

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

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

In the matter of the failure of Patrick Development Corporation (“Operator”) to comply with K.A.R. 82-3-400 at the Hegwald #d-1 (WSW), Hendricks #PDC 11, Hendricks #PDC 10 and Henrichs #PDC 9 wells in Woodson and Allen Counties, Kansas.)	Docket No. 15-CONS-197-CPEN
)	
)	CONSERVATION DIVISION
)	
)	License No. 6279
)	

STAFF’S RESPONSE TO OPERATOR’S PETITION FOR RECONSIDERATION

The Commission’s February 3, 2015, Order on Appeal was a perfectly reasonable decision and should be affirmed. Contrary to Operator’s assertions, the Order is not utterly shocking,¹ or completely mysterious,² or very dangerous,³ or grossly unfair,⁴ or even bizarre.⁵ In support, Staff offers the following:

I. STATEMENT OF FACTS

1. This matter was initiated via the Commission’s August 26, 2014, Penalty Order. On September 24, 2014, Operator filed an appeal.
2. On December 1, 2014, Staff Litigation Counsel emailed a settlement offer to Operator’s Counsel. Operator’s petition for reconsideration includes the email, but not the settlement offer. Operator’s petition for reconsideration also includes a string of emails on the matter, but not the final response from Operator’s Counsel, or a December 29, 2014, letter

¹ See Petition for Reconsideration, ¶5.

² *Id.*, ¶6.

³ *Id.*, ¶7.

⁴ *Id.*, ¶8.

⁵ See Exhibit A to this Response (Jeff Kennedy’s January 16, 2015, email).

referred to in the emails. The settlement offer is attached to this response as Exhibit B, and the full exchange, including the December 29, 2014 letter, is attached to this response as Exhibit C.

3. On December 2, 2014, Operator filed a motion for a continuance, stating that it appeared that the penalty could be resolved by settlement agreement, and that it would be a gross misuse of resources to prepare for and participate in a hearing if the matter could be resolved.⁶

4. On December 8, 2014, the Prehearing Officer granted the motion, stating that Staff's pre-filed testimony would be due by December 29, 2014, and Operator's pre-filed testimony would be due by January 5, 2014, with the hearing scheduled for January 15, 2015. The Prehearing Officer's order stated that failure to meet any deadline may result in a default order or the exclusion of evidence by the Commission.

5. Staff timely submitted pre-filed testimony. Operator never submitted pre-filed testimony. As a result, on January 6, 2015, Staff filed a motion for a default order, asking the Commission to issue an order that would mimic the settlement agreement that was offered back on December 1, 2014. Operator's Counsel filed a response in opposition, calling it a complete abuse of Operator's due process rights, ludicrous, and in fact the most egregious effort to violate basic due process rights he had ever seen in his 30 years practicing before the Commission.⁷ Operator insisted that it wanted to cross-examine Staff's witness, and further stated that it now had strong reservations about agreeing to a settlement.⁸ On January 8, 2015, Staff withdrew its motion for a default order mimicking the terms of the settlement agreement Staff had offered on December 1, 2014.

6. On January 12, 2015, Operator's Counsel emailed Staff's Litigation Counsel, stating that Operator would agree to the terms of the December 1, 2014, settlement agreement,

⁶ Motion for Continuance, ¶2 and ¶3.

⁷ Response of Patrick Development Corporation to Commission Staff's Motion for a Default Order.

⁸ *Id.*

and that as soon as his client approved the agreement, he would send it.⁹ He also asked that Staff's Litigation Counsel inform the Commission that a hearing was unnecessary.¹⁰ Staff's Counsel and Operator's Counsel then had a telephone conversation about the matter.¹¹

7. On January 14, 2015, Staff Litigation Counsel sent an email to Operator's Counsel, stating that without a signed settlement agreement, the hearing could not be cancelled, but that if the signed settlement was not received, then Staff would recommend that the Commission issue an order providing the same terms as the offered in the settlement.¹²

8. On January 15, 2015, Operator did not attend the scheduled hearing before the Commission. Staff made its promised recommendation to the Commission, but the Commission did not agree that the settlement was appropriate. Instead, the Commission affirmed the original \$1,000 penalty regarding the Hegwald #d-1 (WSW), assessed the costs of the court reporter to Operator, and directed its advisory counsel to draft an order on appeal to that effect.

9. On January 20, 2015, five days after Operator was notified of the Commission's decision at hearing,¹³ Staff received a signed settlement agreement from Operator.¹⁴

II. ARGUMENT

10. Staff is in the somewhat awkward position of supporting a Commission order that went against Staff's recommendation. The Commission's decision was firmly supported by the evidence, however, and the decision should stand. Operator should not be rewarded by this matter dragging out any further, in a situation such as this, where we have an operator that:

- a. requested a hearing;

⁹ See Exhibit C (Jeff Kennedy's January 12, 2015, email).

¹⁰ See *id.*

¹¹ See *id.* (Jon Myers's January 14, 2015, email).

¹² See *id.*

¹³ See Exhibit A.

¹⁴ See Exhibit D.

- b. declined to submit any pre-filed testimony;
- c. expressed outrage at a motion for a default order under the terms a settlement agreement proposed by Staff, insisting upon its desire to cross-examine;
- d. turned around one week later and said it would sign a settlement agreement on those very same terms;
- e. failed to sign and provide the same settlement agreement prior to hearing, the very same settlement agreement that it had had in its possession for over six weeks; and
- f. neglected to show up at the hearing that it had repeatedly requested.

11. Operator seems to think that the emails between Operator's Counsel and Staff's Counsel should have resulted in a binding agreement between parties. But in his January 12, 2015, email, Operator's Counsel said "As soon as my client approves the agreement, I will send it to you."¹⁵ As of the hearing date, Staff did not have a signed settlement agreement.

12. Moreover, the settlement agreement itself says "If the Commission does not approve this Settlement Agreement by a signed Order, then this Settlement Agreement shall not be binding upon either party."¹⁶ The Commission never approved the settlement agreement.

13. Operator did not supply a signed settlement agreement until January 20, 2015, five days after the hearing, and after Operator was notified of the results of the hearing. Operator had possession of the settlement agreement for six weeks prior to the hearing. There is simply no telling if or when Operator would have submitted a settlement agreement without being informed of the Commission order.

¹⁵ See Exhibit C (Jeff Kennedy's January 12, 2015, email).

¹⁶ See Exhibit B, Introductory Paragraph.

14. Operator was well aware that a hearing would take place in this matter unless Staff timely received a signed settlement agreement.¹⁷ In response to Staff's Counsel informing Operator of this fact, Operator's Counsel told Staff to "do whatever you want," and then declined to show up to the hearing.¹⁸ Operator argues that it had been advised that this matter was settled, and that there was no need for Operator to attend the hearing.¹⁹ But a review of the correspondence indicates that Staff did not believe the matter to be settled, and believed that a hearing was necessary regardless of whether Operator elected to attend.

15. If Operator wanted the hearing to be continued or cancelled, then Operator could have made such a request to the Commission. Staff Litigation Counsel has absolutely no power to continue or cancel a Commission-ordered hearing. Nevertheless, Operator asked Staff Counsel to cancel the hearing despite the lack of a signed settlement, and decided not to show up when informed that cancellation of the hearing would not and could not happen. In short, Operator had its opportunity to contest the penalty order at hearing, but elected not to do so. Thus, it makes sense that the penalty order as it pertains to the Hegwald #d-1 (SWD) should stand in full.

16. It also makes sense that the Commission assessed Operator the costs of the court reporter. Operator itself stated that it would be a gross misuse of resources to prepare for and participate in a hearing if the matter could be resolved by settlement.²⁰ But Operator failed to actually sign a settlement in a timely manner, and then did not show up to the hearing, directly resulting in the very misuse of resources that Operator allegedly wished to avoid.

17. In its petition for reconsideration, Operator contends that it makes no sense that Operator's amended U3C Form for the Hegwald #d-1 (WSW), submitted after the penalty order

¹⁷ See Exhibit C.

¹⁸ See *id.* (Jeff Kennedy's January 16, 2015, email).

¹⁹ See Petition for Reconsideration, ¶3-4.

²⁰ Motion for Continuance, ¶2 and ¶3.

was issued, did not result in a rescission of the penalty.²¹ If Operator wished to make this argument, it could have shown up at hearing. Simply put, it is not a proper issue for the Commission to now consider in a petition for reconsideration.

18. Nevertheless, Operator's argument is without merit. Operator was penalized for reported over-pressurization at the Hegwald #d-1 (WSW), based upon Operator's own U3C Form indicating that across multiple months Operator injected at 150 psi.²² The well, however, was authorized for 0 psi.²³ After the penalty was issued, Operator submitted an amended form in which Operator reported that the authorized pressure was 500 psi but that it had injected at gravity.²⁴ Operator also made various changes to the volume of fluid that had been injected.²⁵

19. Operator states that the original form was clearly erroneous, but it is hard to see how that conclusion can be drawn from reviewing the forms. At any rate, K.A.R. 82-3-409 requires operators to keep and report current, accurate records. If Operator did not over-pressurize the Hegwald #d-1 (WSW) in violation of K.A.R. 82-3-400 as reported on its original form, a position that it did not show up at hearing to dispute, then it violated K.A.R. 82-3-409 by providing inaccurate records when it filed the original form, the position it took when it belatedly signed the settlement after the hearing had taken place.²⁶

²¹ See Petition for Reconsideration, ¶2, ¶8.

²² See Exhibit E of this Response.

²³ See Penalty Order at Exhibit A, p. 1.

²⁴ See Exhibit F of this Response.

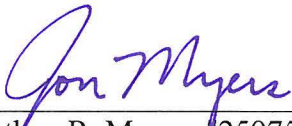
²⁵ See *id.*

²⁶ See Exhibit D, Settlement Agreement, ¶3, ¶5.

III. CONCLUSION

Although the Commission's Order on Appeal went against Staff's recommendation at hearing, it was fully supported by the evidence on record. Operator had ample opportunity to resolve this matter, and Staff is fully supportive of the Order on Appeal. To allow this matter to drag out any longer would be a disservice to Staff and the general public. Operator's petition for reconsideration should be denied.

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: 316-337-6106

Jon Myers

From: Kennedy, Jeff <jkennedy@martinpringle.com>
Sent: Friday, January 16, 2015 12:00 PM
To: Jon Myers
Cc: Ryan A. Hoffman
Subject: RE: Patrick Development, KCC Dcts. 15-197, 15-545, & 15-563

Thanks for this information. With respect to the Hegwald well matter, since the members of the Commission have decided not to accept an agreement entered into by a member of its staff and ignored, apparently, your suggestion that I need not attend the hearing, a hearing that should not have been convened in the first place, I am going to do everything by the book from this point forward. When I get the bizarre Order you describe I will deal with it. Our client will be requesting a hearing on the Penalty Order I received in Docket No.: 15-CONS-545-CPEN and whether those wells should or will be shut-in will necessarily be addressed in the Request for a Hearing. You might as well go ahead and file your motion to show cause on the well inventory issue since it makes no sense to me to deal with 5 wells when the Commission apparently believes there are numerous other wells that should be included within the Patrick Development's inventory.

From: Jon Myers [<mailto:j.myers@kcc.ks.gov>]
Sent: Thursday, January 15, 2015 11:47 AM
To: Kennedy, Jeff
Subject: Patrick Development, KCC Dcts. 15-197, 15-545, & 15-563

Jeff:

Here's an update on Patrick Development compliance issues.

At the hearing in Docket 15-CONS-197-CPEN today, I moved for the Commission to issue an order incorporating the terms of the settlement agreement. The Commission declined to do so. Instead, the Commission instructed advisory counsel to draft an order affirming a \$1,000 penalty and charging the costs of the court reporter to Patrick Development. I suspect the order will be issued within the next couple of weeks, although that is out of my hands.

At the open meeting on Tuesday, in Docket 15-CONS-545-CPEN the Commission approved a penalty order against Patrick Development for unauthorized injection at ten wells. The order assessed a \$9,000 penalty and instructs Patrick Development to shut-in and disconnect the wells by January 20th. If the wells are not shut-in and disconnected by that time, then Staff is directed to shut-in and disconnect the wells themselves, and to assess an additional \$25,000 penalty. Although a copy of the order has been mailed to you, I have attached a copy.

At the open meeting today, in Docket 15-CONS-15-563-CPEN the Commission approved a penalty order against Patrick Development for failure to provide U3C Forms reporting 2013 injection at seven wells. The order assessed a \$700 penalty and instructed Patrick Development to submit the forms. I have attached the draft copy of the order that is currently available on our website.

Regarding the well inventory situation, on January 5th I sent an email requesting that Patrick Development provide the specific names/API numbers for the five or so wells that we understand Patrick Development disputes, and to do so within the next two weeks. If we do not receive that data within the next few days, we will likely file a motion to show cause.

Sincerely,
Jon Myers
Litigation Counsel

SETTLEMENT AGREEMENT

This Settlement Agreement is between Patrick Development Corporation (“Operator”) and the Staff of the Corporation Commission of the State of Kansas (“Staff”). The effective date of this Settlement Agreement shall be the date it is approved by an Order of the Commission. If the Commission does not approve this Settlement Agreement by a signed Order, then this Settlement Agreement shall not be binding on either party. This Settlement Agreement shall settle the proceedings instituted in Commission Docket Number 15-CONS-197-CPEN.

A. Background

1. The August 26, 2014, Penalty Order in this docket required Operator to pay \$5,000 for a total of five violations of K.A.R. 82-3-400. Operator filed a timely appeal.
2. Staff has identified a discrepancy in its records regarding the four Hendricks/Henrichs wells. Staff recommends that the penalty regarding these wells should be rescinded.
3. Operator reports that it submitted erroneous data regarding the Hegwald #d-1 (WSW). Operator has submitted an updated Annual Fluid Injection Report (“U3C”) form for the well. Staff recommends that the penalty regarding this well should be reduced, due to the erroneous data submission.

B. Terms of Settlement

4. Instead of paying \$5,000, Operator shall pay \$500 in this docket, which shall be due within 30 days from the date this Settlement Agreement is approved by an Order of the Commission.
5. The Commission shall find that Operator committed one violation of K.A.R. 82-3-409, rather than five violations of K.A.R. 82-3-400.

6. Operator agrees to waive its right to appeal any suspension of Operator's license implemented by Commission Staff due to Operator's failure to comply with this Settlement Agreement.

C. Conclusion

Both parties believe that this Settlement Agreement represents a fair and appropriate resolution to the matters in this docket, and that the Settlement Agreement accomplishes the Commission's duty to enforce Kansas laws pertaining to the protection of usable waters and the prevention of pollution caused by oil and gas activities.

This Settlement Agreement has been agreed to by the undersigned:

Commission Staff

Patrick Development Corporation

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Jon Myers

From: Kennedy, Jeff <jkennedy@martinpringle.com>
Sent: Wednesday, January 14, 2015 4:17 PM
To: Jon Myers
Subject: RE: KCC Dkt 15-CONS-197-CPEN, Patrick Development

When I saw your message after lunch, I again asked my client to sign the Settlement Agreement and email it to me. Notwithstanding that request, and one made Monday, I still don't have it. I see no reason to have any kind of hearing and if it were me I would simply advise the Commission that the matter has been settled, and that a Motion to Approve the Settlement will be forthcoming but you can do whatever you want. As I told you Monday, I will send you the signed Settlement Agreement as soon as I get it.

From: Jon Myers [mailto:j.myers@kcc.ks.gov]
Sent: Wednesday, January 14, 2015 12:59 PM
To: Kennedy, Jeff
Subject: KCC Dkt 15-CONS-197-CPEN, Patrick Development

Jeff,

Per our conversation on Monday, my understanding was that your client would sign the settlement either Tuesday or today. Without a signed settlement agreement, I don't think we can cancel tomorrow's hearing, but I think we can keep it rather short.

If we receive the signed settlement by 9:45 or so tomorrow, then I can file a motion asking for the settlement to be approved. If we don't receive the signed settlement, then at hearing I can reference your email and ask the Commission to issue an order providing the same terms as the settlement. I'd be happy to do that regardless of your attendance (i.e. no motion for default, etc...).

I know we might still receive the signed settlement today or early tomorrow, I just figured I'd outline how Staff would like to handle this if we don't.

Jon Myers

Litigation Counsel
Conservation Division
Kansas Corporation Commission
266 N. Main, Suite 220 | Wichita, KS | 67202-1513
Phone (316) 337-6200 | Fax (316) 337-6106 | <http://kcc.ks.gov/>

From: Kennedy, Jeff [mailto:jkennedy@martinpringle.com]
Sent: Monday, January 12, 2015 2:54 PM
To: Jon Myers
Subject: RE: KCC Dkt 15-CONS-197-CPEN, Patrick Development

Purely to conserve everyone's resources and not to concede that an amended U3C form for the Hegwald well should not result in recession of the penalty, Patrick Development will agree to the terms of the attached Settlement Agreement. As soon as my client approves the agreement, I will send it to you. I trust you advise everyone with the Commission that there is no need for a hearing this Thursday.

From: Jon Myers [mailto:j.myers@kcc.ks.gov]
Sent: Tuesday, December 30, 2014 9:01 AM
To: Kennedy, Jeff
Subject: KCC Dkt 15-CONS-197-CPEN, Patrick Development

Jeff,

I am in receipt of your December 29, 2014, letter regarding this matter, as well as the amended U3C Form. However, as indicated in my December 1, 2014, email, below, receipt of the amended U3C Form does not resolve the issues that were the subject of the Penalty Order.

To resolve them, Patrick Development still needs to sign the settlement agreement, which will reduce the penalty to \$500, due within 30 days of Commission approval of the settlement. I have attached a copy of the settlement agreement.

Sincerely,
Jon Myers
Litigation Counsel
Conservation Division
Kansas Corporation Commission
266 N. Main, Suite 220 | Wichita, KS | 67202-1513
Phone (316) 337-6200 | Fax (316) 337-6106 | <http://kcc.ks.gov/>

From: Jon Myers
Sent: Monday, December 01, 2014 4:17 PM
To: jkennedy@martinpringle.com
Subject: KCC Docket 15-CONS-197-CPEN, Patrick Development, Proposed Settlement

Jeff,

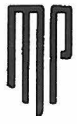
Per our conversation, I've attached a proposed settlement. If we can agree to a settlement, then your client can sign, I'll sign, and then I'll file a motion with the Commission asking them to approve the settlement.

If Patrick Development still maintains that the data submitted for the Hegwald #d-1 was erroneous, then we'll also need Patrick Development to submit an updated U3C form for the Hegwald #d-1. If Patrick Development believes that the data wasn't erroneous, then we can edit the proposed settlement accordingly.

I've also attached a copy of Staff's pre-filed testimony in this matter.

Jon Myers
Litigation Counsel
Conservation Division
Kansas Corporation Commission
266 N. Main, Suite 220 | Wichita, KS | 67202-1513
Phone (316) 337-6200 | Fax (316) 337-6106 | <http://kcc.ks.gov/>

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www.martinpringle.com

December 29, 2014

Via email – j.myers@kcc.ks.gov

Jonathan R. Myers
Litigation Counsel
Conservation Division
Kansas Corporation Commission
266 N. Main, Suite 220
Wichita, Kansas 67202-1513

Re: Patrick Development Corporation
Our File No.: 32985-02

Dear Jon:

As I previously indicated, and now that his health has improved to the point where he can prepare an amended U3C form for 2013 for the Hegwald SWD #1 well, I am submitting that document to you, assuming that will resolve the issues that were the subject of the Penalty Order that was issued. If you have any questions about this, please let me know. I'm having the original of this document delivered to the Commission later today.

Sincerely,

MARTIN, PRINGLE, OLIVER,
WALLACE & BAUER, L.L.P.


Jeff Kennedy

JK/kmt
Enclosure



JEFF KENNEDY
Wichita Office
jkennedy@martinpringle.com

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www.martinpringle.com

January 20, 2015

Via Hand Delivery

Jonathan R. Myers
Kansas Corporation Commission
266 N Main Ste 220
Wichita KS 67202-1513

Received
KANSAS CORPORATION COMMISSION

JAN 20 2015

CONSERVATION DIVISION
WICHITA, KS

Re: Patrick Development Corporation
Docket No. 15-CONS-197-CPEN
Our File No.: 32985-02

Dear Jon:

Notwithstanding the email you sent me on January 15, 2015, regarding the hearing in the referenced docket, I received in Saturday's mail Patrick Development Corporation's check payable to the Kansas Corporation Commission and the Settlement Agreement with our client's approval. I am concerned that the Commission seemingly does not recognize and honor agreements entered into by a member of its Staff and a party under its jurisdiction, as your email message indicates, and if an Order is issued that apparently includes a higher fine and the costs of the hearing, I will have no choice but to file a Petition for Reconsideration. I am sending you the Settlement Agreement with the idea that perhaps the Commission will reconsider its position, accept the settlement that was entered into and accept the \$500 payment for the fine, which again, in my view, is inappropriate since our client submitted a corrected UC3 form.

Once you have gotten some clarity on these issues, please let me know what I can expect. Again, if I have to file a Petition for Reconsideration after I receive the Commission's Order ignoring the settlement, so be it.

Sincerely,

MARTIN, PRINGLE, OLIVER,
WALLACE & BAUER, L.L.P.



Jeff Kennedy

JK/bp
Enc.

Cc: Patrick Development Corporation

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This Settlement Agreement has been agreed to by the undersigned:

Commission Staff

By: _____

Printed Name: _____

Title: _____

Date: _____

Patrick Development Corporation

By: Kerry Patrick

Printed Name: Kerry Patrick

Title: President

Date: 1/15/15

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
ANNUAL REPORT OF PRESSURE MONITORING,
FLUID INJECTION AND ENHANCED RECOVERY**

Form 480C
August 2013
Form must be typed
Form must be completed
on a per well basis

Complete all blocks - add pages if needed. Copy to be retained for two (2) years after filing date.

Operator: License # #6279
Name: Patrick Development Corporation
Address 1: 3408 W. 93rd Street
Address 2: _____
City: Leawood State: KS Zip: 66206
Contact Person: Kerry Patrick
Phone: (913) 383-2814
License Name: Hegwald
Well Number: SWD #1

Permit Number: (S) (D) - 8950 517992
API No.: 15-207-02,483-0001
Reporting Period: 2013
January 1, 20 13 to December 31, 20 13
Sec. 30 Twp. 26 S. R. 17 ☒ E ☐ W
5200 feet from ☐ N / ☒ S Line of Section
3240 feet from ☒ E / ☐ W Line of Section
Legal Description of Lease or Unit:
Lot 10, 30-26-17E
County: Woodson

If new operator, list previous operator: _____

I. Injection Fluid:

Type: ☐ Fresh Water ☐ Treated Brine ☐ Untreated Brine ☐ Water/Brine
Source: ☐ Produced Water ☐ Other (Attach List)
Quality: Total Dissolved Solids: _____ mg/l Specific Gravity: _____ Additives: _____
(Attach water analysis, if available)

KCC WICHITA

APR 08 2014

RECEIVED

II. Well Data:

Type Completion: ☐ Tubing & packer, packer setting depth: _____ feet; ☐ Packerless (tubing, but no packer); ☐ Tubingless
Maximum Authorized Injection Pressure: _____ psi Injection Zone: _____
Maximum Authorized Injection Rate: _____ barrels per day
Total Number of Enhanced Recovery Injection Wells Covered by This Permit: _____ (Include 2013)

Month	Total Volume Injected		# Days of Injection	Minimum Injection Pressure	Average Pressure Tubing/Casing Annulus
	BBL	MCF			
January	320		15	150	
February	320		15	150	
March	0		0	0	
April	0		0	0	
May	0		0	0	
June	0		0	0	
July	920		30	150	
August	920		30	150	
September	420		15	150	
October	320		10	150	
November	320		10	150	
December	120		5	150	
TOTAL	3660				

Print and Mail to: KCC - Conservation Division, 138 S. Market - Room 2078, Wichita, Kansas 67202

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.

Amended
OPERATOR: License # #6279
Name: Patrick Development Corp.
Address 1: 3408 W. 93rd St.
Address 2:
City: Leawood State: KS Zip: 66206
Contact Person: Kerry Patrick
Phone: (913) 381-2814
Lease Name: Hegwald
Well Number: SWD #1

Permit Number: (E) (D) - 8990
API No.: 15-
Reporting Period: January 1, 2013 to December 31, 2013
Sec 30 Twp 26 S. R. 17 ☐ E ☐ W
5200 feet from ☐ N / ☒ S Line of Section
3240 feet from ☒ E / ☐ W Line of Section
Legal Description of Lease or Unit: Rose
Lot 10, 30-26-17E
County: Woodson

If new operator, list previous operator: _____

I. Injection Fluid:

Type: ☐ Fresh Water ☐ Treated Brine ☐ Untreated Brine ☐ Water/Brine
Source: ☒ Produced Water ☐ Other (Attach List)
Quality: Total Dissolved Solids: _____ mg/l Specific Gravity: _____ Additives: _____
(Attach water analysis, if available)

II. Well Data:

Type Completion: ☐ Tubing & packer, packer setting depth: _____ feet; ☒ Packerless (tubing, but no packer); ☐ Tubingless
Maximum Authorized Injection Pressure: 500 psi Injection Zone: _____
Maximum Authorized Injection Rate: 50 barrels per day
Total Number of Enhanced Recovery Injection Wells Covered by This Permit: _____ (Include TA's)

Month	Total Volume Injected		# Days of Injection	Maximum Injection Pressure	Average Pressure Tubing/Casing Annulus
	BBL	MCF			
January	300		15	00	
February	300		15	00	
March	0		0		
April	0		0		
May	0		0		
June	0		0		
July	900		30		
August	900		20		
September	400		15		
October	300		10		
November	300		10		
December	100		5		
TOTAL	3500	0			

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

Received
KANSAS CORPORATION COMMISSION

DEC 29 2014

CONSERVATION DIVISION
WICHITA, KS

Exhibit F

CERTIFICATE OF SERVICE

I certify that on 2/20/15, I caused a complete and accurate copy of this Response to be served via United States mail, with the postage prepaid and properly addressed to the following:

Jeff Kennedy
Martin, Pringle, et al.
100 North Broadway, Suite 500
Wichita, Kansas 67202
Attorney for Patrick Development Corporation

And delivered by hand to:

Lane Palmateer
Conservation Division Central Office

/s/ Jonathan R. Myers
Jonathan R. Myers
Litigation Counsel
Kansas Corporation Commission