

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

Before Commissioners: Andrew J. French, Chairperson
 Dwight D. Keen,
 Susan K. Duffy

In the matter of the failure of Haas Petroleum, LLC (Operator) to comply with K.A.R. 82-3-407 at ten wells in Greenwood and Woodson Counties, Kansas.)	Docket No.: 22-CONS-3031-CPEN
)	
)	CONSERVATION DIVISION
)	
)	License No.: 33640

PENALTY ORDER

The Commission finds Operator has violated K.A.R. 82-3-407 regarding the captioned wells, assesses a \$50,000 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. 82-3-407(a) provides each injection well shall be completed, equipped, operated, and maintained in a manner that will prevent pollution of fresh and usable water,

prevent damage to sources of oil or gas, and confine fluids to the intervals approved for injection. An injection well shall be considered to have mechanical integrity if there are no significant leaks in the tubing, casing, or packer, and no fluid movement into fresh or usable water. An injection well's mechanical integrity shall be established at least once every five years.

4. K.A.R. 82-3-407(c) provides that the operator of any well failing to demonstrate mechanical integrity shall have no more than 90 days from the date of initial failure to repair and retest the well to demonstrate mechanical integrity, plug the well, or isolate any leaks to demonstrate the well will not pose a threat to fresh or usable water or endanger correlative rights.

5. K.A.R. 82-3-407(d) provides that mechanical failures or other conditions indicating that a well may not be directing injected fluid into the permitted or authorized zone shall be cause to shut in a well, and the operator shall orally notify the Conservation Division within 24 hours of knowledge of any failures or conditions. The operator shall submit written notice of a well failure within five days, with a plan for testing and repairing the well.

6. K.A.R. 82-3-407(g) provides that no injection well shall be operated before passing a mechanical integrity test (MIT). Failure to test a well to show mechanical integrity shall be punishable by a \$1,000 penalty, and the well shall be shut-in until the test is passed.

II. FINDINGS OF FACT

7. Operator is licensed by the Commission to conduct oil and gas activities, and is responsible for approximately 1,533 unplugged wells in Kansas. Of those, approximately 407 are injection wells. Under K.A.R. 82-3-407, an operator is required to conduct a successful mechanical integrity test upon each injection well at least once every five years.

8. On November 6, 2020, Commission Staff witnessed mechanical integrity tests at some of Operator's wells. At the conclusion of the tests, Staff discovered Operator had altered its equipment at the wells in a manner that would prevent the mechanical integrity tests from testing

the wellbores. Specifically, Operator had welded a plate in the nipples at the wellheads, preventing fluid from entering the wellbores to pressurize them. In other words, Operator was testing the integrity of the first few inches of the nipple, not the wellbore.¹

9. Staff broadened its investigation. On December 11, 2020, Staff sent letters to Operator, requiring new mechanical integrity tests for twenty-one of Operator's wells. Operator had previously conducted mechanical integrity tests at these wells during calendar year 2020; the data gathered at the time had resulted in the wells passing the tests. After new tests were conducted, though, twenty of the twenty-one wells failed to demonstrate mechanical integrity.²

10. Operator failed to successfully retest, plug, or isolate the leaks at eighteen of the twenty wells by the deadline. On April 27, 2021, the Commission found Operator in violation of K.A.R. 82-3-407 at 18 wells in Woodson County, Kansas, assessed a \$90,000 penalty, and directed Operator to come into compliance.³ In the Order, Staff noted it continued to investigate Operator's injection wells that had been tested within the past five-years.⁴

11. On March 31, 2021, Operator reported pre-test mechanical integrity failures at the following four wells:⁵

- a. Burke A #7, API #15-073-19732, Underground Injection Control (UIC) Permit #E-07,563, Section 12, Township 24 South, Range 9 East, Greenwood County, Kansas;
- b. Edwards #8, API #15-207-24025, UIC Permit #E-22,271, Section 3, Township 24 South, Range 14 East, Woodson County, Kansas;

¹ See Exhibit A.

² To reach this finding, the Commission takes administrative notice of its records. See K.A.R. 82-1-230(h).

³ Docket 21-CONS-3201-CPEN, *Penalty Order* (Apr. 27, 2021).

⁴ *Id.* at ¶ 11.

⁵ To reach this finding, the Commission takes administrative notice of its records. See K.A.R. 82-1-230(h).

- c. Harder #3, API #15-207-24911, UIC Permit #E-11,592, Section 22, Township 25 South, Range 15 East, Woodson County, Kansas; and
- d. Ryser B #1H 2INJ, API #15-207-24906, UIC Permit #E-06,143, Section 34, Township 23 South, Range 14 East, Woodson County, Kansas.

12. Staff sent letters to Operator, requiring Operator to bring the four wells into compliance with K.A.R. 82-3-407 by May 30, 2021.⁶ Operator failed to successfully retest, plug, or isolate the leaks at the four wells by the deadline.

13. On May 6, 2021, Operator reported pre-test mechanical integrity failures at the following six wells:⁷

- a. Bahr Chris #15, API #15-207-19659, UIC Permit #D-17,659, Section 23, Township 23 South, Range 13 East, Woodson County, Kansas;
- b. Citizen Bank #101, API #15-207-02146, UIC Permit #E-06,263, Section 27, Township 23 South, Range 14 East, Woodson County, Kansas;
- c. Harder #2, API #15-207-02205, UIC Permit #E-11,592, Section 22, Township 25 South, Range 15 East, Woodson County, Kansas;
- d. Olinger A #7, API #15-073-01126, UIC Permit #E-06,126, Section 15, Township 23 South, Range 13 East, Greenwood County, Kansas;
- e. Switzer #W4, API #15-207-19817, UIC Permit #E-08,422, Section 3, Township 24 South, Range 15 East, Woodson County, Kansas; and
- f. Young #2, API #15-073-01545, UIC Permit #D-20,748, Section 10, Township 23 South, Range 13 East, Greenwood County, Kansas.

⁶ See Exhibit B.

⁷ To reach this finding, the Commission takes administrative notice of its records. See K.A.R. 82-1-230(h).

14. Staff sent letters to Operator, requiring Operator to bring the six wells into compliance with K.A.R. 82-3-407 by July 5, 2021.⁸ Operator failed to successfully retest, plug, or isolate the leaks at the six wells by the deadline.

III. CONCLUSIONS OF LAW

15. The Commission has jurisdiction over Operator and this matter under K.S.A. 55-152 and K.S.A. 74-623.

16. Operator has committed ten violations of K.A.R. 82-3-407 because Operator did not timely repair and retest the ten above-referenced wells to demonstrate mechanical integrity, plug the wells, or isolate all leaks to demonstrate the wells will not pose a threat to fresh or usable water or endanger correlative rights.

17. K.S.A. 55-164 provides that Commission penalties “shall constitute an actual and substantial economic deterrent to the violation for which the penalty is assessed.” Due to the severity and nature of these violations and the number of wells involved, a heightened penalty is necessary to provide the actual and substantial economic deterrent described by K.S.A. 55-164.

THEREFORE, THE COMMISSION ORDERS:

- A. Operator shall pay a \$50,000 penalty.
- B. Operator shall perform successful mechanical integrity tests on the ten above-referenced wells or plug them.
- C. Operator shall shut-in and disconnect each above-referenced well until it has been successfully tested or plugged.
- 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

⁸ See Exhibit C.

266 N. Main St., Suite 220, Wichita, Kansas 67202, within 30 days from the date of service of this Order. A request for hearing must comply with K.A.R. 82-1-219.

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. 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. The notice and opportunity for a hearing on this Order shall constitute the notice required by K.S.A. 77-512 regarding license suspension. 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).

F. 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.

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Duffy, Commissioner

Dated: 08/03/2021



Lynn M. Retz
Executive Director

Mailed Date: 08/03/2021

KAM

KCC OIL/GAS REGULATORY OFFICES

Inspection Date: 11/06/2020 District: 3 Incident Number: 7269

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

Operator License No: 33640 API: Q3: Q2: Q1:
Operator Name: Haas Petroleum Inc. SEC 21 TWP 25 RGE 15 RGEDIR: E
Address: PO BOX 8396 FSL:
City: PRAIRIE VILLAGE FEL:
State: KS Zip Code: 66208 Lease: WALLACE Well No.: #8, #14
Phone contact: (913) 499-8373 County: WO

Reason for Investigation:

Conducting MIT of EOR wells #8 (API 15-207-19613-0000), #14 (API 15-207-23350-0001)

Problem:

When well testing procedure for tubing and packer well construction was performed, the wells held pressure but used extremely small volume of air to achieve the 300 PSI required when compared to other wells of similar construction.

Persons contacted:

Randy Bishop 620-496-7297, Duane Sims 620-212-3029

Findings:

Out of suspicion of a blind in the nipple on the casing well head on well #8, I asked the foreman (Randy Bishop) to take the 2"x8" nipple with elbow, that was full of fluid, out of the casing well head to verify the well casing was full of fluid. He made an attempt to unscrew with a pipe wrench but could not. I then found a piece of wire to try to run into the nipple to check depth and would only go as deep as the nipple and no further. Then proceeded to attempt to run the wire in the well head at well #14. This well, from the well head had 2"x 4" nipple then a ball valve, another 2"x4" nipple and elbow that was also full of fluid. The wire would only go as far as the threads to the ball valve. I then contacted Duane Sims to inform him of the situation, and he said that he would come to location to verify, but that the nipples had to be removed for verification that day.
Continued in additional findings.

Actions / Recommendations

Follow-up Required ☐

Deadline Date:

Send out 14 day NOV letters for wells to be retested.

Photo's Taken: 3

☐ RBDMS ☐ KGS ☐ KOLAR Report Prepared By: Rodney Breeze
☐ District Files ☐ Courthouse Position: E.C.R.S.

KCC OIL/GAS REGULATORY OFFICES

Additional Findings:

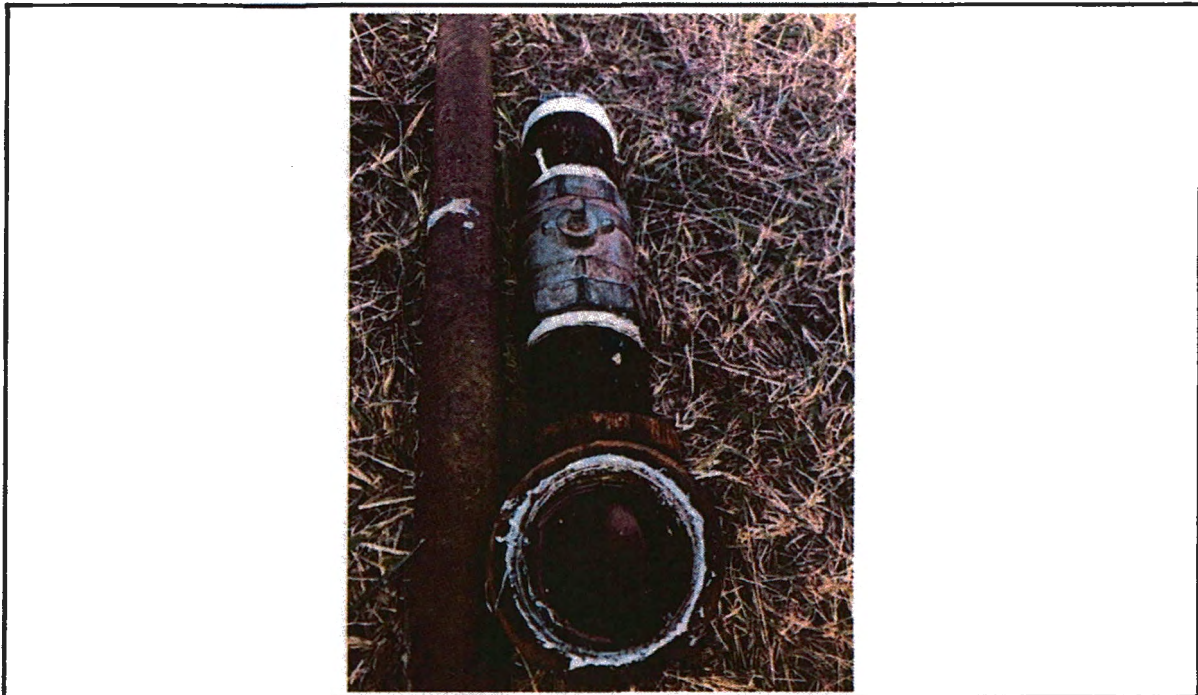
Continued from findings section:

While waiting on Duane to arrive, I asked Randy if he had a larger pipe wrench to take the nipples out of the well head. He had a wrench and was able to remove the nipples from both #8 and #14, the well casing did not have fluid up to the level of the nipples. The nipple from well #8 had a plate welded in the end of the nipple which was visible after removal, I have picture of nipple attached to this report. The nipple and valve from well #14 had plate welded in nipple between ball valve and elbow which I verified by running wire in opposite end to ensure the ball valve was open. I also have picture of this equipment attached to this report. Duane then arrived and verified that nipples from both wells still had fluid in them after being removed from well, and wells did not have fluid at surface.



Operator: Haas Petroleum Inc.	KLN: 33640
Lease: Wallace	Legal: 21-25-15E
County: WO	PIC ID#: #8
Subject: Equipment from casing well head	PIC Orientation: East and Downward
FSL: 3353'	Latitude: 37.85959
FEL: 3961'	Longitude: -095.77039
API#: 15-207-19613	
Date: 11-06-2020	Time: 2:20 PM
Staff: Rodney Breeze	

Additional Information: This is a picture of the equipment removed from the casing well head from Wallace #8, which has been modified to falsely pass a MIT test for wells constructed with tubing and packer.



Operator: Haas Petroleum Inc.	KLN: 33640
Lease: Wallace	Legal: 21-25-15E
County: WO	PIC ID#: #14-1
Subject: Equipment from casing well head	PIC Orientation: North and Downward
FSL: 3762'	Latitude: 37.86071
FEL: 3796'	Longitude: -095.76981
API#: 15-207-23350-0001	
Date: 11-06-2020	Time: 2:30 PM
Staff: Rodney Breeze	

Additional Information: This is a picture of the equipment removed from the casing well head from Wallace #14, which has been modified to hold fluid, to falsely pass a MIT test for wells constructed with tubing and packer. A piece of wire was inserted from the far end of the pipe to verify the ball valve was open.



Operator: Haas Petroleum Inc.	KLN: 33640
Lease: Wallace	Legal: 21-25-15E
County: WO	PIC ID#: #14-1
Subject: Wallace well #14	PIC Orientation: Northeast
FSL: 3762'	Latitude: 37.86071
FEL: 3796'	Longitude: -095.76981
API#: 15-207-23350-0001	
Date: 11-06-2020	Time: 2:30 PM
Staff: Rodney Breeze	

Additional Information: This is a picture of the Wallace #14 after the removal of the modified equipment. There is no fluid at the threads where the nipple was removed. The style of casing well head on this requires bolts to ensure the packing on well head does not leak, of which there are no bolts present.

KCC OIL/GAS REGULATORY OFFICES

Inspection Date: 11/06/2020 District: 0 Incident Number: 7268

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

Operator License No: 33640 API: 15-031-20737-0000 Q3: Q2: Q1:
Operator Name: Haas Petroleum Inc. SEC 11 TWP 23 RGE 13 RGEDIR: E
Address: PO BOX 8396 FSL: 2941
City: PRAIRIE VILLAGE FEL: 2958
State: KS Zip Code: 66208 Lease: Dale Luthi Well No.: 2
Phone contact: (913) 499-8373 County: CF

Reason for Investigation:

Possible altered equipment on well that would falsely pass MIT test for wells constructed with tubing and packer .

Problem:

These wells were tested prior to the wells on the Wallace Ls located in Woodson Co. when I was not available to witness. After the findings on the Wallace Ls, Duane Sims and I decided this well should be checked for similar equipment on the casing well head.

Persons contacted:

Randy Bishop 620-496-7297, Duane Sims 620-212-3029

Findings:

Went to location of well #2 and checked the equipment on casing well head that consisted of 2" nipple 8-10" in length, ball valve, another 2"x4" nipple and elbow. Wire that I ran inside elbow and nipple would only go to the threads of ball valve, which was open. I have taken pictures of each well showing length of wire to plate that was welded in the equipment and they are attached to this report.
On 11/09/2020 Randy Bishop was contacted to about these wells and he admitted that he had removed them over the weekend and confirmed they did have plates in the nipples. He had also disposed of the equipment.

Actions / Recommendations

Follow-up Required ☐

Deadline Date:

I Reported these findings to Duane Sims on 11/06/2020. 14 Day NOV letter was sent on this to be retested.

Photo's Taken: 1

☐ RBDMS ☐ KGS ☐ KOLAR Report Prepared By: Rodney Breeze
☐ District Files ☐ Courthouse Position: E.C.R.S.



Operator: Haas Petroleum Inc.

Lease: Dale Luthi

County: CF

Subject: Dale Luthi #2

FSL: 2941'

FEL: 2958'

API#: 15-031-20737-0000

Date: 11-06-2020

Staff: Rodney Breeze

KLN: 33640

Legal: 11-23-13E

PIC ID#: #2

PIC Orientation: East and Downward

Latitude: 38.06268

Longitude: -095.95116

Time: 4:15 PM

Additional Information: This is a picture of the Dale Luthi Ls. well #2 showing the wire went into the modified equipment to the threads of the ball valve, which is open. This was later confirmed by the foreman who removed equipment.

KCC OIL/GAS REGULATORY OFFICES

Inspection Date: 11/06/2020 District: 3 Incident Number: 7270

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

Operator License No: 33640 API: Q3: Q2: Q1:
Operator Name: Haas Petroleum Inc. SEC 21 TWP 23 RGE 13 RGEDIR: E
Address: PO BOX 8396 FSL:
City: PRAIRIE VILLAGE FEL:
State: KS Zip Code: 66208 Lease: Jones A Well No.: #1, #17
Phone contact: (913) 499-8373 County: GW

Reason for Investigation:

Possible altered equipment on wells that would falsely pass MIT test for wells constructed with tubing and packer .

Problem:

These wells were tested prior to the wells on the Wallace Ls located in Woodson Co. when I was not available to witness. After the findings on the Wallace Ls, Duane Sims and I decided wells #1 (API 15-073-01362-0001) and #17 (API 15-073-20661-0001) should be checked for similar equipment on the casing

Persons contacted:

Randy Bishop 620-496-7297, Duane Sims 620-212-3029

Findings:

Went to location of wells #1, #17 and checked the equipment on casing well head that consisted of 2" nipple 8-10" in length, ball valve, another 2"x4" nipple and elbow. Wire that I ran inside elbow and nipple would only go to the threads of ball valve, which was open. I have taken pictures of each well showing length of wire to plate that was welded in the equipment and they are attached to this report. On 11/09/2020 Randy Bishop was contacted to about these wells and he admitted that he had removed them over the weekend and confirmed they did have plates in the nipples. He had also disposed of the equipment.

Actions / Recommendations

Follow-up Required ☐

Deadline Date:

I Reported these findings to Duane Sims on 11/06/2020. 14 Day NOV letters were sent on these to be retested.

Photo's Taken: 2

☐ RBDMS ☐ KGS ☐ KOLAR Report Prepared By: Rodney Breeze

☐ District Files ☐ Courthouse Position: E.C.R.S.



Operator: Haas Petroleum Inc.

Lease: Jones A

County: GW

Subject: Jones A well #1

FSL: 2437'

FEL: 0184'

API#: 15-073-01362-0001

Date: 11-06-2020

Staff: Rodney Breeze

KLN: 33640

Legal: 21-31-13E

PIC ID#: #1

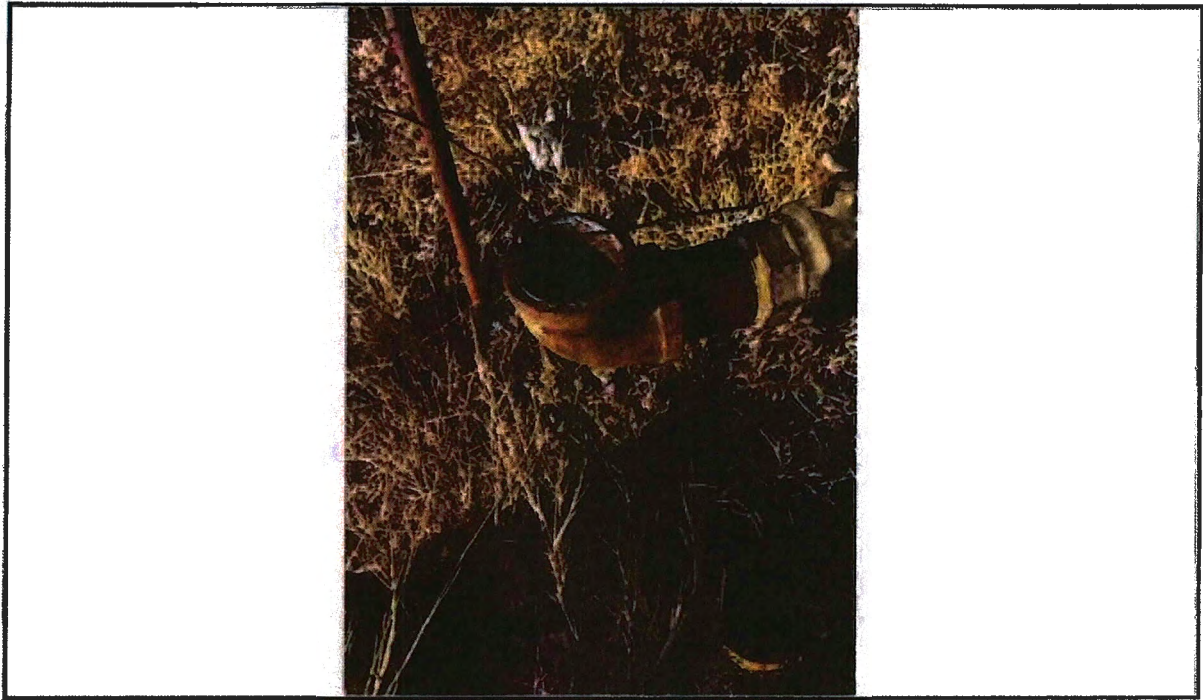
PIC Orientation: South and Downward

Latitude: 38.032652

Longitude: -095.978104

Time: 4:00 PM

Additional Information: This is a picture of the Jones A Ls. well #1 showing the wire went into the modified equipment to the threads of the ball valve, which is open. This was later confirmed by the foreman who removed equipment.



Operator: Haas Petroleum Inc.	KLN: 33640
Lease: Jones A	Legal: 21-31-13E
County: GW	PIC ID#: #17
Subject: Jones A well #17	PIC Orientation: North and Downward
FSL: 1627'	Latitude: 38.03052
FEL: 2301'	Longitude: -095.98544
API#: 15-073-20661-0001	
Date: 11-06-2020	Time: 3:45 PM
Staff: Rodney Breeze	

Additional Information: This is a picture of the Jones A Ls. well #17 showing the wire went into the modified equipment to the threads of the ball valve, which is open. This was later confirmed by the foreman who removed equipment.

Conservation Division
District Office No. 3
137 E. 21st Street
Chanute, KS 66720



Phone: 620-902-6450
<http://kcc.ks.gov/>

Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Susan K. Duffy, Commissioner

Laura Kelly, Governor

FAILED MECHANICAL INTEGRITY TEST (MIT)
DEADLINE FOR COMPLIANCE

03/31/2021

LICENSE 33640
Haas Petroleum, LLC.
P.O. Box 8396
Prairie Village, KS 66208-1936

Re: API No. 15-073-19732-00-00
Permit No. E-07,563.1
BURKE A 7
12-24-9E
Greenwood County, KS

Operator:

On 3/31/2021, the referenced well failed a mechanical integrity test. Under K.A.R. 82-3-407(c), you have 60 days to:

- 1) repair and retest the well to show mechanical integrity,
- 2) plug the well, or
- 3) isolate all leaks to demonstrate the well does not pose a threat to fresh or usable water or endanger correlative rights.

The well must be shut-in and disconnected until it complies with K.A.R. 82-3-407(c).

Failure to comply with K.A.R. 82-3-407(c)
by 05/30/2021
shall be punishable by a \$1,000 penalty.

Please contact this office as soon as possible to let us know your plans for this well.

Sincerely,

Duane Sims KCC District #3

Conservation Division
District Office No. 3
137 E. 21st Street
Chanute, KS 66720



Phone: 620-902-6450
<http://kcc.ks.gov/>

Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Susan K. Duffy, Commissioner

Laura Kelly, Governor

FAILED MECHANICAL INTEGRITY TEST (MIT)
DEADLINE FOR COMPLIANCE

03/31/2021

LICENSE 33640
Haas Petroleum, LLC.
P.O. Box 8396
Prairie Village, KS 66208-1936

Re: API No. 15-207-24025-00-01
Permit No. E-22,271.1
EDWARDS 8
3-24-14E
Woodson County, KS

Operator:

On 3/31/2021, the referenced well failed a mechanical integrity test. Under K.A.R. 82-3-407(c), you have 60 days to:

- 1) repair and retest the well to show mechanical integrity,
- 2) plug the well, or
- 3) isolate all leaks to demonstrate the well does not pose a threat to fresh or usable water or endanger correlative rights.

The well must be shut-in and disconnected until it complies with K.A.R. 82-3-407(c).

Failure to comply with K.A.R. 82-3-407(c)
by 05/30/2021
shall be punishable by a \$1,000 penalty.

Please contact this office as soon as possible to let us know your plans for this well.

Sincerely,

Duane Sims KCC District #3

Conservation Division
District Office No. 3
137 E. 21st Street
Chanute, KS 66720



Phone: 620-902-6450
<http://kcc.ks.gov/>

Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Susan K. Duffy, Commissioner

Lauren Kelly, Governor

FAILED MECHANICAL INTEGRITY TEST (MIT)
DEADLINE FOR COMPLIANCE

03/31/2021

LICENSE 33640
Haas Petroleum, LLC.
P.O. Box 8396
Prairie Village, KS 66208-1936

Re: API No. 15-207-24911-00-01
Permit No. E-11,592.8
HARDER 3
22-25-15E
Woodson County, KS

Operator:

On 3/31/2021, the referenced well failed a mechanical integrity test. Under K.A.R. 82-3-407(c), you have 60 days to:

- 1) repair and retest the well to show mechanical integrity,
- 2) plug the well, or
- 3) isolate all leaks to demonstrate the well does not pose a threat to fresh or usable water or endanger correlative rights.

The well must be shut-in and disconnected until it complies with K.A.R. 82-3-407(c).

Failure to comply with K.A.R. 82-3-407(c)
by 05/30/2021
shall be punishable by a \$1,000 penalty.

Please contact this office as soon as possible to let us know your plans for this well.

Sincerely,

Duane Sims KCC District #3

Conservation Division
District Office No. 3
137 E. 21st Street
Chanute, KS 66720



Phone: 620-902-6450
<http://kcc.ks.gov/>

Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Susan K. Duffy, Commissioner

Laura Kelly, Governor

FAILED MECHANICAL INTEGRITY TEST (MIT)
DEADLINE FOR COMPLIANCE

03/31/2021

LICENSE 33640
Haas Petroleum, LLC.
P.O. Box 8396
Prairie Village, KS 66208-1936

Re: API No. 15-207-24906-00-00
Permit No. E-06,143.5
RYSER B IH 2INJ
34-23-14E
Woodson County, KS

Operator:

On 3/31/2021, the referenced well failed a mechanical integrity test. Under K.A.R. 82-3-407(c), you have 60 days to:

- 1) repair and retest the well to show mechanical integrity,
- 2) plug the well, or
- 3) isolate all leaks to demonstrate the well does not pose a threat to fresh or usable water or endanger correlative rights.

The well must be shut-in and disconnected until it complies with K.A.R. 82-3-407(c).

Failure to comply with K.A.R. 82-3-407(c)
by 05/30/2021
shall be punishable by a \$1,000 penalty.

Please contact this office as soon as possible to let us know your plans for this well.

Sincerely,

Duane Sims KCC District #3

Conservation Division
District Office No. 3
137 E. 21st Street
Chanute, KS 66720



Phone: 620-902-6450
<http://kcc.ks.gov/>

Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Susan K. Duffy, Commissioner

Laura Kelly, Governor

FAILED MECHANICAL INTEGRITY TEST (MIT)
DEADLINE FOR COMPLIANCE

05/06/2021

LICENSE 33640
Haas Petroleum, LLC.
P.O. Box 8396
Prairie Village, KS 66208-1936

Re: API No. 15-207-19659-00-01
Permit No. D-17,695
Bahr Chris #15
23-23-13E
Woodson County, KS

Operator:

On 5/6/2021, the referenced well failed a mechanical integrity test. Under K.A.R. 82-3-407(c), you have 60 days to:

- 1) repair and retest the well to show mechanical integrity,
- 2) plug the well, or
- 3) isolate all leaks to demonstrate the well does not pose a threat to fresh or usable water or endanger correlative rights.

The well must be shut-in and disconnected until it complies with K.A.R. 82-3-407(c).

Failure to comply with K.A.R. 82-3-407(c)
by 07/05/2021
shall be punishable by a \$1,000 penalty.

Please contact this office as soon as possible to let us know your plans for this well.

Sincerely,

Duane Sims KCC District #3

Conservation Division
District Office No. 3
137 E. 21st Street
Chanute, KS 66720



Phone: 620-902-6450
<http://kcc.ks.gov/>

Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Susan K. Duffy, Commissioner

Laura Kelly, Governor

FAILED MECHANICAL INTEGRITY TEST (MIT)
DEADLINE FOR COMPLIANCE

05/06/2021

LICENSE 33640
Haas Petroleum, LLC.
P.O. Box 8396
Prairie Village, KS 66208-1936

Re: API No. 15-207-02146-00-01
Permit No. E-06,263.1
Citizen Bank #101
27-23-14E
Woodson County, KS

Operator:

On 5/6/2021, the referenced well failed a mechanical integrity test. Under K.A.R. 82-3-407(c), you have 60 days to:

- 1) repair and retest the well to show mechanical integrity,
- 2) plug the well, or
- 3) isolate all leaks to demonstrate the well does not pose a threat to fresh or usable water or endanger correlative rights.

The well must be shut-in and disconnected until it complies with K.A.R. 82-3-407(c).

Failure to comply with K.A.R. 82-3-407(c)
by 07/05/2021
shall be punishable by a \$1,000 penalty.

Please contact this office as soon as possible to let us know your plans for this well.

Sincerely,

Duane Sims KCC District #3

Conservation Division
District Office No. 3
137 E. 21st Street
Chanute, KS 66720



Phone: 620-902-6450
<http://kcc.ks.gov/>

Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Susan K. Duffy, Commissioner

Laura Kelly, Governor

FAILED MECHANICAL INTEGRITY TEST (MIT)
DEADLINE FOR COMPLIANCE

05/06/2021

LICENSE 33640
Haas Petroleum, LLC.
P.O. Box 8396
Prairie Village, KS 66208-1936

Re: API No. 15-207-02205-00-00
Permit No. E-11,592.6
Harder #2
22-25-15E
Woodson County, KS

Operator:

On 5/6/2021, the referenced well failed a mechanical integrity test. Under K.A.R. 82-3-407(c), you have 60 days to:

- 1) repair and retest the well to show mechanical integrity,
- 2) plug the well, or
- 3) isolate all leaks to demonstrate the well does not pose a threat to fresh or usable water or endanger correlative rights.

The well must be shut-in and disconnected until it complies with K.A.R. 82-3-407(c).

Failure to comply with K.A.R. 82-3-407(c)
by 07/05/2021
shall be punishable by a \$1,000 penalty.

Please contact this office as soon as possible to let us know your plans for this well.

Sincerely,

Duane Sims KCC District #3

Conservation Division
District Office No. 3
137 E. 21st Street
Chanute, KS 66720



Phone: 620-902-6450
<http://kcc.ks.gov/>

Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Susan K. Duffy, Commissioner

Laura Kelly, Governor

FAILED MECHANICAL INTEGRITY TEST (MIT)
DEADLINE FOR COMPLIANCE

05/06/2021

LICENSE 33640
Haas Petroleum, LLC.
P.O. Box 8396
Prairie Village, KS 66208-1936

Re: API No. 15-073-01126-00-00
Permit No. E-06,126.1
Olinger A #7
15-23-13E
Greenwood County, KS

Operator:

On 5/6/2021, the referenced well failed a mechanical integrity test. Under K.A.R. 82-3-407(c), you have 60 days to:

- 1) repair and retest the well to show mechanical integrity,
- 2) plug the well, or
- 3) isolate all leaks to demonstrate the well does not pose a threat to fresh or usable water or endanger correlative rights.

The well must be shut-in and disconnected until it complies with K.A.R. 82-3-407(c).

Failure to comply with K.A.R. 82-3-407(c)
by 07/05/2021
shall be punishable by a \$1,000 penalty.

Please contact this office as soon as possible to let us know your plans for this well.
Sincerely,

Duane Sims KCC District #3

Conservation Division
District Office No. 3
137 E. 21st Street
Chanute, KS 66720



Phone: 620-902-6450
<http://kcc.ks.gov/>

Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Susan K. Duffy, Commissioner

Laura Kelly, Governor

FAILED MECHANICAL INTEGRITY TEST (MIT)
DEADLINE FOR COMPLIANCE

05/06/2021

LICENSE 33640
Haas Petroleum, LLC.
P.O. Box 8396
Prairie Village, KS 66208-1936

Re: API No. 15-207-19817-00-01
Permit No. E-08,422.1
Switzer #W4
3-24-15E
Woodson County, KS

Operator:

On 5/6/2021, the referenced well failed a mechanical integrity test. Under K.A.R. 82-3-407(c), you have 60 days to:

- 1) repair and retest the well to show mechanical integrity,
- 2) plug the well, or
- 3) isolate all leaks to demonstrate the well does not pose a threat to fresh or usable water or endanger correlative rights.

The well must be shut-in and disconnected until it complies with K.A.R. 82-3-407(c).

Failure to comply with K.A.R. 82-3-407(c)
by 07/05/2021
shall be punishable by a \$1,000 penalty.

Please contact this office as soon as possible to let us know your plans for this well.

Sincerely,

Duane Sims KCC District #3

Conservation Division
District Office No. 3
137 E. 21st Street
Chanute, KS 66720



Phone: 620-902-6450
<http://kcc.ks.gov/>

Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Susan K. Duffy, Commissioner

Laura Kelly, Governor

FAILED MECHANICAL INTEGRITY TEST (MIT)
DEADLINE FOR COMPLIANCE

05/06/2021

LICENSE 33640
Haas Petroleum, LLC.
P.O. Box 8396
Prairie Village, KS 66208-1936

Re: API No. 15-073-01545-00-02
Permit No. D-20,748
Young #2
10-23-13E
Greenwood County, KS

Operator:

On 5/6/2021, the referenced well failed a mechanical integrity test. Under K.A.R. 82-3-407(c), you have 60 days to:

- 1) repair and retest the well to show mechanical integrity,
- 2) plug the well, or
- 3) isolate all leaks to demonstrate the well does not pose a threat to fresh or usable water or endanger correlative rights.

The well must be shut-in and disconnected until it complies with K.A.R. 82-3-407(c).

Failure to comply with K.A.R. 82-3-407(c)
by 07/05/2021
shall be punishable by a \$1,000 penalty.

Please contact this office as soon as possible to let us know your plans for this well.

Sincerely,

Duane Sims KCC District #3

CERTIFICATE OF SERVICE

22-CONS-3031-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 08/03/2021.

JOHN ALMOND
KANSAS CORPORATION COMMISSION
DISTRICT OFFICE NO. 3
137 E. 21ST STREET
CHANUTE, KS 66720
Fax: 785-271-3354
j.almond@kcc.ks.gov

MARK L. HAAS
HAAS PETROLEUM, LLC
PO BOX 8396
PRAIRIE VILLAGE, KS 66208-0396

KELCEY MARSH, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
CENTRAL OFFICE
266 N. MAIN ST, STE 220
WICHITA, KS 67202-1513
Fax: 785-271-3354
k.marsh@kcc.ks.gov

TROY RUSSELL
KANSAS CORPORATION COMMISSION
DISTRICT OFFICE NO. 3
137 E. 21ST STREET
CHANUTE, KS 66720
Fax: 785-271-3354
t.russell@kcc.ks.gov

RENE STUCKY
KANSAS CORPORATION COMMISSION
266 N. Main St., Ste. 220
WICHITA, KS 67202-1513
Fax: 785-271-3354
r.stucky@kcc.ks.gov

/S/ DeeAnn Shupe
DeeAnn Shupe
