

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

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

In the matter of an Order to Show Cause issued ) Docket No.: 18-CONS-3053-CSHO  
to Southwind Petroleum Corporation )  
("Operator") for its failure to comply with ) CONSERVATION DIVISION  
K.A.R. 82-3-602 at the Dirks #27-2 in Rush )  
County, Kansas. ) License No.: 6743

**MOTION FOR AN ORDER TO SHOW CAUSE, THE DESIGNATION OF A  
PREHEARING OFFICER, AND THE SCHEDULING OF A PREHEARING  
CONFERENCE**

The Staff of the State Corporation Commission of the State of Kansas ("Staff," and  
"Commission," respectively) moves the Commission to for an Order to Show Cause, the  
designation of a prehearing officer, and the scheduling of a prehearing conference in this matter.

In support of its motion, Staff states as follows:

**I. JURISDICTION & LEGAL STANDARD**

1. The Commission has jurisdiction to regulate oil and gas production in Kansas under Chapter 55 of the Kansas Statutes Annotated and the General Rules and Regulations for the Conservation of Crude Oil and Natural Gas, K.A.R. 82-3-100 *et seq.*
2. K.S.A. 55-162 provides the Commission with jurisdiction to institute proceedings to enforce the laws of Kansas and Commission rules, regulations, and orders.
3. K.S.A. 55-164 provides that the Commission may impose a penalty of up to \$10,000 upon finding an operator has violated any regulation of the Commission, with such penalty constituting an actual and substantial economic deterrent to the violation. In the case of a continuing violation, every day such violation continues shall be deemed a separate violation.

4. K.A.R. 82-3-602(a)(1)(A) provides that drilling pits shall be closed within 365 calendar days after the spud date of a well.

5. K.A.R. 82-3-602(c) provides that an operator of a pit shall file a pit closure form within 30 days after closure of the pit.

## II. STAFF'S ALLEGATION OF FACTS

6. Operator is a Kansas corporation that has been licensed to conduct oil and gas activities in Kansas (KCC License #6743) since June 30, 1985.

7. On or about December 8, 2014, Operator filed Notice of Intent to Drill (C-1) Form<sup>1</sup> and Application for Surface Pit (CDP-1) Form<sup>2</sup> for its proposed Dirks #27-2 well (“the subject well”), API #15-165-22104, in Rush County. The CDP-1 requested approval of a drilling pit and three working pits at the well site. On December 8, 2014, Commission Staff approved the C-1 and CDP-4 for the subject well.

8. On June 15, 2015, Operator filed a Well Completion (ACO-1) Form, indicating that the subject well was spud on January 8, 2015, and completed on March 19, 2015.<sup>3</sup>

9. On March 31, 2016, Operator filed a Closure of Surface Pit (CDP-4) Form regarding the drilling pit at the subject well site,<sup>4</sup> stating that the pit was closed on October 22, 2015, by allowing the pit to dry, and that it was backfilled with top soil spread on the surface.

10. On June 14, 2017, Commission District #1 Staff received a complaint from a landowner regarding open pits at the subject well.

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<sup>1</sup> See Exhibit A, Application for Surface Pit

<sup>2</sup> See Exhibit B, Notice of Intent to Drill

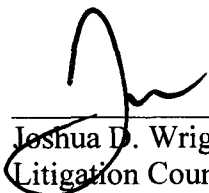
<sup>3</sup> See Exhibit C, Well Completion Form

<sup>4</sup> See Exhibit D, Closure of Surface Pit

11. On June 15, 2017, Commission Staff inspected the subject well site and found the pits associated with the subject well remain open<sup>5</sup>, in violation of K.A.R. 82-3-602(a)(1)(A) and contrary to the representations made by Operator in its March 31, 2016, CDP-4 filing.

WHEREFORE, for the reasons described above, Staff moves the Commission for an Order to Show Cause, the designation of a prehearing officer, and the scheduling of a prehearing conference, in anticipation of an evidentiary hearing regarding why a penalty constituting an actual and substantial economic deterrent should not be assessed against Operator for its violation of K.A.R. 82-3-602 and its misrepresentation of the status of the pits at the subject well.

Respectfully submitted,



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Joshua D. Wright, #24118  
Litigation Counsel, Kansas Corporation Commission  
266 N. Main, Suite 220  
Wichita, Kansas 67202-1513  
Phone: 316-337-6200; Fax: 316-337-6211

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<sup>5</sup> See Exhibit E, Inspection Report with photograph (June 15, 2017)



KANSAS CORPORATION COMMISSION 1234180  
OIL & GAS CONSERVATION DIVISION

Form CDP-1  
May 2010  
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Southwind Petroleum Corp.		License Number: 6743
Operator Address: 1400 W 14TH ST		WICHITA KS 67203
Contact Person: Robert Williams		Phone Number: 316-267-3741
Lease Name & Well No: Dirks 27-2		Pit Location (QQQQ): W2 - NE - SE - NE Sec. 27 Twp. 19 R. 16 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1650 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 430 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Rush County
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: Pit capacity: 1200 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? Native Mud
Pit dimensions (all but working pits): 80 Length (feet) 80 Width (feet) Depth from ground level to deepest point: 6 (feet)		<input type="checkbox"/> N/A: Steel Pits <input type="checkbox"/> No Pit
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring
Distance to nearest water well within one-mile of pit: 3105 feet Depth of water well 90 feet	Depth to shallowest fresh water 32 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KDWR	
<b>Emergency, Settling and Burn Pits ONLY:</b> Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No	<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: Fresh Mud Number of working pits to be utilized: 3 Abandonment procedure: Allow to dry and backfill Drill pits must be closed within 365 days of spud date.	
Submitted Electronically		

KCC OFFICE USE ONLY			
Date Received: 12/05/2014	Permit Number: 15-165-22104-00-00	Permit Date: 12/08/2014	Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input checked="" type="checkbox"/> RFAC <input checked="" type="checkbox"/> RFAS	



For KCC Use:  
 Effective Date: 12/13/2014  
 District # 1  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION 1234180  
 OIL & GAS CONSERVATION DIVISION

Form C-1  
 March 2010  
 Form must be Typed  
 Form must be Signed  
 All blanks must be Filled

**NOTICE OF INTENT TO DRILL**

Must be approved by KCC five (5) days prior to commencing well

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

Expected Spud Date: 12/12/2014  
 month day year

OPERATOR License# 6743  
 Name: Southwind Petroleum Corp.  
 Address 1: 1400 W 14TH ST  
 Address 2: \_\_\_\_\_  
 City: WICHITA State: KS Zip: 67203 + 2901  
 Contact Person: Robert Williams  
 Phone: 316-267-3741

CONTRACTOR License# 30606  
 Name: Murfin Drilling Co., Inc

Well Drilled For	Well Class.	Type Equipment.
<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext
	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic ; _____ # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Cable
<input type="checkbox"/> Other _____		

If OWWO - old well information as follows  
 Operator: \_\_\_\_\_  
 Well Name: \_\_\_\_\_  
 Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Directional, Deviated or Horizontal wellbore?  Yes  No  
 If Yes, true vertical depth \_\_\_\_\_  
 Bottom Hole Location \_\_\_\_\_  
 KCC DKT # \_\_\_\_\_

Spot Description: 100' west of NE SE NE  
 W2 NE SE NE Sec 27 Twp 19 S. R. 16  E  W  
 (0000) 1650 feet from  N /  S Line of Section  
430 feet from  E /  W Line of Section  
 Is SECTION:  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)  
 County Rush  
 Lease Name: Dirks Well # 27-2  
 Field Name: Ryan  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Arbuckle

Nearest Lease or unit boundary line (in footage) 430  
 Ground Surface Elevation 2033 Surveyed \_\_\_\_\_ feet MSL  
 Water well within one-quarter mile:  Yes  No  
 Public water supply well within one mile:  Yes  No  
 Depth to bottom of fresh water: 180  
 Depth to bottom of usable water: 440  
 Surface Pipe by Alternate:  I  II  
 Length of Surface Pipe Planned to be set 1100  
 Length of Conductor Pipe (if any): \_\_\_\_\_  
 Projected Total Depth: 3900  
 Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:  
 Well  Farm Pond  Other Haul  
 DWR Permit #: \_\_\_\_\_  
 (Note: Apply for Permit with DWR )  
 Will Cores be taken?  Yes  No  
 If Yes, proposed zone: \_\_\_\_\_

**AFFIDAVIT**

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et seq.

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office **prior** to spudding of well;
2. A copy of the approved notice of intent to drill **shall be** posted on each drilling rig;
3. The minimum amount of surface pipe as specified below **shall be set** by circulating cement to the top; in all cases surface pipe **shall be set** through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary **prior to plugging**;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 DAYS** of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **In all cases, NOTIFY district office** prior to any cementing.

**Submitted Electronically**

For KCC Use ONLY	
API # 15 -	<u>15-165-22104-00-00</u>
Conductor pipe required	<u>0</u> feet
Minimum surface pipe required	<u>460</u> feet per ALT <input checked="" type="checkbox"/> I <input type="checkbox"/> II
Approved by	<u>Rick Hestermann 12/08/2014</u>
This authorization expires:	<u>12/08/2015</u>
<i>(This authorization void if drilling not started within 12 months of approval date.)</i>	
Spud date:	Agent _____

**Remember to:**

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill,
- File Drill Pit Application (form CDP-1) with Intent to Drill,
- File Completion Form ACO-1 within 120 days of spud date,
- File acreage attribution plat according to field proration orders,
- Notify appropriate district office 48 hours prior to workover or re-entry,
- Submit plugging report (CP-4) after plugging is completed (within 60 days);
- Obtain written approval before disposing or injecting salt water.
- If well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well will not be drilled or Permit Expired Date: \_\_\_\_\_  
 Signature of Operator or Agent: \_\_\_\_\_

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

27  
 19  
 16  
 E  
 W



1234180

For KCC Use ONLY

API # 15-165-22104-00-00

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: Southwind Petroleum Corp.
Lease: Dirks
Well Number: 27-2
Field: Ryan

Location of Well: County: Rush
1650 feet from N / S Line of Section
430 feet from E / W Line of Section
Sec. 27 Twp 19 S. R. 16 E W

Number of Acres attributable to well: 20
QTR/QTR/QTR/QTR of acreage: W2 - NE - SE - NE

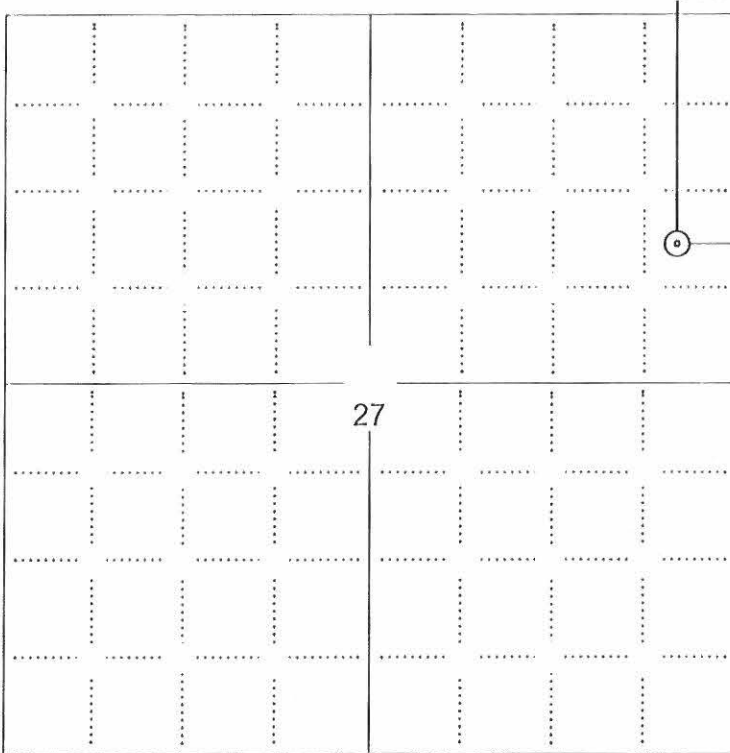
Is Section: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE NW SE SW

PLAT

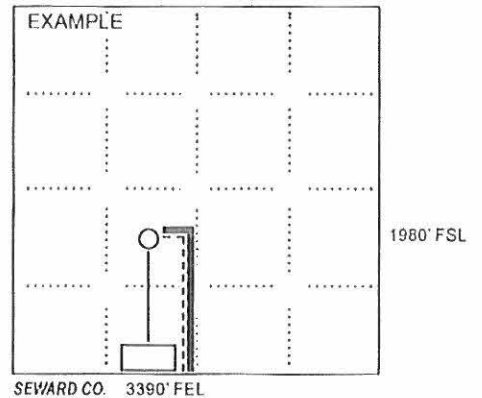
Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).

You may attach a separate plat if desired.



LEGEND

- Well Location
Tank Battery Location
Pipeline Location
Electric Line Location
Lease Road Location



NOTE: In all cases locate the spot of the proposed drilling location.

In plotting the proposed location of the well, you must show:

- 1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG 8 for gas wells).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.



Confidentiality Requested:

Yes  No

KANSAS CORPORATION COMMISSION 1255016  
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 # 6743

Name: Southwind Petroleum Corp.

Address 1: 1400 W 14TH ST

Address 2: \_\_\_\_\_

City: WICHITA State: KS Zip: 67203 + 2901

Contact Person: Robert Williams

Phone: ( 316 ) 267-3741

CONTRACTOR: License # 30606

Name: Murfin Drilling Co., Inc.

Wellsite Geologist: Robert Williams

Purchaser: NCRA

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: \_\_\_\_\_

Well Name: \_\_\_\_\_

Original Comp. Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

- 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 #: \_\_\_\_\_

<u>01/08/2015</u>	<u>01/14/2015</u>	<u>03/19/2015</u>
Spud Date or	Date Reached TD	Completion Date or
Recompletion Date		Recompletion Date

API No. 15 - 15-165-22104-00-00

Spot Description: 100' west of NE SE NE

W2 NE SE NE Sec. 27 Twp. 19 S. R. 16  East  West

1650 Feet from  North /  South Line of Section

430 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: Rush

Lease Name: Dirks Well #: 27-2

Field Name: Ryan

Producing Formation: Arbuckle Dolomite

Elevation: Ground: 2033 Kelly Bushing: 2038

Total Vertical Depth: 3900 Plug Back Total Depth: \_\_\_\_\_

Amount of Surface Pipe Set and Cemented at: 1098 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 cml.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: 21000 ppm Fluid volume: 750 bbls

Dewatering method used: Hauled to Disposal

Location of fluid disposal if hauled offsite: \_\_\_\_\_

Operator Name: Gra Ex LLC

Lease Name: Greenwich SWD License #: 33921

Quarter NW Sec. 30 Twp. 24 S. R. 14  East  West

County: Stafford Permit #: D-24863

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: NAOMI JAMES Date: 06/15/2015

Exhibit C



1255016

Operator Name: Southwind Petroleum Corp. Lease Name: Dirks Well #: 27-2  
 Sec. 27 Twp. 19 S. R. 16  East  West County: Rush

**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 <i>(Attach Additional Sheets)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Name	Top Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Cimarron Anhydrite	1089 +949
Electric Log Run	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Heebner Shale	3356 -1318
List All E. Logs Run:		Arbuckle Dolomite	3726 -1688
GammaRay-Dual Porosity Dual Induction-MicroLog			

CASING RECORD <input checked="" 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
Surface	12.25	8.625	23	1098	80/20 Pozmix	400	3% CaCl <sub>2</sub> , 2%gel
Production	7.875	5.5	14	3891	Common	175	10% salt, 3%gel

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate				
<input type="checkbox"/> Protect Casing	-			
<input type="checkbox"/> Plug Back TD				
<input type="checkbox"/> 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 <i>(Amount and Kind of Material Used)</i>	Depth
3	3757-60	750gal 15% Mud Acid, 1500 gal gelled acid	3757-60

TUBING RECORD:	Size: <u>2.875</u>	Set At: <u>3740</u>	Packer At:	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR: <u>03/20/2015</u>	Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other <i>(Explain)</i> _____			
Estimated Production Per 24 Hours	Oil Bbbs. <u>8</u>	Gas Mcf <u>11</u>	Water Bbbs. <u>25</u>	Gas-Oil Ratio <u>37</u>

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input checked="" type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <input type="checkbox"/> Other <i>(Specify)</i> _____	PRODUCTION INTERVAL: <u>3757-60</u>
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KCC OIL/GAS REGULATORY OFFICES

Date: 06/15/17

District: 01

Case #: \_\_\_\_\_

- New Situation
- Response to Request
- Follow-Up

- Lease Inspection
- Complaint
- Field Report

Operator License No: 6743  
 Op Name: Southwind Petroleum Corp.  
 Address 1: 1400 W 14th St.  
 Address 2:  
 City: Wichita  
 State: Kansas Zip Code: 67203 -2901  
 Operator Phone #: (316) 267-3741

API Well Number: Tank Battery  
 Spot: SESESENE Sec 27 Twp 19 S Rng 16  E /  W  
 2725 Feet from  N /  S Line of Section  
 47 Feet from  E /  W Line of Section  
 GPS: Lat: 38.37040 Long: 99.06983 Date: 6/15/17  
 Lease Name: Dirks Well #: Tank Battery  
 County: Rush

Reason for Investigation:

Land owner complaint, open pits

Problem:

The drill pits on the 27-2 well are open, water in the reserve pit.

Persons Contacted:

\_\_\_\_\_

Findings:

2-200bbl. fiber glass stock tanks, 1-210bbl. fiber glass gun barrel, 1-200bbl. fiber glass saltwater tank, sitting on a 35' by 90' pad with a 1-1/2' rock and dirt dike, oil scar in front of gun barrel and south stock, 1-3' by 12' separator not being used, laying down in the dike. Two oil wells, the 27-1 is running, the 27-2 is not running, it is fully equipped and could run, marked and dated the polish rod will recheck in one year. The #27-2 also has open pits that have not been closed. Well info on back page.

Action/Recommendations:

Follow Up Required  Yes  No

Date: 6/15/18

Turn report into office  
 82-3-602 (g)  
 Send to legal

Verification Sources:

Photos Taken: 2

- RBDMS
- T-I Database
- Other:
- KGS
- District Files
- TA Program
- Courthouse

By: Michael Maier

JA

Retain 1 Copy District Office  
Send 1 Copy to Conservation Division

Date: 06/15/17

District: 01

License #: 6743

Op Name: 6743

Spot: SESENE Sec 27 Twp 19 S Rng 16  E  W

County: Rush

Lease Name: Dirks Well #: Tank Battery

I.D. Sign  Yes  No

Tank Battery Condition  
Condition:  Good  Questionable  Overflowing

Pits, Injection Site  
Fluid Depth: \_\_\_\_\_ ft; Approx. Size: \_\_\_\_\_ ft. x \_\_\_\_\_ ft.

Oil Spill Evidence

Abandoned Well Potential Pollution Problem  Yes  No

Lease Cleanliness   
 Very Good  Satisfactory  Poor  Very Bad

Gas Venting  Yes  No

Pits  
Fluid Depth: \_\_\_\_\_ ft; Approx. Size: \_\_\_\_\_ ft. x \_\_\_\_\_ ft.

Saltwater Pipelines   
Leaks Visible:  Y  N Tested for Leaks:  Y  N

Flowing Holes

TA Wells

Monitoring Records

SWD/ER Injection Well  Yes  No Rush

Permit #: \_\_\_\_\_ Pressure - Actual: \_\_\_\_\_ psi; Authorized: \_\_\_\_\_ psi

Permit #: \_\_\_\_\_ Pressure - Actual: \_\_\_\_\_ psi; Authorized: \_\_\_\_\_ psi

Permit #: \_\_\_\_\_ Pressure - Actual: \_\_\_\_\_ psi; Authorized: \_\_\_\_\_ psi

Permit #: \_\_\_\_\_ Pressure - Actual: \_\_\_\_\_ psi; Authorized: \_\_\_\_\_ psi

Gauge Connections  Yes  No

Tubing: \_\_\_\_\_; T/C Annulus: \_\_\_\_\_; C/SP Annulus: \_\_\_\_\_

Tubing: \_\_\_\_\_; T/C Annulus: \_\_\_\_\_; C/SP Annulus: \_\_\_\_\_

Tubing: \_\_\_\_\_; T/C Annulus: \_\_\_\_\_; C/SP Annulus: \_\_\_\_\_

Tubing: \_\_\_\_\_; T/C Annulus: \_\_\_\_\_; C/SP Annulus: \_\_\_\_\_

API Number	Footages	Spot Location	GPS	Well #	Well Status
15-165-22080-00-00	2993FSL 994FEL	SWSENE	38.37114-99.07315	27-1	Pumping, running off it's own gas, oil scar around well head
15-165-22104-00-00	3627FSL 439FEL	W/2NESENE	38.37288-99.07125	27-2	Not pumping, fully equipped, marked polish rod, runs on it's own gas



**Southwind Petroleum Corp.**

**Dirks Lease**

**Open pits on the #27-2**

**W/2 NESENE-27/19-16-Rush Co.**

**June 15, 2017**

**CERTIFICATE OF SERVICE**

I certify that on 7/17/17, I caused a complete and accurate copy of this Motion to be served via United States mail, postage prepaid and properly addressed to:

Willis D. Nigh  
Southwind Petroleum Corp.  
1400 W. 14<sup>th</sup> St.  
Wichita, KS 67203

and delivered by e-mail to:

Stephen Pfeifer  
KCC District #1

Jonelle Rains  
KCC Central Office

/s/ Paula J. Murray  
Paula J. Murray  
Legal Assistant  
Kansas Corporation Commission