

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

In the matter of the failure of Benjamin M. Giles) Docket No.: 17-CONS-3684-CPEN
("Operator") to comply with K.A.R. 82-3-104)
and K.A.R. 82-3-111 at the Flying J Geer #2) CONSERVATION DIVISION
OWWO well in Butler County, Kansas.)
_____) License No.: 5446

In the matter of the failure of Benjamin M. Giles) Docket No.: 18-CONS-3057-CPEN
("Operator") to comply with K.A.R. 82-3-111 at)
the Paulsen #1 in Butler County, Kansas.) CONSERVATION DIVISION
_____) License No.: 5446

In the matter of the failure of Benjamin M. Giles) Docket No.: 18-CONS-3160-CPEN
("Operator") to comply with K.A.R. 82-3-604 at)
the Ralston Lease Tank Battery in Butler County,) CONSERVATION DIVISION
Kansas.)
_____) License No.: 5446

In the matter of the failure of Benjamin M. Giles) Docket No.: 18-CONS-3167-CPEN
("Operator") to comply with K.A.R. 82-3-104)
and K.A.R. 82-3-111 at the Wright #1 OWWO) CONSERVATION DIVISION
well in Butler County, Kansas.)
_____) License No.: 5446

In the matter of the failure of Benjamin M. Giles) Docket No.: 18-CONS-3188-CPEN
("Operator") to comply with K.A.R. 82-3-602 at)
the Wright #1 OWWO well in Butler County,) CONSERVATION DIVISION
Kansas.)
_____) License No.: 5446

In the matter of the failure of Benjamin M. Giles) Docket No.: 18-CONS-3189-CPEN
("Operator") to comply with K.A.R. 82-3-608 at)
the Wright #1 OWWO well in Butler County,) CONSERVATION DIVISION
Kansas.)
_____) License No.: 5446

PRE-FILED TESTIMONY OF JEFF KLOCK

KANSAS CORPORATION COMMISSION

APRIL 23, 2018

1 **Q. What is your name and business address?**

2 A. Jeff Klock, 3450 N. Rock Rd. Suite 601, Wichita, KS 67226.

3 **Q. By whom are you employed and in what capacity?**

4 A. I'm employed by the Conservation Division of the Kansas Corporation Commission as
5 Supervisor of District #2.

6 **Q. How long have you been employed by the KCC?**

7 A. Since April 1995.

8 **Q. Have you previously testified before this Commission?**

9 A. Yes. I have testified as an expert witness on numerous occasions.

10 **Q. Please describe your educational background and work experience.**

11 A. I received my Bachelor of Science degree in Geology from Wichita State University in
12 1990. From 1988 to 1990, I worked for F. G. Holl Company as a Geological Technician,
13 and from 1991 to 1995 I worked for them as a Staff Petroleum Geologist. In April 1995,
14 I began work for the KCC as an Environmental Geologist II in the Production Department.
15 In that position, I reviewed and approved Notices of Intent to Drill, Cathodic Protection
16 Borehole Intent to Drill, New Pool Applications, Commingling Applications, and
17 Enhanced Recovery Project Certification. In October 2001, I started working for the
18 District 2 field office as an Environmental Geologist II. My responsibilities in that position
19 included assisting in the planning and coordination of district field investigations, spill
20 control and clean-up activities, and overseeing contamination sites. That position and my
21 current position as District 2 Supervisor require that I be a licensed geologist in the State
22 of Kansas, which I am. I became the District 2 Supervisor on August 27, 2007.

23 **Q. Are you familiar with Docket 18-CONS-3167-CPEN, regarding the Wright #1, and**
24 **Docket 17-CONS-3684-CPEN, regarding the Flying J. Geer #2?**

25 A. Yes. I am especially familiar with the K.A.R. 82-3-104 violations.

26 **Q. How are you familiar with this docket?**

27 A. I have overseen Staff's attempts to resolve these matters, dating all the way back to 2014.

28 **WRIGHT #1**

29 **Q. The Commission penalized Ben Giles ("Operator") for a violation of K.A.R. 82-3-104**
30 **at the Wright #1. What was problematic about Operator's actions at the Wright #1?**

1 A. Operator allowed the well to sit as a raw borehole, for an extended period of time,
2 constituting a threat to fresh and usable water.

3 **Q. On June 23, 2014, Operator filed for an exception to the Table I surface casing**
4 **requirements as part of his request to washdown, i.e. re-drill, the Wright #1. That**
5 **exception request is attached as Exhibit B to the Commission's Penalty Order. Why**
6 **would such an exception be necessary?**

7 A. Under Table I, the minimum amount of casing to be set in Butler County is 200 feet for
8 protecting all fresh and usable water. The well plugging record for the Wright #1 stated
9 there was only 130 feet of surface casing set, therefore Mr. Giles was asking to be able to
10 use that casing and perform additional cementing down to 200 feet, to ensure all waters
11 were protected.

12 **Q. Do you have any concerns with Operator's June 23, 2014, Table I surface casing**
13 **exception request?**

14 A. No. In fact, I was contacted on Tuesday, July 8, 2014, by Operator's own field staff, who
15 informed me that after excavating the well the 8 5/8" casing was hung in the well, not
16 cemented in place, and that the 8 5/8" casing was inside a larger diameter casing, which
17 they estimated to be 15 inches in diameter.

18 **Q. Did anyone from Commission Staff conduct an inspection on July 8, 2014?**

19 A. No. Operator's own field staff did this inspection, and the information was passed on to
20 the KCC.

21 **Q. Did the discovery of un-cemented pipe affect Operator's requirements to perform**
22 **additional cementing?**

23 A. Yes. Based upon Operator's July 8, 2014, inspection, Staff processed Operator's intent to
24 drill and simultaneously granted Operator's Table I surface casing exception request, but
25 stipulating that Operator must cement the 130 feet of 8 5/8" casing in place prior to starting
26 the wash down and perform additional cementing from 250 feet back to surface. The Notice
27 of Intent to Drill is attached as Exhibit A to the Commission's Penalty Order.

28 **Q. What is the base of fresh and usable water at the Wright #1 location?**

29 A. I have not done a hydrology study of this location, but the Table 1 surface casing
30 requirements to protect all fresh and usable water were issued by Commission order dated
31 August 1, 1991, Docket No. 34,780-C (C-1825). The Commission, along with the Oil and

1 Gas Advisory Committee, has reviewed Table 1 to ensure the protection of all fresh and
2 usable waters of the State of Kansas. Operator stated on his July 9, 2014, Notice of Intent
3 to Drill, which is attached as Exhibit A to the Commission's Penalty Order, that the bottom
4 of fresh water is 100 feet and the base of usable water is 180 feet. The KCC Production
5 Department reviews and processes the intents and Table I exceptions. It was noted on
6 Staff's letter granting the Table I exception, which is attached as Exhibit C to the
7 Commission's Penalty Order, that the deepest water well of record within one mile of the
8 proposed location was 140 feet.

9 **Q. When did Operator call in his spud for the Wright #1?**

10 A. July 14, 2014. Attached as Exhibit 1 is the District #2 call sheet indicating the date and
11 time Operator called in the spud.

12 **Q. Prior to July 15, 2015, were you or your staff aware that Operator decided to pull the**
13 **8 5/8" casing out of the well and move his equipment of the wellbore?**

14 A. No. Staff assumed Operator had followed the requirements of his Table I exception.

15 **Q. When did you become aware that Operator had not followed the requirements of his**
16 **Table I exception?**

17 A. Not until July 15, 2015, when Operator re-filed a Notice of Intent to Drill for the Wright
18 #1 OWWO, and explained in a cover letter, which is attached as Exhibit D to the
19 Commission's Penalty Order, that he had pulled the casing out. The cover letter stated that
20 Operator felt his equipment was not powerful enough to handle this large of a hole, that he
21 wanted to use a rotary rig, and that he did not have a rotary available to him until he decided
22 to wash down his McCulloch #12 SWD. He stated that he would be setting 200 feet of new
23 surface casing on the Wright #1, and cementing it to surface. He also stated that C & G
24 Drilling Inc. would be doing the work on the Wright #1, the same entity that worked on
25 the McCulloch #12 SWD.

26 **Q. What is the difference between Operator's equipment and a rotary rig?**

27 A. Operator owns service rigs. Service rigs are mobile units used to perform maintenance on
28 wells and plugging operations. Rotary drilling rigs are much larger, more powerful, and
29 sit on a substructure or sturdy platform upon which the derrick is erected. Rotary rigs are
30 used to drill wells and not to perform routine maintenance.

1 **Q. After Operator filed his July 15, 2015, Notice of Intent to Drill, did Staff conduct an**
2 **inspection?**

3 A. Yes. Jonathan Hill performed an inspection on July 16, 2015. The pictures from that
4 inspection are attached to the Commission's Penalty Order as Exhibit E.

5 **Q. Upon Staff's July 16, 2015, inspection, did you then have concerns about the Wright**
6 **#1 posing a pollution threat?**

7 A. Yes. When Mr. Hill performed his inspection, he found that contrary to what Operator
8 had reported on July 8, 2014, there was no 15-inch casing in the wellbore, but instead
9 some large 24-inch pipe. The original driller's logs from 1949 did not indicate that any
10 24-inch casing had been used in the drilling operation. It has been my experience with
11 these old cable tool holes that 24-inch casing is typically a piece of drive pipe used for
12 stabilization at the surface only and is not cemented in or set very deep. Mr. Hill also
13 tagged the fluid in the wellbore and found it to be 25 feet from surface. It became
14 apparent that the Wright #1 OWWO was sitting as a raw borehole. Mr. Giles should have
15 been fully aware as an oil and gas operator that leaving the Wright sitting like this was a
16 violation of KCC rules and regulations, specifically K.A.R. 82-3-104.

17 **Q. Was this a violation of K.A.R. 82-3-104 because Mr. Giles failed to case and cement**
18 **a production string in the Wright #1 while it was being drilled?**

19 A. No. It was a violation of K.A.R. 82-3-104 because Mr. Giles walked away from it for
20 over a year after digging it up, pulling the 8 5/8" casing out of it, and placing a scrap of
21 plywood over the top. Mr. Giles did not case or seal off the well as instructed and
22 approved by the Director in his exception letter dated July 9, 2014.

23 **Q. Did you speak to Operator about this violation?**

24 A. Yes. In fact, Staff requested that Mr. Giles meet with Staff due to his numerous
25 compliance violations he had at the time.

26 **Q. Did that meeting take place?**

27 A. Yes. We met on September 21, 2015, and Mr. Giles and his counsel Mr. Schlatter were
28 both present. Attached as Exhibit 2 is a list of violations of which Staff was aware on
29 September 21, 2015, which was provided to Mr. Giles and his counsel at the meeting.
30 The list includes the violation at the Wright #1.

31 **Q. Did you discuss the Wright #1 at the meeting?**

1 A. Yes. I told them at the meeting that the number one issue Staff had on the list was the
2 Wright #1, and that Staff viewed this as a raw borehole. Mr. Giles stated he was aware of
3 the large diameter pipe in the well, and that his staff had placed another short piece down
4 in the ground to extend it back to surface. We told him that the fluid level was at 25 feet,
5 which his staff had to be aware of since you could clearly see the fluid standing in the
6 well bore.

7 **Q. At the meeting, did Operator argue that the Wright #1 was not a raw borehole?**

8 A. No.

9 **Q. At the meeting, did you tell Operator what Staff was requiring regarding the setting
10 and cementing of casing?**

11 A. Yes. I told Mr. Giles that regardless of whether he elected to complete the well or plug it,
12 he would be required to set and cement surface casing to protect fresh and usable water.
13 He said he understood the surface casing requirements, and that his plan was to complete
14 the well. He stated that he planned to use a larger surface casing than 8 5/8" due to the
15 size of the hole at surface.

16 **Q. At the meeting, was Staff prepared to enter into a compliance agreement regarding
17 the compliance issues identified in your Exhibit 2, including the Wright #1?**

18 A. Yes, but Mr. Giles and Mr. Schlatter asked if they could instead review the spreadsheet
19 and see if they could provide a timeline for solutions to the compliance issues.

20 **Q. Did Operator provide Staff with a timeframe for resolving the compliance issues?**

21 A. Yes. On October 19, 2015, Mr. Schlatter provided Staff with a spreadsheet showing
22 corrective action that Mr. Giles would take, which is attached as Klock Exhibit 3. Again
23 Operator stated, in the spreadsheet, that the Wright #1 would be completed after the
24 McCulloch #12 was completed.

25 **Q. When was the McCulloch #12 completed?**

26 A. The production casing was cemented in place on September 13, 2015, according to
27 cement tickets. Operator's Well Completion Report states the well was completed
28 October 27, 2015.

29 **Q. Did C & G Drilling then move its rotary rig over to the Wright #1, as Operator
30 indicated it would in its July 15, 2015, cover letter on its Intent to Drill?**

31 A. No.

1 **Q. How far apart are the McCulloch #12 and Wright #1?**

2 A. Less than one-half mile. There are lease roads connecting the McCulloch and Wright.

3 **Q. Where did C & G Drilling move instead?**

4 A. Mr. Giles permitted a new well on the McCulloch lease, and C & G Drilling instead
5 moved over to the McCulloch #2A, spudding that well on November 9, 2015.

6 **Q. Was the McCulloch #2A a brand new well?**

7 A. Yes.

8 **Q. Was it on the compliance list you provided to Operator at the September 21, 2015,**
9 **meeting?**

10 A. No.

11 **Q. Did Operator ever use C & G Drilling on the Wright #1?**

12 A. No.

13 **Q. Did Operator ever move a rotary rig over the Wright #1?**

14 A. No. He moved his own equipment over the well.

15 **Q. When did Operator move his own equipment over the well?**

16 A. Not until August 26, 2016, according to his Well Completion report. That is over eleven
17 months after the September 21, 2015, meeting, in which Staff identified the Wright #1 as
18 its biggest compliance issue with Mr. Giles. That is also over two years since Mr. Giles
19 dug the well up, pulled out the 8 5/8" casing, and placed the scrap wood on top of the
20 casing, leaving it as a raw borehole.

21 **Q. Did Operator complete the well between August 26, 2016, and the date the**
22 **Commission issued its Penalty Order on October 12, 2017?**

23 A. No.

24 **Q. In your experience, how long would it have taken a rotary rig to drill and complete**
25 **the Wright #1?**

26 A. Four, maybe five days.

27 **Q. When did Operator complete the Wright #1?**

28 A. Sometime after the Commission's October 12, 2017, Penalty Order was issued. I do not
29 know when exactly because he still has not filed a correct Well Completion Report
30 reflecting the setting of the production casing with cement tickets. From Mr. Hill's field
31 reports, I believe he cemented the production casing in November 2017.

1 **Q. Why did it take Operator so long to wash down and complete this well?**

2 A. As Mr. Giles stated in his July 15, 2015, cover letter attached to his Notice of Intent to
3 Drill, his equipment was not big enough or powerful enough to timely do the job. Mostly,
4 though, the biggest factor was that Mr. Giles did not continuously work on the well. Mr.
5 Hill's pre-filed testimony and field reports show that weeks would go by without any
6 work being performed on the well.

7 **Q. Did Staff communicate with Operator regarding the Wright #1 well between August**
8 **26, 2016, when Operator moved his own equipment over the well, and October 12,**
9 **2017, when the Commission issued its Penalty Order?**

10 A. Yes. Most significantly, Staff sent the June 26, 2017, Notice of Violation letter, attached
11 to the Commission's Penalty Order as Exhibit K, stating the well was in violation of
12 K.A.R. 82-3-104, and giving Operator until July 26, 2017, to either complete the well
13 with production casing set and cemented to the producing formation, or to plug the well.

14 **Q. What happened after Staff sent the Notice of Violation letter?**

15 A. On July 13, 2017, Mr. Schlatter emailed me requesting more time to comply, which Staff
16 denied, as demonstrated by my attached Exhibit 4. As I stated in that email, Staff
17 believed it had been more than generous with the time allowed to recomplete the well.

18 **Q. Did Operator complete the Wright #1 by Staff's July 26, 2017, deadline?**

19 A. No, which is why Staff recommended a penalty. Mr. Giles had allowed the Wright #1 to
20 sit as a raw borehole for years, failed to meet Staff deadlines, did not comply with Staff's
21 repeated requests to remedy the situation, and did not take the actions he said he would.

22 **Q. What is the current status of the Wright #1?**

23 A. After the Commission issued its Penalty Order, Mr. Giles finally completed the well. He
24 filed a temporary abandonment application on January 29, 2018, and Staff approved it
25 the same day.

26 **Q. Does Staff have a recommendation regarding the Penalty Order in Docket 18-**
27 **CONS-3167-CPEN, as it pertains to a violation of K.A.R. 82-3-104 at the Wright**
28 **#1?**

29 A. Yes. The Penalty Order, as it pertains to the violation of K.A.R. 82-3-104, should be
30 affirmed in full. Few operators have so brazenly delayed complying with clear Staff
31 directives regarding a matter that clearly constituted a threat to fresh and usable water.

FLYING J GEER #2

Q. The Commission penalized Operator for a violation of K.A.R. 82-3-104 at the Geer #2. What was problematic about Operator's actions at the Geer #2?

A. Operator has repeatedly failed to provide Staff the opportunity to confirm the well is cased and sealed off in a manner that protects water resources, especially by failing to allow Staff an opportunity to witness cementing of the casing and by failing to allow Staff to witness bond log work.

Q. What is the history of the Geer #2?

A. The well was originally drilled 1963 and then plugged in 1988. Mr. Giles sought to washdown, i.e. re-drill, the well. The well was originally completed with 130 feet of surface casing.

Q. When did Operator seek to washdown the well?

A. Mr. Giles filed this Notice of Intent to drill, along with a cover letter, on May 10, 2013. The Notice of Intent is attached to the Commission's Penalty Order as Exhibit 1, and the cover letter is attached to the Commission's Penalty Order as Exhibit 2.

Q. In the cover letter, Operator states he is requesting an exception to the 200 feet of surface casing requirement. What does that mean?

A. As originally drilled, the well only had 130 feet of surface casing, but under Table 1, the well needs 200 feet of surface casing. So Mr. Giles sought an exception, so that he could instead cement the top 200 feet of production casing in place.

Q. Was Operator's request for an exception to Table 1 granted?

A. Yes. It was granted pursuant to the letter attached to the Commission's Penalty Order as Exhibit 3. The letter had the following stipulations. First, that upon completion of the well, the production or long-string casing nearest the formation wall must be immediately cemented from a depth of at least 250 feet back to surface. Second, that the KCC District 2 office be notified prior to spudding the well and one day before cementing the longstring so that they may have the opportunity to witness the procedure.

Q. Why did Staff ask that the production casing be cemented from 250 feet back to surface, instead of the 200 feet Operator proposed?

A. Essentially we are pre-plugging the backside and meeting the Alternate II casing requirements by cementing the production casing from 250 feet to surface. When a well is

1 plugged, we start our surface plug 50 feet below the bottom of the surface casing. For wells
2 with 200 feet of surface casing set, we would start our surface plug at 250 feet, therefore
3 when this well gets plugged in the future the plugging requirement on the backside of the
4 production casing have already been met. Cementing from 200 feet back to surface would
5 not meet the plugging requirement.

6 **Q. Did Operator call in the spud?**

7 A. Yes, on June 11, 2013.

8 **Q. Did Operator call in the cementing of the longstring casing?**

9 A. He did not, in violation of the Table 1 exception granted by Staff.

10 **Q. In Operator's request for hearing, Paragraph 7, he states that he "cannot recall a**
11 **single occasion when Staff has come to the site of one of his wells to witness the**
12 **cementing-in of the long string casing." Can you explain when Staff requires cement**
13 **work to be witnessed?**

14 A. Yes. Staff does not typically require that they be onsite for routine cementing of a
15 production or longstring casing, that is, cement work to isolate producing zones downhole.
16 That, however, is not what was happening here. What Staff needed to be onsite for in this
17 case was to witness the cementing from 250 feet back to surface to ensure the protection
18 of all fresh and usable water, and that Operator complied with his Table 1 exception
19 requirement.

20 **Q. How often does District #2 Staff do this kind of witnessing?**

21 A. Not very often, because the situation rarely arises. Since January 1, 2016, we have received
22 16 spud calls on workovers and only two of those had an attached letter granting an
23 exception to Table 1. Of those two, one was a dry hole plugged per KCC rules and KCC
24 District 2 requirements. The other well was in Cowley County. In that situation, the
25 operator appropriately contacted the District 2 Office and scheduled a time for Staff to be
26 on site so the remedial cement work could be witnessed. A copy of Staff's field report in
27 that case is attached as my Exhibit 5, to show how our Staff documented the work.

28 **Q. At Paragraph 6 of Operator's Request for Hearing, he stated that the Geer #2 was**
29 **completed November 20, 2013. Is statement that true?**

1 A. Absolutely not. As Consolidated Oil Well Services's cement ticket attached to the
2 Commission's Penalty Order as Exhibit 4 indicates, Operator did not do any cementing
3 until July 23, 2014, over one year from the spud date.

4 **Q. Why did it take Operator over one year before he cemented the production casing?**

5 A. I believe Mr. Giles did not continuously work on the well from the time of spud, same as
6 with the Wright #1.

7 **Q. So Operator did not contact the District #2 office prior to July 23, 2014, to report that**
8 **he would be cementing the production string from 250 feet back to surface on that**
9 **day?**

10 A. Again, he did not, in violation of the Table 1 exception granted by Staff.

11 **Q. Did Operator file a Well Completion Report for the Geer #2?**

12 A. Yes. Operator filed a Well Completion Report on January 29, 2014, attached as my Exhibit
13 6. After Jonathan Hill visited the lease March 31, 2015, and after further research, we
14 realized the completion report as submitted did not comply with our rules and regulations.
15 We could not tell, based upon the submitted data, how the well had been sufficiently
16 completed pursuant to Commission regulations.

17 **Q. During Mr. Hill's lease inspection, what was the status of the Geer #2?**

18 A. It was inactive, shut-in with tubing and rods, with no lease infrastructure such as a tank
19 battery, electrical lines, or lead lines. He found the same during his September 3, 2015,
20 inspection, which is part of his testimony.

21 **Q. Was the Geer #2 discussed during your September 21, 2015, meeting with Operator?**

22 A. Yes. As my Exhibit 2 demonstrates, the Flying J Geer #2 OWWO was shown to be
23 inactive, no casing or perforation information on the ACO-1, no cement tickets, well given
24 a Table 1 exception, but no witnessed Alternate II cementing as required.

25 **Q. What was the compliance action needed?**

26 A. Since the well was sitting inactive, a Temporary Abandonment (CP-111) Application was
27 required, along with a complete Well Completion Report.

28 **Q. You stated earlier that at the September 21, 2015, meeting, Mr. Giles and Mr.**
29 **Schlatter asked to review the Exhibit 2 spreadsheet to provide a timeline for**
30 **solutions. Did they do that for the Geer?**

1 A. Yes. As demonstrated by Mr. Schlatter's responsive spreadsheet (Exhibit 3), Mr. Giles
2 stated that the well needed to either be returned to production or have a temporary
3 abandonment application on file. He also said the well needed a corrected ACO-1 with
4 casing information, perforation information, and cement tickets. He stated the corrective
5 action would be to file the ACO-1 October 16, 2015, and that the well would be running
6 within 30 days, and that he was waiting on electrician to install lines.

7 **Q. Did Operator ever bring the well into production?**

8 A. No.

9 **Q. Did Staff send Operator a Notice of Violation Letter regarding the filing of a**
10 **Temporary Abandonment form on October 19, 2016?**

11 A. Yes.

12 **Q. At Paragraph 8 of Operator's Request for Hearing, Operator states he does not**
13 **recall receiving a Notice of Violation letter on or about October 19, 2016. To your**
14 **knowledge, did Operator receive the Notice of Violation letter?**

15 A. Yes. I know for a fact that he did, along with nine others. On November 18, 2016, Mrs.
16 Giles hand-delivered ten Notice of Violation letters to me personally at the District 2
17 Office. Each letter had "To Jon Hill" handwritten on it, with a hand written note at the
18 bottom of each letter. At the bottom of the Notice of Violation for the Geer #2 there was
19 a handwritten note that said, "TA filed 11-18-16." Mrs. Giles insisted that I date stamp
20 the letter, so I did and made a copy for her to return to Mr. Giles, attached to my
21 testimony as Exhibit 7.

22 **Q. Did Staff placed three conditions on approving Staff approving a temporary**
23 **abandonment application for the Geer #2?**

24 A. Yes.

25 **Q. What were those conditions?**

26 A. First, Staff required a revised Well Completion Report. Mr. Giles's temporary
27 abandonment application filed on November 18, 2016, contained the first completion
28 information Staff had seen for the well. Staff had been waiting on a complete Well
29 Completion Report for over a year from our September 21, 2015 meeting. With nothing
30 on record to verify the well construction, Staff was not willing to approve an application.

1 Second, Staff required a cement ticket furnishing evidence cement was circulated to
2 surface. Without such a ticket, Staff had no evidence that Mr. Giles had done the
3 remedial cement work required under his exception letter. On January 13, 2017, Mr.
4 Schlatter submitted an updated Well Completion Report, including a cement ticket from
5 Consolidated Oil Well Services, which attached to my testimony as Exhibit 8. Nothing
6 documented on the cement ticket demonstrates that Mr. Giles performed the required
7 remedial cement work from 250 feet to surface. In an attempt to make this cement ticket
8 reflect that he had done the remedial cement work he took the cement ticket to
9 Consolidated Oil Well Services and apparently the field personnel that had been onsite
10 during the work wrote, "cement did circulate approx. 4 bbl to pit." (Klock Exhibit 9). This
11 does not change the fact that 150 sacks of cement is not enough cement to circulate to
12 surface given the well construction, as explained in Jonathan Hill's testimony.

13 Third, a bond log was required to verify Mr. Giles claim that he circulated cement
14 from bottom to top on the backside of the 4 ½ inch production casing.

15 **Q. How many years after the cement job was this hand-written note made on the**
16 **ticket?**

17 A. Three years.

18 **Q. What does a cement ticket typically look like when describing a cement job**
19 **circulated back to surface?**

20 A. Attached is my Exhibit 10, which is a cement ticket for Mr. Giles on his Ablah SWD.
21 The Ablah is located approximately two miles away from the Geer #2, and this work was
22 also done by Consolidated Oil Well Services. In no way am I implying these are identical
23 job types, or that we should compare these tickets side by side. Rather, this is to show
24 that the ticket has the notation, "Circulated Cement to Surface, 37 bbl." This notation is
25 confirmed by the ticket noting that the displacement of the casing was 37.96 bbl, and that
26 because the operator did not want to drill out casing full of cement, they displaced the
27 cement in the casing down to 1,552 feet, therefore circulating the 37 bbl to surface. This
28 is typical notation made on a field ticket when cement is circulated to surface.

29 **Q. Have you seen this type of notation, that you see on the Ablah ticket, on other**
30 **cement tickets from Consolidated when cement was circulated to surface?**

1 A. Yes, it is an important thing to document, and other cement companies make the same
2 notation whenever cement is circulated to surface.

3 **Q. Why did staff request a bond log be run?**

4 A. That is the third condition Mr. Giles states that staff imposed on him. A bond log was
5 required to verify Mr. Giles claim that he circulated cement from bottom to top on the
6 backside of the 4 ½ inch production casing.

7 **Q. Did you send Operator a letter with a deadline to get the bond log run?**

8 A. Yes, on April 14, 2017. The letter gave an April 28, 2017, deadline to get the bond log
9 run, and required Mr. Giles to notify the District 2 Office so staff could be onsite to
10 witness the bond long being run. The letter is attached as my Exhibit 11.

11 **Q. Did Mr. Giles notify the District 2 Office prior to running the bond log with a date
12 and time so staff could be onsite to witness?**

13 A. No.

14 **Q. Does the bond long verify Operator's claim that he circulated cement from bottom
15 to top on the backside of the 4 ½ inch production casing?**

16 A. No, it does not. It in fact indicates Operator did not perform the Alternate II cementing
17 required by his Table 1 exception, as described in further detail in Mr. Hill's testimony.

18 **Q. To your knowledge, does Operator still have a valid oil and gas lease covering the
19 Geer #2?**

20 A. No. Kenton Hupp, President of IGWT Inc. (KCC License #3167) has contacted me several
21 times regarding the Geer. Mr. Hupp has stated that he now has the lease. He contacted me
22 as recently as April 4, 2018, to ask me about the KCC seal on the well. He has stated that
23 he would like to move forward with his plans on the lease, but is waiting for this matter to
24 be resolved.

25 **Q. In Operator's request for hearing, he states it is unreasonable, arbitrary, capricious
26 and entirely unfair for staff to serially request evidence from operator, only to deny
27 the authenticity and veracity of the evidence, and then request additional evidence at
28 an even increasing expense to operator. Do you believe Staff has treated Operator in
29 this manner?**

30 A. No. In fact, it is unreasonable and quite burdensome for Staff to continually have to serially
31 request information and request compliance from Mr. Giles. The spreadsheet from Staff's

1 September 21, 2015, meeting speaks for itself. The reason for that meeting was to set
2 deadlines for Mr. Giles to get into compliance due to the fact our Staff was dedicating way
3 too much Staff time and resources in regulating Mr. Giles. Staff's instructions are
4 reasonable, not hard to understand, and not difficult to follow, yet Mr. Giles continues to
5 ignore Staff directives. Instead, Mr. Giles has continuously found ways to put off necessary
6 work for months at a time, then crying foul when penalized.

7 **Q. Does Staff have a recommendation regarding the Penalty Order in Docket 18-CONS-**
8 **3167-CPEN, as it pertains to a violation of K.A.R. 82-3-104 at the Geer #2?**

9 A. Yes. The Penalty Order should be affirmed.

10 **Q. Does this conclude your testimony as of this date, April 23, 2018?**

11 A. Yes.

SPUD DATES
DISTRICT OFFICE #2

SPUD DATE	OPERATOR'S NAME	LICENSE #	WELL NAME & #	LEGAL LOCATION	SPOT LOCATION	COUNTY	API #
7-7-14	SANDRIDGE EXPL	34192	Sarah 3306 3-28H	28-33-6W	SWSESW	HP	15-077-22066-01-00
7-5-14	Roscoe Petroleum, LLC	34811	Ernst 1	18-23-4E	NW-SW-NW	BU	15-015-24031-00-00
7-4-14	Lachenmayr Oil	6804	AYRES 2	26-25-1W	SW-NWNE	SD	15-173-21036-00-00
7-8-14	Alton Oil	33982	JACK 1	21-30-5E	NW-NW-NW	CL	15-035-24556-00-00
7-9-14	Unit Petroleum	33596	HAWKS #2H	15-25-10W	SWSWSE	RENO	15-155-21706-01-00
7/11/14	SandRidge Exploration	34192	Eve 3306-1-22H	15-33-6W	SESESWSE	HP	15-077-22068-01-00
7/11/14	SandRidge Exploration	34192	Hughes 3408-2-22H	22-34-8W	SESWSESW	HP	15-077-22072-01-00
7/11/14	SandRidge Expl	34192	Hughes 3408-1-22H	22-34-8W	SWSWSESW	HP	15-077-22073-01-00
7/11/14	Drake Expl.	33556	McLaughlin D-1	1-35-2E	N2 NE	SU	15-191-22756-00-00
7-14/14	Barn - Giles	5446	WRIGHT 1 owner	32-25-9E	NWNESEW	BU	15-015-01211-00-01
7-14-2014	Tron Resources Operating	33372	LF2 #1	34-32-5E	SW-NWNESE	CL	15-033-24590-00-00
7-15-2014	SANDRIDGE	34192	Eve 3306 2-22H	15-33-6W	SESWSE	HP	15-077-22066-01-00
7-15-14	Smithman	33025	Keller 1-WD	1-24-3E	SWSWSE	BU	015-00895-00-01
7-16-14	SANDRIDGE EXPL	34192	JAMES 3406 1-4H	4-34-6W	SESWSE	HP	15-077-22067-01-00
7-16-14	SANDRIDGE EXPL	34192	JAMES 3406 2-4H	4-34-6W	SESWSE	HP	15-077-22074-01-00
7-16-14	Tapstone Energy, LLC	35053	Rosseau 13-25-9	1-25-9W	SE-SWSE	HP	15-077-21877-01-01
7-16-14	Howell Oil Co., Inc.	5091	Pizinger #6	18-23-3W	SW-NW-NW	HP	15-079-20704-00-00
7-17-14	Lachenmayr Oil	6804	Haeberl 1	32-24-1E	SW-NW-NW	HP	15-079-20706-00-00

Cancel

CONO	API_WELLNO	CNTY_ABBR	WELL_TYP	WELL_STATUS	WELL_NAME	WH_SEC	WH_TWPN	WH_RNGN	RNG	WH_QTR	CURRENT_WELL_STATUS	COMPLIANCE
5446	15015215750000	BU	OIL	PR	ABLAH 1-11	11	26	4 E		NWNWSW	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED.	
5446	15015300890001	BU	SWD	AI	ABLAH 1A SWD	11	26	4 E		NWNWSW	ACTIVE INJECTION	
5446	15015200140000	BU	OIL	PR	BUSENITZ 1	26	25	3 E		NESWSW	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED.	
5446	15173002620001	SG	SWD	AI	BUTTWICK SWD 1	12	26	2 E		NENWNW	ACTIVE INJECTION	
5446	15015200930001	BU	EOR	AI	CLEARWATER 1	33	25	3 E		SWSWSE	ACTIVE INJECTION	
5446	15015201250000	BU	OIL	PR	CLEARWATER 2	33	25	3 E		NENWSE	INACTIVE / NOT SHUT IN / PARTED CASING AT SURFACE / OLD OPEN PIT.	VIOLATION OF K.A.R. 82-3-600 FOR USE OF AN UNAPPROVED PIT. VIOLATION OF K.A.R. 82-3-602 FOR FAILURE TO CLOSE WORKOVER PIT WITHIN 90 DAYS.
5446	15015206200000	BU	OIL	PR	CLEARWATER 5	33	25	3 E		N2N2N2S2	INACTIVE / NOT SHUT IN / FLUID AT SURFACE / RODS AND TUBING LAID OUT / OPEN PIT.	VIOLATION OF K.A.R. 82-3-111 FOR FAILURE TO FILE TA
5446	15015207140000	BU	OIL	PR	CLEARWATER 6	33	25	3 E		SENESEW	INACTIVE / NOT SHUT IN / FLUID AT SURFACE / RODS AND TUBING LAID OUT / OPEN PIT.	VIOLATION OF K.A.R. 82-3-600 FOR USE OF AN UNAPPROVED PIT. VIOLATION OF K.A.R. 82-3-602 FOR FAILURE TO CLOSE WORKOVER PIT WITHIN 90 DAYS.
5446	15015207490000	BU	OIL	PR	CLEARWATER 7	33	25	3 E		NWNESW	INACTIVE / RODS AND TUBING LAID OUT EQUIPPED / CAPABLE OF PRODUCTION	VIOLATION OF K.A.R. 82-3-111 FOR FAILURE TO FILE TA - CP-111
5446	15015207500000	BU	OIL	PR	CLEARWATER 8	33	25	3 E		SWNESE	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED.	
5446	15173208050000	SG	OIL	PR	DEMOSS 1	12	26	2 E		NWSENW	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED.	
5446	15173019050000	SG	OIL	PR	EDSON 3	1	26	2 E		SWSWSE	INACTIVE / LAST SALE MARCH 2014	VIOLATION OF K.A.R. 82-3-111 FOR FAILURE TO FILE TA - CP-111
5446	15173019060000	SG	OIL	PR	EDSON 4	1	26	2 E		SWNWSE	INACTIVE / LAST SALE MARCH 2014	VIOLATION OF K.A.R. 82-3-111 FOR FAILURE TO FILE TA - CP-111
5446	15173210210000	SG	OIL	PR	ERDWIEN 1A	11	26	2 E		W2SESWSW	PRODUCING	
5446	15015014900001	BU	OIL	DR	FLYING J GEER 2 OWWO	32	25	4 E		E2E2NE	INACTIVE. NO CASING OR PERFORATION INFORMATION ON ACO-1. NO CEMENT TICKETS. WELL GIVEN TABLE 1 EXCEPTION. UNWITNESSED ALT II CEMENTING THAT WAS REQUIRED.	CP-111, COMPLETE ACO-1 AND PROVIDE ALL CEMENT TICKETS.
5446	15015214670000	BU	OIL	PR	GILES 1	18	26	3 E		SWNENW	PRODUCING	
5446	15173207380000	SG	OIL	PR	GLEN LYGRISSE 1	12	26	2 E		NENWSE	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED. OPEN WORKOVER PIT.	VIOLATION OF K.A.R. 82-3-600 FOR USE OF AN UNAPPROVED PIT. VIOLATION OF K.A.R. 82-3-602 FOR FAILURE TO CLOSE WORKOVER PIT WITHIN 90 DAYS.
5446	15173007870003	SG	SWD	AI	H. ERDWIEN 2	11	26	2 E		NESWSW	ACTIVE INJECTION	
CONO	API_WELLNO	CNTY_ABBR	WELL_TYP	WELL_STATUS	WELL_NAME	WH_SEC	WH_TWPN	WH_RNGN	RNG	WH_QTR	CURRENT_WELL_STATUS	COMPLIANCE
5446	15015202590000	BU	EOR	AI	HIGGINS TANK BATTERY	7	26	2 E		E2SWSWSW	SALT WATER PUMP LEAKING FLUID FROM PLUNGERS/RUNNING TO PIT	VIOLATION OF K.A.R. 82-3-603(b)(3) FOR ONGOING CONTINUAL LEAK. IMPROPERLY MAINTAINED PUMP.
5446	15015194780000	BU	OIL	AX	HIGGINS 3	7	26	5 E		N2S2SW	ACTIVE INJECTION	
5446	15015194790000	BU	OIL	PR	HIGGINS 4	7	26	5 E		NESESW	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED.	

5446	15015192240000	BU	OIL	PR		HILDRETH 2	3	26	4 E	SESENE	PRODUCING		
5446	15015212190000	BU	OIL	IN		HILDRETH 3-A	3	26	4 E	SESENE	PRODUCING		
5446	15015221160000	BU	OIL	PR		HILDRETH 6-A	3	26	4 E	SESENE	INACTIVE-TUBING & RODS PULLED	VIOLATION OF K.A.R. 82-3-111 FOR FAILURE TO FILE TA - CP-111	
5446	15015237880000	BU	OIL	PR		HILDRETH 7	3	26	4 E	SWSWSESE	PRODUCING		
5446	15015218930001	BU	SWD	AI		HILDRETH A A-5	3	26	4 E	SENESE	INACTIVE-NOT CONNECTED TO LEASE	VIOLATION OF K.A.R. 82-3-111 FOR FAILURE TO FILE TA - CP-111	
	15015218800000	BU	OIL	IN		HILDRETH A-4	3	26	4 E	NWSENE	ABANDONED WELL, NOT ON WELL INVENTORY / NOT SHUT-IN	PLUG WELL OR ADD TO WELL INVENTORY AND RETURN TO SERVICE, OR FILE FOR 10 YR TA EXCEPTION.	
5446	15015231500000	BU	OIL	PR		HINNENKAMP 1	7	26	3 E	SWSENE	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED. FIELD STAFF INDICATED WELL CAN PRODUCE BUT NOT ECONOMICAL. LAST SALE MAY 2014	VIOLATION OF K.A.R. 82-3-111 FOR FAILURE TO FILE TA - CP-111	
5446	15015232960000	BU	OIL	PR		HINNENKAMP 2	7	26	3 E	NWSWNE	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED. FIELD STAFF INDICATED WELL CAN PRODUCE BUT NOT ECONOMICAL. LAST SALE MAY 2014.	VIOLATION OF K.A.R. 82-3-111 FOR FAILURE TO FILE TA - CP-111	
5446	15173208330001	SG	SWD	AI		HLADIK 1	12	26	2 E	SWNENW	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED.	PLUG OR REPAIR BY 12/2/2015	
5446	15173035890001	SG	OIL	PR		I K LYGRISSE 2B	12	26	2 E	NWSWNE	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED.		
5446	15015015030000	BU	OIL	PR		JONES 2	33	25	4 E	N2NWNW	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED. CAPABLE OF RUNNING?		
5446	15015221710000	BU	OIL	PR		JONES 4	33	25	4 E	NWNW	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED. LAST SALE MARCH 2015.		
5446	15173035210000	SG	OIL	IN		LYGRISSE 1	12	26	2 E	SWSWNE	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED.		
5446	15173200770000	SG	OIL	PR		LYGRISSE B-2	12	26	2 E	NWSENE	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED. NO LEASE ROAD TO WELL.		
5446	15173210230000	SG	OIL	PR		M & L LAND STOLLE 1A	11	26	2 E	N2SWSESW	PRODUCING		
5446	15015015010002	BU	SWD	AI		MCCULLOCH 10X	32	25	4 E	SWSWNNW	INACTIVE INJECTION / WELL NO LONGER CAPABLE OF TAKING ANY WATER.	SUBMIT CP-111	
5446	15015233200000	BU	OIL	PR		MCCULLOCH 11	32	25	4 E	SWNW	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED.		
5446	15015404670001	BU	SWD	SP		MCCULLOCH 12 SWD	32	25	4 E	SWNENW	SPUD 9/8/2015		
5446	15015014960000	BU	OIL	PR		MCCULLOCH 5	32	25	4 E	NESWNNW	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED.		
5446	15015014980000	BU	OIL	PR		MCCULLOCH 7	32	25	4 E	NWSWNNW	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED.		
CONO	API_WELLNO	CNTY_ABBR	WELL_TYP	WL_STATUS	WELL_NAME	WH_SEC	WH_TWPN	WH_RNGN	RNG	WH_QTR	CURRENT WELL STATUS	COMPLIANCE	
											OPERATOR MUST PULL WATER FROM PIT AND SHOW STAFF THAT WELL IS PROPERLY PLUGGED. IF NOT PROPERLY PLUGGED OPERATOR IS RESPONSIBLE FOR PLUGGING WELL PER DIST 2 REQUIREMENTS. BACKFILL EXCAVATION		
5446	15015014930001	BU	OIL	EX		MCCULLOUGH 2 OWWO	32	25	4 E	SWSWNNW	OPERATOR LOCATED WELL AND DUG UP. CURRENTLY UNDER WATER IN PIT APPROX. 12' DEEP. INTENT TO DRILL EXPIRED ON 10/22/2013		
5446	15015014990001	BU	OIL	EX		MCCULLOUGH 8 OWWO	32	25	4 E	N2SWSENNW	INTENT EXPIRED 10/22/2013.		
5446	15015205100001	BU	OIL	PR		MELVILLE 1A OWWO	10	26	4 E	SWNNWNE	PRODUCER/NOT IN OPERATION/FULLY EQUIPPED. LAST SALE ON LEASE SEPT. 2014.	VIOLATION OF K.A.R. 82-3-111 FOR FAILURE TO FILE TA - CP-111.	
5446	15015303320002	BU	OIL	PR		MELVILLE 5 OWWO	10	26	4 E	NWNWNE	INACTIVE / DISCONNECTED FROM LEAD LINE.	VIOLATION OF K.A.R. 82-3-111 FOR FAILURE TO FILE TA - CP-111.	
5446	15173200330000	SG	OIL	IN		NEWCOMER 1	35	25	1 E	SWNNWNNW	CURRENTLY INACTIVE-ONLY PRODUCER. CAPABLE OF PRODUCING?	LAST SALE ON USE FEB. 2015	

5446	1517300090001	SG	SWD	AI	NEWCOMER 1B	35	25	1 E	SWSWNW	FAILED MIT 7/23/15	PLUG OR REPAIR BY 10/22/2015
5446	1517320082001	SG	OIL	PR	NEWCOMER A	35	25	1 E	NWNWNW	INACTIVE-CAPABLE OF PRODUCING?	SUBMIT CP-111
5446	1501501020002	BU	OIL	IN	PAULSEN 1	2	26	4 E	NENENWSW	EQUIPPED / NOT HOOKED TO LEAD LINE. RAN FOR STAFF USING GENERATOR AND TANK SET NEXT TO WELL.	WELL NEEDS TO BE CAPABLE OF RESUMING PRODUCTION OF OIL AND GAS BY CONNECTING TO LEAD LINE.
5446	15015400430000	BU	OIL	IN	PAULSEN 2	2	26	4 E	SWSSESWSW	PRODUCING	
5446	15015400440000	BU	OIL	IN	PAULSEN 3	2	26	4 E	SENWSWSW	PRODUCING	
5446	15015214860001	BU	SWD	AI	PAULSEN 8B	2	26	4 E	SWSWSW		OPERATOR MUST REPORT TO DISTRICT OFFICE IF WELL NOT CAPABLE OF PASSING AN MIT.
5446	15015401400000	BU	OIL	PR	RALSTON 1	10	26	4 E	NENWSE	CURRENT PROBLEM WITH WELL EQUIPPED	SUBMIT CP-111
5446	15015236670000	BU	OIL	PR	RALSTON 10	10	26	4 E	SENESE	PRODUCING / OIL SPILL AROUND WELL HEAD IN PAST.	
5446	15015010160001	BU	OIL	PR	RALSTON 2	10	26	4 E	SENWSE	PRODUCING	
5446	15015401420000	BU	OIL	PR	RALSTON 4	10	26	4 E	NESWSE	PRODUCING	
5446	15015401440000	BU	OIL	IN	RALSTON 6	10	26	4 E	NWSESE	INACTIVE / APPROVED TA	
5446	15015225720000	BU	OIL	IN	RALSTON 9	10	26	4 E	EZNESE	PRODUCING / EMERGENCY PIT HAS OIL AND DEBRIS IN IT.	
5446	15015403210000	BU	OIL	PR	RALSTON OWWO 11	10	26	4 E	NENWNESE	PRODUCING / INCOMPLETE RECORDS/ OWWO PIT APPLICATION RECEIVED 11/23/2011. OPERATOR RECOMPLETED OLD WELL/ NO ACO-1 FILED.	VIOLATION OF K.A.R. 82-3-130 FOR FAILURE TO FILE AFFIDAVIT OF WELL COMPLETION.
5446	15015400450001	BU	OIL	PR	RALSTON OWWO 5	10	26	4 E	SWSESE	PRODUCING	
5446	15015202390000	BU	OIL	IN	RAMSEY 2	4	26	3 E	SWNESE	PRODUCING / BAD STUFFING BOX LEAK WHEN TURNED ON FOR INSPECTION.	
5446	15015202760000	BU	OIL	PR	RAMSEY 3	4	26	3 E	NWSENE	PRODUCING	
5446	15015207840000	BU	OIL	PR	RAY A-1	34	25	3 E	NWNWSW	INACTIVE-TUBING & RODS LAID OUT. NOT SHUT IN.	CP-111
5446	15015211440002	BU	OIL	PR	RAY B-7	34	25	3 E	NESWNW	INACTIVE/NO MOTOR/SHUT-IN. LEASE ROAD PLANTED W/ CORN.	CP-111
5446	15015208670000	BU	OIL	PR	RAY A 2	WH_SEC	WH_TWPN	WH_RNGN	WH_QTR	CURRENT WELL STATUS	COMPLIANCE
5446	15015216080000	BU	OIL	PR	RAY A 3	34	25	3 E	NENWSW	INACTIVE-TUBING & RODS LAID OUT	CP-111
5446	15015208000001	BU	EOR	AI	RAY B 1	34	25	3 E	SWSWNW	PRODUCING	
5446	15015208030000	BU	OIL	PR	RAY B 2	34	25	3 E	SESWNW	ACTIVE INJECTION	
5446	15015208810000	BU	OIL	PR	RAY B 4	34	25	3 E	NWNESW	PRODUCING	
5446	15015209950000	BU	OIL	PR	RAY B 6	34	25	3 E	NWSENE	PRODUCING	
5446	15015209440000	BU	OIL	PR	RAY C 1	34	25	3 E	SWNESE	INACTIVE-TUBING & RODS LAID OUT	CP-111
5446	15015210130000	BU	OIL	PR	RAY C 2	34	25	3 E	NENENW	INACTIVE-TUBING & RODS LAID OUT	CP-111
5446	15015201320000	BU	OIL	PR	REED 1	32	25	3 E	SESENE	PRODUCING	
5446	15015201340001	BU	EOR	AI	SCHAUF 1	35	25	3 E	SESWNW	ACTIVE INJECTION? STAFF OBSERVED RIG OVER THE HOLE. SEVERAL JOINTS OF TUBING LAID OUT.	NEW MIT NEEDED IF THERE WAS TUBING REPLACEMENT.
5446	15015201270002	BU	OIL	AX	SEIDL 1 OWWO	34	25	3 E	SESENE	OPERATOR SPUD WELL 11/8/2013 AND DRILLED TO 167' AND STOPPED. INSPECTION ON 8/7/2015 OBSERVED CASING WITH BUCKET ON TOP. OPERATOR FILED CP-1 PLUGGING APP ON 8/21/2015. RIG IS CURRENTLY OVER HOLE, WORKING PITS. WELL BEING WASHED DOWN.	VIOLATION OF K.A.R. 82-3-600 FOR USE OF AN UNAPPROVED PIT. VIOLATION OF K.A.R. 82-3-103 FOR DRILLING WITHOUT AN APPROVED NOTICE OF INTENT TO DRILL. VIOLATION OF K.A.R. 82-3-103 FOR FAILURE TO NOTIFY DISTRICT OFFICE OF SPUD.

GILES RESPONSE FROM JON SCHLATTER_10/19/2015

WELL NAME	API_WELLNO	CNTY_ABBR	WELL_TYP	WLS_TATU_S	WH_T SEC	WH_T WPN	WH_T RING	WH_QTR	COMPLIANCE	CORRECTIVE ACTION
CLEARWATER 2	15015201250000	BU	OIL	PR	33	25	3	E	Close unauthorized workover pit. Need to file CDP1 and CDP4. Return to production or file CP-111.	Pit closed (IMG 73) and closure forms approved. No issue concerning parted casing (IMG 74). Will be equipped to pump within 60 days - OR - TA application will be filed.
CLEARWATER 5	15015206200000	BU	OIL	PR	33	25	3	E	Close unauthorized workover pit. Need to file CDP1 and CDP4. Return to production or file CP-111.	Pit closed (IMG 72) and closure forms approved. Will be equipped to pump within 60 days - OR - TA application will be filed.
CLEARWATER 6	15015207140000	BU	OIL	PR	33	25	3	E	Close unauthorized workover pit. Need to file CDP1 and CDP4.	Pit closed (IMG 70) and closure forms approved.
CLEARWATER 7	15015207490000	BU	OIL	PR	33	25	3	E	Return to production/injection or file CP-111.	Will be equipped to pump within 60 days - OR - TA application will be filed.
EDSON 3	15173015050000	SG	OIL	PR	1	26	2	E	Return to production/injection or file CP-111.	Equipped to produce.
EDSON 4	15173015060000	SG	OIL	PR	1	26	2	E	Return to production/injection or file CP-111.	Equipped to produce.
FLYING J GEER 2	15015014900001	BU	OIL	DR	32	25	4	E	Return to production or file CP-111. Need corrected ACO-1 w/casing & perf info, and cement tickets.	ACO-1 will be filed 10/16/15. Well will be running within 30 days thereafter. Waiting on electrician to install lines.
GLENLYGGRSSE 1	15173207380000	SG	OIL	PR	12	26	2	E	Close unauthorized workover pit. Need to file CDP1 and CDP4.	Pit closed (IMG 76) and closure forms approved.
HIGGINS TANK BATTERY									Repaired	
HILDRETH 6-A	15015221160000	BU	OIL	PR	3	26	4	E	Return to production/injection or file CP-111.	Will be equipped to pump within 60 days - OR - TA application will be filed.
HILDRETH A-5	15015218930001	BU	SWD	AI	3	26	4	E	Return to production/injection or file CP-111.	Repaired and running.
HILDRETH A-4	15015218800000	BU	OIL	IN	3	26	4	E	Plug, produce, or TA. Add well to inventory.	Investigating the well. Should know more by 10/16/15.
HINNENKAMP 1	15015231500000	BU	OIL	PR	7	26	3	E	Return to production/injection or file CP-111.	Equipped to produce
HINNENKAMP 2	15015232960000	BU	OIL	PR	7	26	3	E	Return to production/injection or file CP-111.	Pulled tubing and packer, found to be in bad condition. New tubing and packer on order and will be installed upon arrival. Then MIT will be scheduled.
HLADIK 1	15173208330001	SG	SWD	AI	12	26	2	E	Plug or conduct successful MIT by 12/02/15.	Equipped to dispose.
MCCULLOUGH 10X	15015215040002	BU	SWD	AI	32	25	4	E	Return to production/injection or file CP-111.	Onsite scheduled with Diet 2 10/16/15
MCCULLOUGH 2	15015014930001	BU	OIL	EX	32	25	4	E	Pull water from pit, demonstrate well plugged.	Equipped to produce
MELVILLE 1A	15015205100001	BU	OIL	PR	10	26	4	E	Return to production/injection or file CP-111.	Producing (IMG 80)
MELVILLE 5	15015308320002	BU	OIL	PR	10	26	4	E	Return to production/injection or file CP-111.	Uner is being run to repair well. Well will be brought back into production as soon as the Newcomer 1B is approved for disposal.
NEWCOMER 1	15173200330000	SG	OIL	IN	35	25	1	E	Return to production/injection or file CP-111.	Repaired, MIT being scheduled.
NEWCOMER 1B	15173008090001	SG	SWD	AI	35	25	1	E	Plug or conduct successful MIT by 10/22/15.	Will be brought back into production as soon as the Newcomer 1B is approved for disposal.
NEWCOMER A	15173200820001	SG	OIL	PR	35	25	1	E	Return to production/injection or file CP-111.	Lead line scheduled for repair 10/19/15. Lead line was damaged in pasture fire.
PAULSEN 1	15015010200002	BU	OIL	IN	2	26	4	E	Connect to lead line.	Active injection well. (See MIT approved 3/27/14).
PAULSEN 8B	15015214860001	BU	SWD	AI	2	26	4	E	Return to production/injection or file CP-111.	Equipped to produce
RALSTON 1	15015401000000	BU	OIL	PR	10	26	4	E	Return to production/injection or file CP-111.	ACO-1 will be filed 10/16/15.
RALSTON OWWO 11	15015403210000	BU	OIL	PR	10	26	4	E	Need ACO-1.	Equipped to produce
RAY A-1	15015207840000	BU	OIL	PR	34	25	3	E	Return to production/injection or file CP-111.	Will be equipped to pump within 60 days - OR - TA application will be filed
RAY B-7	15015211440002	BU	OIL	PR	34	25	3	E	Return to production/injection or file CP-111.	Will be equipped to pump within 60 days - OR - TA application will be filed
RAY A 2	15015208670000	BU	OIL	PR	34	25	3	E	Return to production/injection or file CP-111.	Will be equipped to pump within 60 days - OR - TA application will be filed
RAY C 1	15015209440000	BU	OIL	PR	34	25	3	E	Return to production/injection or file CP-111.	Will be equipped to pump within 60 days - OR - TA application will be filed
RAY C 2	15015210130000	BU	OIL	PR	34	25	3	E	Return to production/injection or file CP-111.	Plugging application filed, prepared to plug.
SEDL 1 OWWO	15015203270002	BU	OIL	AX	34	25	3	E	Complete drilling, file ACO-1, close unauthorized pit.	Pit closed (IMG 63) and closure forms approved.
STOWERS 1	15015210600000	BU	OIL	PR	18	26	5	E	Close unauthorized workover pit. Need to file CDP1 and CDP4.	Lease signs installed (IMG 64-65)
STOWERS 2	15015211330001	BU	SWD	AI	18	26	5	E	Need Lease Sign.	Pit closed (IMG 66) and closure forms approved.
STOWERS 6	15015213820000	BU	OIL	PR	18	26	5	E	Close unauthorized workover pit. Need to file CDP1 and CDP4.	New intent to drill will be filed 10/16/15
VARNER 1 OWWO	15015005500002	BU	OIL	PW	28	25	4	E	Close Excavation.	Excavation closed (IMG 81)
VARNER FARMS 1 OWWO	15015015040001	BU	OIL	EX	33	25	4	E	Close Excavation.	Pit closed and closure forms approved.
WHIPPLE 1A	15015301770000	BU	OIL	PR	7	26	5	E	Close unauthorized workover pit. Need to file CDP1 and CDP4.	

WHIPPLE 2	15015194800000	BU	OIL	PR	7	26	5	E	NWNWNE	Close unauthorized workover pit. Need to file CDP1 and CDP4. Return to production or file pit closed and closure forms approved. Will be equipped to pump within 60 days - OR - TA application will be filed.
WHIPPLE 4	15015194810000	BU	OIL	PR	7	26	5	E	NWNWNE	Plugging application filed.
WHIPPLE 5	15015232400000	BU	OIL	PR	7	26	5	E	NE	Alleged workover pit is a KTA culvert (IMG 57). Lease sign installed (IMG 67). Separator repaired so saltwater cannot be drained into dikes.
WHIPPLE TANK BATTERY					7	26	5	E		Will be completed after the McCullough #12 is completed as an SWDW
WRIGHT 1 OWWO	15015012110002	BU	OIL	PW	32	25	4	E	NENESW	Complete well or plug well.

Jeff Klock

From: Jonathan Schlatter <jschlatter@morrislaing.com>
Sent: Thursday, July 13, 2017 5:29 PM
To: Jeff Klock
Cc: Jon Myers; Carnella Anderson
Subject: Wright #1 OWWO --- API No. 15-015-01211-0002; NE NE SW 32-25-4E, Butler Co
Attachments: Penalty_Notice_on_Wright_1.pdf

Jeff,

Mr. Giles forwarded me your letter dated June 26, 2017 regarding the above-referenced Wright #1. In that letter you require that the Wright #1 be completed or plugged by July 26, 2017. As Mr. Giles began drilling down on the well he encountered a good deal of oil and shale in the wellbore. Upon being made aware of that, you or someone District 2 staff stated a belief that the well was originally not properly plugged, and advised Mr. Giles that he was required to drill down to the original total depth of the well regardless of whether he planned to complete the well or plug the well.

Mr. Giles has set 204' feet of surface casing, and is currently drilling on the well. He believes he can drill to the original total depth and have a completion report filed by July 26, provided no problems are encountered. If, however, there are unexpected problems, the deadline date set out in your letter may no longer be feasible given the new requirement to drill to original total depth regardless of his intentions for the well. If Mr. Giles encounters unexpected problems he will advise District 2 staff right away, and hopes that staff will be flexible concerning an extended deadline date in those circumstances.

Please contact me with any questions or comments you might have. I would also appreciate you advising me now if an extended deadline date is not possible under any circumstance.

Thank you,

Jon Schlatter
Attorney
Morris Laing Evans Brock & Kennedy, Cht.
300 N Mead Ste 200
Wichita KS 67202-2745
316-262-2671
316-262-5991 (FAX)
jschlatter@morrislaing.com

CONFIDENTIALITY NOTICE; This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain confidential information that is legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that any disclosure, copying, distribution or use of any of the information contained in or attached to this transaction is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify us by rely e-mail, by forwarding this to jblack@morrislaing.com or by telephone at (316) 262-2671, and destroy the original transmission and its attachments without reading or saving in any manner. Thank you.

IRS CIRCULAR 230 DISCLOSURE: To ensure compliance with requirements imposed by the IRS, please note that to the extent this communication and any attachments contain any federal tax advice, such advice is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that may be imposed under the Internal Revenue Code, or for promoting, marketing, or recommending to another person any transaction, arrangement or matter addressed herein.

Jeff Klock

From: Jeff Klock
Sent: Friday, July 14, 2017 3:57 PM
To: 'Jonathan Schlatter'
Cc: Jon Myers; Ryan A. Hoffman; Jonathan Hill
Subject: Wright #1 OWWO
Attachments: Schlatter Spreadsheet.pdf; Giles Well Inventory_Compliance.xlsx; 2014 Notice of Intent.pdf; 2015 Notice of Intent.pdf

Mr. Schlatter,

You are correct that my letter dated June 26, 2017 requires Mr. Giles to either complete the well or plug it, by July 26, 2017. However, Staff's awareness that the Wright #1 OWWO was not properly plugged was determined independent of Mr. Giles's recent work. Specifically, Staff is aware the well was not properly plugged due to its July 8, 2014, lease inspection. Further, this is not just a belief, but something your client has already twice admitted, first in his July 15, 2015, letter, in which he states the 8 5/8" casing left in the well was not cemented in place and he pulled out, and in his Notice of Intent to Drill approved August 31, 2015, in which he states the same thing.

In addition, contrary to your email, I can assure you that nobody on staff has advised Mr. Giles that he must drill down to the original total depth of the well. Mr. Giles may elect to plug the well at its current depth, or he may continue to recomplete the well to the depth indicated on his approved Notice of Intent to drill, namely the Viola formation. July 26, 2017, remains his compliance deadline.

The Wright #1 OWWO has been out of compliance with K.A.R. 82-3-104 since 2014, when Mr. Giles dug it out. This was brought to the attention of both you and your client no later than September 2015, in a meeting where I provide both of you a spreadsheet with all of Mr. Giles's compliance issues. At that time, I stated that from Staff's perspective, the number one issue was the Wright #1 OWWO, because it was a raw borehole with fluid at 25 feet. You later provided Jon Myers, Staff Litigation Counsel, with a spreadsheet outlining the corrective action that would be taken to bring Mr. Giles into compliance. You stated the Wright #1 OWWO would be completed or plugged upon the completion of the McCullough #12 SWD. That well was completed on October 27, 2015.

In Mr. Giles's July 15, 2015, letter, he stated that the reason he wanted to wait on the Wright #1 OWWO is that he did not have a rotary rig available to him until he washed down the McCullough #12, and that he did not feel that his other equipment was powerful enough to handle the Wright #1 OWWO. To Staff's knowledge, a rotary rig was never used on this well. The casing was not cemented in place until September 7, 2016, when Consolidated Oil Well

Services did the work. It took one year from our September 2015 meeting for Mr. Giles to get the surface casing set and cemented in place. The well sat as a raw borehole during that time, in violation of Commission regulations.

Staff believes it has been more than generous with the time allowed to recomplete this well. It remains in violation of Commission regulations, and the July 26, 2017, deadline will not be extended.

Sincerely,

Jeff Klock
District 2 Supervisor



Conservation Division
Kansas Corporation Commission
3450 N Rock Road, Building 600, Suite 601
Wichita, KS 67226
Phone (316) 337-7405 Fax (316) 630-4005

KCC OIL/GAS REGULATORY OFFICES

Date: 09/21/16

District: 02

Case #: _____

☐ New Situation
☐ Response to Request
☐ Follow-Up

☐ Lease Inspection
☐ Complaint
☒ Field Report

Operator License No: 32705

API Well Number: 15-035-19562-00-01

Op Name: RANEY OIL COMPANY, LLC

Spot: NE NW NW SW Sec 31 Twp 33 S Rng 6 ☒ E ☐ W

Address 1: 4665 BAUER BROOK CT

2390 Feet from ☐ N ☒ S Line of Section

Address 2: _____

4678 Feet from ☒ E ☐ W Line of Section

City: LAWRENCE

GPS: Lat: 37.13455 Long: 96.82237 Date: 9/21/16

State: KS Zip Code: 66049 -

Lease Name: PRAY SWD Well #: 1

Operator Phone #: (785) 749-0672

County: Cowley

Reason for Investigation:

SURFACE EXCEPTION / SETTING LINER

Problem:

Persons Contacted:

JASON BRUNS

Findings:

LOCATED & GPS'D PLUGGED WELL, OPERATOR HAD CELLAR & WELL HEAD DUG OUT. CEMENT @ SURFACE ON 8-5-8" SURFACE CASING.

10-3-2016

RIH W/1" TBG ON ON BACKSIDE 5-1/2" CASING @ 370', CONSOLIDATED OILWELL SERVICES MIXED & PUMPED 115 SXS 60/44 POZMIX 1%CC 1/4# POLY FLAKE TO SURFACE. CEMENT CIRCULATED. CEMENT TICKET # 51422. DID CELLAR WORK. RIH W/4-1/2" LINER, TAGGED BOTTOM & SET CASING @ 2070'. CONSOLIDATED OILWELL ESTABLISHED CIRCULATION, MIXED & PUMPED 100 SXS CLASS A COMMON 4% GEL 3/4% CC 1/2# POLY FLAKE 1% CDJ-26 TO SURFACE. CEMENT CIRCULATED. CEMENT TICKET # 51423.

Action/Recommendations:

Follow Up Required ☐ Yes ☐ No ☒

Date: _____

Verification Sources:

Photos Taken: NO

☐ RBDMS ☐ KGS ☐ TA Program
☐ T-I Database ☐ District Files ☐ Courthouse
☒ Other: LEASE INSPECTION

By: DUANE KRUEGER

Retain 1 Copy District Office
Send 1 Copy to Conservation Division

Form: 10/19/2016

Exhibit 5
Page 1 of 1



Confidentiality Requested:

☐ Yes ☒ NoKANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

1185051

Form ACO-1

August 2013

Form must be Typed

Form must be Signed

All blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 5446
 Name: Giles, Benjamin M.
 Address 1: 346 S. LULU
 Address 2: _____
 City: WICHITA State: KS Zip: 67211 + _____
 Contact Person: Ben Giles
 Phone: (316) 265-1992
 CONTRACTOR: License # 5446
 Name: Giles, Benjamin M.
 Wellsite Geologist: none
 Purchaser: Maclaskey Oilfield Services

Designate Type of Completion:

- ☐ New Well ☐ Re-Entry ☒ Workover
- ☒ Oil ☐ WSW ☐ SWD ☐ SIOW
☐ Gas ☐ D&A ☐ ENHR ☐ SIGW
☐ OG ☐ GSW ☐ Temp. Abd.
☐ CM (Coal Bed Methane)
☐ Cathodic ☐ Other (Core, Expl., etc.): _____

If Workover/Re-entry: Old Well Info as follows:

Operator: Saco Oil Co
 Well Name: Geer #2

Original Comp. Date: 06/13/1963 Original Total Depth: 2543

- ☐ Deepening ☒ Re-perf. ☐ Conv. to ENHR ☐ Conv. to SWD
☐ Plug Back ☐ Conv. to GSW ☐ Conv. to Producer
- ☐ Commingled Permit #: _____
☐ Dual Completion Permit #: _____
☐ SWD Permit #: _____
☐ ENHR Permit #: _____
☐ GSW Permit #: _____

11/20/2013 11/20/2013
 Spud Date or Date Reached TD Completion Date or
 Recompletion Date Recompletion Date

API No. 15 - 15-015-01490-00-01
 Spot Description: E2 E2 NE
E2 E2 NE Sec. 32 Twp. 25 S. R. 4 ☒ East ☐ West
1320 Feet from ☒ North / ☐ South Line of Section
330 Feet from ☒ East / ☐ West Line of Section
 Footages Calculated from Nearest Outside Section Corner:
☒ NE ☐ NW ☐ SE ☐ SW
 GPS Location: Lat: _____, Long: _____
 (e.g. xx.xxxxx) (e.g. -xxx.xxxxx)
 Datum: ☐ NAD27 ☐ NAD83 ☐ WGS84
 County: Butler
 Lease Name: FLYING J GEER Well #: 2 OWWO
 Field Name: PIERCE
 Producing Formation: MISSISSIPPI
 Elevation: Ground: 1322 Kelly Bushing: 1338
 Total Vertical Depth: 2543 Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at: 130 Feet
 Multiple Stage Cementing Collar Used? ☐ Yes ☒ No
 If yes, show depth set: _____ Feet
 If Alternate II completion, cement circulated from: _____
 feet depth to: _____ w/ _____ sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: _____ ppm Fluid volume: _____ bbls
 Dewatering method used: _____
 Location of fluid disposal if hauled offsite: _____
 Operator Name: _____
 Lease Name: _____ License #: _____
 Quarter _____ Sec. _____ Twp. _____ S. R. _____ ☐ East ☐ West
 County: _____ Permit #: _____

AFFIDAVIT

I am the affiant and I hereby certify that all requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Submitted Electronically

KCC Office Use ONLY

- ☐ Confidentiality Requested
 Date: _____
☐ Confidential Release Date: _____
☐ Wireline Log Received
☐ Geologist Report Received
☐ UIC Distribution
 ALT ☐ I ☒ II ☐ III Approved by: Deanna Garrison Date: 01/29/2014

Exhibit 6

1185051

Operator Name: Giles, Benjamin M. Lease Name: FLYING J GEER Well #: 2 OWWO
 Sec. 32 Twp. 25 S. R. 4 ☒ East ☐ West County: Butler

INSTRUCTIONS: Show important tops of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed.

Final Radioactivity Log, Final Logs run to obtain Geophysical Data and Final Electric Logs must be emailed to kcc-well-logs@kcc.ks.gov. Digital electronic log files must be submitted in LAS version 2.0 or newer AND an image file (TIFF or PDF).

Drill Stem Tests Taken (Attach Additional Sheets)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Log Formation (Top), Depth and Datum	<input checked="" type="checkbox"/> Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Name	Top
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	LANSING	1835
Electric Log Run	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	KANSAS CITY	-497
List All E. Logs Run:		MISSISSIPPI	-764
			-1166

CASING RECORD <input type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
___ Perforate				
___ Protect Casing	-			
___ Plug Back TD				
___ Plug Off Zone	-			

Did you perform a hydraulic fracturing treatment on this well? ☐ Yes ☒ No (If No, skip questions 2 and 3)
 Does the volume of the total base fluid of the hydraulic fracturing treatment exceed 350,000 gallons? ☐ Yes ☐ No (If No, skip question 3)
 Was the hydraulic fracturing treatment information submitted to the chemical disclosure registry? ☐ Yes ☐ No (If No, fill out Page Three of the ACO-1)

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth

TUBING RECORD:	Size:	Set At:	Packer At:	Liner Run:
				<input type="checkbox"/> Yes <input type="checkbox"/> No

Date of First, Resumed Production, SWD or ENHR.	Producing Method:
	<input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) _____

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled (Submit ACO-5) <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
--	---	--



Jay Scott Emler, Chair
Shari Feist Albrecht, Commissioner
Pat Apple, Commissioner

Corporation Commission

Sam Brownback, Governor

NOTICE OF VIOLATION

GILES, BENJAMIN M.
346 S. LULU
WICHITA KS 67211

October 19, 2016
KCC Lic.-5446

RE: **TEMPORARY ABANDONMENT**
API Well No. 15-015-01490-00-01
FLYING J GEER 2 OWWO
32-25S-4E, E2E2NE
BUTLER County, Kansas

To Jon Hill

Received
KCC District #2
NOV 18 2016
Wichita, KS

Operator:

On August 30, 2016, a lease inspection documented a probable violation of the following regulation at the referenced well:

- K.A.R. 82-3-111. Within 90 days after operations cease on a well, the operator must return the well to service, plug the well, or obtain approval for temporary abandonment status.

**Failure to remedy this violation
by NOVEMBER 16, 2016
shall be punishable by a \$100 penalty.**

You may contact me if you have any questions.

Sincerely,

JONATHAN HILL
KCC District # 2

TA Filed 11-18-16

[Home](#) [KCC Forms](#) [Licensing](#) [Settings](#) [Tools](#) [Help](#)**KOLAR**

Group ID 14785 • KCC License 6446 • User ID 29188 Tauni Roney Logout Benjamin Giles

Form Details[Back to Well Completion](#)**FLYING J GEER 2 OWWO (1327479)**

Actions	Attachments
View PDF	View PDF
Delete	Delete
Edit	Add Attachment
Cannot Submit	

[Download Fracking Disclosure Template](#)

Remarks
Remarks to KCC
Add Remark

No Remarks

Problems Preventing Submission

Form Field	Error Message
Contractor License Number	Contractor License is invalid.

For any filing made by the operator or on behalf of the operator, the operator on whose behalf the filing was made is responsible for compliance with all Commission rules and regulations relating to the filing and any permit issued by the Commission.

Confidentiality Requested:

☐ Yes ☒ No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1

August 2013

Form must be Typed

Form must be Signed

All blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 5446

Name: Giles, Benjamin M.

Address 1: 346 S. LULU

Address 2:

City: WICHITA State: KS Zip: 67211

Contact Person: Ben Giles

Phone: (316) 265-1992

CONTRACTOR: License # 5446

Name:

Wellsite Geologist: none

Purchaser: MacIskey Oilfield Services

Designate Type of Completion:

☐ New Well ☐ Re-Entry ☒ Workover

☒ Oil ☐ WSW ☒ SWD ☐ SIOW

☐ Gas ☐ D&A ☒ ENHR ☐ SIGW

☐ OG ☐ GSW ☐ Temp. Abd.

☐ CM (Coal Bed Methane)

☐ Cathodic ☐ Other (Core, Expl., etc.):

If Workover/Re-entry: Old Well Info as follows:

Operator: Saco Oil Co

Well Name: Geer #2

Original Comp. Date: 06/13/1963 Original Total Depth: 2543

☐ Deepening ☒ Re-perf. ☒ Conv. to ENHR ☐ Conv. to SWD

☐ Plug Back ☐ Conv. to GSW ☐ Conv. to Producer

☐ Commingled

☐ Dual Completion

☐ SWD

☒ ENHR

☐ GSW

Permit #:

Permit #:

Permit #:

Permit #:

Permit #:

11/20/2013

Spud Date or
Recompletion Date

Date Reached TD

11/20/2013

Completion Date or
Recompletion Date

API No. 15 - 15-015-01490-00-01

Spot Description: E2 E2 NE

. E2 E2 NE Sec. 32 Twp. 25 S. R. 4 ☒ East ☐ West

1376 Feet from ☒ North / ☐ South Line of Section

311 Feet from ☒ East / ☐ West Line of Section

Footages Calculated from Nearest Outside Section Corner:

☒ NE ☐ NW ☐ SE ☐ SW

GPS Location: Lat: , Long: (e.g. 100.00000)

Datum: ☐ NAD27 ☐ NAD83 ☐ WGS84

County: Butler

Lease Name: FLYING J GEER Well #: 2 OWWO

Field Name:

Producing Formation: Mississippi

Elevation: Ground: 1322 Kelly Bushing: 1338

Total Vertical Depth: 2543 Plug Back Total Depth:

Amount of Surface Pipe Set and Cemented at: 130 Feet

Multiple Stage Cementing Collar Used? ☐ Yes ☒ No

If yes, show depth set: Feet

If Alternate II completion, cement circulated from:

feet depth to: w/ sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: ppm Fluid volume: bbls

Dewatering method used:

Location of fluid disposal if hauled offsite:

Operator Name:

Lease Name: License #:

Quarter Sec. Twp. S. R. ☐ East ☐ West

County: Permit #:

AFFIDAVIT

I am the affiant and I hereby certify that all requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: _____

Title: _____ Date: _____

KCC Office Use ONLY

☐ Confidentiality Requested

Date: _____

☐ Confidential Release Date: _____

☐ Wireline Log Received

☐ Geologist Report Received

☐ UIC Distribution

ALT ☐ I ☐ II ☐ III Approved by: _____ Date: Exhibit 8

Operator Name: Giles, Benjamin M. Lease Name: FLYING J GEER Well #: 2 OWWO
 Sec. 32 Twp. 25 S. R. 4 ☐ East ☐ West County: Butler

INSTRUCTIONS: Show important tops of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed.

Final Radioactivity Log, Final Logs run to obtain Geophysical Data and Final Electric Logs must be emailed to kcc-well-logs@kcc.ks.gov. Digital electronic log files must be submitted in LAS version 2.0 or newer AND an image file (TIFF or PDF).

Drill Stem Tests Taken ☐ Yes ☒ No ☐ Log Formation (Top), Depth and Datum ☒ Sample
 (Attach Additional Sheets)

Samples Sent to Geological Survey ☐ Yes ☒ No
 Cores Taken ☐ Yes ☒ No
 Electric Log Run ☐ Yes ☒ No

List All E. Logs Run:

Name	Top	Datum
Lanham	1835	-497
Kansas City	2102	-764
Mississippi	2504	-1168

CASING RECORD <input type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (in O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Production	7.875	4.5	10.5	2545	Class A Common	150	CAF-38 21

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
Perforate				
Protect Casing				
Plug Back TD				
Plug Off Zone				

Did you perform a hydraulic fracturing treatment on this well? ☐ Yes ☒ No (If No, skip questions 2 and 3)
 Does the volume of the total base fluid of the hydraulic fracturing treatment exceed 350,000 gallons? ☐ Yes ☐ No (If No, skip question 3)
 Was the hydraulic fracturing treatment information submitted to the chemical disclosure registry? ☐ Yes ☐ No (If No, fill out Page Three of the ACO-1)

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
2	2511 to 2517	none	

TUBING RECORD:		Size:	Set At:	Packer At:	Liner Run:	<input type="checkbox"/> Yes <input type="checkbox"/> No
		2.375	2480			
Date of First, Resumed Production, SWD or ENHR.		Producing Method:				
09/20/2014		<input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input checked="" type="checkbox"/> Other (Explain) <u>Swabbing</u>				
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity	
	2		2			

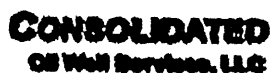
DISPOSITION OF GAS:	METHOD OF COMPLETION:	PRODUCTION INTERVAL:
<input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	<input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled (Submit ACO-5) (Submit ACO-4) <input type="checkbox"/> Other (Specify) _____	_____ _____ _____

Form	ACO1 - Well Completion
Operator	Giles, Benjamin M.
Well Name	FLYING J GEER 2/OWWO
Doc ID	1327479

Casing

Purpose Of String	Size Hole Drilled	Size Casing Set	Weight	Setting Depth	Type Of Cement	Number of Sacks Used	Type and Percent Additives
Production	7.875	4.5	10.5	2545	Class A Common	150	CAF-38 21

DRAFT



PO Box 884, Chanute, KS 66720
620-431-9210 or 800-467-8676

CEMENT

FOREMAN 602-24

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
7-23-14	3079	Flynn, T	32	25S	4E	Bartlesville
CUSTOMER mwm oil Co. - BEN GILES			TOWNSHIP			
MAILING ADDRESS 532 S. MARKET ST			TRUCK #	DRIVER	TRUCK #	DRIVER
CITY	STATE	ZIP CODE	446	Jay		
Wichita	KS	67202	713	Dustin		
			574	B: 4		
			692	Tracy		

REMARKS: Safety markings in location. About 1 yard hole with 67 H+1-

REMARKS: Safety monitoring on location. Accum land hole with 67 BSLs
we returns mix 150 cfs class in 490000, 1270 cfs, 1270 cfs, 26
-1425K CAF38. Wash pump and lines, Drop also and disallow
3912 BSLs 6004 hrt - 12004 land. Press ratings do 5004 and
skid in.

Thanks Every 4 you

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	1085 ⁰⁰	1085 ⁰⁰
5406	15	MILEAGE	4.20	63 ⁰⁰
5407A	7.1 hrs	Ten mileage Delivery (mtw)	368 ⁰⁰	368 ⁰⁰
5501C	3 hrs	water Transport	120 ^{00/hr}	360 ⁰⁰
1104E	150 sks	Class "A"	15 ²⁰	2355 ⁰⁰
1119B	56 cu	Bridonite	12 ²²	1244 ⁰⁰
1135A	70 th	CFL-115	11 ⁰⁰	770 ⁰⁰
1137	70 th	CDJ-26	84 ⁴⁰	5908 ⁰⁰
1146	21 th	CAG-38	8 ²¹	1724 ⁰⁰
11404	1	4 1/2 - D-hub-a plug	4735	4735
1156	1	4 1/2 - Black shoe	238 ⁰⁰	238 ⁰⁰
5502C	3 hrs	80 BSL UAC	90 ^{00/hr}	270 ⁰⁰
				6458 ²⁴
		30% disc - cement materials only		1208 ⁰⁰
		subtotal		5250 ¹²
			Sales Tax	198.66
			ESTIMATED TOTAL	5448.81

Rev'd 3/78

AUTHORIZATION *[Signature]*

TITLE

DATE _____

I acknowledge that the payment terms, unless specifically amended in writing on the front of the form or in the customer's account records, at our office, and conditions of service on the back of this form are in effect for services identified on this form.

Exhibit
customer #
page 5 of 6



CONSOLIDATED
Oil Well Services, LLC

REMIT TO
Consolidated Oil Well Services, LLC
Dept. 970
P.O. Box 4346
Houston, TX 77210-4346

MAIN OFFICE
P.O. Box 884
Chanute, KS 66720
620/431-9210 • 1-800/467-8876
Fax 620/431-0012

INVOICE

Invoice # 269685

Invoice Date: 07/31/2014 Terms: 0/30/10,n/30

Page 1

GILES, BEN
DBA MWM OIL CO., INC.
346 S. LULU
WICHITA KS 67211
(316)265-1992

FLYING J
48590
32/258/4E
07/23/2014
KS

Description	Hours	Unit Price	Total
MIN. BULK DELIVERY	1.00	368.00	368.00

Part Number	Description	Qty	Unit Price	Total
11048	CLASS "A" CEMENT (SALE)	150.00	15.7000	2355.00
1118B	PREMIUM GEL / BENTONITE	564.00	.2200	124.08
1135A	FL- 115 (FLUID LOSS)	70.00	11.0800	775.60
1137	CEMENT FRICTION REDUCER	70.00	8.4800	593.60
1146	CAF - 38	21.00	8.5100	178.71
4404	4 1/2" RUBBER PLUG	1.00	47.2500	47.25
4156	FLOAT SHOE 4 1/2"	1.00	238.0000	238.00

Sublet Performed	Description	Total
9996-180	CEMENT MATERIAL DISCOUNT	-1208.09

Description	Hours	Unit Price	Total
446 CEMENT PUMP	1.00	1085.00	1085.00
446 EQUIPMENT MILEAGE (ONE WAY)	15.00	4.20	63.00
574 WATER TRANSPORT (CEMENT)	3.00	120.00	360.00
692 80 BBL VACUUM TRUCK (CEMENT)	3.00	90.00	270.00

Amount Due 6734.22 if paid after 08/10/2014

Parts:	4312.24	Freight:	.00	Tax:	198.66	AR	5448.81
Labor:	.00	Misc:	.00	Total:	5448.81		
Sublt:	-1208.09	Supplies:	.00	Change:	.00		

Signed

Date

BARTLESVILLE, OK
918/336-0808

EL DORADO, KS
318/322-7022

EUREKA, KS
620/593-7684

PONCA CITY, OK
580/762-2303

OAKLEY, KS
785/672-8822

OTTAWA, KS
785/242-4044

THAYER, KS
620/839-5269

GILLETTE, WY
307/686-4914

Exhibit 8

CUSHING, OK
918/225-2850



CONSOLIDATED
OIL WELL SERVICES, LLC

PO Box 884, Chanute, KS 66720
820-431-9210 or 800-467-8876

FIELD TICKET & TREATMENT REPORT
CEMENT

...LET NUMBER 48590
LOCATION El Dorado
FOREMAN Curtis

269685

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
7-23-14	3079	Flaming J	32	25S	4E	Bullhead
CUSTOMER MWM OIL CO. - BEN GILES			TOWNSHIP 112N			
MAILING ADDRESS 532 S. Main St			TO CROSS 112E			
CITY Wichita	STATE KS	ZIP CODE 67202	IN WICHITA			
			TRUCK #	DRIVER	TRUCK #	DRIVER
			446	Tosh		
			713	Dustin		
			574	B: U		
			692	Tracy		

JOB TYPE <u>Block</u>	HOLE SIZE	HOLE DEPTH	CASING SIZE & WEIGHT
CASING DEPTH <u>2545</u>	DRILL PIPE	TUBING	OTHER
SLURRY WEIGHT	SLURRY VOL	WATER gal/ok	CEMENT LEFT IN CASING
DISPLACEMENT <u>39.2</u>	DISPLACEMENT PSI	MDR PSI	RATE

REMARKS: Safety meeting on location. Accum load hole with 67 BBLs
no returns mix 150 ccs class A 4700 4270 CEMENT, 112 to 207.26
1456K CAG 38. Wash pump and lines. Drop shoe and displace
3945 BBLs. 600' hst. 1200' land. Press casing to 500' and
skit in.

Cement did circulate approx 4 BBL Top it
Dm
Thanks Curtis

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	1085.00	1085.00
5406	15	MILEAGE	4.20	63.00
5407A	7.1 down	Ten Mileage Delivery (Cmsu)	368.00	368.00
5506	3 hrs	water Transport	120.00/hr	360.00
1104C	150 gals	Class A	15.20	2280.00
1118B	56 gal	Bordenite	1.22	124.32
1135A	70 gal	CFL-115	11.50	795.00
1137	70 gal	COT-26	8.40	588.00
1146	21 gal	CAG-38	8.20	172.20
4404	1	4 1/2" Dribble plug	47.25	47.25
415C	1	4 1/2" Block shoe	238.00	238.00
5402C	3 hrs	80 BBL UNC	90.00/hr	270.00
				6458.24
		3020.55 - cement materials only		1208.00
		subtotal		5250.12
			SALES TAX	128.66
			ESTIMATED TOTAL	5448.81

Rev 377

AUTHORIZATION [Signature] TITLE _____ DATE _____
I acknowledge that the payment terms, unless specifically amended in writing on the front of the form or in the customer's account records, at our office, and conditions of service on the back of this form are in effect for services identified on this form.

CONSOLIDATED
Oil Well Services, LLC

ENTERED

TICKET NUMBER **43150**

LOCATION **180**

FOREMAN **Larry Storm**

Box 884, Chanute, KS 66720
20-431-9210 or 800-467-9676

FIELD TICKET & TREATMENT REPORT

CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
9-10-13	3074	Ableh SWD	11	26 S	4E	Butler
CUSTOMER Bow Oiles			TRUCK # DRIVER TRUCK # DRIVER			
MAILING ADDRESS 346 S Wulu			446 Jack 692 TRACY			
CITY Wichita			451-117 Row M 539 Larry			
STATE KS			681 Timmy H			
ZIP CODE 67211			491 Gerald			

JOB TYPE Service	HOLE SIZE 7 1/2	HOLE DEPTH 2850	CASING SIZE & WEIGHT 5 1/2
CASING DEPTH 1	DRILL PIPE	TUBING	OTHER
SLURRY WEIGHT 125 150	SLURRY VOL 113	WATER gal/sk	CEMENT LEFT in CASING 55 ft
DISPLACEMENT 37.96	DISPLACEMENT PSI 1100	MIX PSI 300	RATE 4.7 bbl/s

REMARKS: Ripped up to 5 1/2 casing - Put at 1596 to 97 - Pumped 13 bbls to break circulation - mixed 240 sks 60/40 + 640 Bcl + 220 CAC2 + 31bs Vol-seal + 1/2 lb Poly - Tapped with 75 sks A + 3% CAC2 - Released plug - Plug at 432 ft - Cement to surface - Pumped plug to 1552 ft. Put 5 1/2 in. at 200 lbs.

Operated Cement to Surface
31 bbls Total

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	1085.00	1085.00 ✓
5406	8	MILEAGE	4.20	33.60 ✓
11043	75	sk A	15.70	1177.50 ✓
1131	240	sk 60/40	13.18	3163.20 ✓
1102	480	lbs CAC2	.78	374.40 ✓
1118B	1440	lbs Bcl	.22	316.80 ✓
1110A	720	lbs Vol-seal	.46	331.20 ✓
1107	37	lbs Poly	2.47	91.39 ✓
5407	2	Bulk Delivery	368.00	736.00 ✓
5504C	3	80 vac	90.00	270.00 ✓
5501C	3	Transport	120.00	360.00 ✓
4406	1	5 1/2 TR App	73.50	73.50 ✓
1123	8 1/2	CITY WATER	17.30	147.05 ✓
		Subtotal		8126.04 ✓
		SALES TAX		363.20 ✓
		ESTIMATED TOTAL		8489.24 ✓

Revised 3/27 AUTHORIZATION [Signature] TITLE 260195 DATE 06/01/95

I acknowledge that the payment terms, unless specifically amended in writing on the front of the form or in the customer's account records, at our office, and conditions of service on the back of this form are in effect for services identified on this form.

Conservation Division
District Office No. 2
3450 N. Rock Road
Building 600, Suite 601
Wichita, KS 67226



Phone: 316-337-7400
Fax: 316-630-4005
<http://kcc.ks.gov/>

Pat Apple, Chairman
Shari Feist Albrecht, Commissioner
Jay Scott Emler, Commissioner

Sam Brownback, Governor

April 14, 2017

APR 17 2017

Benjamin M. Giles
346 S. Lulu
Wichita, KS 67211

KCC #5446

Re: Seidl 1 OWWO, SE SE NE, Sec. 34-25-3E, BU Co. – 15-015-20127-00-02
Flying J Geer 2 OWWO, E2 E2 NE, Sec. 32-25-4E, BU Co. – 15-015-01490-00-01
Ray A 1, NW NW SW, Sec. 34-25-3E, BU Co. – 15-015-20784-00-00
Ralston 1, NE NW SE, Sec. 10-26-4E, BU Co. – 15-015-40140-00-00

Dear Mr. Giles,

The top plug on the Seidl #1 OWWO fell back to 61' from surface and must be topped off prior to cutting the casing below grade and restoring the location. If the casing fills with water you must bail the water out of the casing prior to dumping any cement from the surface. The open workover pits must be emptied and closed by April 28, 2017.

This office has not received the bond log required on the Flying J Geer 2 OWWO. The bond log must be run by April 28, 2017. Notify this office when the log will be run so staff can be onsite to witness.

The Ralston #1 was tested on March 23, 2017 and passed a casing MIT. A CP-111 must be filed by April 21, 2017 for Temporary Abandonment approval.

The Ray A #1 must have an MIT of the casing for Temporary Abandonment approval.

Sincerely,

Jeff Klock
District 2 Supervisor

Cc: Jon Myers – Litigation Counsel
Jonathan Hill – ECRS
Dan Fox – Compliance Officer
Jon Schlatter – Morris Laing Evans Brock & Kennedy, Cht.

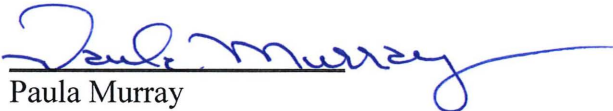
CERTIFICATE OF SERVICE

I, Paula Murray, certify that on APRIL 23, 2018, I did cause a true and correct copy of the Pre-Filed Testimony of Jeff Klock to be served by United States mail, first class, postage prepaid to the following:

Jonathan A. Schlatter
Morris Laing et al.
300 N. Mead, Suite 200
Wichita, Kansas 67202
Attorney for Benjamin M. Giles

And by email to:

Dustin Kirk, Assistant General Counsel
KCC Topeka Office


Paula Murray
Legal Assistant
Kansas Corporation Commission