015 calendar year.²

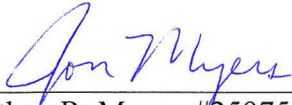
III. CONCLUSION

7. Based on the above, Staff believes that the Commission should cause Operator to come before it at a hearing to show cause why a penalty constituting an actual and substantial economic deterrent should not be assessed against Operator for its violation of either K.A.R. 82-3-400 or K.A.R. 82-3-409 for the 2015 calendar year, which constitutes a second-time violation at the well at issue.

¹ See Exhibit A. The authorized injection pressure was accurately auto-filled by KOLAR in Section II of the Annual Fluid Report Form, and Operator reported exceeding it in Section III.

² See Exhibit B.

Respectfully submitted,

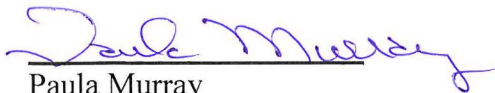


Jonathan R. Myers, #25975
Litigation Counsel, Kansas Corporation Commission
266 N. Main, Suite 220
Wichita, Kansas 67202-1513
Phone: 316-337-6200; Fax: 316-337-6211

CERTIFICATE OF SERVICE

I certify that on 11/17/16, I caused a complete and accurate copy of this Motion to be served via United States mail, postage prepaid and properly addressed to:

Ray V. Nordmeyer
Nordmeyer Oil, Inc.
362 90th Road
Toronto, Kansas 66777



Paula Murray
Legal Assistant
Kansas Corporation Commission

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

1282710

Form U3C

June 2015

Form must be Typed
Form must be completed
on a per well basis

**ANNUAL REPORT OF PRESSURE MONITORING,
FLUID INJECTION AND ENHANCED RECOVERY**

Complete all blanks - add pages if needed. Copy to be retained for five (5) years after filing date.

OPERATOR: License # 6788
Name: Nordmeyer Oil, Inc.
Address 1: 362 90TH RD
Address 2: _____
City: TORONTO State: KS Zip: 66777 + _____
Contact Person: Ray V. Nordmeyer
Phone: (620) 637-2964
Lease Name: TIPTON R
Well Number: 3 B

API No.: 15-207-02445-00-00
Permit No: D25963.0
Reporting Year: 2015
(January 1 to December 31)
____ NW ____ NE ____ SE ____ SW Sec. 21 Twp. 25 S. R. 14 ☒ E ☐ W
(a-a-a-a)
2485 feet from ☐ N / ☒ S Line of Section
2590 feet from ☒ E / ☐ W Line of Section
County: Woodson

I. Injection Fluid:

Type (Pick one): ☐ Fresh Water ☐ Treated Brine ☒ Untreated Brine ☐ Water/Brine
Source: ☒ Produced Water ☐ Other (Attach list)
Quality: Total Dissolved Solids: _____ mg/l Specific Gravity: _____ Additives: None
(Attach water analysis, if available)

II. Well Data:

Maximum Authorized Injection Pressure: 0 psi Injection Zone: KANSAS CITY
Maximum Authorized Injection Rate: 45 barrels per day
Total Number of Enhanced Recovery Injection Wells Covered by this Permit: _____ (Include TA's)

III.	Month:	Total Fluid Injected BBL	Maximum Fluid Pressure	Total Gas Injected MCF	Maximum Gas Pressure	# Days of Injection
	January	<u>640</u>	<u>90</u>	<u>0</u>		<u>27</u>
	February	<u>658</u>	<u>90</u>	<u>0</u>		<u>28</u>
	March	<u>651</u>	<u>90</u>	<u>0</u>		<u>27</u>
	April	<u>660</u>	<u>90</u>	<u>0</u>		<u>30</u>
	May	<u>575</u>	<u>90</u>	<u>0</u>		<u>23</u>
	June	<u>660</u>	<u>90</u>	<u>0</u>		<u>30</u>
	July	<u>665</u>	<u>90</u>	<u>0</u>		<u>31</u>
	August	<u>658</u>	<u>90</u>	<u>0</u>		<u>31</u>
	September	<u>648</u>	<u>90</u>	<u>0</u>		<u>30</u>
	October	<u>659</u>	<u>90</u>	<u>0</u>		<u>31</u>
	November	<u>663</u>	<u>90</u>	<u>0</u>		<u>30</u>
	December	<u>631</u>	<u>90</u>	<u>0</u>		<u>26</u>
	TOTAL	<u>7768</u>		<u>0</u>		

Submitted Electronically

KCC OIL/GAS REGULATORY OFFICES

Inspection Date 08/01/2016 District: 3 Incident Number: 5496

- ☒ New Situation ☐ Lease Inspection
☒ Response to Request ☐ Complaint
☐ Follow-up ☒ Field Report

Operator License No: 6788 API: 15-207-02445-00-00 Q3 nw Q2: nw Q1: se
Operator Name: NORDMEYER OIL INC. SEC 21 TWP 25 RGE 14 RGEDIR E
Address: 362 90th Road FSL: 2446
City: Toronto FEL: 2425
State Kansas Zip Code: 66777 Lease: Tipton Well No.: 3B
Phone contact: 620-637-2964 County: WO

Reason for Investigation:

Jon Myers request for picture of well and field report for Commissioners.

Problem:

UIC violation on Docket D-25,963 SWD #3B

Persons contacted:

Harry and Ray Nordmeyer, Operators.

Findings:

I located the pumphouse and took a picture of the pump that was turned off, with zero pressure on gauge, I located the well #3B and conducted a GPS survey on the location of the well, it was Lat. 37.85748 Long 095.87488 2446' FSL 2425' FEL, I took a picture of the well, valves turned on and operational. Operator told me he puts about 15 barrels of fluid per day down the well. No pressure gauge on the well.

Actions / Recommendation

Follow-up Required ☐

Deadline Date:

Forward information to Wichita.

Photo's Taken:

2

☒ RBDMS ☒ KGS ☐ TA DBF Report Prepared By: Mike Heffern
☐ T1 DBF ☒ District Files ☐ Courthouse Position: E.C.R.S.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator:	Nordmeyer Oil	KLN:	#6788
Lease:	Tipton	Legal:	21-25-14
County	WO	PIC ID #:	Facing West
Subject:	Disposal Pump	Pic Orientation:	Picture #1
FEL:		LATITUDE	
FSL:		LONGITUDE	
API#:			
Date:	8/1/2016	TIME:	AM
Staff:	Mike Heffern		

Additional Information:

This picture #1 shows the disposal pump in the pumphouse on the Tipton lease, the pump is not running, no pressure on the guage.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator:	Nordmeyer Oil	KLN:	#6788
Lease:	Tipton	Legal:	21-25-14
County	WO	PIC ID #:	Facing South
Subject:	Disposal Pump	Pic Orientation:	Picture #2
FEL:	2425	LATITUDE	37.85748
FSL:	2446	LONGITUDE	-95.87488
API#:	15-207-2445-00-00		
Date:	8/1/2016	TIME:	AM
Staff:	Mike Heffern		

Additional Information:

This picture #2 shows the disposal well on the Tipton lease, no guage on the well.