# THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners: Andrew J. French, Chairperson

Dwight D. Keen Annie Kuether

In the matter of the failure of JBG Oil & Gas Company, LLC (Operator) to comply with X.A.R. 82-3-111 at the Tuttle #1-16, Tuttle CONSERVATION DIVISION #2-8, Tuttle "A" #1, and Tuttle A #1-9 in Clark County, Kansas.

Docket No.: 25-CONS-3392-CPEN CONSERVATION DIVISION

CONSERVATION DIVISION
License No.: 34842

### **PENALTY ORDER**

The Commission finds Operator has violated K.A.R. 82-3-111 regarding the captioned wells, assesses a \$400 penalty, directs Operator to come into compliance, and further rules as more fully described below.

#### I. JURISDICTION

- 1. K.S.A. 74-623 provides the Commission exclusive jurisdiction and authority to regulate oil and gas activities in Kansas. K.S.A. 55-152 provides the Commission with jurisdiction to regulate the construction, operation, and abandonment of any well, and also the protection of the usable water of this state from any actual or potential pollution from any well. The Commission has licensing authority under K.S.A. 55-155.
- 2. K.S.A. 55-162 and K.S.A. 55-164 provide the Commission authority to issue penalty orders for violations of Chapter 55 of the Kansas Statutes Annotated, or of any rule, regulation, or order of the Commission. Under K.S.A. 55-164, a penalty order may include a monetary penalty of up to \$10,000, the penalty must constitute a substantial and actual economic deterrent to the violation, and each day of a continuing violation constitutes a separate violation.
- 3. 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. If not plugged or returned to service, the operator must obtain TA approval; TA status may be denied by the Conservation Division if necessary to prevent pollution. A well shut-in for 10 years or more cannot be granted TA status without the operator filing an application for an exception pursuant to K.A.R. 82-3-100 and approval from the Commission. K.A.R. 82-3-111(e) provides a TA exemption for certain wells fully equipped and capable of production.

#### II. FINDINGS OF FACT

- 4. Operator is licensed to conduct oil and gas activities in Kansas and is responsible for the following wells (Subject Wells) in Clark County, Kansas:
  - a. Tuttle #1-16, API #15-025-21128-00-00, located in Section 16, Township35 South, Range 21 West;
  - b. Tuttle #2-8, API #15-025-21067-00-00, located in Section 8, Township 35South, Range 21 West;
  - c. Tuttle "A" #1, API #15-025-21460, located in Section 8, Township 35 South, Range 21 West; and
  - d. Tuttle A #1-9, API #15-025-21088, located in Section 9, Township 35 South, Range 21 West.
- 5. On April 10, 2025, Commission records indicated the Subject Wells had been inactive and unplugged for longer than the 90 days allowed by K.A.R. 82-3-111, that the wells were not exempt pursuant to K.A.R. 82-3-111(e), and that the wells were not approved for TA status. Thus, Commission Staff sent letters to Operator, requiring Operator to bring the Subject Wells into compliance with K.A.R. 82-3-111 by April 24, 2025.

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<sup>&</sup>lt;sup>1</sup> Exhibit A.

6. On May 06, 2025, Commission Staff inspected the Subject Wells, because the deadline in the letters had passed and the violations had not been resolved, verifying that the wells continued to be inactive and unplugged.<sup>2</sup>

#### III. CONCLUSIONS OF LAW

- 7. The Commission has jurisdiction over Operator and this matter under K.S.A. 74-623 and K.S.A. 55-152.
- 8. Operator has committed four violations of K.A.R. 82-3-111 because the Subject Wells have been inactive in excess of the time allowed by regulation without being plugged, returned to service, or approved for TA status.<sup>3</sup>

### THEREFORE, THE COMMISSION ORDERS:

- A. Operator shall pay a \$400 penalty.
- B. Operator shall plug the Subject Wells, or return the wells to service, or obtain TA status for the wells if eligible.
- C. Commission Staff may require Staff-witnessed static fluid level measurements before a Subject Well is returned to service. A Subject Well may not be returned to service if (1) any measurement has shown fluid in the wellbore at or above the appropriate minimum surface casing requirement described in Table I of the Commission's August 1, 1991, Order in Docket 34,780, (2) any measurement has shown fluid in the wellbore at or above any salt formation or other corrosive formation, or (3) in the opinion of Staff, variation in measurements indicates the possibility of a casing leak. Provided, however, a Subject Well may be returned to service upon (a) passing a casing integrity test after issuance of this Penalty Order to the satisfaction of Staff, or (b) Staff providing written, well-specific authorization after issuance of this Penalty Order.

<sup>&</sup>lt;sup>2</sup> Exhibit B.

<sup>&</sup>lt;sup>3</sup> K.S.A. 55-164; K.A.R. 82-3-111(b).

- D. Operator 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, to the Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202, within 30 days from the date of service of this Order. <u>A request for hearing must comply with K.A.R. 82-1-219.</u>
- E. Failure to timely request a hearing will result in a waiver of Operator's right to a hearing. If no party timely requests a hearing, then this Order shall become final.
- F. If Operator is not in compliance with this Order and the Order is final, then Operator's license shall be suspended without further notice and shall remain suspended until Operator complies. If a Subject Well has been inactive for more than 10 years and Operator applies for an exception to the 10-year limit on TA status for the Subject Well prior to this Order becoming final, and Operator would be in compliance with this Order if the application were approved, then suspension shall not be enforced unless: (1) the application is denied, and (2) 30 days have elapsed since the denial. The notice and opportunity for a hearing on this Order shall constitute the notice required by K.S.A. 77-512 regarding license suspension.
- G. A party may petition for reconsideration of a final order pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).<sup>4</sup>
- H. Credit card payments may be made by calling the Conservation Division at 316-337-6200. Checks and money orders shall be payable to the Kansas Corporation Commission.

  Payments shall be mailed to the Kansas Corporation Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202. Payments must reference the docket number of this proceeding.

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<sup>&</sup>lt;sup>4</sup> See K.S.A. 55-162; K.S.A. 55-164; K.S.A. 55-606; K.S.A. 55-707; K.S.A. 77-503(c); K.S.A. 77-531(b).

# BY THE COMMISSION IT IS SO ORDERED.

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French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 06/12/2025	Culs &		
	Celeste Cheney-Tucker Executive Director		
Mailed Date: 06/12/2025			



Corporation Commission

Laura Kelly, Governor

### **NOTICE OF VIOLATION**

April 10, 2025 KCC Lic.-34842

JBG OIL & GAS COMPANY LLC 2622 CR GG ASHLAND KS 67831-3125

RE: API Well No. 15-025-21128-00-00

TUTTLE 1-16 16-35S-21W, NWNWNE CLARK County, Kansas

Dear Operator:

According to KCC records, the temporary abandonment (TA) status for this well expired on January 16, 2025, and you are in probable violation of K.A.R. 82-3-111. An operator may apply to the Conservation Division for a TA status extension prior to the expiration of its TA approval period.

If you file a TA application with the District Office by APRIL 24, 2025, we will process the application. If you do not file an application by this date, or advise the District Office in writing the date the well returned to service, I will refer the matter to our legal department with a recommendation that the Commission take formal enforcement action including a monetary penalty and an order for you to plug the well.

You may contact me at the number below if you have any questions.

Sincerely,



Corporation Commission

Laura Kelly, Governor

### NOTICE OF VIOLATION

April 10, 2025 KCC Lic.-34842

JBG OIL & GAS COMPANY LLC 2622 CR GG ASHLAND KS 67831-3125

RE: API Well No. 15-025-21067-00-00 TUTTLE 2-8 8-35S-21W, S2S2SE CLARK County, Kansas

Dear Operator:

According to KCC records, the temporary abandonment (TA) status for this well expired on January 16, 2025, and you are in probable violation of K.A.R. 82-3-111. An operator may apply to the Conservation Division for a TA status extension prior to the expiration of its TA approval period.

If you file a TA application with the District Office by APRIL 24, 2025, we will process the application. If you do not file an application by this date, or advise the District Office in writing the date the well returned to service, I will refer the matter to our legal department with a recommendation that the Commission take formal enforcement action including a monetary penalty and an order for you to plug the well.

You may contact me at the number below if you have any questions.

Sincerely,



Corporation Commission

Laura Kelly, Governor

### **NOTICE OF VIOLATION**

April 10, 2025 KCC Lic.-34842

JBG OIL & GAS COMPANY LLC 2622 CR GG ASHLAND KS 67831-3125

RE: API Well No. 15-025-21460-00-00 TUTTLE "A" 1

8-35S-21W, NW

CLARK County, Kansas

Dear Operator:

According to KCC records, the temporary abandonment (TA) status for this well expired on January 16, 2025, and you are in probable violation of K.A.R. 82-3-111. An operator may apply to the Conservation Division for a TA status extension prior to the expiration of its TA approval period.

If you file a TA application with the District Office by APRIL 24, 2025, we will process the application. If you do not file an application by this date, or advise the District Office in writing the date the well returned to service, I will refer the matter to our legal department with a recommendation that the Commission take formal enforcement action including a monetary penalty and an order for you to plug the well.

You may contact me at the number below if you have any questions.

Sincerely,



Corporation Commission

Laura Kelly, Governor

### **NOTICE OF VIOLATION**

April 10, 2025 KCC Lic.-34842

JBG OIL & GAS COMPANY LLC 2622 CR GG ASHLAND KS 67831-3125

RE: API Well No. 15-025-21088-00-00 TUTTLE A 1-9 9-35S-21W, S2SW CLARK County, Kansas

Dear Operator:

According to KCC records, the temporary abandonment (TA) status for this well expired on January 16, 2025, and you are in probable violation of K.A.R. 82-3-111. An operator may apply to the Conservation Division for a TA status extension prior to the expiration of its TA approval period.

If you file a TA application with the District Office by APRIL 24, 2025, we will process the application. If you do not file an application by this date, or advise the District Office in writing the date the well returned to service, I will refer the matter to our legal department with a recommendation that the Commission take formal enforcement action including a monetary penalty and an order for you to plug the well.

You may contact me at the number below if you have any questions.

Sincerely,

Date: 05/06/25	District: 1	Case #:	
	New Situation	Lease Inspection	
	Response to Request	Complaint	
	Follow-Up Field Report		
Operator License No: 34842	API Well Number: 15-02	25-21128-00-00	
Op Name: JBG Oil & Gas Company LLC	Spot: SE-SW-NW-SE	Sec 16 Twp 35 S Rng 21 E / W	
Address 1: 2622 CR GG	364	Feet from N/S Line of Section	
Address 2:	.2231	Feet from Feet from W Line of Section	
City: Ashland	GPS: Lat: 37.00092	Long: 99.60350 Date: 5/6/25	
State: KS Zip Code: 67831 -3125		Well #: <u>1-16</u>	
Operator Phone #: <u>(620)</u> 635-4461	County: Clark		
Reason for Investigation:		41	
Constitution of the Consti			
Expired TA			
Problem:			
Well is to be plugged, returned to service, or	obtain TA.		
von io to be plagged, retained to cervice, e.	<del></del>		
1	1		
Persons Contacted:			
None			
		9 9,1	
Findings:			
10:00 AM			
2 35 5 5 C 1 1 2 5 C 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			
Tank Battery on location. TB consists of two 2	250 BBL steel stock tar	nks, and a 300 BBL steel stock tank.	
		valuet avaduation was in 2019	
Valves on well are open. Meter run shows no	production. KGS snov	vs last production was in 2016.	
		v	
		,	
0			
Action/Recommendations: Follow	Up Required ✓ Yes N	o Date: <u>5/6/25</u>	
Send to Legal			
70007			
Verification Sources:		Photos Taken:	
✓ RBDMS ✓ KGS	`A Program		
	Courthouse By: Nat	han Feldkamp	
✓ Other: On-Site Inspection			
Retain 1 Copy District Office			
Send 1 Copy to Conservation Division		Form:	

Exhibit B Page 1 of 8



5/6/25

JBL Oil & Gas Company LLC

Tuttle 1-16

SE 16-35S-21W, Clark County

Facing East

Date: <u>05/06/25</u>	District: 1	Case #:				
WIND TO THE PROPERTY OF THE PR	New Situation	Lease Inspection				
	Response to Request	Complaint				
	Follow-Up	Field Report				
	runun op	<u>V</u>				
Operator License No: 34842	API Well Number: 15-025-21067-00-00					
Op Name: JBG Oil & Gas Company LLC	Spot: SW-SW-SE-SE	Sec 8 Twp 35 S Rng 21 E / W				
Address 1: 2622 CR GG		Feet from N/✓S Line of Section				
Address 2:		Feet from Feet from VE/W Line of Section				
City: Ashland		Long: 99.61831 Date: 5/6/25				
State: KS Zip Code: 67831 -3125		Well #: <u>2-8</u>				
Operator Phone #: (620) 635-4461		:				
Reason for Investigation:						
Expired TA						
Problem:						
Well is to be plugged, returned to service, or	obtain TA.					
Persons Contacted:	<u> </u>					
None						
		11 7 7 7 1				
Findings:						
10:30 AM						
10.00 7		" 1				
Tank Battery on location. TB consists of a 20	00 BBL steel stock tank	and a gas pack				
Valves on well are open. Meter run shows n	o production. KGS sho	ws last production was in 2022.				
=						
III.						
Action/Recommendations: Follo	ow Up Required Ves	No Date: <u>5/6/25</u>				
Send to Legal						
Cond to Logar						
		i i				
Verification Sources:		Photos Taken:				
Start Doughay Constitute (Start Agency Anticological Constitute (Start Agency Anticological Constitute (Start Agency Anticological Constitute (Start Agency Anticological Constitute (Start Agency Age	TA Program					
	Courthouse By: Na	than Feldkamp				
	Continouse	*				
✓ Other: On-Site Inspection						
Retain 1 Copy District Office Send 1 Copy to Conservation Division						

Exhibit B Page 3 of 8



5/6/25

JBL Oil & Gas Company LLC

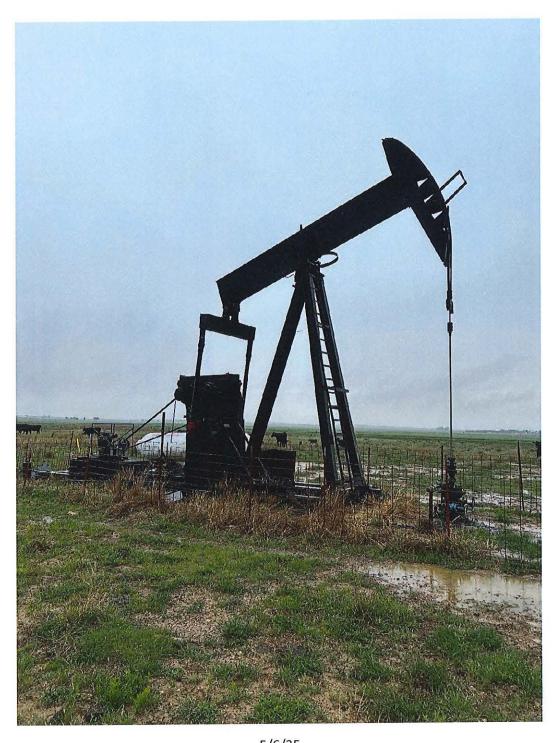
Tuttle 2-8

SE 8-35S-21W, Clark County

Facing Northwest

Date: <u>05/06/25</u>	District: 1	Case #:			
	New Situation	Lease Inspection			
	Response to Request	Complaint			
	Follow-Up	Field Report			
Onesetes Lieure No. 24942	ADI W. II N 45 00	E 21460 00 00			
Operator License No: 34842	API Well Number: 15-02				
Op Name: JBG Oil & Gas Company LLC		Sec 8 Twp 35 S Rng 21 E / W			
Address 1: 2622 CR GG		Feet from N/VS Line of Section			
Address 2:City: Ashland		Feet from			
State: KS Zip Code: 67831 -3125		Well #:			
Operator Phone #: (620) 635-4461		, , , , , , , , , , , , , , , , , , ,			
Reason for Investigation:	- CHEIR				
Expired TA					
Problem:					
	- L 1 - ! - T A				
Well is to be plugged, returned to service, or	obtain TA.				
-	*				
Persons Contacted:					
None					
Findings:					
10:50	(a)				
10.30		*			
Tank Battery on location. TB consists of a 300 BBL steel stock tanks, and a 300 BBL fiberglass produced water tank.					
Valves on well are open. Meter run has been	disconnected. KGS sho	ows last production was in 2018.			
		F/9/05			
Action/Recommendations: Follow	v Up Required ✓ Yes No	Date: <u>5/6/25</u>			
Send to Legal					
Verification Sources:		Photos Taken:			
✓RBDMS ✓KGS	ΓA Program				
	Courthouse By: Nath	an Feldkamp			
✓ Other: On-Site Inspection					
Retain 1 Copy District Office					
Send 1 Copy to Conservation Division					

Exhibit B Page 5 of 8



5/6/25

JBL Oil & Gas Company LLC

Tuttle "A" 1

NW 8-35S-21W, Clark County

Facing Southwest

Date: <u>05/06/25</u>	District: 1		Case	<b>#:</b>			
	New Si	tuation	Lease Ins	pection			
	Respon	ise to Request	Complain	t			
	Follow		✓ Field Rep	ort			
		. Sec. 4. 5					
Operator License No: 34842	API Well Nu	mber: <u>15-025-2</u>	1088-00-00				
Op Name: JBG Oil & Gas Company LLC				_S Rng <u>21</u> E / <b>√</b> W			
Address 1: 2622 CR GG	_778		Feet from	N/S Line of Section			
Address 2:		.3982 Feet from ✓E / W Line of Secti					
City: Ashland	GPS: Lat: <u>3</u>	GPS: Lat: 37.00526 Long: 99.60928 Date: 5/6/25					
State: KS Zip Code: 67831 -3125	Lease Name:	Lease Name: Tuttle A Well #: 1-9					
Operator Phone #: (620) 635-4461	_ County: C	ark					
Reason for Investigation:							
Expired TA							
Problem:							
Well is to be plugged, returned to service,	or obtain TA.			(8)			
VVoii io to bo piaggoa, retaining to control,							
Persons Contacted:							
None							
Findings:				e1			
10:20 AM							
Tank Battery on location. TB consists of a	200 BBI steel	stock tank and	d gas pack.				
Talk Battery of location. 15 consists of a	200 BBL Steel	Stook tarik ark	a gao paon				
Valves on well are open. Meter run shows	no production	. KGS shows la	ast production	was in 2007.			
Asserted Addresses, agrae or transported as well as the size to the state of the size of t							
Action/Recommendations: Fe	ollow Up Required	√Yes No	Date: _5	5/6/25			
Send to Legal							
Cond to Logar							
Verification Sources:				Photos Taken:			
✓ RBDMS ✓ KGS	TA Program	20/42 0/8/2					
T-I Database District Files	Courthouse	By: Nathar	ı Feldkamp				
✓ Other: On-Site Inspection		-		· · · · · · · · · · · · · · · · · · ·			
Retain 1 Copy District Office							
Send 1 Copy to Conservation Division				Form:			

Exhibit B Page 7 of 8



5/6/25

JBL Oil & Gas Company LLC

Tuttle A 1-9

SW 9-35S-21W, Clark County

Facing South

### **CERTIFICATE OF SERVICE**

#### 25-CONS-3392-CPEN

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of first class mail and electronic service on 06/12/2025.

MARK LUCKIE JBG OIL & GAS COMPANY LLC 2622 CR GG ASHLAND, KS 67831-3125

KELCEY MARSH, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION CENTRAL OFFICE 266 N. MAIN ST, STE 220 WICHITA, KS 67202-1513 kelcey.marsh@ks.gov

KENNY SULLIVAN, DISTRICT #1 SUPERVISOR KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 kenny.sullivan@ks.gov FRED MACLAREN
KANSAS CORPORATION COMMISSION
DISTRICT OFFICE NO. 1
210 E. FRONTVIEW SUITE A
DODGE CITY, KS 67801
frederic.maclaren@ks.gov

ROBYN STALKFLEET, ADMINISTRATIVE SPECIALIST KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 robyn.stalkfleet@ks.gov

/S/ KCC Docket Room

KCC Docket Room