BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the matter of the petition of Daylight) Petroleum, LLC to open a docket pursuant to) K.S.A. 55-605(a).

Docket No. 25-CONS-3040-CMSC

CONSERVATION DIVISION

License No. 35639

PRE-FILED DIRECT TESTIMONY OF

LEVI BURNETT

ON BEHALF OF COMMISSION STAFF

NOVEMBER 1, 2024

- 1 Q. What is your name and business address?
- 2 A. Levi Burnett, 137 E. 21st Street, Chanute, Kansas 66720.
- 3 Q. By whom are you employed and in what capacity?
- 4 A. I am employed by the Kansas Corporation Commission (KCC), Conservation Division, as an
- 5 Environmental Compliance and Regulatory Specialist (ECRS) for District #3.

6 Q. Would you please briefly describe your background and work experience.

A. I have experience working in the oil and gas industry in both Southeast Kansas and Northeast
Oklahoma for approximately 20 years. During that time I have worked as a contractor for
companies such as Consolidated Oil Well Services, G&J Oil Co., and H2O Express. My work
for those companies included oil and gas production maintenance, construction and
completion of new wells, plugging wells, and environmental cleanup work. In February 2021
I joined the KCC District #3 Office as an ECRS.

13 Q. What are your duties with the Conservation Division?

14 A. As an ECRS, I am responsible for witnessing and monitoring oil and gas related activities 15 across District #3, but I primarily work in Montgomery and Wilson counties. My job involves 16 inspections, documentation, investigation, and consultation with lease operators, landowners, 17 and Commission Staff on compliance issues related to oil and gas production in Kansas. 18 Additionally, I witness and monitor mechanical integrity tests, the plugging of wells, and the 19 drilling and completion of oil, gas, injection, and disposal wells. I also investigate spills and 20 complaints. Further, I conduct inspections on new and abandoned wells to verify the exact 21 location and the status of wells. I work with District Staff and Central Office Staff when 22 required to complete various projects and requests.

1 Q. Have you previously testified before this Commission?

2 A. No.

3 Q. What is the purpose of your testimony in this matter?

A. The purpose of my testimony is to discuss the petition filed by Daylight Petroleum, LLC
(Operator) in Docket 25-CONS-3040-CMSC and why Operator should be required to plug
the abandoned and broken out well on the Johnson lease in Section 16, Township 30 South,
Range 16 East, Wilson County, Kansas. Specifically, my testimony discusses Staff's initial
investigation into the breakout well and spill on the lease.

9 Q. When was this matter reported to District Staff?

A. On June 26, 2023, Operator reported to the District #3 office that a possible abandoned well
had broken out and was leaking fluids inside a commercial building on the Johnson lease
described above. I have attached the initial complaint to my testimony as *Exhibit LB-1*.
Between June 26, 2023, and July 19, 2023, I conducted my initial inspection of the breakout
well on the Johnson lease. My findings are documented in the field report attached to my
testimony as *Exhibit LB-2*.

16 Q. What were your initial findings after arriving at the lease?

A. Initially, I found a combination of oil and brine flowing through the floor of the building
located on the Johnson lease. The fluid was flowing around the water and electrical conduit
lines within the building.

20 Q. Does Operator have any injection wells within the vicinity of the breakout well?

A. Yes. While the research I conducted through KGS and the Eastern Kansas Documents did not
 directly provide an abandoned wellbore within the area of the spill, research on KGS did show
 that Operator had two active authorized injection wells within a quarter-mile of the breakout

1 well, the Olnhausen Farms #6, API #15-205-28509, and the Renn #LOI-1, API #15-205-

2 28437. These were the only injection wells within a quarter-mile of the breakout well.

3 Q. Did you request that Operator shut-in its injection wells within a quarter-mile of the 4 breakout well?

A. Yes. I informed Operator that the two injection wells would need to be shut-in immediately.
Once the injection wells were shut in, the fluids leaking through the concrete floor noticeably
decreased.

8 Q. What were Staff's next steps?

9 A. Our next steps were to locate other inactive wellbores in the area. Commission records 10 indicated that Operator had three inactive wells in the area. These were the Johnson #106, 11 API #15-205-22288; Johnson #6, API #15-205-01072; and Johnson #7, API #15-205-01073. 12 The Johnson #6 and Johnson #7 wells were not visible at surface, so we had to solicit help 13 from a prior landowner/operator of the lease to identify the location of two inactive wellbores. 14 On June 27, 2023, I arrived on the Johnson lease after the locations of these two wells had 15 been marked by the prior landowner/operator. A tenant of the commercial building excavated the Johnson #6 prior to my arrival, and I witnessed the excavation of the Johnson #7. I visually 16 17 inspected both wells and determined that the wells had fluid inside of the casing roughly 20 18 feet below surface. I informed Operator that both wells would need to be promptly addressed 19 once the abandoned wellbore had been located and plugged. Additionally, Operator and I 20 discussed removing a concrete slab outside the southern side of the building where fluids were 21 leaking in order to see if it would make it easier to locate the breakout well.

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Q. Did Operator remove the concrete slab?

A. Yes. On June 30, 2023, I arrived at the Johnson lease and witnessed where Operator had a
contractor cut and remove the concrete slab directly south of where the leak was originally
identified. Operator also used a backhoe to dig a monitoring pit in an attempt to expose the
abandoned wellbore. While the monitoring pit did show two oil spots in the subsurface, we
did not find the abandoned wellbore.

7 Q. Where did it appear that the produced fluids were coming from?

8 It appeared produced fluids were exiting the subsurface through the utility line trench on the A. 9 south side of the building. The next step was to determine if the produced fluids were also 10 traveling via the utility line trench toward the north side of the building. On July 3, 2023, 11 Operator had the utility lines on the north side of the building excavated. However, when 12 investigated, no produced fluids were found in the subsurface on the north side of the building. 13 On July 10, 2023, Operator had a contractor appear on-site to hydro-vac under the building, 14 north of the open monitoring pit back into the utility trench to try to expose the abandoned 15 wellbore but that was unsuccessful. It looks like at some point between the south wall of the 16 building and the north wall of the building the produced fluids from the abandoned wellbore 17 are entering the utility trench and traveling south along the path of least resistance to the exit 18 point. Additionally, the rest of the north and east edges of the building were excavated to look 19 for signs of produced fluids and the abandoned well. Neither was visually found.

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Q. Did Staff have Operator restart the injection wells to determine if there was a link between Operator's injection and the breakout well?

A. Yes. On July 10, 2023, in an attempt to detect where the produced fluids were coming from,
we made the decision to have Operator restart the authorized injection wells within a quarter-

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1 mile of the breakout well location, beginning with the Olnhausen Farms #6. The main concern 2 I expressed to Operator was that the monitoring pit would need to be constantly checked to ensure that it stayed empty. On July 12, 2023, I contacted Operator and asked if any fluids 3 4 had been observed flowing into the monitoring pit. There were no fluids in the pit at that time, 5 but Operator informed me that there were issues with the injection pump which prevented the 6 Olnhausen Farms #6 from operating at full capacity. After the injection pump was repaired, I 7 received a voicemail on July 14, 2023, from Operator that fluid was once again flowing from 8 underneath the building into the monitoring pit. On July 14, 2023, I visited the location to 9 document the status of the monitoring pit and collect fluid samples from the pit for Staff to 10 test. Ms. Shaffer tested the fluid samples taken from the monitoring pit and a produced water 11 sample from Operator's Olnhausen #4 well. Her findings are discussed in her testimony. 12 Additionally, the Olnhausen Farms #6 previously had a satisfactory mechanical integrity test 13 (MIT) conducted on September 8, 2022. The well was also re-tested at Staff's request and 14 obtained a satisfactory MIT on August 8, 2023. The satisfactory MIT demonstrates the casing 15 integrity of the well from surface to a depth of 50 foot above the perforations. This confirms 16 that the only way for produced fluids to be coming to surface within the footprint of the 17 building is via an abandoned unplugged wellbore.

On July 12, 2023, Staff instructed Operator to restart the Renn #LOI-1, which previously had a satisfactory MIT on August 10, 2018. The Renn #LOI-1 was also retested and passed its annual 5-year test on August 2, 2023. While the Renn #LOI-1 continued injecting, the fluids flowing into the monitoring pit stopped after the Olnhausen Farms #6 well was shut in. This process clearly linked Operator's injection operations at the Olnhausen Farms #6 well to the flow of fluids beneath the building.

Q. Has Operator conducted any work on the Olnhaussen #6 well that would cause it to channel fluids to an abandoned wellbore?

3 A. Yes. The Olnhausen Farms #6 well was completed as an oil well on October 20, 2021, per the 4 Well Completion (ACO-1) form submitted by Operator. I have attached a copy of the ACO-1 5 form to my testimony as *Exhibit LB-3*. Page 2 of the ACO-1 form also indicates that Operator 6 perforated, acidized, and fracked the well. In March 2022, Daylight filed an application for 7 converting the Olnhausen Farms #6 well into an EOR well and it was permitted for injection 8 on September 9, 2022, at an injection rate of 200 BBLs per day and maximum pressure of 600 9 psi. Subsequently, a different breakout well, the Reem #1, API #15-205-01562, was reported 10 and later plugged by Operator on October 28, 2022. The Reem #1 is approximately 1345 feet 11 to the southeast of the Olnhausen Farms #6 well. Plugging the well likely led to the reported 12 breakout well on the Johnson lease on June 6, 2023. The breakout well beneath the building 13 is about 1085 feet to the southwest of the Olnhausen Farms # 6 well.

14 Q. Did Operator continue to try to find the breakout well?

15 No. On July 14, 2023, Operator told me that it had no desire to continue searching for the A. 16 breakout well beneath the building. I informed Operator that it was its responsibility to address 17 the fluids seeping from beneath the building on the Johnson lease. Operator's proposal was to 18 plug the nearby inactive oil wells and convert the Olnhausen Farms #6 well back into a 19 producing oil well. Operator has subsequently plugged the known inactive wells on the lease, 20 but has not taken any action in regard to the Olnhausen Farms #6 well. None of Operator's 21 proposal included addressing the breakout well beneath the building, and the well remains an 22 issue to this date.

Q. Has Operator previously plugged abandoned wellbores which broke out as a result of waterflood activities and/or well stimulations?

3 A. Yes. Most recently Operator's Olnhausen #5-BOW, API #15-205-01512, broke out during

4 the fracking of the Olnhausen Farms #5. This well was plugged by Operator on or about

5 January 11, 2022. As discussed above, the Reem #1 also broke out after injection commenced

- 6 on the Olnhausen Farms #6 well. This well was plugged by Operator on October 28, 2022. I
- 7 have attached the well plugging application (CP-1) forms for these two wells to my testimony
- 8 as *Exhibit LB-4*.
- 9 **Q.** Does this conclude your testimony?
- 10 A. Yes.

COMPLAINTS QUERY/FOR GREEN SHEETS

Incident Number	8346 KLN#
COMPLAINT	
Call received by	Brooke Dyke
COMPLAINT DA	TE 06/26/2023
Agent referred to	Levi Burnett
Agent Referred to	Date 6/26/2023
TIME REFERRED	D TO AGENT 10:00:00 AM
CALL_IN_BY	Jennifer Peters
Caller contact	620-754-3620
Problem (COMPL	AINT) Possible abandoned well bore; leak coming up in shop Sec. 16-30-16E WL.Co.
How Long Has Pro	blem Existed(COMPLAINT) 1 DAY
General Location	410 RD & HIGHWAY 75, WL CO.
SEC	16
TWP	30
RGE	16 RESOLVED
COUNTY	WL CLOSE_DATE: 08/01/2024
Suspected Cause (Daylight Petroleum Injection well within 1/4 mile Area of Review has communicated with a known existing well bore or unknown well bore underneath the concrete floor of commercial building located on the Johnson lease that is operated by Daylight Petroelum, LLC.
REMARKS	On 6/26/2023 Daylight Petroleum reported to the KCC District #3 office that a possible abandoned well had broke out and was leaking fluids inside the commercial building located at 147350 410 Rd.Neodesha, KS 66757 (Picture #1). This building is located on the Johnson lease in Sec.16-T30S-R16E, Wilson County. Daylight Petroleum license #35639 (Operator) has two (2) authorized injection wells within the quarter mile of the area of review (AOR). The Olnhausen Farms #6, 15-205-28509-00-01, active authorized injection (EOR), 1050' FSL & 2100' FEL,NE NW SW SE, Sec.16-T30S-R16E and the Renn # LOI-1, 15-205-28437-00-00, active authorized injection (EOR), 4809' FSL & 2145' FEL, NW NW NE, Sec.21-T30S-R16E. Operator was notified to shut in the two (2) authorized injection wells and the fluids leaking through the concrete floor had decreased noticeably. The closest known well bores to the commercial building are three (3) inactive oil wells assigned to Operator's license #35639. Johnson #106, API # 15-205-22288-00-00, Johnson #6, 15-205-01072-00-00 and the Johnson #7, 15-205-01073-00-00. The Johnson #6 & Johnson #7 were both located roughly 2' below surface with steel plate over the top of the casings. The previous operator Ron Johnson admitted to cutting them off and burying them below surface. The three (3) closest inactive oil wells are not currently leaking fluids to surface. On 6/30/2023 Operator hired a contractor to cut and remove the outside drive slab directly south of where the leaking fluids were found (Picture # 2) and a monitoring pit was dug directly underneath where the concrete slab was removed. On 7/6/2023 I inspected the monitor pit and found water & oil standing on the bottom of the pit (see picture # 3). 7/7/2023 I found the two (2) separate subsurface oil spots(Picture # 4). On 7/10/2023, the decision was made to allow

Page 1 of 2

Operator to restart the two (2) closest authorized injection wells. 7/14/2023 Rob Tidwell with Daylight Petroleum called, stating the subsurface soil beneath the commercial building's slab floor was found with fluid leeching through and the monitoring pit had water and oil standing (Picture # 5). A water sample was collected that day and the sample tested showed chlorides to be 41,000 ppm. I contacted Rob Tidwell and discussed what the Operator's next steps in resolving the issue and Rob Tidwell stated that at this time Operator has no intentions to explore further underneath the commercial building's concrete slab floor. Operator proposed to plug the nearest surrounding oil wells with cement and to convert the Olnhausen Farms #6 from an EOR well to an actively producing oil well. I informed Rob Tidwell that the fluids seeping into the buildings' floor were the company's responsibility and the Operator chose to shut the Olnhausen Farms #6 EOR well in and stop further exploration into the leak. On 7/19/2023 a produced water sample was taken from the Olnhausen Farms #4, 15-205-28507-00-00 and the test showed chlorides to be 45,000 ppm.

Additionally, the Operator has continued injecting into the Renn #LOI-1 EOR since 7/12/2023 as instructed; however, the leaked fluids have stopped arriving to the monitoring pit since the Operator shut in the Olnhausen Farms #6 well on 7/14/2023. At this time I find there is a direct correlation between Operator's Olnhausen Farms #6 EOR well (~1075' to the Northeast of the building) and the leaking fluids underneath the commercial building's concrete floor.

To summarize, the three (3) closest inactive oil wells on the property (all of which are less than 250' to the center of the building which produced fluids are leaking) are recommended to be plugged. At which time to continue the investigation into the produced fluids under the building, the Olnhausen Farms #6 EOR well should be returned to active injection status to determine if any of the 3 inactive oil wells had compromised casing that was being communicated to surface. This could also be accomplished with a Casing Integrity Test (CIT) prior to plugging the wells if the Operator so chooses. If there is no correlation to the produced fluids under the building from any of the 3 inactive wells it is recommended to continue the subsurface investigation below the buildings' concrete slab. I will include one (1) Google earth map, five (5) word photo templates, two (2) Satisfactory Mechanical Integrity Test (MIT) and one (1) approved temporary abandonment form in a field report.

Operator has filed for a hearing and will be determined by the Commission at a later date. Complaint Closed. RMD

Inspection Date:	06/26/2023	District:	3	Incident Number:	8369
	✓ Ne	w Situation	✓ Lea	se Inspection	
	Re	esponse to Rec	quest 😈 Cor	nplaint	
	🗌 Fo	llow-up	✓ Fiel	d Report	
Operator License	No: 35639	API:	NA	Q3: SE Q2:	SE Q1: SW
Operator Name:	Daylight Petroleum	i, LLC dba	SEC 16	TWP 30 RGE 16	RGEDIR: E
Address: PO Box	52070			FSL:	516
City: Houston				FEL:	3052
State: TX Z	ip Code: 77027	Leas	se: Johnson	Well No.:	1A
Phone contact:	620-754-3620			County: WL	
Reason for Investi	igation:				

Reason for Investigation:

Daylight Petroleum reported to the Chanute District #3 Office On 6/26/2023 a possible break out well on the Johnson lease. This report was assigned with Complaint # 8346.

Problem:

Possible break out well is leaking brine water and oil from beneath a commercial building's concrete floor's utility conduit. This shop is located at 147350 410 Rd. Neodesha, KS 66757. The shop is located on the Johnson lease operated by Daylight Petroleum, license # 35639.

Persons contacted:

Kerry Selly (620)363-0709 Daylight Petroleum employee, Rob Tidwell (580) 220-1236 Daylight Petroleum employee, Rob Tinsley (620) 875-1533 Landowner, Julie Shaffer, District Geologist (620) 212-3662.

Findings:

Initial inspection on 6/26/2023 found fluids (oil/brine water) flowing from beneath the concrete floor around the water and electrical conduit lines. Daylight Petroleum used their company backhoe to build a dam around the spilled fluids to keep them contained. The spill location was recorded with one (1) picture and GPS coordinates. Research done on KGS & Eastern Kansas Documents did not provide a direct abandoned well bore that falls within close proximity of the leaking fluids. Research done on KGS shows Daylight Petroleum has two (2) active authorized injections wells (identified in findings) that fall within the quarter mile area of review (AOR). Kerry Selly with Daylight Petroleum was informed that all active authorized injection wells within the quarter mile area of review (AOR) would need to be shut in immediately. Daylight Petroleum is the only operator with active authorized injection wells within a quarter mile area of review (AOR) (See Additional Page).

Actions / Recommendations

Follow-up Required

Deadline Date:

My recommendation is Daylight Petroleum, LLC dba license # 35639 be sent a NOV addressing the "IN" wells whose bores were located below surface with visible fluid levels and an NOV letter containing a deadline and confirming Daylight Petroleum's responsibility to locate and plug the break out well beneath or near the shop.

	Photo's Taken: 6
RBDMS KGS KOLAR Report Prepared	By: Levi Burnett
District Files Courthouse	sition: <u>E.C.R.S.</u>

Additional Findings:

Additional Information:

On Monday June 26th, 2023 between 8:00am and 8:30am Kerry Selly with Daylight Petroleum, LLC dba license # 35639 contacted E.C.R.S. Levi Burnett by cellular telephone and informed him that a possible abandoned well had broke out and is leaking fluids inside a commercial building located on the Johnson lease, Sec16-T30S-R16E in Wilson County. The commercial building is owned by Rob Tinsley (620) 875-1533. The commercial building is located at 147350 410 Rd. Neodesha, KS 66757. The Johnson lease is operated by Daylight Petroleum, LLC license # 35639. My initial inspection was done at 12:53 pm and found crude oil along with grey water coming around a conduit utility line constructed inside the commercial building's concrete floor (pic #1). I informed Kerry Selly that all active authorized injection wells within the quarter mile area of review (AOR) would need to be shut in immediately. Research done on KGS shows that Daylight Petroleum, LLC license # 35639 has two (2) active authorized injection wells within a guarter (1/4) mile area of review (AOR). The Olnhausen Farms # 6, 15-205-28509-00-01, active authorized injection (EOR), N. 37.431030, W. -95.659040, 1050' FSL & 2100' FEL, NE NW SW SE, Sec.16-T30S-R16E in Wilson County. Olnhausen Farms #6 had a acceptable MIT test submitted on 9-8-2022 witnessed by KCC staff. The Renn # LOI-1, 15-205-28437-00-00, active authorized injection (EOR), N. 37.427010, W. -95.659210, 4809' FSL & 2145' FEL, NW NW NE, Sec.21-T30S-R16E in Wilson County. The Renn # LOI-1, 15-205-28437 had acceptable MIT test submitted on 8-10-2018 unwitnessed by KCC staff. After the two (2) active authorized injection wells within a guarter (1/4) mile area of review were shut in, the fluid coming from beneath of the concrete floor had noticeably decreased in flow. Research done on KGS shows three (3) inactive oil well's on the Johnson lease in close proximity of the spilled fluids that are assigned to Daylight Petroleum's license # 35639. Johnson # 106, API # 15-205-22288-00-00, 459' FSL & 2971' FEL, Lat. 37,429440, Long. -95.662060, SE SE SW, 16-30S-16E WL CO. Johnson # 106 is an inactive oil well constructed with 7" surface casing, 2.875" production casing, 1" tubing on a pump jack. The Johnson # 106 has a current approved CP-111 (TA) on file with the KCC and an expiration date of 7/20/2023. The two (2) remaining oil wells within close proximity of the commercial building, Johnson # 6, 15-205-01072-00-00 and Johnson # 7, 15-205-01073-0-00. Neither of the two (2) remaining oil wells are visible above surface. Research done on KGS shows the Johnson # 6 marked northwest of the commercial building and the Johnson #7, 15-205-01073 marked southwest of the commercial building. A magnetic locator was used to try and locate the Johnson #6 & Johnson #7, but was unsuccessful by the end of the work day. Research done on KGS shows that Ron Johnson (Johnson Dozer Service, License # 3960, Inactive) was the previous landowner and a previous operator of the Johnson lease. I contacted Ron Johnson (620) 423-7260 and asked him if he recalled where the Johnson # 6 & Johnson # 7 would have been on the property. Ron Johnson volunteered to stop by at the end of his work day and mark the two (2) locations in which he recalls the Johnson # 6 & Johnson # 7 being on the lease.

6/27/2023 I arrived at the Johnson lease in Sec.16-T30S-R16E WL CO. Previous lease operator and landowner Ron Johnson had marked the two (2) locations for the Johnson # 6, API # 15-205-01072-00-00 & Johnson #7, 15-205-01073-00-00. The current tenant of the commercial building owned by Rob Tinsley had exposed the Johnson # 6 with a shovel. The Johnson # 6, 15-205-01072-00-00 was found with a steel plate over the top of the 12" surface casing and 2" production casing. Fluid was found inside the wells casings roughly 20' below surface. The Johnson #7, API # 15-205-01073-00-00 marked location I used the KCC provided magnetic locator to pin point the well casings and marked with utility paint. An active Atmos Energy gas line was marked within 2 feet of the Johnson #7 well. I contacted Damage Prevention Specialist Brea Pierce (620) 313-0877 and requested that she could be on site while excavating the Johnson # 7 well bore. Brea Pierce arrived and Daylight Petroleum used their company backhoe to dig up the marked location for the Johnson # 7, 15-205-01073-00-00. The Johnson # 7, 15-205-01073-00-00 was found with a piece of steel plate over the top of the casings. The steel plate was removed and the Johnson #7, 15-205-01073-00-00 was found with 8" surface casing and 2" production casing. The backside (between 2" pc & 8" sc) had standing fluid roughly 20' below surface. The Johnson #7, 15-205-01073-00-00 is located in a busy commercial parking lot, the steel plate is going to be placed back over the wells casings and the well is being marked with orange painted PVC pipe. The Johnson # 6, 15-205-01072-00-00 and Johnson # 7, 15-205-01073-00-00 are listed as Inactive with no temporary abandonment forms (CP-111's) on file with KCC District # 3. The Johnson #6. 15-205-01072-00-00 and Johnson # 7, 15-205-01073-00-00 will be required to have CP-111's filed and submitted for review. I will recommended that the Johnson # 6, 15-205-01072-00-00 & Johnson # 7, 15-205-01073-00-00 located in Sec.16-T30S-R16E in Wilson County will be required to have Casing Integrity Test done before a Temporary Abandonment form can be processed by District # 3 staff. At this time the Johnson # 6 & Johnson # 7 will need to be addressed promptly after the possible abandoned leaking well bore is located and addressed according to KCC rules and regulations. There does not appear to be any fluids pushing up to the surface on the surrounding inactive oil wells. Kerry Selly and I spoke about digging a ditch on the outer perimeter of the south and east concrete slabs of the commercial property. This was all figured due to the two

(2) active injection wells are located South & East of the commercial building where the spilled fluids were originally located. Kerry Selly began digging a ditch along the outside perimeter of the concrete slab roughly 3' below surface. No oil/water was intercepted within the open ditches. The next step discussed was to remove the outside concrete slab closest to the area in which the spilled oil/water was found coming from beneath the commercial building's floor.

6/30/2023 I arrived to the commercial building located on the Johnson lease. Daylight Petroleum had hired Big K services to cut and remove the outside drive slab of concrete south of where the leak was originally identified (pic # 2). Daylight Petroleum will use their company backhoe to dig a monitor pit and try to expose an abandoned well bore where the concrete slab was. Next discussion was the possibility of the leak traveling through the commercial building's utility line trench that was made during construction. Kerry Selly scheduled to have Tom's Ditching & Backhoe utility company would arrive 7/3/2023 to expose the utility line with their hydro-vac.

7/3/2023 Tom's Ditching and Backhoe used their hydro-vac to expose the utility lines on the north side of the building. There was no oil/water found coming from the soil within the utility lines. I contacted KCC Geologist, Julie Shaffer and informed her of the ongoing situation underneath the commercial building at the Johnson lease. Julie Shaffer began working on finding historical maps of the property to help identify if there had been a well bore where the commercial building currently stands.

7/6/2023 KCC District #3 Geologist, Julie Shaffer emailed me two (2) historical maps of where the commercial building currently stands. Map one (1) was from 1958 and map two (2) was from 1977. Both maps show discoloration on the northern side of where the commercial building currently stands. I contacted Kerry Selly with Daylight Petroleum and informed him of the information I received and emailed him the two (2) historical maps. Kerry Selly responded that Tom's Ditching and Backhoe would be back on 7/10/2023 to expose the two (2) possible locations marked on the historical maps provided. Inspection of the monitor pit on the south side of the shop shows water & oil puddled on the bottom (Picture # 3).

7/7/2023 Inspection of the monitor pit found two separate spots of oil on the subsurface (picture # 4). Daylight Petroleum has the two (2) authorized injection wells within quarter mile area of review still shut in.

7/10/2023 Tom's Ditching and Backhoe arrived to hydro-vac the two (2) possible locations marked on the historical maps. Kerry Selly with Daylight Petroleum contacted me later that day and stated they did not intercept any fluids or abandoned well bores. The hydro-vac was also used to explore a little further underneath the concrete floor through the monitor pit to help detect where the fluids were coming from. At this time the decision was made to allow Daylight Petroleum to restart the authorized injection wells within quarter mile area of review (AOR). Kerry stated that the oil wells on the Olnhausen Farms lease had been producing and there was 400 barrels of produced water to start injection with. I discussed with Kerry Selly my concerns of while they were allowed to begin injection of produced water, that the monitor pit on the Southside of the commercial building would need to be checked multiple times each day during working hours and the monitor pit would need to be kept empty. Kerry Selly said he would have someone with Daylight Petroleum,LLC visually check the monitor pit during injection and that Daylight Petroleum had a vac-truck to keep the monitor pit empty.

7/12/2023 I contacted Kerry Selly by phone and asked if any signs of fluid were noticed coming from the subsurface soil inside the monitor pit. Kerry Selly stated the injection pump at the Olnhausen Farms tank battery site had not been performing at regular volume and pressure the last two (2) days. Kerry stated that Daylight Petroleum was in the process of getting the injection pump repaired/replaced and injection should be started by the end of the day. I reminded Kerry the importance of having the monitor pit inspected multiple times after the pump problem was resolved.

7/14/2023 I had received a voicemail from Rob Tidwell at 9:36 am stating that water was found trickling from underneath the shop (commercial building) into the monitoring pit located on the Johnson lease. I returned the phone call to Rob Tidwell and informed him that I did receive his voicemail and I would visit the commercial building to inspect the monitor pit. I arrived on location and found that the bottom of the monitor pit had standing fluids, picture five (picture # 5). I climbed down into the monitor pit to find fluids (oil/water) was seeping through the subsurface soil. I caught a sample of the water coming through the subsurface soil roughly 2' below the concrete slab. The water sample was tested on site with a chloride strip. The chloride strip pegged out at 9.0, which indicates CI- ppm of +6,000 ppm. I told Kerry Selly that I would take the water sample into the Chanute District #3 Lab and get a more accurate chloride test. I followed up with asking Kerry Selly what Daylight Petroleum's next plan would be for locating the possible abandoned well bore underneath the commercial buildings concrete floor. Kerry Selly stated he would need to contact his boss to verify. I contacted Exhibit LB-2

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Rob Tidwell with Daylight Petroleum (580) 220-1236 and asked him what Daylight Petroleum's next steps were in locating & resolving the leaking fluids. Rob Tidwell stated that at this time, Daylight Petroleum has no desire to explore underneath the commercial buildings concrete floor. Daylight Petroleum's proposal is to plug the closest surrounding inactive oil wells with cement and to convert the Olnhausen Farms #6, 15-205-28509-00-01 EOR well into a Producing Oil well. I told Rob Tidwell that Daylight Petroleum could continue to inject water as long as they were working towards resolving the leak underneath the commercial building. Rob Tidwell stated at this time, Daylight Petroleum is going to shut in the Olnhausen Farms # 6, 15-205-28509-00-01 EOR well. I confirmed that they had shut this well in.

7/17/2023 The subsurface water sample taken from the monitor pit was taken into the Chanute District #3 Lab and tested for Chlorides under the supervision of District Geologist Julie Shaffer. The water sample test results came out with 41,000 ppm. The water sample information was recorded in the Chanute District #3 Lab.

7/19/2023 I contacted Kerry Selly to request for his assistance on getting a produced water sample from the Olnhausen Farms #4, 15-205-28507-00-00 located in Sec.16-T30S-R16E in Wilson County. Kerry Selly met me on site and I collected a produced water sample. The produced water sample was taken to the Chanute District #3 Lab and tested under the supervision of District Geologist Julie Shaffer. The water sample shows 45,000 ppm. The produced water sample from the Olnhausen #4, 15-205-28507-00-00 was recorded in the District #3 Lab.

In Conclusion:

On 6/26/2023 Daylight Petroleum reported to the KCC District #3 office that a possible abandoned well had broke out and was leaking fluids inside the commercial building located at 147350 410 Rd.Neodesha, KS 66757 (Picture #1). This building is located on the Johnson lease in Sec.16-T30S-R16E, Wilson County. Daylight Petroleum license #35639 (Operator) has two (2) authorized injection wells within the guarter mile of the area of review (AOR). The Olnhausen Farms #6, 15-205-28509-00-01, active authorized injection (EOR), 1050' FSL & 2100' FEL,NE NW SW SE, Sec.16-T30S-R16E and the Renn # LOI-1, 15-205-28437-00-00, active authorized injection (EOR), 4809' FSL & 2145' FEL, NW NW NE, Sec.21-T30S-R16E. Operator was notified to shut in the two (2) authorized injection wells and the fluids leaking through the concrete floor had decreased noticeably. The closest known well bores to the commercial building are three (3) inactive oil wells assigned to Operator's license #35639. Johnson #106, API # 15-205-22288-00-00, Johnson #6, 15-205-01072-00-00 and the Johnson #7, 15-205-01073-00-00. The Johnson #6 & Johnson #7 were both located roughly 2' below surface with steel plate over the top of the casings. The previous operator Ron Johnson admitted to cutting them off and burying them below surface. The three (3) closest inactive oil wells are not currently leaking fluids to surface. On 6/30/2023 Operator hired a contractor to cut and remove the outside drive slab directly south of where the leaking fluids were found (Picture # 2) and a monitoring pit was dug directly underneath where the concrete slab was removed. On 7/6/2023 I inspected the monitor pit and found water & oil standing on the bottom of the pit (see picture # 3). 7/7/2023 I found the two (2) separate subsurface oil spots(Picture # 4). On 7/10/2023, the decision was made to allow Operator to restart the two (2) closest authorized injection wells. 7/14/2023 Rob Tidwell with Daylight Petroleum called, stating the subsurface soil beneath the commercial building's slab floor was found with fluid leeching through and the monitoring pit had water and oil standing (Picture # 5). A water sample was collected that day and the sample tested showed chlorides to be 41,000 ppm. I contacted Rob Tidwell and discussed what the Operator's next steps in resolving the issue and Rob Tidwell stated that at this time Operator has no intentions to explore further underneath the commercial building's concrete slab floor. Operator proposed to plug the nearest surrounding oil wells with cement and to convert the Olnhausen Farms #6 from an EOR well to an actively producing oil well. I informed Rob Tidwell that the fluids seeping into the buildings' floor were the company's responsibility and the Operator chose to shut the Olnhausen Farms #6 EOR well in and stop further exploration into the leak. On 7/19/2023 a produced water sample was taken from the Olnhausen Farms #4, 15-205-28507-00-00 and the test showed chlorides to be 45,000 ppm.

Additionally, the Operator has continued injecting into the Renn #LOI-1 EOR since 7/12/2023 as instructed; however, the leaked fluids have stopped arriving to the monitoring pit since the Operator shut in the Olnhausen Farms #6 well on 7/14/2023. At this time I find there is a direct correlation between Operator's Olnhausen Farms #6 EOR well (~1075' to the Northeast of the building) and the leaking fluids underneath the commercial building's concrete floor.

To summarize, there are three (3) inactive oil wells on the property (all of which are less than 250' to the center of the building which produced fluids are leaking) are recommended to be plugged. Once these wells have been plugged or returned to service with successful CIT or meet criteria for an approved TA, the Exhibit LB-2

Olnhausen Farms #6 EOR well should be returned to active injection status to determine if any of the 3 inactive oil wells had provided a conduit for the produced fluids to reach the area beneath the shop. If produced fluids continue to migrate beneath the shop floor after addressing the three inactive wells then the search for an abandoned well bore beneath the shop floor will proceed.

I will include one (1) Google earth map, five (5) word photo templates, two (2) Satisfactory Mechanical Integrity Test (MIT) and one (1) approved temporary abandonment form in this field report.

KOLAR Document ID: 1663205

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form U-7 August 2019

CASING MECHANICAL INTEGRITY TEST

Disposal: Enhanced Re	ecovery: 🖌 KCC D	istrict No.: <u>3</u>		API No.: 15-205-285	09-00-01	Permit No.: E34200.1
Operator License No. 356	639 _{Name} Dayli	ght Petroleur	m, LLC	NE_NW_SW_SE Sec.		
Address 1: PO BOX 5207	0			1050	Feet from	 North / ✔ South Line of Section
Address 2:				2100	Feet from	✓ East / West Line of Section
City: HOUSTON	State: TX	Zip: 77027	_ 2952	Lease: OLNHAUSEN		Well No.: 6
Contact Person: Jackie Wi	ndisch	<u>-ip.</u>	 754-3620	County: Wilson		
Contact Person:		Phone: () _				
Well Construction Details:	✓ New well 🗌 Exi	sting well with c	changes to const	truction Existing well	with no change	es to construcion
Maximum Authorized Injection	on Pressure:	psi	Maximum Injec	ction Rate:	bbl/d	
Condu	ctor Surfa		Intermediate	Production	Liner	Tubing
Size: NA	A 7		NA	2.875	NA	Size: NA
Set at:	30			939		Set at:
	10			110		
Sacks of Cement:	0			0		Туре:
Cement Top:	30			939		
Cement Bottom:						
Packer Type: NA					Set at:	944 (939)
DV Tool Port Colla				ks of cement TD (and plu		feet de
Zone of Injection Formation	n: BARTLESVILL	Е Тор	o Feet:	Bottom Feet:	892	_ Perf. or Open Hole: Perf
Is there a Chemical Sealant	or a Mechanical Casin	g patch in the ar	nnular space?	🗌 Yes 🖌 No		
If Dual Completion - Injection	on is: Above Prod	uction 🗌 Be	elow Production			
GPS Location: Datum:			FIELD	DATA 7.431030	95.659040	Date Acquired: 09/08/2022
_	NAD27 ✓ NAD8 Test	3 🗌 WGS84	FIELD 4 Lat: 37	DATA		
GPS Location: Datum:	NAD27 🗸 NAD8 Test 20	3 🗌 wgs84	FIELD 4 Lat:37 60	DATA 7.431030		
GPS Location: Datum:	NAD27 ✓ NAD8 Test	3 🗌 WGS84	FIELD 4 Lat: 37	DATA 7.431030		
GPS Location: Datum: MIT Type: Time in Minute(s):	NAD27 🗸 NAD8 Test 20	3 🗌 wgs84	FIELD 4 Lat:37 60	DATA 7.431030		
GPS Location: Datum: MIT Type: Fluid Depression Time in Minute(s): Pressures: Set up 1	NAD27 🗸 NAD8 Test 20	3 🗌 wgs84	FIELD 4 Lat:37 60	DATA 7.431030		
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GPS Location: Datum: MIT Type: Fluid Depression Time in Minute(s): Pressures: Set up 1 Set up 2 Set up 3 Tested: V Casing	NAD27 ✓ NAD8 Test 20 65	3 WGS84 40 65 Annulus Sys g: Midwest S	FIELD 4 Lat: 37 60 65 	2 DATA 2.431030 Long:09 MIT Reaso MIT Reaso 	n: INITIAL T	EST
GPS Location: Datum: MIT Type: Fluid Depression Time in Minute(s): Pressures: Set up 1 Set up 2 Set up 3 Tested: Tested: Og/08/2022	NAD27 ✓ NAD8 Test 20 65 0 r Casing - Tubing A Usir s between 0	3 WGS84 40 65 Annulus Sys g: Midwest S	FIELD 4 Lat: 37 60 65 	2 DATA 2.431030 Long:09 MIT Reaso MIT Reaso 	n: INITIAL T	EST
GPS Location: Datum: MIT Type: Fluid Depression Time in Minute(s): Pressures: Set up 1 Set up 2 Set up 3 Tested: Casing [Test Date: 09/08/2022 The zone tested for this well in The test results were verified	NAD27 ✓ NAD8 Test 20 65	3 WGS84 40 65 Annulus Sys ng: Midwest S feet and tative:	FIELD 4 Lat: 37 60 65 stem Pressure du Surveys, Inc, 824 feet.	2 DATA 2.431030 Long:09 MIT Reaso	on: INITIAL T	EST
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GPS Location: Datum: MIT Type: Fluid Depression Time in Minute(s): Pressures: Set up 1 Set up 2 Set up 3 Tested: ☑ Casing [Test Date: 09/08/2022 The zone tested for this well i The test results were verified Name: Gary Windisch KCC Office Use Only The results were: ☑ Satisfactory	NAD27 ✓ NAD8 Test 20 65	3 WGS84 40 65 Annulus Sys g: Midwest S g: Midwest S feet and tative: Burnett Burnett information i ACO-1. To contacted by 035". Operat	FIELD 4 Lat: 37 60 65 5tem Pressure du Surveys, Inc, 824 feet. Title: Con in RBDMS, 7 p Perforation / Wichita UIC tor stated plu	2.431030 Long:09 MIT Reaso MIT Reaso	Dn: INITIAL T	EST
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CASING MECHANICAL INTEGRITY TEST	1	DOCKET#	E32696	
Disposal Well Enhanced Recovery: Repressuring	NWNWSENE	, Sec, T	30 S,R	16 E/W
Flood	.3782'	Feet from South	Section Line	
NW NY Tertiary	1254'	Feet from East S	Contraction sector	
Date injection started				OI-1
API #15- 205-28437-00-00	County Wilson	1		
Operator: Lakeshore Operating, LLC	Operator License#		•	
Address 23-1/2 E Madison Ave, Ste A	Contact Person W	esley Ketcham		_
Iola, KS 66749	Phone 773.754.6	5242	2-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1	
Max. Auth. Injection Press Psi; Max Inj	. Rate bbl/d	1;		
If Dual Completion - Injection above production		w production		
Conductor Surface	Production	Liner		Tubing
Size 7"	2.875"		Size	
Set at 40'	917'		Set at	
Cement Top Surface	Surface		Туре	
" Bottom 40'	917'			
	D (and plug back)			ft. depth
Packer type Si	ze	Set at		
Zone of injection ft. to ft.	Pert	or open hole		
Pressures: 800 800 800	Set up 2 Annu	em Pres. during test ular Pres. during test l loss during test).
Tested: Casing X or Casing-Tubing	Annulus			
		1		
The bottom of the tested zone in shut in with	Pressure Test (Rubb	er Plug)		
Test Date 8/10/2018 Using	Consolidated Oil We	ll Services Con	npany's Equipn	nent
The operator hereby certifies that the zone betwee	m0'	feet and 917'	at a spinor concernant of	feet
was the zone tested _ Cumper K. I	eters	Compliance Dire	ctor	
Signature			Title	
The results were Satisfactory X Margina State Agent: Olon M. Lunno EMARKS:	Not Satis	-	NOX	_
		Dist. Office		
Computer Update Is there Chemical Seals	int or a Mechanical Cas	ing patch in the an	nular space? ()	(/N)
PS Lat 37.426999 GPS Lo	ng -95.6589504	(If	YES please describe	in REMARK

TEMPORARY ABANDONMENT WELL APPLICATION

Address 2:	Formation Name	At	to Fe	et Perfo		to Fe	est or Open Hole Inter	ral to Feet
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2: Name: City: HOUSTON State: TX_zip: Contact Person: JENNIFER PETERS Contact Person: JENNIFER PETERS Contact Person: JENNIFER PETERS Dealur: NADS3 VBI Type: (bit Distate Person: Field Contact Person: JENNIFER Field Contact Person: JENNIFER State: N/A Y/A 7 State: N/A State: <td< th=""><th>Formation Name</th><th> At At</th><th></th><th></th><th></th><th> to Fe</th><th>est or Open Hole Inter</th><th>rel toFeet</th></td<>	Formation Name	At At				to Fe	est or Open Hole Inter	rel toFeet
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Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:	Formation Name	At					-	
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:	Formation Name		to Fe	et Perfo	nation Interval	toFe	eet or Open Hole Inter	valtoFeet
Neme: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:	-							
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:	Geological Date:							
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:	Total Depth: 820	Plug Ba	ick Depth:		Plug Beck Meti	hod:		
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:								
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2: N2 SF, SE, SW Sec. 16 Twp. 30 S. R. 16 Ø E W City: HOUSTON State: TX zip: 77027 + 2952 Contact Person: JENNIFER PETERS Phone: (620.) 7543620 Contact Person: JENNIFER PETERS Pield Contact Person:							• • •	/ sack of certient
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:		(depth)		iapth)				
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Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:	-				(1040) (1040)	(valany		
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:						w/	sacks of cement.	Date:
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:	Casing Fluid Level from !	Surface: 350	How	Determined?	ECHOM	ETER		Date: 06/16/2022
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:	Bottom of Cement		20	820				
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:	Top of Cement		0	0				
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:	Amount of Cement		9	120				
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:	Setting Depth		20	820				
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2: N2 SE SE SW Sec. City: HOUSTON State: TX Zip: 77027 + 2952 Contact Person: JENNIFER PETERS Phone: 620 Prone: 620 7543620 Contact Person Email: Field Contact Person Phone: SWD Permit #: Gas Storage Permit #: ENHR Permit #: Gas Storage Permit #: Date Shut-In: 07/31/2016 OT/31/2016	Size					-		
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:		Conductor	Surface	Рп	duction	Intermediate	Liner	Tubina
Neme: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:	Field Contact Person Pho	one: ()			Ges St	orage Permit #:		
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2: N2 SE SE SW Sec. City: HOUSTON State: TX Zip: 77027 Phone: (620) 7543620 feet from Contact Person Email: NAD27 NAD27 NAD23 Well #: 106								
Neme: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:								
Neme: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2: N2 SE SE SW Sec. City: HOUSTON State: TX Zip: 77027 + 2952 GPS Location: Contact Person: JENNIFER PETERS	Phone:(<u>620</u>) <u>754</u>	. ,					Elevation:	
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2: N2 City: HOUSTON State: TX Zip: 77027 + 2952 GPS Location: Lat Long:						NAD27 NAD83	WGS84	
Name: Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2: N2 SE SE SW Sec. 2975 feet from	•		_ zip: 77027 + 2	<u>2952</u>				
Name: Daylight Petroleum, LLC Spot Description: Address 1: PO BOX 52070 N2 SE SE SW Sec. 16 Two. 30 S. R. 16 V E W					2975		feet from	N / VIS Line of Section F / □W Line of Section
Neme: Daylight Petroleum, LLC Spot Description:	A data a Re	Address 1: PO BOX 52070				SE SVY Sec.	10 Twp. 30 S.	R. <u>10</u> ZE W
					Spot Desc	ription:		- 40
	Address 1: PO BO	nt Petroleum, LLC						

Review Completed by: _Levi Burnett E	CRS	Commenta:	

Mail to the Appropriate KCC Conservation Office:

	KCC District Office #1 - 210 E. Frontview, Suite A, Dodge City, KS 67801	Phone 620.662.7933
	KCC District Office #2 - 3450 N. Rock Road, Building 600, Suite 601, Wichita, KS 67228	Phone 318.337.7400
	KCC District Office #3 - 137 E. 21st St., Chanute, KS 66720	Phone 620.902.6450
and the second s	KCC District Office #4 - 2301 E. 13th Street, Hays, KS 67601-2651	Phone 785.261.6250
	Example a second s	hibit LB-2

Conservation Division District Office No. 3 137 E. 21st Street Chanute, KS 66720



Phone: 620-902-6450 http://kcc.ks.gov/

Dwight D. Keen, Chair Susan K. Duffy, Commissioner Andrew J. French, Commissioner Laura Kelly, Governor

July 20, 2022

JENNIFER PETERS Daylight Petroleum, LLC PO BOX 52070 HOUSTON, TX 77027-2952

Re: Temporary Abandonment API 15-205-22288-00-00 JOHNSON 106 SW/4 Sec.16-30S-16E Wilson County, Kansas

Dear JENNIFER PETERS:

"Your temporary abandonment (TA) application for the well listed above has been approved. In accordance with K.A.R. 82-3-111 the TA status of this well will expire 07/20/2023.

* If you return this well to service or plug it, please notify the District Office.

* If you sell this well you are required to file a Transfer of Operator form, T-1.

* If the well will remain temporarily abandoned, you must submit a new TA application, CP-111, before 07/20/2023.

You may contact me at the number above if you have questions.

Very truly yours,

Levi Burnett ECRS"



Operator: Daylight Petroleum,	LLC
-------------------------------	-----

Lease: Johnson

County: WL

Subject: Complaint # 8346 Source

FSL: 516'

FEL: 3052'

API#: NA

Date: 6/26/2023

Staff: Levi Burnett

KLN: 35639

Legal: 16-30-16E SE SE SW

PIC ID#: 1

PIC Orientation: Looking South

Latitude: 37.429598

Longitude: -95.662341

Time: 12:53 pm

Additional Information: This picture shows the leaking fluids (crude oil/produced water) called in for Complaint #8346. Daylight Petroleum reported fluids leaking up through commercial building's concrete floor around conduit utility line. Daylight Petroleum set oil absorbent booms to containment spilled fluids.



Operator: Daylight Petroleum, LLC	
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Lease: Johnson

County: WL

Subject: Complaint # 8346 Source

FSL: 516'

FEL: 3052'

API#: NA

Date: 6/30/2023

Staff: Levi Burnett

KLN:	35639
------	-------

Legal: 16-30-16E SE SE SW

PIC ID#: 2

PIC Orientation: Looking North

Latitude: 37.429598

Longitude: -95.662341

Time: 9:57 am

Additional Information: This picture shows after the exterior concrete drive slab was removed trying to locate a possible abandoned well bore.



Operator:	Davlight	Petroleum	LLC
0 0 0 0 0 0 0 0			

Lease: Johnson

County: WL

Subject: Complaint # 8346 Source

FSL: 516'

FEL: 3052'

API#: NA

Date: 7/6/2023

Staff: Levi Burnett

KLN: 35639

Legal: 16-30-16E SE SE SW

PIC ID#: 3

PIC Orientation: Looking North

Latitude: 37.429598

Longitude: -95.662341

Time: 8:34 am

Additional Information: This picture the monitor pit dug after the concrete slab was removed the commercial building's south exterior wall. The monitor pit is roughly 6' deep. The picture shows two (2) oil spots on coming through the subsurface soil.



Operator: Daylight Petroleum, LLC
Lease: Johnson
County: WL
Subject: Monitor Pit
FSL: 516'
FEL: 3052'
API#: NA
Date: 7/7/2023

Staff: Levi Burnett

ΚL	N:	35	639

Legal: 16-30-16E SE SE SW

PIC ID#: 4 & 5

PIC Orientation: Looking North

Latitude: 37.429598

Longitude: -95.662341

Time: 2:25 pm

Additional Information: The picture on the left shows the monitor pit and the two (2) oil spots on the subsurface soil have increased since 7/6/2023. The picture on the right is a close up of the two (2) increased size subsurface oil spots.



Operator: Daylight Petroleum, LLC	
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Lease: Johnson

County: WL

Subject: Monitor Pit with produced water

FSL: 516'

FEL: 3052'

API#: NA

Date: 7/14/2023

Staff: Levi Burnett

KLN: 35639

Legal: 16-30-16E SE SE SW

PIC ID#: 6

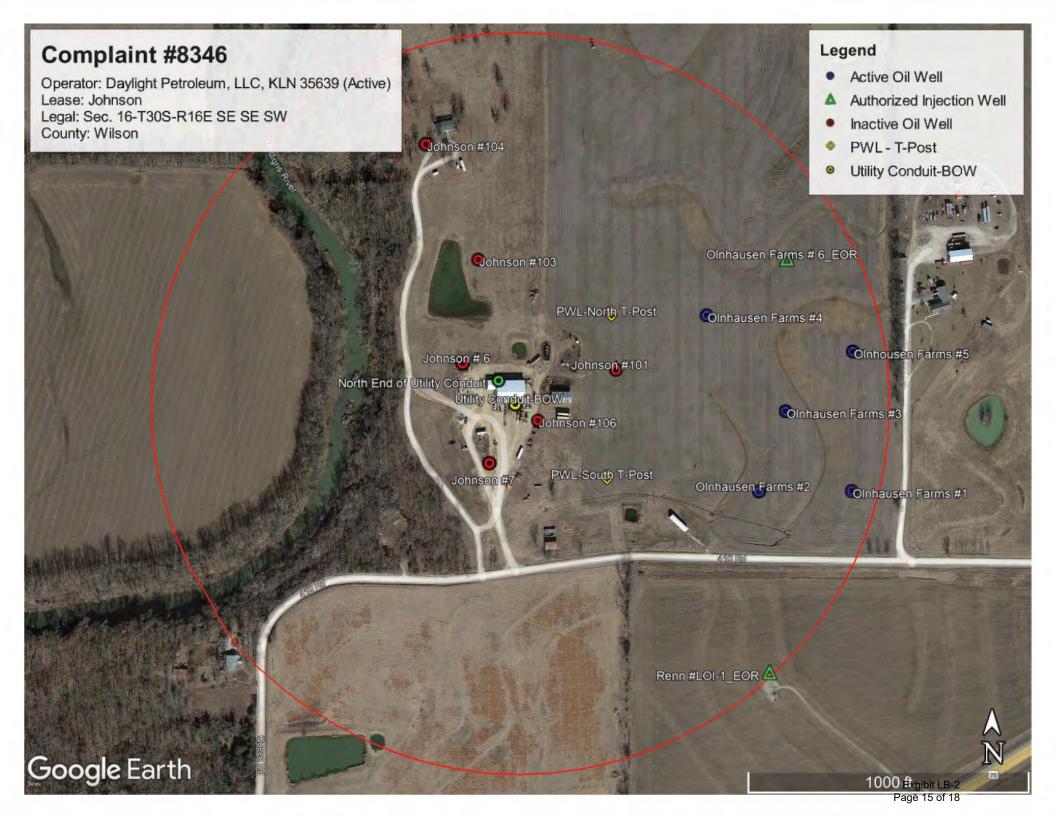
PIC Orientation: Looking North

Latitude: 37.429598

Longitude: -95.662341

Time: 12:57 pm

Additional Information: This picture shows water has puddled up in the bottom of the monitor pit. The brine water has been seeping through the subsurface soil. A sample of this water was taken into the Chanute District #3 Lab and tested. The water sample came back with 41,000 ppm.









CORRECTION #1

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form ACO-1 January 2018 Form must be Typed Form must be Signed All blanks must be Filled

WELL	COMPL	ETION	FORM
------	-------	-------	------

Confidentiality Requested:

Yes No

WELL HISTORY - DESCRIPTION OF WELL & LEASE
--

OPERATOR: License #	API No.:
Name:	Spot Description:
Address 1:	S. R. East West
Address 2:	Feet from North / South Line of Section
City: State: Zip: +	Feet from East / West Line of Section
Contact Person:	Footages Calculated from Nearest Outside Section Corner:
Phone: ()	
CONTRACTOR: License #	GPS Location: Lat:, Long:, (e.gxxx.xxxxx)
Name:	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Wellsite Geologist:	Datum: NAD27 NAD83 WGS84
Purchaser:	County:
Designate Type of Completion:	Lease Name: Well #:
New Well Re-Entry Workover	Field Name:
	Producing Formation:
	Elevation: Ground: Kelly Bushing:
	Total Vertical Depth: Plug Back Total Depth:
CM (Coal Bed Methane)	Amount of Surface Pipe Set and Cemented at: Feet
Cathodic Other (Core, Expl., etc.):	Multiple Stage Cementing Collar Used?
If Workover/Re-entry: Old Well Info as follows:	If yes, show depth set: Feet
Operator:	If Alternate II completion, cement circulated from:
Well Name:	feet depth to:w/sx cmt.
Original Comp. Date: Original Total Depth:	
Deepening Re-perf. Conv. to EOR Conv. to SWD Plug Back Liner Conv. to GSW Conv. to Produce	Drilling Fluid Management Plan (Data must be collected from the Reserve Pit)
	Chloride content: ppm Fluid volume: bbls
Commingled Permit #:	
Dual Completion Permit #:	Dewatering method used:
SWD Permit #:	Location of fluid disposal if hauled offsite:
EOR Permit #:	Operator Name:
GSW Permit #:	License #:
	Quarter Sec. Twp. S. R. East West
Spud Date or Date Reached TD Completion Date or Recompletion Date Recompletion Date Recompletion Date	County: Permit #:

INSTRUCTIONS: The original form shall be filed with the Kansas Corporation Commission, 266 N. Main, Suite 220, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. If confidentiality is requested and approved, side two of this form will be held confidential for a period of 2 years. Rules 82-3-130, 82-3-106 and 82-3-107 apply. Drill Stem Tests, Cement Tickets and Geologist Report / Mud Logs must be attached.

	AFFIDAVIT	KCC Office Use ONLY		
regulations pro	at and I hereby certify that all requirements of the statutes, rules and bomulgated to regulate the oil and gas industry have been fully complied atements herein are complete and correct to the best of my knowledge. Submitted Electronically	Confidentiality Requested Date: Confidential Release Date: Wireline Log Received Drill Stem Tests Received Geologist Report / Mud Logs Received		
Fitle:	Date:	UIC Distribution		
nite.	Date.	ALT I II III Approved by: Date: Exhibit LB-3		
		Page 1 of 4		

CORRECTION #1

Operator Name: Well #:						
Sec	_ Twp	_S. R	East West	County:		
INSTRUCTI	ONS: Show	important tops of	f formations penetrated. D	etail all cores. Report all final copies of drill stems t	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 Sh	eets)	Yes No	L	og Formati	on (Top), Depth an	d Datum	Sample
Samples Sent to Geolog	,	Yes No	Nam	e		Тор	Datum
Cores Taken Electric Log Run Geologist Report / Mud List All E. Logs Run:	Logs	YesNoYesNoYesNo					
		CASING Report all strings set-o	RECORD Ne		tion, 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
[1	ADDITIONAL	CEMENTING / SQU	IEEZE RECORD	1		
Purpose: Perforate	Depth Top Bottom	Type of Cement	# Sacks Used		Type and Pe	ercent Additives	
Protect Casing Plug Back TD							
Plug Off Zone							
	total base fluid of the h	nt on this well? ydraulic fracturing treatmen tion submitted to the chemic		Yes rns? Yes Yes	No (If No, ski	p questions 2 an p question 3) out Page Three (
Date of first Production/Injuin	ection or Resumed Pro	duction/ Producing Meth		Gas Lift 🗌 (Other <i>(Explain)</i>		
Estimated Production Per 24 Hours	Oil E	Bbls. Gas	Mcf Wate	er E	Bbls. G	as-Oil Ratio	Gravity
DISPOSITION	I OF GAS:					PRODUCTIC Top	IN INTERVAL: Bottom
Vented Sold		Open Hole	Perf Dually	Comp	mmingled	ioh	Dottom

(If vented	d, Submit ACO-18.)	on Lease	_ Open Hole		ulary comp. Commingled ubmit ACO-5) (Submit ACO-4)		
Shots Per Foot	Perforation Top	Perforation Bottom	Bridge Plug Type	Bridge Plug Set At		ot, Cementing Squeeze Record	
TUBING RECORI	D: Size:	Set	At:	Packer At:			

Form	ACO1 - Well Completion
Operator	Daylight Petroleum, LLC
Well Name	OLNHAUSEN FARMS 6
Doc ID	1664064

Casing

Purpose Of String	Size Hole Drilled	Size Casing Set	Weight	Setting Depth	Type Of Cement		Type and Percent Additives
Surface	9.875	7	20	30	PORTLAN D	10	0
Production	5.625	2.875	6.5	939	THICK SET	110	0

Summary of Changes

Lease Name and Number: OLNHAUSEN FARMS 6 API/Permit #: 15-205-28509-00-00 Doc ID: 1664064 Correction Number: 1 Approved By: David Befort

Field Name	Previous Value	New Value
CasingSettingDepthPD F_2	110	939
Approved By	Deanna Garrison	David Befort
Approved Date	02/16/2022	09/09/2022
Plug Back Total Depth	935	939

KOLAR Document ID: 1598980

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

March 2010 This Form must be Typed Form must be Signed All blanks must be Filled

Form CP-1

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

OPERATOR: License #: 35639		API No. 15 - 15-	205-0	01512	2-00-	00		
Name: Daylight Petroleum, LLC	If pre 1967, supply original completion date:							
Address 1: PO BOX 52070	Spot Description:							
Address 2:								
City: HOUSTON State: TX					h / 🖌 South			
Contact Person: JENNIFER PETERS		_ Feet f	rom 🗸	East	/ West	Line of S	Section	
Phone: (620_) 4321192		Footages Calculated					ner:	
		14/1100		v √ s	SE [SW		
		County:		JSEN		Well # 5-1	BOW	
Check One: 🗹 Oil Well 🛛 Gas Well 🔹 OG	B D&A Cathodia	c Water Supply We	ell	Othe	er:			
SWD Permit #:	ENHR Permit #:		Gas Stor	age Pe	ermit #	:		
Conductor Casing Size:	Set at:	Cemented	with:					Sacks
Surface Casing Size: 13	Set at: 20	Cemented	with:	D				Sacks
Production Casing Size: 0	Set at:0	Cemented	with:	0				Sacks
Proposed Method of Plugging (attach a separate page if addi Communicated with well while fracing the Olnhaus below surface without plugging. Rig to run in with string. Run 1" down annulus, pump marker sweep Is Well Log attached to this application? Yes No If ACO-1 not filed, explain why: UNKNOWN WELLBORE - CUT & B	itional space is needed): sen Farms 5 in the Bartlesvill swage to determine presence of or volume estimation. Pump o Is ACO-1 filed? Yes	e of production casing p phased cement job	string	, set sv	vage	on string to	create gi	
Plugging of this Well will be done in accordance with K		-	ne State	Corpor	ation	Commission		
Company Representative authorized to supervise plugging Address: PO BOX 143	operations: Citv: _			KANSA	s	66755		
Address: 10 DOX 140	City: _		State:		_ Zip: .	00700	_ +	
Plugging Contractor License #: 5491		W & W Produc	tion (Comp	anv	General I	Partner	shin
							Granor	
	Addre						52	15
Phone: (<u>620</u>) <u>431-4137</u>			State:	<u></u>		50.20	+	
Proposed Date of Plugging (if known):								
Payment of the Plugging Fee (K.A.R. 82-3-118) will be g	uaranteed by Operator or Agent	t						

Date:

KOLAR Document ID: 1598980

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

Form KSONA-1 January 2014 Form Must Be Typed Form must be Signed All blanks must be Filled

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

35639 OPERATOR: License # Daylight Petroleum, LLC Address 1: PO BOX 52070 Address 2:	Well Location: NE_SW_SW_SE_Sec.16 Twp. 30 S. R. 16 ✓ East West County: Wilson Lease Name: OLNHAUSEN Well #: 5-BOW If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:
Surface Owner Information: Name: OLNHAUSEN FARMS LLC Address 1: C/O OLENHOUSE, MICHAEL Address 2: 5788 PRATT RD City: NEODESHA State: KANSAS Zip: 66757	When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I must provide the name and address of the surface owner by filling out the top section of this form and that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

Submitted Electronically

I



Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Andrew J. French, Chairperson Dwight D. Keen, Commissioner Susan K. Duffy, Commissioner Laura Kelly, Governor

November 12, 2021

JENNIFER PETERS Daylight Petroleum, LLC PO BOX 52070 HOUSTON, TX 77027-2952

Re: Plugging Application API 15-205-01512-00-00 OLNHAUSEN 5-BOW SE/4 Sec.16-30S-16E Wilson County, Kansas

Dear JENNIFER PETERS:

The Conservation Division has received your Well Plugging Application (CP-1).

Under K.A.R. 82-3-113(b)(2), you must notify DISTRICT 3 of your proposed plugging plan at least 5 days before plugging the well. DISTRICT 3's phone number is (620) 902-6450. Failure to notify DISTRICT 3, or failure to file a Well Plugging Record (CP-4) after the well is plugged will result in a penalty recommendation.

Under K.A.R. 82-3-600, you must file an Application for Surface Pit (CDP-1) if you wish to use a workover pit while plugging the well. Failure to timely file a CDP-1, failure to timely remove fluids, or failure to timely file Closure of Surface Pit (CDP-4) or Waste Transfer (CDP-5) forms will result in a penalty recommendation.

This receipt does NOT constitute authorization to plug this well if you do not otherwise have the legal right to do so.

This receipt is VOID after May 11, 2022. If the well is not plugged by then, you will have to submit a new CP-1 if you wish to plug the well.

The May 11, 2022 deadline does NOT override any compliance deadline given to you by Legal, District, or other Commission Staff. Failure to comply with any given deadline will still result in the Commission assessing penalties, or taking other legal action.

Sincerely, Production Department Supervisor

cc: DISTRICT 3

KOLAR Document ID: 1669576

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

March 2010 This Form must be Typed Form must be Signed All blanks must be Filled

Form CP-1

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

OPERATOR: License #: 35639		API No. 15 - 15-205-01562-00-01			
Name: Daylight Petroleum, LLC		If pre 1967, supply original completion date:			
Address 1: PO BOX 52070		Spot Description: SW_SW_SESE Sec. 16 Twp. 30 S. R. 16 ✓ East West			
Address 2:	77027 0050	Feet from North / 🖌 Sout	h Line of Section		
City: HOUSTON State: TX	Zip:++	1132 Feet from 🗸 East / West Line of Section			
Contact Person: JENNIFER PETERS		Footages Calculated from Nearest Outside Section Co	rner:		
Phone: (620) 754-3620		NE NW SE SW			
		County: Wilson			
		Lease Name: REEM Well #: 1			
Check One: 🖌 Oil Well 🗌 Gas Well 🗍 C	DG D&A Cathodic	Water Supply Well Other:			
		Gas Storage Permit #:			
Conductor Casing Size:					
Surface Casing Size: 16					
Production Casing Size: 0		Cemented with: 0			
List (ALL) Perforations and Bridge Plug Sets:			00005		
		(Stone Corral Formation)			
Condition of Well: Good Door Junk in Ho Proposed Method of Plugging (attach a separate page if ad RUN TUBING TO WELL TD AND ((Inter dditional space is needed):	·	OP		
Proposed Method of Plugging (attach a separate page if ac	(Inter dditional space is needed):	val)	OP		
Proposed Method of Plugging (attach a separate page if ad RUN TUBING TO WELL TD AND (dditional space is needed): CEMENT THROUGH TU	IBING. PULL TUBING OUT AND T	OP		
Proposed Method of Plugging (attach a separate page if ad RUN TUBING TO WELL TD AND (WELL OFF WITH CEMENT. Is Well Log attached to this application?	(Inter dditional space is needed) : CEMENT THROUGH TU	IBING. PULL TUBING OUT AND T	OP		
Proposed Method of Plugging (attach a separate page if ad RUN TUBING TO WELL TD AND (WELL OFF WITH CEMENT. Is Well Log attached to this application? Yes I If ACO-1 not filed, explain why: THIS WELL IS AN OLD WELLBORE TH	dditional space is needed): CEMENT THROUGH TU No Is ACO-1 filed? Yes V HAT WE WERE UNAWARE	IBING. PULL TUBING OUT AND T	RING THE		
Proposed Method of Plugging (attach a separate page if an RUN TUBING TO WELL TD AND (WELL OFF WITH CEMENT. Is Well Log attached to this application? Yes I If ACO-1 not filed, explain why: THIS WELL IS AN OLD WELLBORE TH COMPLETION OF OUR OLNHAUSEN Plugging of this Well will be done in accordance with	(Inter dditional space is needed) : CEMENT THROUGH TU No Is ACO-1 filed? Yes V HAT WE WERE UNAWARE LEASE. WE DO NOT HAV K.S.A. 55-101 <u>et. seq</u> . and the Rules	IBING. PULL TUBING OUT AND T No OF AND COMMUNICATED WITH DUF E RECORDS OF THE ACO1 BEING SU	RING THE JBMITTED.		
Proposed Method of Plugging (attach a separate page if ad RUN TUBING TO WELL TD AND (WELL OFF WITH CEMENT. Is Well Log attached to this application? Yes ' If ACO-1 not filed, explain why: THIS WELL IS AN OLD WELLBORE TH COMPLETION OF OUR OLNHAUSEN Plugging of this Well will be done in accordance with Company Representative authorized to supervise plugging	(Inter dditional space is needed): CEMENT THROUGH TU No Is ACO-1 filed? Yes HAT WE WERE UNAWARE LEASE. WE DO NOT HAV K.S.A. 55-101 et. seq. and the Rules ng operations: KERRY SELLY	IBING. PULL TUBING OUT AND T No E OF AND COMMUNICATED WITH DUF TE RECORDS OF THE ACO1 BEING SU and Regulations of the State Corporation Commission	RING THE JBMITTED.		
Proposed Method of Plugging (attach a separate page if ac RUN TUBING TO WELL TD AND (WELL OFF WITH CEMENT. Is Well Log attached to this application? Yes I If ACO-1 not filed, explain why: THIS WELL IS AN OLD WELLBORE TH COMPLETION OF OUR OLNHAUSEN Plugging of this Well will be done in accordance with Company Representative authorized to supervise pluggin Address: PO BOX 143	(Inter dditional space is needed): CEMENT THROUGH TU No Is ACO-1 filed? Yes HAT WE WERE UNAWARE LEASE. WE DO NOT HAV K.S.A. 55-101 et. seq. and the Rules ng operations: KERRY SELLY	IBING. PULL TUBING OUT AND T No OF AND COMMUNICATED WITH DUF E RECORDS OF THE ACO1 BEING SU	RING THE JBMITTED.		
Proposed Method of Plugging (attach a separate page if ad RUN TUBING TO WELL TD AND (WELL OFF WITH CEMENT. Is Well Log attached to this application? Yes ' If ACO-1 not filed, explain why: THIS WELL IS AN OLD WELLBORE TH COMPLETION OF OUR OLNHAUSEN Plugging of this Well will be done in accordance with Company Representative authorized to supervise pluggin Address: PO BOX 143 Phone: (620) 3630709	dditional space is needed): CEMENT THROUGH TU No Is ACO-1 filed? Yes ✓ HAT WE WERE UNAWARE LEASE. WE DO NOT HAV K.S.A. 55-101 of. seq. and the Rules ng operations: KERRY SELLY City: N	Val) JBING. PULL TUBING OUT AND T No S OF AND COMMUNICATED WITH DUF TE RECORDS OF THE ACO1 BEING SU and Regulations of the State Corporation Commission ORAN State: KS Zip: 66755	RING THE JBMITTED.		
Proposed Method of Plugging (attach a separate page if ac RUN TUBING TO WELL TD AND (WELL OFF WITH CEMENT. Is Well Log attached to this application? Yes I If ACO-1 not filed, explain why: THIS WELL IS AN OLD WELLBORE TH COMPLETION OF OUR OLNHAUSEN Plugging of this Well will be done in accordance with Company Representative authorized to supervise pluggin Address: PO BOX 143 Phone: (620) 3630709 Plugging Contractor License #: 33749	(Inter dditional space is needed): CEMENT THROUGH TU No Is ACO-1 filed? Yes HAT WE WERE UNAWARE LEASE. WE DO NOT HAV K.S.A. 55-101 et. seq. and the Rules ng operations: KERRY SELLY	Val) JBING. PULL TUBING OUT AND T No S OF AND COMMUNICATED WITH DUF TE RECORDS OF THE ACO1 BEING SU and Regulations of the State Corporation Commission ORAN State: KS Zip: 66755	RING THE JBMITTED.		
Proposed Method of Plugging (attach a separate page if ad RUN TUBING TO WELL TD AND (WELL OFF WITH CEMENT. Is Well Log attached to this application? Yes ' If ACO-1 not filed, explain why: THIS WELL IS AN OLD WELLBORE TH COMPLETION OF OUR OLNHAUSEN Plugging of this Well will be done in accordance with Company Representative authorized to supervise pluggin Address: <u>PO BOX 143</u> Phone: (<u>620</u>) <u>3630709</u> Plugging Contractor License #: <u>33749</u> Address 1: <u>19245 FORD RD</u>	dditional space is needed): CEMENT THROUGH TU No Is ACO-1 filed? Yes ✓ HAT WE WERE UNAWARE LEASE. WE DO NOT HAV K.S.A. 55-101 of. seq. and the Rules ng operations: KERRY SELLY City: N	Val) JBING. PULL TUBING OUT AND T No SOF AND COMMUNICATED WITH DUF ZE RECORDS OF THE ACO1 BEING SU and Regulations of the State Corporation Commission ORAN State: KS Zip: 66755 Kepley Well Service, LLC 2:	RING THE JBMITTED.		
Proposed Method of Plugging (attach a separate page if ac RUN TUBING TO WELL TD AND (WELL OFF WITH CEMENT. Is Well Log attached to this application? Yes ' If ACO-1 not filed, explain why: THIS WELL IS AN OLD WELLBORE TH COMPLETION OF OUR OLNHAUSEN Plugging of this Well will be done in accordance with Company Representative authorized to supervise pluggin Address: PO BOX 143 Phone: (620) 3630709 Plugging Contractor License #: 33749 Address 1: 19245 FORD RD City: CHANUTE	difficience (Inter- difficience (Inter- CEMENT THROUGH TU No Is ACO-1 filed? Yes HAT WE WERE UNAWARE LEASE. WE DO NOT HAV KS.A. 55-101 of. seq. and the Rules ng operations: KERRY SELLY City: N	Val) JBING. PULL TUBING OUT AND T No SOF AND COMMUNICATED WITH DUF YE RECORDS OF THE ACO1 BEING SU and Regulations of the State Corporation Commission ORAN State: KS _ Zip: _ 66755 Kepley Well Service, LLC	RING THE JBMITTED.		
Proposed Method of Plugging (attach a separate page if ad RUN TUBING TO WELL TD AND (WELL OFF WITH CEMENT. Is Well Log attached to this application? Yes ' If ACO-1 not filed, explain why: THIS WELL IS AN OLD WELLBORE TH COMPLETION OF OUR OLNHAUSEN Plugging of this Well will be done in accordance with Company Representative authorized to supervise pluggin Address: <u>PO BOX 143</u> Phone: (<u>620</u>) <u>3630709</u> Plugging Contractor License #: <u>33749</u> Address 1: <u>19245 FORD RD</u>	Interditional space is needed): CEMENT THROUGH TU No Is ACO-1 filed? Yes ✓ HAT WE WERE UNAWARE LEASE. WE DO NOT HAV KS.A. 55-101 et. seq. and the Rules ng operations: KERRY SELLY City: Name: Address	Val) JBING. PULL TUBING OUT AND T No SOF AND COMMUNICATED WITH DUF ZE RECORDS OF THE ACO1 BEING SU and Regulations of the State Corporation Commission ORAN State: KS Zip: 66755 Kepley Well Service, LLC 2:	RING THE JBMITTED.		

Payment of the Plugging Fee (K.A.R. 82-3-118) will be guaranteed by Operator or Agent

Date:

Authorized Operator / Age Submitted Electronically

(Signature)

KOLAR Document ID: 1669576

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

Form KSONA-1 July 2021 Form Must Be Typed Form must be Signed All blanks must be Filled

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License # 35639 Name: Daylight Petroleum, LLC Address 1: PO BOX 52070	Well Location: <u>SW_SW_SE_SE</u> Sec. <u>16</u> Twp. <u>30</u> S. R. <u>16</u> X East West County: <u>Wilson</u>		
Address 2:	Lease Name: <u>REEM</u> If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:		
Surface Owner Information: Name: RICHARD&GAIL MARLER Address 1: 17704 410 RD Address 2:	When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.		

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

- I certify that, pursuant to the Kansas Surface Owner Notice Act (see Chapter 55 of the Kansas Statutes Annotated), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I must provide the name and address of the surface owner by filling out the top section of this form and that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

Submitted Electronically

I

Conservation Division 266 N. Main St., Ste. 220 Wichita, KS 67202-1513

Dwight D. Keen, Chair Susan K. Doffy, Commissioner Andrew J. French, Commissioner

October 21, 2022

JENNIFER PETERS Daylight Petroleum, LLC PO BOX 52070 HOUSTON, TX 77027-2952

Re: Plugging Application API 15-205-01562-00-01 REEM 1 SE/4 Sec.16-30S-16E Wilson County, Kansas

Dear JENNIFER PETERS:

The Conservation Division has received your Well Plugging Application (CP-1).

Under K.A.R. 82-3-113(b)(2), you must notify DISTRICT 3 of your proposed plugging plan at least 5 days before plugging the well. DISTRICT 3's phone number is (620) 902-6450. Failure to notify DISTRICT 3, or failure to file a Well Plugging Record (CP-4) after the well is plugged will result in a penalty recommendation.

Under K.A.R. 82-3-600, you must file an Application for Surface Pit (CDP-1) if you wish to use a workover pit while plugging the well. Failure to timely file a CDP-1, failure to timely remove fluids, or failure to timely file Closure of Surface Pit (CDP-4) or Waste Transfer (CDP-5) forms will result in a penalty recommendation.

This receipt does NOT constitute authorization to plug this well if you do not otherwise have the legal right to do so.

This receipt is VOID after April 19, 2023. If the well is not plugged by then, you will have to submit a new CP-1 if you wish to plug the well.

The April 19, 2023 deadline does NOT override any compliance deadline given to you by Legal, District, or other Commission Staff. Failure to comply with any given deadline will still result in the Commission assessing penalties, or taking other legal action.

Sincerely, Production Department Supervisor

cc: DISTRICT 3



Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Laura Kelly, Governor

CERTIFICATE OF SERVICE

25-CONS-3040-CMSC

I, the undersigned, certify that a true copy of the attached Pre-Filed Testimony of Levi Burnett has

been served to the following by means of electronic service on November 1, 2024.

KEITH A. BROCK, ATTORNEY ANDERSON & BYRD, L.L.P. 216 S HICKORY PO BOX 17 OTTAWA, KS 66067 kbrock@andersonbyrd.com

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TROY RUSSELL KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 3 137 E. 21ST STREET CHANUTE, KS 66720 troy.russell@ks.gov

/S/ Paula J Murray Paula J Murray