THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Pat Apple, Chairman Shari Feist Albrecht Jay Scott Emler

In the matter of the application of Quail Oil)
& Gas, LC to authorize injection of saltwater)
into the Arbuckle formation at the Sly 2-6)
SWD well, located in the NE NE SE of)
Section 6, Township 17S, Range 6E in)
Morris County, Kansas.

Docket No: 17-CONS-3484-CUIC

CONSERVATION DIVISION

License No. 33185

NOTICE OF FILING OF PRE-FILED TESTIMONY OF LEE B. SHOBE ON BEHALF OF QUAIL OIL & GAS, LC

Quail Oil & Gas, LC hereby provides notice on this 24th day of April 2017 of the filing of the Pre-filed Testimony of Lee B. Shobe on Behalf of Quail Oil & Gas, LC dated April 24, 2017, a copy of which is attached hereto.

Respectfully submitted,

DEPEW GILLEN RATHBUN & McINTEER, LC 8301 East 21st St. North, Suite 450 Wichita, KS 67206-2936 Office (316) 262-4000 Fax (316) 265-3819 robert@depewgillen.com

By /s/Robert J. Vincze

Robert J. Vincze #14101 Joseph A. Schremmer #25968 Attorneys for Quail Oil & Gas, LC

CERTIFICATE OF SERVICE

I hereby certify that on this 24th day of April 2017, I caused a complete and accurate copy of the foregoing Notice of Filing of the Pre-filed Testimony of Lee B. Shobe on Behalf of Quail Oil & Gas, LC to be served via U.S. Mail, postage prepaid and properly addressed, to the following:

Robert V. Eye, #10689
Robert V. Eye Law Office, LLC
Suite 1010
4840 Bob Billings Parkway
Lawrence, Kansas 66049
bob@kauffmaneye.com
Attorney for Protestants Elexa Dawson,
Katherine Kelly, Cindy Hoedel,
Regina Compernolle and Karla Jo Grimmett

And delivered electronically to:

Jonathan R. Myers KCC Conservation Division j.myers@kcc.ks.gov

Michael J. Duenes Assistant General Counsel m.duenes@kcc.ks.gov

/s/Robert J. Vincze
Robert J. Vincze #14101

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PRE-FILED TESTIMONY OF LEE B. SHOBE ON BEHALF OF QUAIL OIL & GAS, LC

- 1 Q. Please state your name, position, employer and office address.
- 2 A. My name is Lee B. Shobe. I am an independent geologist. My address is 9232 W. Brandt
- 3 Avenue, Littleton, Colorado 80123.
- 4 Q. Please state your educational background.
- 5 A. I was awarded my Bachelor of Science degree in Geology from the University of
- 6 Tennessee in 1979.
- 7 Q. Please summarize your work experience.
- 8 A. I worked for Marmik Oil Company in El Dorado, Arkansas, as a geologist for over 30
- 9 years. Since then, I have worked as a consulting geologist. I have over 35 years of
- experience with oil and gas exploration in Kansas, Oklahoma and the Mid-Continent. I
- have also worked with geophysics for over 20 years, interpreting 2D and 3D seismic data.
- 12 Q. Are you familiar with the Application filed by Quail Oil & Gas, LC with the Kansas
- 13 Corporation Commission ("Commission") to use the Sly 2-6 well as a saltwater disposal
- well in the Arbuckle formation?

- 1 A. Yes.
- 2 Q. Did you help prepare such Application?
- 3 A. Yes.
- 4 Q. What are the characteristics of the Sly 2-6 well that make it a good prospect for a disposal
- 5 well?
- 6 A. The Arbuckle formation has very good porosity which allows it to take fluid very well.
- 7 The well will be perforated 30 feet below the top of the Arbuckle formation. The average
- 8 thickness of the Arbuckle formation in this area is 265 feet.
- 9 Q. Will the injection of saltwater into the Arbuckle formation at a perforated depth of 2710 to
- 10 2730 feet, at a maximum injection rate of 5000 bbls/day and at a maximum injection
- pressure of 650 psig, affect the correlative rights of others in the Camp Creek field or any
- of the producing wells within ¼ mile radius of the proposed injection well?
- 13 A. No.
- 14 Q. In your opinion, will fluids introduced into the proposed injection zone be confined to that
- zone?
- 16 A. Yes.
- Q. What is the depth of any fresh or useable water within ½ mile of the proposed injection
- well?
- 19 A. Approximately 120 feet below ground surface.
- 20 Q. Is the Arbuckle formation into which you plan to dispose of saltwater separated from fresh
- and usable water formations by impervious beds?
- 22 A. Yes, Pennsylvanian and Permian aged rock lies above the Lansing formation and below the
- 23 measured depth of fresh water (120 feet) and usable water formations at approximately 200
- feet below ground surface. In addition, there is more than 1000 feet of impermeable rock

- between the Lansing formation and the top of the Arbuckle formation. Please see the
- 2 attached Geologist's Report which I prepared (Exhibit A).
- 3 Q. Have you reviewed publically available information on the United States' Geological
- 4 Survey National Earthquake Information Center (NEIC) website?
- 5 A. Yes, on April 13, 2017.
- 6 Q. As of April 13, 2017, did such NEIC website show any earthquakes since 1990 with an
- 7 epicenter in Morris County, Kansas?
- 8 A. No.
- 9 Q. Have you reviewed the "Staff's 2016 Proposed Area of Reduction" map attached to the
- 10 Commission's Second Order Reducing Saltwater Injection Rates, Docket No.: 15-CONS-
- 11 770-CMSC?
- 12 A. Yes.
- Q. Does the proposed Sly 2-6 SWD lie in the "Staff's 2016 Proposed Area of Reduction?"
- 14 A. No.
- 15 Q. Does this conclude your testimony?
- 16 A. Yes, and I reserve the right to submit rebuttal testimony.

EXHIBIT LIST FOR PRE-FILED TESTIMONY OF LEE B. SHOBE ON BEHALF OF QUAIL OIL & GAS, LC

1. Exhibit A: Geologist's Report

VERIFICATION

STATE OF hansas)
COUNTY OF <u>Cowley</u>) ss:)

I, Lee B. Shobe, being duly sworn, upon my oath, state that I have read the foregoing Pre-Filed Testimony to which this verification is attached, that I am aware of its contents, and the statements and attached exhibits are true and correct.

Lee B. Shobe

SUBSCRIBED AND SWORN to before me on this 24th day of April 2017.

Notary Public

My commission expires: 6/04/2019

KATY RICHERSON
Notary Public - State of Kansas
My Appt. Expires (104/2015)

LEE B. SHOBE

Independent Petroleum Geologist



GEOLOGIST'S REPORT

Drill Time & Sample Log

COMPANY	QUAIL OIL & G	AS, LC		_	API <u>15-127-20597-0000</u>
LEASE	2 SWD SLY				ALT. ID
LOCATION	2,155' FSL & 33	5' FEL		_	KB 1,403
FIELD	UNKNOWN			_	GL 1,399
SECT6	_TOWNSHI	17S RANGE	6E	-	START SAMPLE REPORT 1,400' END SAMPLE REPORT
COUNTY	MORRIS	STATE	KS	-	END SAMPLE REPORT 2,750'
CONTRACTOR	C & G DRILLIN	G, INC., RIG #2		-	CASING
SPUD _11/18/16	<u>i</u>	COMP	11/30/16	-	SURFACE 287' 8 5/8", 28#, set @ 286'
RTD 2,750'		LTD		-	PRODUCTION
OPEN HOLE LO None	GS				TROBUCTION
FORMATION	TOPS	LOG	SAMPLE		CHRONOLOGY
FORMATION	TOPS	LOG	SAMPLE		CHRONOLOGY SPUD 11/18/2016
FORMATION LANSING		LOG	SAMPLE 1,756	(-173)	
		LOG		(-173) (-445)	SPUD 11/18/2016
LANSING STARK		LOG	1,756		SPUD 11/18/2016 set surface, shut down for Thanksgiving 11/28, resume drlg
LANSING STARK BASE KA MISS CH	G NSAS CITY ERT	LOG	1,756 1,848 1,908 2,067	(-445) (-505) (-664)	SPUD 11/18/2016 set surface, shut down for Thanksgiving 11/28, resume drlg 11/29, drlg 1,747'
LANSING STARK BASE KA MISS CH MISS LIN	S NSAS CITY ERT ME	LOG	1,756 1,848 1,908 2,067 2,104	(-445) (-505) (-664) (-701)	SPUD 11/18/2016 set surface, shut down for Thanksgiving 11/28, resume drlg 11/29, drlg 1,747' 11/30, drlg 2,567'
LANSING STARK BASE KA MISS CH MISS LIN KINDERI	S INSAS CITY ERT ME HOOK	LOG	1,756 1,848 1,908 2,067 2,104 2,135	(-445) (-505) (-664) (-701) (-732)	SPUD 11/18/2016 set surface, shut down for Thanksgiving 11/28, resume drlg 11/29, drlg 1,747'
LANSING STARK BASE KA MISS CH MISS LIN KINDERI HUNTON	SANSAS CITY ERT ME HOOK	LOG	1,756 1,848 1,908 2,067 2,104 2,135 2,302	(-445) (-505) (-664) (-701) (-732) (-899)	SPUD 11/18/2016 set surface, shut down for Thanksgiving 11/28, resume drlg 11/29, drlg 1,747' 11/30, drlg 2,567'
LANSING STARK BASE KA MISS CH MISS LIN KINDERI HUNTON MAQUOI	SANSAS CITY ERT ME HOOK	LOG	1,756 1,848 1,908 2,067 2,104 2,135 2,302 2,443	(-445) (-505) (-664) (-701) (-732) (-899) (-1040)	SPUD 11/18/2016 set surface, shut down for Thanksgiving 11/28, resume drlg 11/29, drlg 1,747' 11/30, drlg 2,567'
LANSING STARK BASE KA MISS CH MISS LIN KINDERI HUNTON MAQUOI	SANSAS CITY ERT ME HOOK KETA	LOG	1,756 1,848 1,908 2,067 2,104 2,135 2,302 2,443 2,507	(-445) (-505) (-664) (-701) (-732) (-899) (-1040) (-1104)	SPUD 11/18/2016 set surface, shut down for Thanksgiving 11/28, resume drlg 11/29, drlg 1,747' 11/30, drlg 2,567'
LANSING STARK BASE KA MISS CH MISS LIN KINDERI HUNTON MAQUOI VIOLA SIMPSON	SANSAS CITY ERT ME HOOK KETA	LOG	1,756 1,848 1,908 2,067 2,104 2,135 2,302 2,443 2,507 2,590	(-445) (-505) (-664) (-701) (-732) (-899) (-1040) (-1104) (-1187)	SPUD 11/18/2016 set surface, shut down for Thanksgiving 11/28, resume drlg 11/29, drlg 1,747' 11/30, drlg 2,567'
LANSING STARK BASE KA MISS CH MISS LIN KINDERI HUNTON MAQUOI	SANSAS CITY ERT ME HOOK KETA	LOG	1,756 1,848 1,908 2,067 2,104 2,135 2,302 2,443 2,507	(-445) (-505) (-664) (-701) (-732) (-899) (-1040) (-1104)	SPUD 11/18/2016 set surface, shut down for Thanksgiving 11/28, resume drlg 11/29, drlg 1,747' 11/30, drlg 2,567'
LANSING STARK BASE KA MISS CH MISS LIN KINDERI HUNTON MAQUOI VIOLA SIMPSON	SANSAS CITY ERT ME HOOK KETA	LOG	1,756 1,848 1,908 2,067 2,104 2,135 2,302 2,443 2,507 2,590	(-445) (-505) (-664) (-701) (-732) (-899) (-1040) (-1104) (-1187)	SPUD 11/18/2016 set surface, shut down for Thanksgiving 11/28, resume drlg 11/29, drlg 1,747' 11/30, drlg 2,567'
LANSING STARK BASE KA MISS CH MISS LIN KINDERI HUNTON MAQUOI VIOLA SIMPSON	SANSAS CITY ERT ME HOOK KETA	LOG	1,756 1,848 1,908 2,067 2,104 2,135 2,302 2,443 2,507 2,590	(-445) (-505) (-664) (-701) (-732) (-899) (-1040) (-1104) (-1187)	SPUD 11/18/2016 set surface, shut down for Thanksgiving 11/28, resume drlg 11/29, drlg 1,747' 11/30, drlg 2,567'
LANSING STARK BASE KA MISS CH MISS LIN KINDERI HUNTON MAQUOI VIOLA SIMPSON	SANSAS CITY ERT ME HOOK KETA	LOG	1,756 1,848 1,908 2,067 2,104 2,135 2,302 2,443 2,507 2,590	(-445) (-505) (-664) (-701) (-732) (-899) (-1040) (-1104) (-1187)	SPUD 11/18/2016 set surface, shut down for Thanksgiving 11/28, resume drlg 11/29, drlg 1,747' 11/30, drlg 2,567'
LANSING STARK BASE KA MISS CH MISS LIN KINDERI HUNTON MAQUOI VIOLA SIMPSON	SANSAS CITY ERT ME HOOK KETA	LOG	1,756 1,848 1,908 2,067 2,104 2,135 2,302 2,443 2,507 2,590	(-445) (-505) (-664) (-701) (-732) (-899) (-1040) (-1104) (-1187)	SPUD 11/18/2016 set surface, shut down for Thanksgiving 11/28, resume drlg 11/29, drlg 1,747' 11/30, drlg 2,567'
LANSING STARK BASE KA MISS CH MISS LIN KINDERI HUNTON MAQUOI VIOLA SIMPSON	SANSAS CITY ERT ME HOOK KETA	LOG	1,756 1,848 1,908 2,067 2,104 2,135 2,302 2,443 2,507 2,590	(-445) (-505) (-664) (-701) (-732) (-899) (-1040) (-1104) (-1187)	SPUD 11/18/2016 set surface, shut down for Thanksgiving 11/28, resume drlg 11/29, drlg 1,747' 11/30, drlg 2,567'
LANSING STARK BASE KA MISS CH MISS LIN KINDERI HUNTON MAQUOI VIOLA SIMPSON	SANSAS CITY ERT ME HOOK KETA	LOG	1,756 1,848 1,908 2,067 2,104 2,135 2,302 2,443 2,507 2,590	(-445) (-505) (-664) (-701) (-732) (-899) (-1040) (-1104) (-1187)	SPUD 11/18/2016 set surface, shut down for Thanksgiving 11/28, resume drlg 11/29, drlg 1,747' 11/30, drlg 2,567'

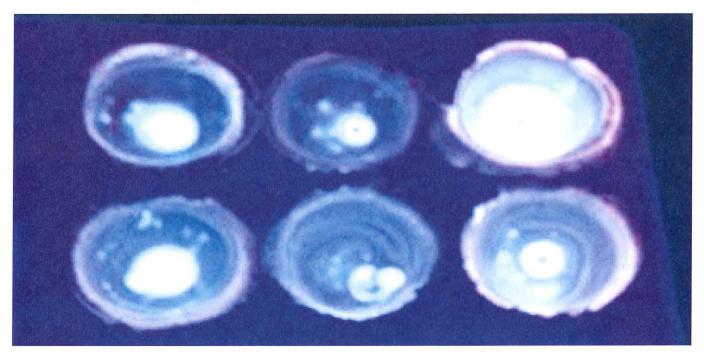
REMARKS	
The only shows of oil encountered in this well were in the Miss Chert.	

DST CHARTS

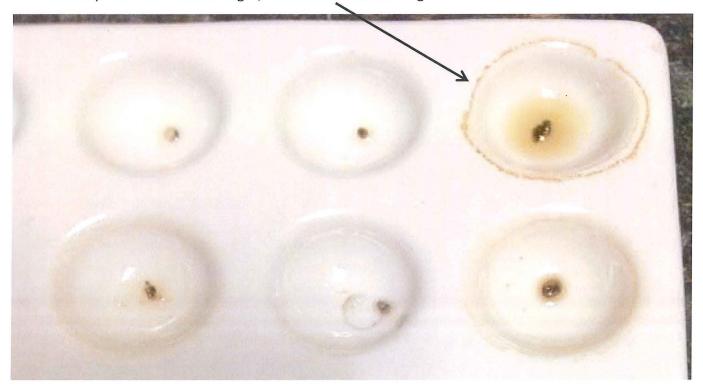
NONE

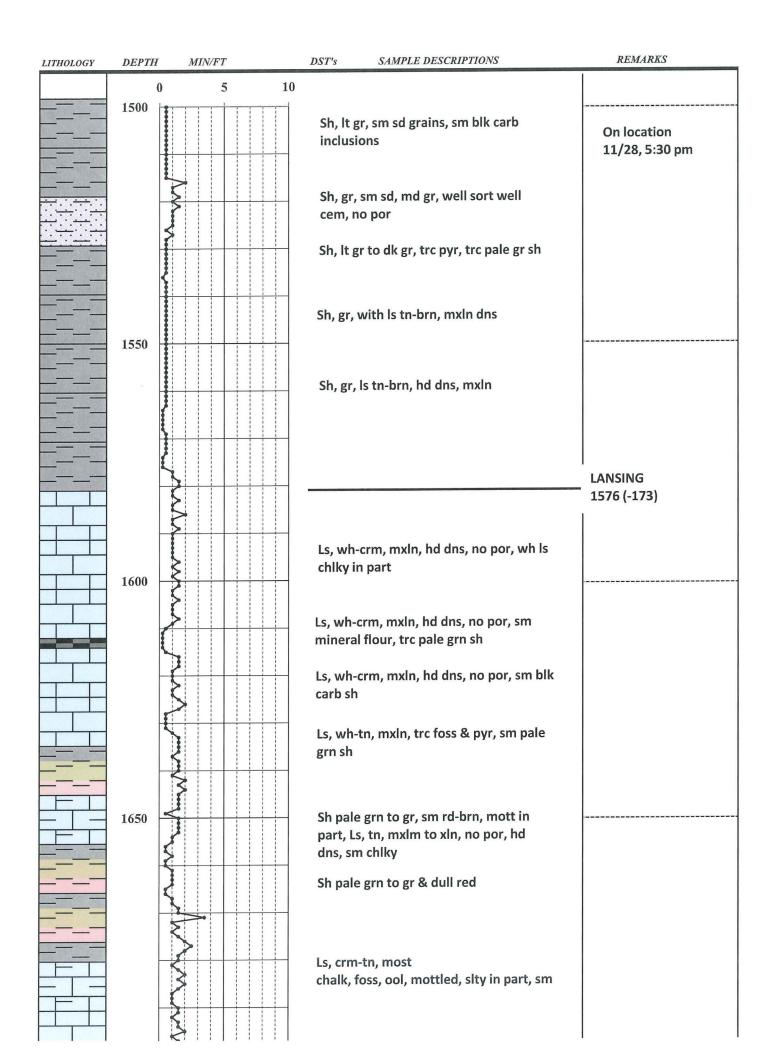
Oil flourcence from top 10' of the Miss Chert sample from 2,070'-2,080'

Immediate streaming cuts (using oil solvent) from the Miss Chert porosity leaving residual oil ring when dried.



Same photo under normal light, note brown residual ring of oil





	1700	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	Ls, tn-gr, foss, mxln-fxln, sm dull grn- gr, sh, trc pyr	
		\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\		
		8	Ls, tn-gr, mxln, dns, sm foss,	
	1750		Ls, tn-gr to crm, mxln, dns, sm pale grn sh	
			Ls, tn, mxln, hd, trc ool, with pale grn	
0 0		>	sh, pyr	11/29, 8:00 am
		}	Sh, gr-blk, mott, with sm Ls, crm, foss chlky	
	1800		Ls, wh-crm, soft chlky, ool to foss	
			Ls, tn-gr, mxln to fxln, foss with chert tn Ls, wh-crm, mxln, hd dns, no por	
		\$	Ls, tn, hd dns with sm Sh, gr-dk gr	
	40-0	5	Ls, gr, fxln, grading to dirty Ls, gr with Sh, gr	STARK
	1850		Sh, blk, carb, Sh, gr, abndt pyr Ls, crm-tn, mxln, hd dns, trc Chrt, wh, no por, NS, with Sh, gr-grn	1848 (-445)
		3	Sh, blk, carb, Sh, gr, sm pyr	
			Ls, tn, mxln to chlky, trc foss, soft Ls, tn,mxln, hd dns, no por	
	1900		Ls, crm-tn, fxln, v foss, ool in prt, soft to chlky, NS	BASE KANSAS CITY
			Sh, dk gr-blk	1908 (-505)

		Sh, vari-color, gr-grn-tn, pyr	
		Sh, pale grn, to sandy sh with wh Is cem, no por, NS	
 1950		Sh, gr with carb inclusions, sandy in part, abndt pyr, np por, NS	
		Sh, dk gr-blk	
		Ls, tn-gr, argillaceous, foss in part	
	>	Ls, It gr, hd dns, mxln, grading to mottled gr argillaceous Ls	
		Ls, It gr to dull yellow mottled, hd dns, mxln with Sh, gr	
	5	Sh, vari colored gr-maroon, with Ls, tn, sm foss , hd dns, fxln	
2000	2	Sh, vari colored gr-maroon-dull yellow	
		Sh, vari colored gr-maroon-dull yellow, abndt pyr, with Ls, tn, mxln grading to argillaceous	
	2	Sh, blk, carb Ls, tn, mxln, hd dns	
	2	Sh, gr-brn-pale grn-blk Ls, tn-brn, mxln, hd dns, trc foss	
2050	2.4	Sh, brn-pale grn	
		Sh, blu-grn, trc chrt, wh-dull yellow, NSO	
		Chrt, wh, tripolitic, F-GSFO, scatt flour, f- g odor, immed strm cut, good halo ring, 10% with oil sat por in weathered chert por, 25% with dk brn oil droplets	Miss Chert 2067 (-664)
2100	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	Chrt, wh, slight SFO, no odor, poor scattered flour	
2100	>	Ls, wh-crm, mxln to fxln, hd dns, no por, NSO	Miss Lime 2104 (-701)

	2150	Sh, pale grn-maroon-gr	Kinderhook 2135 (-732)
		Sh, gr, with very slty Sd, gr, pyr	
 		Sh, gr, with very slty Sd, gr, abndt pyr	
	2200	Sh, gr-maroon, mottled, with v slty Sd, gr, abdnt pyr	
		Sh, gr, abndt pyr	
		Sh, gr-maroon with v slty Sd, gr, well cem, abdnt pyr	
	2250	 Sh, orng-dull yellow-red, sm mottled Sh, red-brn	
		Sh, It brn, mottled	
			Hunton
7-7	2300	Dol, lt gr-wh, mxln-xln, sm rhombic vugs, hd dns, sm por, trc pyr, NSO, No odor, brite mineral flour	Hunton 2302 (-899)
/ 0 / 0 / 0 / 0 /		Dol, It gr, hd, abndt pyr overgrowth, vugs	

