

well is shut in or idle. K.A.R. 82-3-120(a)(2) provides that each licensee shall annually submit a completed license renewal form on or before the expiration date of the current license.

4. K.A.R. 82-3-120(k) provides that failure to obtain or renew an operator license before operating shall be punishable by a \$500 penalty.

II. FINDINGS OF FACT

5. On August 30, 2020, Operator's license expired. Operator is responsible for the well(s) (Subject Well(s)) identified in Exhibit A.

6. On June 24, 2021, Commission Staff sent a letter to Operator, requiring Operator to renew the license, transfer the Subject Well(s) to another operator, or plug the Subject Well(s), by July 8, 2021.¹ To date, Operator has not complied with Staff's letter.

III. CONCLUSIONS OF LAW

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

8. Operator has committed one violation of K.A.R. 82-3-120(a) because Operator remains responsible for the Subject Well(s), and Operator's license is expired.

THEREFORE, THE COMMISSION ORDERS:

- A. Operator shall pay a \$500 penalty.
- B. Operator shall immediately shut-in all unplugged wells on its license, and cease oil and gas operations, until Operator is in compliance with this Order.
- C. Operator has 30 days from the date of this Order to:
 - a. Renew its license or obtain a new license and transfer the Subject Well(s) to that license; or

¹ Exhibit A.

- b. Transfer the Subject Well(s) to another operator by filing the appropriate form(s) with the Commission; or
- c. Plug the Subject Well(s).

D. If any unplugged wells remain on Operator's expired license after 60 days from the date of this Order, then:

- a. Operator shall pay an additional \$5,000 penalty;
- b. Staff shall revoke any injection authorizations applicable to the operator; and
- c. Staff is directed to place the well(s) on the appropriate state plugging list, to plug according to priority and as funds allow, and to assess the plugging costs to Operator. This shall not preclude Staff from investigating additional potentially responsible parties.

E. Operator may request a hearing on the above issues by submitting a written request, pursuant to K.S.A. 55-164, K.S.A. 77-537, and K.S.A. 77-542, to the Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202, within 30 days from the date of service of this Order. A request for hearing must comply with K.A.R. 82-1-219.

F. Failure to timely request a hearing will result in a waiver of Operator's right to a hearing. If no party timely requests a hearing, then this Order shall become final. If Operator is not in compliance with this Order and the Order is final, then Operator's license shall be suspended without further notice, shall remain suspended until Operator complies, and Staff may seal the wells on Operator's license until Operator is in compliance. The notice and opportunity for a hearing on this Order shall constitute the notice required by K.S.A. 77-512 regarding

license suspension. A party may petition for reconsideration of a final order pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).²

G. Credit card payments may be made by calling the Conservation Division at 316-337-6200. Checks and money orders shall be payable to the Kansas Corporation Commission. Payments shall be mailed to the Kansas Corporation Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202. Payments must reference the docket number of this proceeding.

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Duffy, Commissioner

Dated: 08/19/2021



Lynn M. Retz
Executive Director

Mailed Date: 08/19/2021

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² See K.S.A. 55-162; K.S.A. 55-164; K.S.A. 55-606; K.S.A. 55-707; K.S.A. 77-503(c); K.S.A. 77-531(b).

NOTICE OF VIOLATION

June 24, 2021

Ken Walker
Stroke of Luck Energy & Exploration LLC
PO BOX 98
TECUMSEH, KS 66542-0098

Re: Unplugged Well(s) on Expired License #35125

Operator:

Unplugged well(s) are on your expired license, **which violates K.A.R. 82-3-120**. Attached is a list of the unplugged well(s). Please do one of the following:

- Renew your license, or obtain a new license and transfer the well(s) to that license,
- Transfer the well(s) to another operator by filing T-1 forms with the Commission, or
- File Well Plugging Application (CP-1) form(s) and plug the well(s).

Your deadline is July 8, 2021.

If you do not correct this violation, I will recommend a Commission Order with a \$500 penalty. The Order would also require you to plug the well(s) within 60 days. Failure to comply with the Order would automatically result in the Commission levying additional penalties against you, directing Staff to plug the wells, and assessing plugging costs to you.

You must immediately shut-in all wells and cease oil and gas operations until compliance is achieved.

For help renewing or obtaining a license, contact Nancy Borst at 316-337-6194.

For help transferring wells, contact Deanna Garrison at 316-337-6209.

For help with CP-1 forms, contact Rick Hestermann at 316-337-6193.

If you have further questions, you may contact me by calling our main number at the top of this letter.

Sincerely,

Nancy Borst
Administrative Specialist

Exhibit A

Stroke of Luck Energy & Exploration LLC License: 35125

<u>Unplugged Wells on Operator's License</u>				
API Well #	Lease Name / Well #		Well Location	County
15-051-26853-00-00	CUSTER VALLEY	02-1116	25-11S-19W, SESWNENE	ELLIS
15-085-19008-00-00	LEACH	1	15-7S-13E, SESW	JACKSON
15-085-19009-00-00	LEACH	2	15-7S-13E, N2S2NWSW	JACKSON
15-085-19010-00-01	HLADKY	1	22-7S-13E, NWNW	JACKSON
15-085-19011-00-01	HLADKY	2	22-7S-13E, NENW	JACKSON
15-085-19012-00-00	HLADKY	3	22-7S-13E, S2N2SWNW	JACKSON
15-085-19028-00-00	HARRIS	1	15-7S-13E, NWSENWSE	JACKSON
15-085-19029-00-00	HARRIS	2	15-7S-13E, SWNESE	JACKSON
15-085-20016-00-00	HARRIS	3	15-7S-13E, NENWSWSE	JACKSON
15-085-20022-00-00	HARRIS	6	14-7S-13E, NESWNWSW	JACKSON
15-085-20027-00-01	BENNETT	2	14-7S-13E, SWSWNWSW	JACKSON
15-085-20031-00-00	HARRIS	4	15-7S-13E, NESWSE	JACKSON
15-085-20034-00-00	HARRIS	5	15-7S-13E, SWNESE	JACKSON
15-085-20046-00-01	HLADKY	SWD-2	22-7S-13E, NENWNW	JACKSON
15-085-20093-00-00	LEACH	03-1216	15-7S-13E, SWSENESW	JACKSON
15-085-20094-00-00	HARRIS	06-1216	15-7S-13E, SWNWSE	JACKSON
15-131-20092-00-02	LIERZ A	1	3-3S-14E, SWSWSE	NEMAHA
15-131-20097-00-00	LIERZ A	2	3-3S-14E, SWSWNWSE	NEMAHA
15-131-20098-00-00	LIERZ A	3	3-3S-14E, NWNWSE	NEMAHA
15-131-20117-00-00	HEFTY A	1	23-5S-12E, NWNESE	NEMAHA
15-163-19303-00-01	MCCLELLAN	02-0916	9-9S-19W, NWNENW	ROOKS
15-163-20203-00-01	REMPE	1	18-9S-19W, SWSWSE	ROOKS
15-163-20772-00-01	STUCKY	2	32-9S-18W, NWSESW	ROOKS
15-163-24322-00-00	MCCLELLAN	01-0916	9-9S-19W, NWSWNW	ROOKS
15-163-30154-00-03	MCCLELLAN	4	9-9S-19W, SENWSW	ROOKS
15-197-00097-00-03	REINERS (FEARON N D)	SWD-1	11-11S-11E, NWSWNE	WABAUNSEE
15-197-01003-00-01	REINERS	5	11-11S-11E, NWNENE	WABAUNSEE

CERTIFICATE OF SERVICE

22-CONS-3084-CPEN

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of first class mail and electronic service on 08/19/2021.

NANCY BORST
KANSAS CORPORATION COMMISSION
CENTRAL OFFICE
266 N. MAIN ST, STE 220
WICHITA, KS 67202-1513
n.borst@kcc.ks.gov

KELCEY MARSH, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
CENTRAL OFFICE
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k.marsh@kcc.ks.gov

KEN WALKER
STROKE OF LUCK ENERGY & EXPLORATION LLC
PO BOX 98
CASSODAY, KS 66842-0098

/S/ DeeAnn Shupe

DeeAnn Shupe