

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

Dwight D. Keen, Chair Shari Feist Albrecht, Commissioner Susan K. Duffy, Commissioner Fax: 346-337-6211 http://kcc.ks.gov/

Phone: 316-337-6200

Laura Kelly, Governor

#### NOTICE OF PENALTY ASSESSMENT

20-CONS-3007-CPEN

July 11, 2019

Ian B. Acrey Prairie Gas Operating, LLC PO Box 2170 Tulsa, OK 74101-2170

This is a notice of a penalty assessment for violation(s) 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:

You have been assessed a \$5,000 penalty. You have 30 days from the service date of this Penalty Order to pay the fine amount. Check or money order must be made payable to the Kansas Corporation Commission and mailed to the Conservation Division of 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. Payment by credit card may be made by calling the Conservation Division at 316-337-6200.

#### IF YOU CONTEST THE PENALTY:

You have the right to request a hearing. A written request for hearing must be made within 30 days after service of the Penalty Order setting forth the specific grounds upon which relief is sought. Respondent must submit the request to the Commission, at 266 N. Main St., Suite 220, Wichita, Kansas 67202. The Commission shall conduct a hearing in accordance with the provisions of the Kansas administrative procedure act within 30 days after receipt of such request. K.S.A. 55-164; K.S.A. 77-542; K.A.R. 82-1-215.

#### **IF YOU FAIL TO ACT:**

Failure to pay the fine amount, or in the alternative, provide a written request for a hearing, within thirty (30) days of service of the Penalty Order, will result in the attached Penalty Order becoming a Final Order and 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. K.S.A. 55-164; K.S.A. 77-537.

Respectfully,

Lauren N. Wright Litigation Counsel 316-337-6200

# THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners: Dwight D. Keen, Chair Shari Feist Albrecht

Susan K. Duffy

In the matter of the failure of Prairie Gas	)	Docket No.: 20-CONS-3007-CPEN
Operating, LLC ("Operator") to comply with	)	
K.A.R. 82-3-603 at the Bounds lease in	)	CONSERVATION DIVISION
Greeley County, Kansas.	)	
	)	License No.: 35442

## **PENALTY ORDER**

The above captioned matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined the files and records, and being duly advised in the premises, the Commission finds and concludes as follows:

#### I. JURISDICTION

- 1. The Commission has the exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.<sup>1</sup> 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." Every operator conducting oil and gas activity in Kansas must be licensed by the Commission.<sup>3</sup>
- 2. The Commission has the authority to issue a Penalty Order for violation of any provision of K.S.A. 55-101 et *seq.*, rule, regulation, or order of the Commission.<sup>4</sup> The Commission shall take appropriate action which may include, but not be limited to, imposing a monetary penalty "not to exceed \$10,000, which shall constitute an actual and substantial economic deterrent to the

<sup>2</sup> K.S.A. 55-152.

<sup>3</sup> K.S.A. 55-155.

<sup>4</sup> K.S.A. 55-162; K.S.A. 55-164.

<sup>&</sup>lt;sup>1</sup> K.S.A. 74-623.

violation for which the penalty is assessed."<sup>5</sup> "In the case of a continuing violation, every day such violation continues shall be deemed a separate violation."<sup>6</sup>

- 3. K.A.R. 82-3-101(a)(69) defines "spill" as any escape of saltwater, oil, or refuse by overflow, seepage, or other means from the vicinity of oil, gas, injection, service, or gas storage wells, or from tanks, pipelines, dikes, or pits, if the wells, tanks, pipelines, dikes, or pits are involved in or related to any of the following:
  - a. the exploration or drilling for oil or gas;
  - b. the lease storage, treatment, or gathering of oil or gas; or
  - c. the drilling, operating, abandonment, or postabandonment of wells. For purposes of this regulation, "vicinity" means the area within six feet of the wellhead.
- 4. K.A.R. 82-3-603(b) provides that the operator shall notify the appropriate district office of any escape of saltwater, oil, or refuse that meets the definition of "spill" in K.A.R. 82-3-101. This notification shall be made no later than the next business day following the date of discovery or knowledge of the spill.<sup>7</sup> The point of discovery or knowledge means that point when the operator knew or reasonably should have known of the spill.<sup>8</sup>
- 5. K.A.R. 82-3-603(e) provides that the operator shall clean up any spill that requires notification under this regulation in accordance with the cleanup method approved by the appropriate district office. The Operator shall complete the clean up of the spill within 10 days after discovery or knowledge, or by the deadline prescribed in writing by the district office.<sup>9</sup>

<sup>&</sup>lt;sup>5</sup> K.S.A. 55-164.

<sup>&</sup>lt;sup>6</sup> *Id*.

<sup>&</sup>lt;sup>7</sup> K.A.R. 82-3-603(b)(2).

<sup>&</sup>lt;sup>8</sup> K.A.R. 82-3-603(b)(4).

<sup>&</sup>lt;sup>9</sup> K.A.R. 82-3-603(e)(1).

6. K.A.R. 82-3-603(f) provides that failure to contain and clean up the spill in accordance with this regulation shall be punishable by a \$1,000 penalty for the first violation, a \$2,500 penalty for the second violation, and a \$5,000 penalty for the third violation.

## II. FINDINGS OF FACT

- 7. The Operator conducts oil and gas activities in Kansas under license number 35442.
- 8. The Operator is responsible for the care and control of the Bounds Lease, located in Section 13, Township 20 South, Range 40 West, Greeley County, Kansas.
- 9. On April 9, 2019, District Staff conducted a lease inspection of the Bounds lease and discovered an unreported spill that affected an approximately 30 feet by 60 feet area. District Staff called and notified the pumper of the spill. On April 18, 2019, District Staff conducted a follow up lease inspection and discovered a second unreported spill. District Staff calculated that a minimum of 160 barrels of chloride brine spread out over approximately 12,000 square feet and that no attempt had been made to remediate either spill site. 12
- 10. On April 24, 2019, District Staff sent a Notice of Violation letter to the Operator giving the Operator until May 8, 2019, to clean up the spills and submit an Unreported Spill Form.<sup>13</sup> On May 7, 2019, the Operator submitted the Unreported Spill Form.<sup>14</sup>
- 11. On May 8, 2019, District Staff Geologist sent a remediation plan to the Operator that required the Operator to complete clean up of the affected spill areas by May 24, 2019. On June 4, 2019, District Staff conducted a follow up lease inspection and discovered the spill had not been remediated. 16

<sup>&</sup>lt;sup>10</sup> Exhibit A.

<sup>&</sup>lt;sup>11</sup> Exhibit B.

<sup>&</sup>lt;sup>12</sup> *Id*.

<sup>&</sup>lt;sup>13</sup> Exhibit C.

<sup>&</sup>lt;sup>14</sup> Exhibit D.

<sup>&</sup>lt;sup>15</sup> Exhibit E.

<sup>&</sup>lt;sup>16</sup> Exhibit F.

- 12. District Staff conducted several follow up lease inspections over the next three weeks. 17 The Operator did not complete clean up and remediation of the affected spill areas until June 28, 2019; 71 days after the spill was discovered by District Staff and 35 days after their final compliance deadline. 18
- 13. As a result of the Operators failure to clean up the spills in a timely manner, District Staff has recommended the Operator be penalized for failure to comply with K.A.R. 82-3-603(e). The Operator has been previously penalized for failure to clean up a spill in a timely manner in dockets 18-CONS-3278-CPEN and 18-CONS-3327-CPEN.

#### III. CONCLUSIONS OF LAW

- 14. The Commission concludes that it has jurisdiction over the Operator and this matter under K.S.A. 55-152 and K.S.A. 74-623.
- 15. The above finding of facts are sufficient evidence to support the conclusion that the Operator committed one violation of K.A.R. 82-3-603(e) because the Operator failed to clean up the spill in a timely manner in accordance with a cleanup method approved by the appropriate district office.
- 16. The Commission takes administrative notice of its Penalty Orders against the Operator in Dockets 18-CONS-3278-CPEN and 18-CONS-3327-CPEN, which each found the Operator to have committed one violation of K.A.R. 82-3-603(e).
- 17. The above finding of facts are sufficient evidence to support the conclusion that this violation constitutes the Operator's third violation according to K.A.R. 82-3-603(f).

<sup>&</sup>lt;sup>17</sup> Exhibit G.

<sup>&</sup>lt;sup>18</sup> *Id*.

<sup>&</sup>lt;sup>19</sup> *Id*.

# THEREFORE, THE COMMISSION ORDERS:

- Operator shall pay a \$5,000 penalty for failure to clean up spills in a timely A. manner.20
- B. If no party requests a hearing, and the Operator is not in compliance with this Order within 30 days from the date of service of this Order, then the 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.
- C. 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. The payment must include a reference to the docket number of this proceeding. Credit card payments may be made by calling the Conservation Division at 316-337-6200.
- D. 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.
  - A corporation shall appear before the Commission by a Kansas licensed attorney.<sup>21</sup> E.

 $<sup>^{20}</sup>$  See ¶¶16, 17 above.

<sup>&</sup>lt;sup>21</sup> K.S.A. 77-515(c); K.A.R. 82-1-228(d)(2).

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

# BY THE COMMISSION IT IS SO ORDERED.

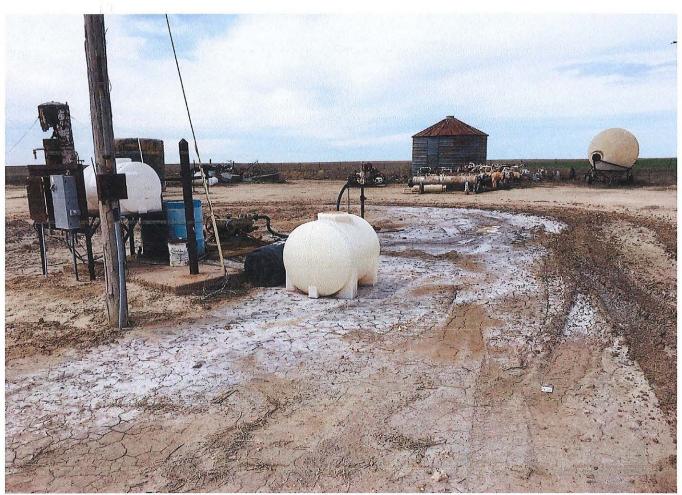
Keen, Chair; Albrecht, Commissioner; Duffy, Commissioner.

Dated: 07/11/2019	Lynn M. Reg
Mailed Date: 07/11/2019	Lynn M. Retz Executive Director
LW	

# KCC OIL/GAS REGULATORY OFFICES

Date: <u>04/23/19</u>	District: 01	Case #:				
<u> </u>	New Situation	Lease Inspection				
	Response to Reque	st Complaint				
	Follow-Up	Field Report				
Operator License No: 35442		5-071-20089-00-00				
Op Name: Prairie Gas Operating, LLC Spot: SW SW Sec 13 Twp 20 S Rng 34						
Address 1: 114 F. 5th ST, Ste 100	133					
Address 2: P.O. Box 2170	5063	Feet from Feet from W Line of Section				
City: Tulsa	GPS: Lat: <u>38.3065</u>	0_Long: 101.69564 Date: 4/9/19				
State: Okla Zip Code: <u>74101 -2170</u>	Lease Name: Bound	S Well #: 2 SWD				
Operator Phone #: (817) 681-7600	County: Greeley	the second secon				
Reason for Investigation:						
Unreported salt water spill	Enclosed 1	and the second of the second o				
Problem:						
Spill has not been reported or cleaned up						
Spill has not been reported or dicance up						
Persons Contacted:						
None						
Findings:		- Carlotte Committee Commi				
	v 60' area on the ear	st and north sides of the well head				
Calculate 15-20 bbls 100,000 ppm bbls Called the lead pumper Brett Cook. So the never called the spill in or called the spill and Apparently happened within the last chloride brine spread out over approximately free fluids.	rine spilled. No atten Said he did not know back. I found a second mu 9 days. Calculated a ximately 12000 squa	npt has been made to clean up the spill.  about the spill but would go check on it.				
4-23-19 Ré check. Same as 4-18-19. No call	iii oi cieanup.	1100				
E-U	w Up Required Yes	No Date:				
	30 State 2 (1975) 200 - 100 (1976) 200 -	Tro Date.				
Send the operator an unreported spill form for	or both spills.	_				
Sand unreported spill letter	& torm.					
		C C . Idada O				
) and the second	all that low	s and 4/24/19MD				
Verification Sources:		Photos Taken: yes 8				
RBDMS KGS	TA Program	1.1.11				
	Courthouse By: _	Ken Jehlik				
Other:		ECRS				
Retain 1 Copy District Office						
Send 1 Copy to Conservation Division	SA	Form: <u>02/22/2008</u>				

Exhibit A Page 1 of 4



A

12tsp.11 Unreported

Preirie Cases Bounds 2 5 WD

SW See 13-20-40 Greeken Co

Solf waterspill

Facility north 4-3-19 RJ

Est 15-20 bills Brine



B

1st spill Unreported

Proirie lows Bounds 2 SWD SW See 13-20-40 GrockyCo 3014 water spill Facing 3W 4-9-19 KJ Ext 15-206/18 brine





1st sp.11 Unreported

Prairie Gos Pounds + Z SWD SW Sec 13-20-40 Greeden Co Sol+ water Spill Focini, NW 4-9-19KJ Est 15-ZOGHS brine





Znd Unreported Spill

Prairiebas 4-18.19 KJ
Bounds 42 SWD
See 13-202 Act Greeken Co
Facing North west



2nd Unreported & pill

Drairie Gos 4-18-19 KS
Bounds \* 15 ND
Sec 13 . 202-40" Greeley lo
Facing east

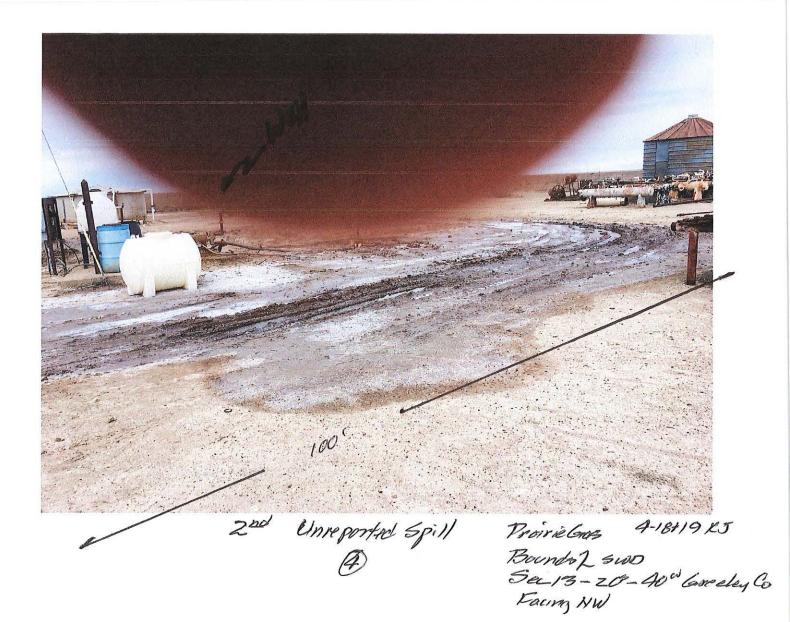


Exhibit B Page 4 of 5



2nd Unreported Spill

Prairie Gas 4-18-19 KJ Bounds 2 5WD Sec 13-20- 40th Greely Co. Facing South west

Conservation Division District Office No. 1 210 E. Frontview, Suite A Dodge City, KS 67801



Phone: 620-682-7933 http://kcc.ks.gov/

Laura Kelly, Governor

Dwight D. Keen, Chair Shari Feist Albrecht, Commissioner Jay Scott Emler, Commissioner

## NOTICE OF VIOLATION

April 24, 2019

IAN B. ACREY PRAIRIE GAS OPERATING, LLC #35442 114 E 5<sup>TH</sup> ST., STE 100 PO BOX 2170 TULSA OK 74101-2170

RE: BOUNDS #2 SWD SWSWSW SEC. 13-20S-34W GREELEY COUNTY, KANSAS

Following a lease inspection conducted on <u>April 09, 2019 & April 18, 2019</u>, on the above captioned lease, it has been determined that you are currently in violation of the General Rules and Regulations of the Kansas Corporation Commission regarding the conservation of crude oil and natural gas. Specifically, you are in violation of K.A.R. 82-3-603. The operator shall notify the appropriate district of any escape of saltwater, oil, or refuse that meets the definition of "spill" in K.A.R. 82-3-101. This notification shall meet the requirements K.A.R 82-3-603(c) and shall be made no later than the next business day following the date of discovery or knowledge of the spill.

The spill must be cleaned up by \_\_\_\_\_May 08, 2019 Prior to commencing clean-up operations, contact the District Office for approval of your cleanup plan. Failure to clean up this spill by the above date will result in this matter being referred to our Legal Staff with a recommendation for a penalty and other possible action.

Enclosed is an Unreported Spill Form to be completed by the operator and returned to the district office by May 08, 2019. This form is for informational purposes only and not to be construed as to supersede regulatory requirements for reporting. Your cooperation in this matter is appreciated. Should you have any questions, you may call the District Office at 620-682-7933.

Sincerely,

Ken Jehlik By M. Pennenda

District #1

cc:File Enclosure

# UNREPORTED SPILL FORM (TO BE COMPLETED BY OPERATOR)

SPECIFIC INFORMATION REGARDING SPILL:  Lease name Bounds #2  Location of spill SW SW SW Sec. 13-20S-40W County Hamilton  Type of material spilled Salt water  Amount of material spilled 15-20 Bbls  Amount of spill recovered To Be Determined  Cause of spill Flow line leak between pump and well head  Did spill material enter any waterway? No  Name of waterway involved N/A  How was spilled material contained and cleaned up? TBD  Extent of damages caused by spill TBD  Was the spill reported to the KCC or any other regulatory agency? No.  Why wasn't the spill reported? Employee Turnover	Operator Name Prairie Gas Operating, LLC
Person to contact regarding spill Glade Inhofe (ext. 1007)  Head of Land Management  Name and address of owner  SPECIFIC INFORMATION REGARDING SPILL:  Lease name Bounds #2  Location of spill SW SW SW Sec. 13-20S-40W County Hamilton  Type of material spilled Salt water  Amount of material spilled T5-20 Bbls  Amount of spill Flow line leak between pump and well head  Did spill material enter any waterway? No  Name of waterway involved N/A  How was spilled material contained and cleaned up? TBD  Was the spill reported to the KCC or any other regulatory agency? No.  Why wasn't the spill reported? Employee Turnover	Address 114 E 5th St. Tulsa, OK 74103
Person to contact regarding spill Glade Inhofe (ext. 1007)  Head of Land Management  Name and address of owner  SPECIFIC INFORMATION REGARDING SPILL:  Lease name Bounds #2  Location of spill SW SW SW Sec. 13-20S-40W County Hamilton  Type of material spilled Salt water  Amount of material spilled T5-20 Bbls  Amount of spill Flow line leak between pump and well head  Did spill material enter any waterway? No  Name of waterway involved N/A  How was spilled material contained and cleaned up? TBD  Was the spill reported to the KCC or any other regulatory agency? No.  Why wasn't the spill reported? Employee Turnover	Telephone number (918) 992-5303
Person to contact regarding spill Glade Inhofe (ext. 1007)  Title Head of Land Management  Name and address of owner  SPECIFIC INFORMATION REGARDING SPILL:  Lease name Bounds #2  Location of spill SW SW SW Sec. 13-20S-40W County Hamilton  Type of material spilled Salt water  Amount of material spilled 15-20 Bbls  To Be Determined  Cause of spill Flow line leak between pump and well head  Did spill material enter any waterway? No  Name of waterway involved N/A  How was spilled material contained and cleaned up? TBD  Extent of damages caused by spill TBD  Was the spill reported to the KCC or any other regulatory agency? No.  Why wasn't the spill reported? Employee Turnover	
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5/7/19 Glade State	the spirit reported to the river of any entire regulatory agoney.
Glaster to for	Why wasn't the spill reported? Employee Turnover
June 10 10	5/7/19
Signature of person filing report  Ex	Date Signature of person filing report

Conservation Division District Office No. 1 210 E. Frontview, Suite A Dodge City, KS 67801



Phone: 620-682-7933 http://kcc.ks.gov/

Laura Kelly, Governor

Dwight D. Keen, Chair Shari Feist Albrecht, Commissioner Susan K. Duffy, Commissioner

May 8, 2019

Ian B. Acrey
Prairie Gas Operating, LLC #35442
114 E. 5<sup>th</sup> St., STE 100
PO Box 2170
Tulsa, Oklahoma 74101-2170

Re: Unreported Spill Clean-up on Bounds Lease Greeley County, KS

To whom it may concern:

Pursuant to K.A.R. 82-3-603(e) (1), Commission District Office #1 hereby gives you a final deadline of May 24, 2019, to complete cleanup of the referenced spill.

District staff has measured the affected area of the spill to be approximately 12,000 square feet; which calculates to be a minimum of 150 barrels of brine spilled. District staff have developed a remediation plan to be completed by the May 24, 2019 deadline.

The remediation plan is as follows: Apply granulated gypsum at a rate of 130 pounds per 1000 square foot along with 250 pounds of hay per 1000 square foot of area, and till in to no less than 6" deep. The area will need to be watered to help activate the gypsum. The gypsum is used to restore the calcium ion, reduce surface crusting, and increase aggregation. The hay is beneficial in stimulating nutrient cycling, as well as improving soil structure by enhancing aggregate formation which in turn improves soil permeability.

Please contact the district office at (620) 682-7933 at least 24 hours prior to beginning remediation so staff can witness.

If the May 24, 2019 deadline is not met you will be considered non-compliant, which may result in Commission Staff recommending a penalty.

You are welcome to contact me with any questions.

Sincerely,

Kenny Sullivan KCC District #1

K/M. Sell

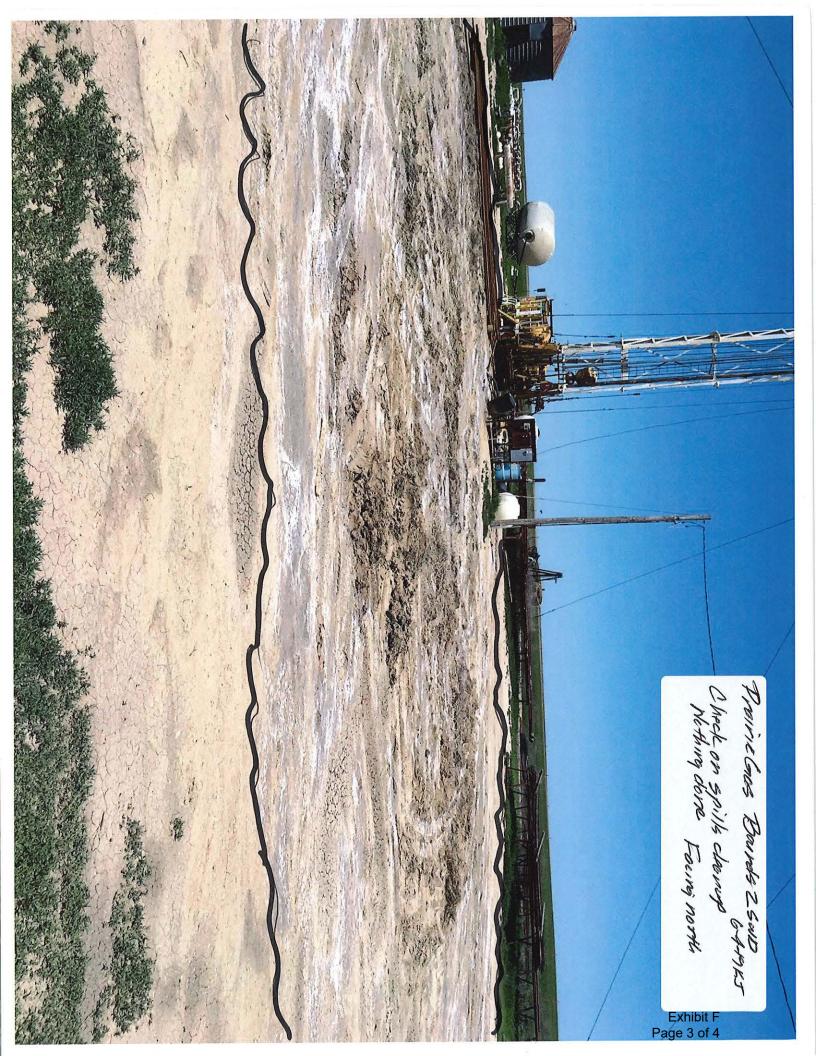
# KCC OIL/GAS REGULATORY OFFICES

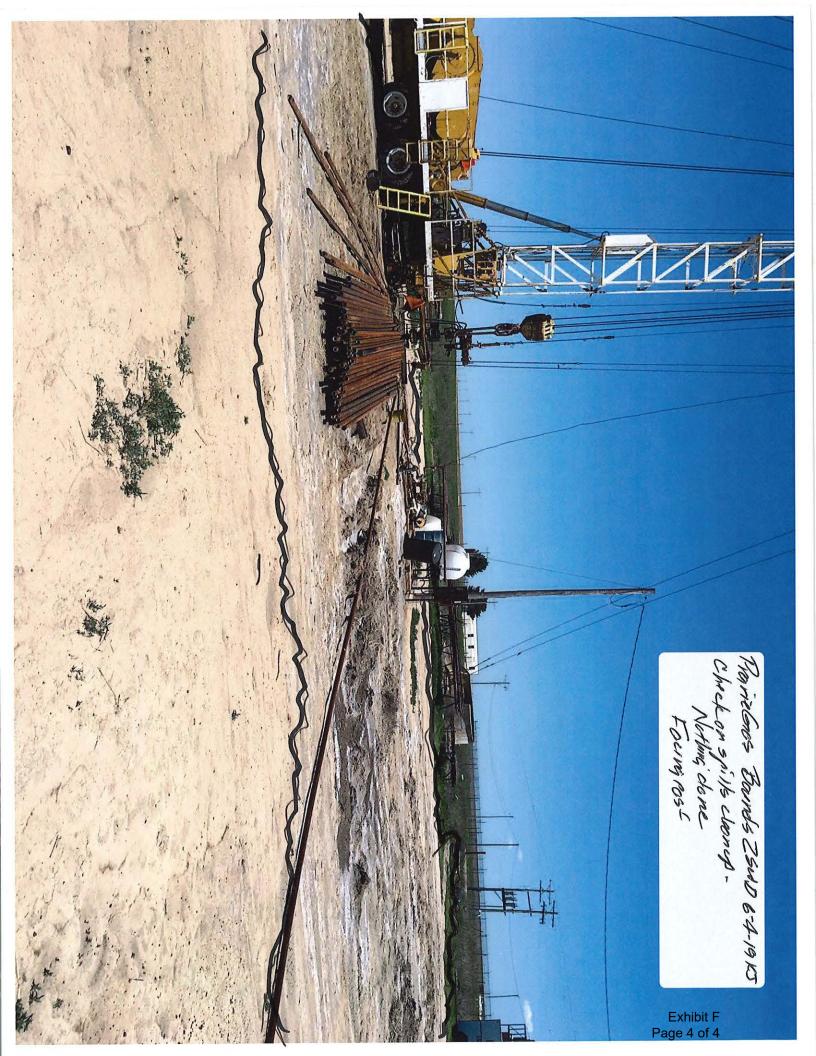
Date: 06/04/19	District: _C	1		Case #:	
	New S			Lease Inspec	tion
	Respo	nse to Request		Complaint	
	Follov	v-Up	V	Field Report	
Operator License No: 35442			071-2008		
Op Name: Prairie Gas Operating, LLC	Spot: <u>SV</u>	SW SW	Sec <u>13</u>	Twp <u>20</u> s	Rng 40 E / W
Address 1: 114 F. 5th ST, Ste 100	133				N/ S Line of Section
Address 2: P.O. Box 2170	5063			Feet from	E/ W Line of Section
City: Tulsa	GPS: Lat:	38.30650	Long: <u>10</u>	1.69564	Date: <u>4/9/19</u>
State: Okla Zip Code: 74101 -2170	Lease Name	Bounds		W	ell #: 2 SWD
Operator Phone #: (817) 681-7600					Charles "
Reason for Investigation:		,			
Unreported salt water spills & failure to clear	מע ר				
Officported dait water opine a failure to died.					
Problem:					
Spills were not been reported nor have they	been clean	ed up			
Persons Contacted:					
Brett Cookpumper					
				v. Total	
Findings:	0	ماداد مالسمين أدر	of the well be		
4-9-19 Affected area is approximately a 30' x 60' area Calculate 15-20 bbls 100,000 ppm brine spilled	l. No attempt h	as been mad	le to clean up	the spill.	1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1
Called the lead pumper Brett Cook. Said he did	d not know abo	out the spill b	ut would go ch	eck on it.	
He never called the spill in or called me back. 4-18-19 Went to check on the above spill and found a	second much la	arger spill tha	t had not bee	n reported.	
Apparently happened within the last 9 days. Ca	alculated a mir	imum of 160	bbis of 100,00	JU ppm	The state of the s
chloride brine spread out over approximately 1 any free fluids. The pumper says that his order	2000 square to a	eet. No appai dvise his Tul:	ent attempt to sa office of the	recover spill and the	y make the decision
to report the spill and how much.					
4-23-19 Re check. Same as 4-18-19. No call in or clea 6-4-19 Re check. Workover rig on the well attempting	nup. to clean out fil	lun. Has bee	n there a cour	ole weeks. Sr	ills have not been
cleaned up and remediated. Kenny Sullivan se	ent a letter to P	rairie Gas da	ted 5-8-19 giv	ing them a fir	nal deadline of 5-24-19 to
have spills cleaned up.					
Action/Recommendations: Follow	w Up Required	Yes	No 🔊	Date:	
4-23-19 Send the operator an unreported s	pill form for	both spills			
,	4				
6-4-19 The above two spills are the 2nd a	nd 3rd unre	ported spil	s on this lo	cation.	1
10-4-10 The above two spins are the 2nd a	na ora amo	oortou op.			
Verification Sources:					Photos Taken: yes 8
	TA Program	1			<del>J</del>
RBDMS KGS	TA Program Courthouse	By: _K	en Jehlik		-
T-I Database District Files	Continouse	2247 200000-0	CRS		
Other:		]			

Retain 1 Copy District Office Send 1 Copy to Conservation Division

Form: <u>02/22/2008</u>







# KCC OIL/GAS REGULATORY OFFICES

Date: <u>06/28/19</u>	District: <u>O</u>	1		Case #:
	New Si	tuation	Le	ase Inspection
	Respon	se to Request	Co	omplaint
	Follow-	-	<u></u>	eld Report
			1.	•
Operator License No: 35442	API Well Nu	mber: <u>15-0</u>	71-20089-0	00-00
Op Name: Prairie Gas Operating, LLC				p 20 S Rng 40 E / W
Address 1: 114 E. 5th ST, Ste 100				et from N/V S Line of Section
Address 2: P.O. Box 2170	133 5063		Roc	et from E/ W Line of Section
City: Tulsa				9564 Date: 4/9/19
State: Okla Zip Code: 74101 -2170				Well #: 2 SWD
Operator Phone #: (817) 681-7600	County: [j	reeley		Manager 1 - 1 - 1
Reason for Investigation:				
6-4-19 Check for cleanup of two brine spills				
Problem:				
6-4-19 Spills have not been cleaned up				
o-4-75 Opins have not been dealed up				
Persons Contacted:		-		www.damaserre
Prott Cook number				
Brett Cookpumper				
Findings:				
6-4-19 Re check. Workover rig on the well attemption of the spills have not been cleaned up and reme 5-8-19 giving them a final deadline of 5-24 6-11-19 Lonestar Services, Liberal, KS on location or straw as was recommended. Workover strings of the ground. Unable to till to 6-19-19 Re check. Workover rig gone. The still on done. (1 pic)	ediated. Kenn 4-19 to have t n w/ tractor till r rig on locatio the entire affe	y Sullivan se he spills clea ler & 6 drums on on top of s ected area.	ent a letter to F uned up. s of gypsum (e ome of the sp	Prairie Gas dated est 2400#). No hay oill area with 2
6-28-19 Re check. Tubing has been moved. Lone round bales(2000# est) of straw. Remedia	star Services	on location.	Tilled in an ac	lditional 800# of gypsum and 2
Tourid bales(2000# est) of straw. Nemedia	ation complete	7.		
Action/Recommendations: Follow	w Up Required	Yes No	) 🔯 I	Date:
Action/Recommendations.	op requires		,	
C 4 40. The above 4 we still a see the 2nd and 2nd warmer		n this leastion		
6-4-19 The above two spills are the 2nd and 3rd unre Send to legal	,			
6-28-19 Spill remediation is complete. Still recommend	id a penalty ord	ler be issued f	or failure to clea	an up the spills in a timely manner.
Verification Sources:				Photos Taken: yes 8
RBDMS KGS	TA Program			
1 h	Courthouse	By: Ke	n Jehlik	
Other:		EC	RS	
Retain 1 Copy District Office				
Send 1 Copy to Conservation Division				

Form: <u>02/22/2008</u>

Date: <u>06/28/19</u>			District:	01	L	icense #: <u>35442</u>	
Op Name: <u>35442</u>			Spot: <b>S</b> \	<u>W SW SW</u>	Sec <u>13</u> Twp <u>2</u>	20 S Rng <u>40</u>	E W
County: Greeley			Lease Na	me: Bounds		Well #: 2 S	WD
I.D. Sign Ves	No		ত	Gas Venting	Yes No		[2]
Tank Battery Cor Condition: Good		ole Overflow	ving	Pits Fluid Depth:	ft; Approx. §	Size:ft. x	ft.
Pits, Injection Site		Size:fi	t. xft.	Saltwater P Leaks Visible	ipelines :: Y N	Tested for Leaks:	- S S S S S S S S S S S S S S S S S S S
Oil Spill Evidence	:			Flowing Ho	les		
Abandoned Well	Potential Poll	ution Problem [	Yes No 🖂	TA Wells			
Lease Cleanliness	Satisfactory 🗸	Pear Ver	y Bad	Monitoring	Records		
					. [ ] . [ ]		
SWD/ER Injection We			Greeley ⊡		ions Yes No		٠
Permit #:					; T/C Annulus: _		
Permit #:					; T/C Annulus: _		
Permit #:			thorized: psi		; T/C Annulus: _		
Permit #:	Pressure – Actu:	al: psi; Au	thorized: psi	Tubing:	; T/C Annulus: _	; C/SP Annı	ulus:
API Number	Footages	Spot Location	GPS	Well#		Well Status	
- 1111					The state of the s		

# **CERTIFICATE OF SERVICE**

# 20-CONS-3007-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 on07/11/2019	<del>.</del>
IAN B. ACREY Prairie Gas Operating, LLC PO BOX 2170 TULSA, OK 74101 iacrey@pge-llc.com	FRED MACLAREN KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 Fax: 785-271-3354 e.maclaren@kcc.ks.gov
MICHELE PENNINGTON KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 Fax: 785-271-3354 m.pennington@kcc.ks.gov	LAUREN WRIGHT, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 266 N. Main St., Ste. 220 WICHITA, KS 67202-1513 Fax: 316-337-6211 I.wright@kcc.ks.gov
	/S/ DeeAnn Shupe DeeAnn Shupe