

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

Before Commissioners: Andrew J. French, Chairperson
 Dwight D. Keen
 Annie Kuether

In the matter of the failure of Utah Oil, LLC) Docket No.: 24-CONS-3315-CPEN
(Operator) to report activity that occurred)
during the 2023 calendar year in compliance) CONSERVATION DIVISION
with K.A.R. 82-3-409.)
_____) License No.: 34223

PENALTY ORDER

The Commission finds Operator has violated K.A.R. 82-3-409 at the wells identified in the attached Exhibit A, directs Operator to remedy the violations by filing past-due annual fluid injection reports, assesses a \$4,000 penalty, and further rules as more fully described below.

I. JURISDICTION

1. K.S.A. 74-623 provides the Commission exclusive jurisdiction and authority to regulate oil and gas activities in Kansas. K.S.A. 55-152 provides the Commission with jurisdiction to regulate the construction, operation, and abandonment of any well, and also the protection of the usable water of this state from any actual or potential pollution from any well. The Commission has licensing authority under K.S.A. 55-155.

2. K.S.A. 55-162 and K.S.A. 55-164 provide the Commission authority to issue penalty orders for violations of Chapter 55 of the Kansas Statutes Annotated, or of any rule, regulation, or order of the Commission. Under K.S.A. 55-164, a penalty order may include a monetary penalty of up to \$10,000, the penalty must constitute a substantial and actual economic deterrent to the violation, and each day of a continuing violation constitutes a separate violation.

3. K.A.R. 82-3-409(b) provides that each operator of an injection well shall submit a report to the Conservation Division, on a form required by the Commission, showing for the previous calendar year the following information:

- a. The monthly average wellhead pressure;
- b. The maximum wellhead pressure;
- c. The amount and kind of fluid injected into each well; and
- d. Any other performance information that may be required by the Conservation Division.¹

4. K.A.R. 82-3-409(b) further provides that the report shall be submitted on or before March 1 of the following year, and that failure to timely file an annual injection report shall be punishable by a \$100 penalty.

II. FINDINGS OF FACT

5. Operator was responsible in 2023 for the care and control of the injection wells listed in Exhibit A (Subject Wells).²

6. On March 28, 2024, Commission Staff sent a Notice of Violation (NOV) letter to Operator, stating that the Commission was not in receipt of the annual fluid injection reports for activity during the 2023 calendar year for the Subject Wells. The NOV letter gave an April 11, 2024, deadline for Operator to submit the reports and avoid a penalty.³

7. To date, Operator has failed to file the annual fluid injection reports for the Subject Wells, reporting activity during the 2023 calendar year.

¹ K.A.R. 82-3-409.

² Exhibit A.

³ Exhibit B.

III. CONCLUSIONS OF LAW

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

9. Operator has committed forty violations of K.A.R. 82-3-409 because Operator failed to file the necessary annual fluid injection reports for the Subject Wells.

THEREFORE, THE COMMISSION ORDERS:

A. Operator shall pay a \$4,000 penalty.

B. Operator shall file the required annual fluid injection reports.

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

D. Failure to timely request a hearing will result in a waiver of Operator's right to a hearing. If no party timely requests a hearing, then this Order shall become final. If Operator is not in compliance with this Order and the Order is final, then Operator's license shall be suspended without further notice and shall remain suspended until Operator complies. The notice and opportunity for a hearing on this Order shall constitute the notice required by K.S.A. 77-512 regarding license suspension. A party may petition for reconsideration of a final order pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).⁴

E. Credit card payments may be made by calling the Conservation Division at 316-337-6200. Checks and money orders shall be payable to the Kansas Corporation Commission.

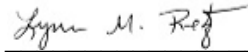
⁴ See K.S.A. 55-162; K.S.A. 55-164; K.S.A. 55-606; K.S.A. 55-707; K.S.A. 77-503(c); K.S.A. 77-531(b).

Payments shall be mailed to the Kansas Corporation Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202. Payments must reference the docket number of this proceeding.

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 05/02/2024



Lynn M. Retz
Executive Director

Mailed Date: 05/02/2024

TSK

Exhibit A

Utah Oil LLC License: 34223

Subject Wells				
API Well #	Lease Name/ Well #	Well Locations	County	UIC Permit
15-059-21466-00-02	SHOEMAKER 6	5-17S-21E, SWSWNW, 2958FSL 4795FEL	FRANKLIN	E29080.1
15-059-21763-00-02	COX 5	6-17S-21E, SESENE, 2990FSL 354FEL	FRANKLIN	E29080.2
15-059-21891-00-00	BLUNK W-6	18-17S-21E, NWNSE, 2234FSL 857FEL	FRANKLIN	E22297.6
15-059-21892-00-00	BLUNK W-7	18-17S-21E, NWSWNE, 3559FSL 2188FEL	FRANKLIN	E22297.7
15-059-21985-00-01	COX 9	6-17S-21E, SWSENE, 3114FSL 954FEL	FRANKLIN	E29080.3
15-059-22993-00-01	NEESE OW-1	29-17S-21E, NENWSW, 2322FSL 4236FEL	FRANKLIN	E32118.2
15-059-24292-00-01	JOE SPRATT 4	17-17S-21E, NWSWSWSW, 358FSL 5217FEL	FRANKLIN	E29032.2
15-059-25646-00-00	HOBBS W-2	20-17S-21E, NWNWNW, 4687FSL 4861FEL	FRANKLIN	E29032.3
15-059-26070-00-00	HOBBS W-3	20-17S-21E, NWNWNW, 4964FSL 4937FEL	FRANKLIN	E29032.4
15-059-26071-00-00	HOBBS W-4	20-17S-21E, SWNWNW, 4425FSL 4827FEL	FRANKLIN	E29032.5
15-059-26072-00-00	HOBBS W-5	20-17S-21E, SWNWNW, 4256FSL 4822FEL	FRANKLIN	E29032.6
15-059-26514-00-00	DEMPSAY KOI-1	29-17S-21E, SWSWSESE, 325FSL 1019FEL	FRANKLIN	E31780.1
15-059-26515-00-00	DEMPSAY KOI-2	29-17S-21E, NWSWSESE, 657FSL 1012FEL	FRANKLIN	E31780.2
15-059-26516-00-00	DEMPSEY KOI-3	29-17S-21E, SWNWSSESE, 987FSL 1004FEL	FRANKLIN	E31780.3
15-059-26531-00-00	DEMPSAY KOI-4	29-17S-21E, NESESWSE, 335FSL 1354FEL	FRANKLIN	E31780.4
15-059-26532-00-00	DEMPSAY KOI-5	29-17S-21E, SENESWSE, 665FSL 1370FEL	FRANKLIN	E31780.5
15-059-26810-00-00	LARRY SPRATT KOI-1	29-17S-21E, SESWNW, 3218FSL 4405FEL	FRANKLIN	E32119.1
15-059-26811-00-00	LARRY SPRATT KOI-2	29-17S-21E, SESWNW, 3083FSL 4328FEL	FRANKLIN	E32119.2
15-059-26812-00-00	NEESE SVI 1	29-17S-21E, NWNESW, 2249FSL 3765FEL	FRANKLIN	E32118.1
15-059-26819-00-00	LARRY SPRATT KOI-3	29-17S-21E, SWSENW, 2686FSL 3929FEL	FRANKLIN	E32119.3
15-059-27237-00-00	DEMPSAY KOI-7	29-17S-21E, NWSWSE, 1032FSL 2229FEL	FRANKLIN	E31780.7
15-059-27238-00-00	DEMPSAY KOI-8	29-17S-21E, NWSWSE, 732FSL 2308FEL	FRANKLIN	E31780.8
15-059-27239-00-00	DEMPSAY KOI-9	29-17S-21E, SESWSE, 657FSL 1856FEL	FRANKLIN	E31780.9
15-059-27240-00-00	NEESE SVI 2	29-17S-21E, NESWNESE, 1875FSL 3430FEL	FRANKLIN	E32118.3
15-059-27241-00-00	NEESE SVI 3	29-17S-21E, SESENESE, 1350FSL 2930FEL	FRANKLIN	E32118.4
15-059-27242-00-00	DEMPSAY KOI-6	29-17S-21E, NWNWSWSE, 1075FSL 2620FEL	FRANKLIN	E31780.6

15-059-27337-00-00	HOBBS W-6	20-17S-21E, NWNWNWNW, 5250FSL 4990FEL	FRANKLIN	E29032.7
15-121-19870-00-01	VAN TYLE 11	12-19S-24E, SWNENW, 4063FSL 3572FEL	MIAMI	E18713.1
15-121-19871-00-01	VAN TYLE 13	12-19S-24E, NWNENW, 4654FSL 3465FEL	MIAMI	E18713.3
15-121-26610-00-01	VAN TYLE 12	12-19S-24E, SWNENW, 4141FSL 3341FEL	MIAMI	E18713.2
15-121-29747-00-00	VANTYLE SV13	1-19S-24E, NESWSESW, 335FSL 3457FEL	MIAMI	E31880.1
15-121-29748-00-00	VANTYLE SV14	1-19S-24E, NWSESW, 1012FSL 3726FEL	MIAMI	E31880.2
15-121-29749-00-00	VANTYLE SV15	1-19S-24E, NWSESW, 695FSL 3738FEL	MIAMI	E31880.3
15-121-29752-00-01	VANTYLE SV18	1-19S-24E, NESWSW, 1234FSL 4215FEL	MIAMI	E31880.5
15-121-29754-00-00	VANTYLE SV20	1-19S-24E, NWSESW, 684FSL 3730FEL	MIAMI	E31880.4
15-121-30406-00-00	VANTYLE SV23	1-19S-24E, SENWSW, 1600FSL 4002FEL	MIAMI	E31880.6

Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Annie Kuether, Commissioner

Laura Kelly, Governor

March 28, 2024

Bradley S Leach Sr
Utah Oil LLC
2394 UTAH RD
RANTOUL KS 66079-9025

License No. 34223

NOTICE OF VIOLATION

Re: Annual Fluid Injection Report Form(s) - ("U3C Form")

Operator:

Commission records indicate that for the well(s) on the attached list,

We have not received the necessary U3C Form(s), reporting activity during the 2023 calendar year.

It is a violation of K.A.R. 82-3-409 for an operator to fail to submit a U3C Form in a timely manner. Forms reporting activity during the 2023 calendar year were due March 1, 2024.

**Failure to submit a complete, accurate U3C Form
for the well(s) on the attached list
by April 11, 2024
shall be punishable by a \$100 per-well administrative penalty.**

The information requested above must be submitted on KOLAR. If a U3C Form is returned to you as incomplete, you will not have additional time - the deadline above governs.

Forms must be filed regardless of whether injection occurred. If you were responsible for the well before December 31, 2023, even for only part of the year, you must still file a U3C Form.

Please contact me at (316) 337-6236 if you have any questions.

Sincerely,

Cheri Boyer, KCC Staff
Kansas Corporation Commission

List of Wells: Missing U3C Form

Permit	API Well #	Lease Name / Well #	Well Location	County
E22297.1	15-059-20444-00-00	BLUNK W-1	18-17S-21E, NENWSE, 2269FSL 1699FEL	FRANKLIN
E22297.3	15-059-20659-00-00	BLUNK W-3	18-17S-21E, NWSESE, 938FSL 606FEL	FRANKLIN
E22297.4	15-059-21164-00-00	BLUNK W-4	18-17S-21E, SWSWNE, 3061FSL 2171FEL	FRANKLIN
E22297.5	15-059-21165-00-00	BLUNK W-5	18-17S-21E, NWNWSE, 2537FSL 2151FEL	FRANKLIN
E29080.1	15-059-21466-00-02	SHOEMAKER 6	5-17S-21E, SWSWNW, 2958FSL 4795FEL	FRANKLIN
E29080.2	15-059-21763-00-02	COX 5	6-17S-21E, SESENE, 2990FSL 354FEL	FRANKLIN
E22297.6	15-059-21891-00-00	BLUNK W-6	18-17S-21E, NWNESE, 2234FSL 857FEL	FRANKLIN
E22297.7	15-059-21892-00-00	BLUNK W-7	18-17S-21E, NWSWNE, 3559FSL 2188FEL	FRANKLIN
E29080.3	15-059-21985-00-01	COX 9	6-17S-21E, SWSENE, 3114FSL 954FEL	FRANKLIN
E32118.2	15-059-22993-00-01	NEESE OW-1	29-17S-21E, NENWSW, 2322FSL 4236FEL	FRANKLIN
E29032.2	15-059-24292-00-01	JOE SPRATT 4	17-17S-21E, NWSWSWSW, 358FSL 5217FEL	FRANKLIN
E29032.3	15-059-25646-00-00	HOBBS W-2	20-17S-21E, NWNWNW, 4687FSL 4861FEL	FRANKLIN
E29032.4	15-059-26070-00-00	HOBBS W-3	20-17S-21E, NWNWNW, 4964FSL 4937FEL	FRANKLIN
E29032.5	15-059-26071-00-00	HOBBS W-4	20-17S-21E, SWNWNW, 4425FSL 4827FEL	FRANKLIN
E29032.6	15-059-26072-00-00	HOBBS W-5	20-17S-21E, SWNWNW, 4256FSL 4822FEL	FRANKLIN
E31780.1	15-059-26514-00-00	DEMPSAY KOI-1	29-17S-21E, SWSWSESE, 325FSL 1019FEL	FRANKLIN
E31780.2	15-059-26515-00-00	DEMPSAY KOI-2	29-17S-21E, NWSWSESE, 657FSL 1012FEL	FRANKLIN
E31780.3	15-059-26516-00-00	DEMPSEY KOI-3	29-17S-21E, SWNWSESE, 987FSL 1004FEL	FRANKLIN
E31780.4	15-059-26531-00-00	DEMPSAY KOI-4	29-17S-21E, NESESWSE, 335FSL 1354FEL	FRANKLIN
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E32118.1	15-059-26812-00-00	NEESE SVI 1	29-17S-21E, NWNESW, 2249FSL 3765FEL	FRANKLIN
E32119.3	15-059-26819-00-00	LARRY SPRATT KOI-3	29-17S-21E, SWSENW, 2686FSL 3929FEL	FRANKLIN
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E31780.8	15-059-27238-00-00	DEMPSAY KOI-8	29-17S-21E, NWSWSE, 732FSL 2308FEL	FRANKLIN
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E31780.6	15-059-27242-00-00	DEMPSAY KOI-6	29-17S-21E, NWNWSWSE, 1075FSL 2620FEL	FRANKLIN
E29032.7	15-059-27337-00-00	HOBBS W-6	20-17S-21E, NWNWNWNW, 5250FSL 4990FEL	FRANKLIN

E18713.1	15-121-19870-00-01	VAN TYLE 11	12-19S-24E, SWNENW, 4063FSL 3572FEL	MIAMI
E18713.3	15-121-19871-00-01	VAN TYLE 13	12-19S-24E, NWNENW, 4654FSL 3465FEL	MIAMI
E18713.2	15-121-26610-00-01	VAN TYLE 12	12-19S-24E, SWNENW, 4141FSL 3341FEL	MIAMI
E31880.1	15-121-29747-00-00	VANTYLE SV13	1-19S-24E, NESWSESW, 335FSL 3457FEL	MIAMI
E31880.2	15-121-29748-00-00	VANTYLE SV14	1-19S-24E, NWSESW, 1012FSL 3726FEL	MIAMI
E31880.3	15-121-29749-00-00	VANTYLE SV15	1-19S-24E, NWSESW, 695FSL 3738FEL	MIAMI
E31880.5	15-121-29752-00-01	VANTYLE SV18	1-19S-24E, NESWSW, 1234FSL 4215FEL	MIAMI
E31880.4	15-121-29754-00-00	VANTYLE SV20	1-19S-24E, NWSESW, 684FSL 3730FEL	MIAMI
E31880.6	15-121-30406-00-00	VANTYLE SV23	1-19S-24E, SENWSW, 1600FSL 4002FEL	MIAMI

CERTIFICATE OF SERVICE

24-CONS-3315-CPEN

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of first class mail and electronic service on 05/02/2024.

CHERYL BOYER
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KCC Docket Room