

KCC W-001-UTA

JUL 08 2016

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Kansas Corporation Commission  
/S/ Amy L. Green

REQUEST FOR A HEARING  
By: LOEWEN OPERATOR, INC.  
P.O. BOX 335  
CANTON, KS 67428

To: THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Dated on this 7<sup>th</sup>. day of July, 2016.

In the matter of the failure of Loewen  
Operator, Inc. ("Operator") to comply  
with K.A.R. 82-3-400 regarding injection  
that took place during the 2015 calendar  
year.

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Docket No.: 16-CONS-4076-CPEN  
  
CONSERVATION DIVISION  
  
License No.: 5631

**GROUND'S UPON WHICH RELIEF IS SOUGHT:**

On February 2, 2016 eleven (11) Form U3C SWD reports were submitted by Loewen Operator, Inc. using Kolar. On or around June 13, 2016 Loewen Operator, Inc. received by mail a notice of a penalty assessment as to the ANNUAL REPORT OF PRESSURE MONITORING, FLUID INJECTION AND ENHANCED RECOVERY on the J. Stuckey #1 salt water disposal well, API #15-113-21175-00-00, Permit No. D24895.0 for the year 2015.

The U3C filing was immediately checked and the error was found. A call was made to Jonelle Rains at the KCC for information, however she was not available and a message was left. I then got on Kolar and corrected the U3C filing on the J. Stuckey #1 SWD well on June 16, 2016. When Ms. Rains and I next talked on the phone, she was aware of the correction made and said the corrected U3C form had been forwarded to the legal department. She also advised it was now necessary to contact the legal department. I then talked to Paula Murray and was advised it was now necessary to request a hearing.

The correction made to the U3C for the J Stuckey #1 SWD well, was to correct the column for Maximum Fluid Pressure to all zeros (-0-), because the tubing on the well is on a vacuum or zero pressure, there is no pump on the SWD to apply any pressure, as this is a monitor SWD well.

As to why a number was put in that column, I believe when you look at the reporting forms used to file reports for 2014 there are two columns side by side as follows: Maximum Injection Pressure and Average Pressure Tubing/Casing Annulus. As per the MIT test done on September 19, 2014 the tubing was on a vacuum and annular casing pressure was 40-105 lbs. The mistake was information was put in the wrong column.

Therefore, I ask that the penalty be set aside.

LOEWEN OPERATOR, INC.

By Douglas D. Loewen

Douglas D. Loewen, President

**List of attachments:**

- 1) Copy of corrected U3C filed for 2015**
- 2) Copy of U3C filed for 2014**
- 3) Copy of last MIT on the J. Stuckey #1 SWD, dated September 19, 2014.**

## CORRECTION #1

KANSAS CORPORATION COMMISSION 1309537  
OIL & GAS CONSERVATION DIVISION

Form U3C

June 2015

Form must be Typed  
Form must be completed  
on a per well basisANNUAL REPORT OF PRESSURE MONITORING,  
FLUID INJECTION AND ENHANCED RECOVERY

Complete all blanks - add pages if needed. Copy to be retained for five (5) years after filing date.

OPERATOR: License # 5631

Name: Loewen Operator, Inc.

Address 1: 208 S MAIN

Address 2: PO BOX 335

City: CANTON State: KS Zip: 67428 + 0335

Contact Person: Douglas Loewen

Phone: (620) 628-4425

Lease Name: J STUCKEY

Well Number: 1

API No.: 15-113-21175-00-00

Permit No: D24895.0

Reporting Year: 2015  
(January 1 to December 31)

     - NW - SE - NW Sec. 15 Twp. 20 S. R. 3 ☐ E ☒ W  
(Q/Q/Q/Q)

3705 feet from ☐ N / ☒ S Line of Section

3630 feet from ☒ E / ☐ W Line of Section

County: McPherson

## I. Injection Fluid:

Type (Pick one): ☐ Fresh Water ☐ Treated Brine ☒ Untreated Brine ☐ Water/Brine

Source: ☒ Produced Water ☐ Other (Attach list)

Quality: Total Dissolved Solids: 0 mg/l Specific Gravity: 0 Additives: no

(Attach water analysis, if available)

## II. Well Data:

Maximum Authorized Injection Pressure: 0 psi Injection Zone: osage

Maximum Authorized Injection Rate: 1000 barrels per day

Total Number of Enhanced Recovery Injection Wells Covered by this Permit:                      (Include TA's)

III.	Month:	Total Fluid Injected BBL	Maximum Fluid Pressure	Total Gas Injected MCF	Maximum Gas Pressure	# Days of Injection
	January	<u>4960</u>	<u>0</u>	<u>0</u>		<u>31</u>
	February	<u>4200</u>	<u>0</u>	<u>0</u>		<u>28</u>
	March	<u>4650</u>	<u>0</u>	<u>0</u>		<u>31</u>
	April	<u>4500</u>	<u>0</u>	<u>0</u>		<u>30</u>
	May	<u>4960</u>	<u>0</u>	<u>0</u>		<u>31</u>
	June	<u>4800</u>	<u>0</u>	<u>0</u>		<u>30</u>
	July	<u>4960</u>	<u>0</u>	<u>0</u>		<u>31</u>
	August	<u>4650</u>	<u>0</u>	<u>0</u>		<u>31</u>
	September	<u>4500</u>	<u>0</u>	<u>0</u>		<u>30</u>
	October	<u>4650</u>	<u>0</u>	<u>0</u>		<u>31</u>
	November	<u>4500</u>	<u>0</u>	<u>0</u>		<u>30</u>
	December	<u>4650</u>	<u>0</u>	<u>0</u>		<u>31</u>
	<b>TOTAL</b>	<u>55980</u>		<u>0</u>		

Submitted Electronically

### Summary of Changes

Lease Name and Number: J STUCKEY 1

Doc ID: 1309537

Correction Number: 1

Field Name	Previous Value	New Value
Date Accepted	02/02/2016	06/16/2016
Flagged	No	Yes
Maximum Fluid Pressure, April	105	0
Maximum Fluid Pressure, August	105	0
Maximum Fluid Pressure, December	105	0
Maximum Fluid Pressure, February	105	0
Maximum Fluid Pressure, January	105	0
Maximum Fluid Pressure, July	105	0
Maximum Fluid Pressure, June	105	0
Maximum Fluid Pressure, March	105	0
Maximum Fluid Pressure, May	105	0
Maximum Fluid Pressure, November	105	0

Summary of changes for correction 1 continued

Field Name	Previous Value	New Value
Maximum Fluid Pressure, October	105	0
Maximum Fluid Pressure, September	105	0
Save Link	../../../../kcc/detail/operatorEditDetail.cfm?docID=1282454	../../../../kcc/detail/operatorEditDetail.cfm?docID=1309537

# COPY

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form U3C

July 2014

Form must be Typed  
Form must be completed  
on a per well basis

## ANNUAL REPORT OF PRESSURE MONITORING, FLUID INJECTION AND ENHANCED RECOVERY

Complete all blanks - add pages if needed. Copy to be retained for five (5) years after filing date.

OPERATOR: License # 5631  
Name: LOEWEN OPERATOR, INC.  
Address 1: P.O. BOX 335  
Address 2: \_\_\_\_\_  
City: CANTON State: KS Zip: 67428 + \_\_\_\_\_  
Contact Person: DOUGLAS D. LOEWEN, PRESIDENT  
Phone: ( 620 ) 628-4425  
Lease Name: J. STUCKEY  
Well Number: 1

Permit Number: (E) (D) - D-24-895.0  
API No.: 15- 113-21175-00-00  
Reporting Period: 2014  
January 1, 20 14 to December 31, 20 14  
\_\_\_\_\_ NW - SE - NW Sec. 15 Twp. 20 S. R. 3 ☐ E ☒ W  
(or area) 3705 feet from ☐ N / ☒ S Line of Section  
3630 feet from ☒ E / ☐ W Line of Section  
Legal Description of Lease or Unit: NW/4 OF SEC 15-20S-3W  
County: MCPHERSON

If new operator, list previous operator: \_\_\_\_\_

### I. Injection Fluid:

Type: ☐ Fresh Water ☐ Treated Brine ☒ Untreated Brine ☐ Water/Brine  
Source: ☒ Produced Water ☐ Other (Attach List)  
Quality: Total Dissolved Solids: \_\_\_\_\_ mg/l Specific Gravity: \_\_\_\_\_ Additives: \_\_\_\_\_  
(Attach water analysis, if available)

### II. Well Data:

Type Completion: ☐ Tubing & packer, packer setting depth: \_\_\_\_\_ feet; ☒ Packerless (tubing, but no packer); ☐ Tubingless  
Maximum Authorized Injection Pressure: 0 psi Injection Zone: OSAGE  
Maximum Authorized Injection Rate: 1000 barrels per day  
Total Number of Enhanced Recovery Injection Wells Covered by This Permit: \_\_\_\_\_ (Include TA's)

III.	Month	Total Volume Injected		# Days of Injection	Maximum Injection Pressure	Average Pressure Tubing/Casing Annulus
		BBL	MCF			
	January	<u>4960</u>	<u>0</u>	<u>31</u>	<u>0</u>	<u>105</u>
	February	<u>4200</u>	<u>0</u>	<u>28</u>	<u>0</u>	<u>105</u>
	March	<u>4650</u>	<u>0</u>	<u>31</u>	<u>0</u>	<u>105</u>
	April	<u>4500</u>	<u>0</u>	<u>30</u>	<u>0</u>	<u>105</u>
	May	<u>4960</u>	<u>0</u>	<u>31</u>	<u>0</u>	<u>105</u>
	June	<u>4800</u>	<u>0</u>	<u>30</u>	<u>0</u>	<u>105</u>
	July	<u>4960</u>	<u>0</u>	<u>31</u>	<u>0</u>	<u>105</u>
	August	<u>4650</u>	<u>0</u>	<u>31</u>	<u>0</u>	<u>105</u>
	September	<u>4500</u>	<u>0</u>	<u>30</u>	<u>0</u>	<u>105</u>
	October	<u>4650</u>	<u>0</u>	<u>31</u>	<u>0</u>	<u>105</u>
	November	<u>4500</u>	<u>0</u>	<u>30</u>	<u>0</u>	<u>105</u>
	December	<u>4650</u>	<u>0</u>	<u>31</u>	<u>0</u>	<u>105</u>
	<b>TOTAL</b>	<u>55980</u>	<u>0</u>			

## CASING MECHANICAL INTEGRITY TEST

DOCKET # 0 24895.0Disposal ☒ Enhanced Recovery:Repressuring ☐Flood ☐Tertiary ☐

Date injection started

API #15 -113 - 2175-80-80NW SE NW, Sec 15, T 20 S, R 3 E ☒3705'

Feet from South Section Line

2630'

Feet from East Section Line

Lease J. STUCKY SWDWell # 1County MPOperator: Louise APOperator License # 5631

Name &amp;

Address Box 335Contact Person Andru RhenLAWTON KS 67428-335 Phone 620-628-4425

Max. Auth. Injection Press. \_\_\_\_\_ psi; Max. Inj. Rate \_\_\_\_\_ bbl/d;

If Dual Completion - Injection above production \_\_\_\_\_ Injection below production \_\_\_\_\_

	Conductor	Surface	Production	Liner		Tubing
Size		<u>8 5/8</u>	<u>5 1/2</u>		Size	<u>2 1/2</u>
Set at		<u>217'</u>	<u>3404'</u>		Set at	<u>220'</u>
Cement Top		<u>0</u>			Type	<u>E-bagging</u>
" Bottom		<u>217'</u>	<u>3404'</u>			
DV/Perf.					TD (and plug back)	ft. depth
Packer type	<u>Fluid</u>				Size	Set at <u>3305'</u>
Zone of injection	<u>0-217'</u>	ft. to ft. <u>3310-3330</u>	Perf. or open hole	<u>Perf</u>		

Type Mit: Pressure ☒ Radioactive Tracer Survey ☐ Temperature Survey ☐Time: Start 0 Min. 15 Min. 30 Min.

	Pressures:	Set up 1	System Pres. during test
D NOT USE	<u>40 #</u>	<u>40 #</u>	<u>40 #</u>
D IN USE	<u>100 #</u>	<u>105 #</u>	<u>105 #</u>
		Set up 2	Annular Pres. during test <u>40-105 #</u>
		Set up 3	Fluid loss during test <u>0</u> bbls.

Tested: Casing ☐ or Casing - Tubing Annulus ☒The bottom of the tested zone is shut in with Fluid PackerTest Date 9/19/14 Using Company Log Company's EquipmentThe operator hereby certifies that the zone between 0 feet and 2305 feet

was the zone tested

Signature Andru Rhen

Title

The results were Satisfactory ☒, Marginal \_\_\_\_\_, Not Satisfactory \_\_\_\_\_State Agent Mr. [Signature]Title PIT #Witness: Yes ☒ No \_\_\_\_\_REMARKS: Diesel Fuel on Backside.☐ Origin. Conservation Div.;☐ KDFE/T;☐ Dist. Office;☐ Computer Update

RCC Form U-7 6/8'