

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

Before Commissioners: Pat Apple, Chairman
 Shari Feist Albrecht
 Jay Scott Emler

In the matter of an Order to Show Cause issued)	Docket No.: 17-CONS-3127-CSHO
to Jaed Production Co., Inc (“Operator”))	
regarding responsibility under K.S.A. 55-179 for)	CONSERVATION DIVISION
unplugged wells on an expired license.)	
_____)	License No.: 3954

PRE-FILED TESTIMONY

OF

JEFF KLOCK

1 Q. What is your name and business address?
2 A. Jeff Klock, 3450 N. Rock Road, Suite 601, Wichita, Kansas 67226.
3 Q. By whom are you employed and in what capacity?
4 A. I am employed by the Kansas Corporation Commission ("KCC"), Conservation Division,
5 as the Supervisor of District #2, which covers most of central Kansas.
6 Q. Please briefly describe your educational background and work experience.
7 A. I received my Bachelor of Science degree in Geology from Wichita State University in
8 1990. From 1988 to 1990, I worked for F. G. Holl Company as a Geological Technician,
9 and from 1991 to 1995 I worked for them as a Staff Petroleum Geologist. In April 1995, I
10 began work for the KCC as an Environmental Geologist II in the Production Department.
11 In that position, I reviewed and approved Notices of Intent to Drill, Cathodic Protection
12 Borehole Intents to Drill, New Pool Applications, Commingling Applications, and
13 Enhanced Recovery Project Certification.
14 In October 2001, I started working for the District #2 field office as an Environmental
15 Geologist II. My responsibilities in that position included assisting in the planning and
16 coordination of district field investigations, spill control and clean-up activities, and
17 overseeing contamination sites. That position and my current position as District #2
18 Supervisor require that I be a licensed geologist in the State of Kansas, which I am. I
19 became District #2 Supervisor on August 27, 2007.
20 Q. What does your current position with the Conservation Division involve?
21 A. As District Supervisor, I make sure District Staff efficiently and fairly enforce the rules
22 and regulations, policies, and goals of the Commission, on a daily basis.
23 Q. Have you previously testified before this Commission?
24 A. Yes.
25 Q. Are you familiar with this docket, 17-CONS-3127-CSHO?
26 A. Yes.
27 Q. How are you familiar with this docket?
28 A. As Supervisor of District #2, I reviewed compliance officer Dan Fox's lease inspection
29 report dated June 26, 2017, and performed follow up inspections myself on August 25,
30 2017.
31 Q. What were the results of the inspections performed by Dan Fox on the subject wells?

1 A. As to the Hower #1 well, it was found abandoned with rusty colored water at surface
2 which had overflowed into a crop field with dried salt crystals being present.

3 The Hower #3 was located and found abandoned with open casing at surface with
4 leftover equipment over the well. I've attached photographs from February 2017 of the
5 Hower #1 and #3 wells. (Exhibit A)

6 Dan Fox attempted a lease inspection at the Rosecrans #2, #4, #5, #6 but was unable
7 to get in to view the well casing due to vegetation. I've attached a copy of Dan Fox's
8 inspection report and photographs taken at the Rosecrans lease (Exhibit B).

9 Q Did Dan Fox attempt inspections at any of the other subject wells?

10 A Yes, he also attempted to inspect the Forbeck #1 and Horton #2 wells but was unable to
11 reach the wells due to vegetation.

12 Q. What were the results of the inspections you performed on the subject wells?

13 A. I also attempted to perform an inspection on the Rosecrans #2, #4, #5 and #6 wells.
14 These wells are present but are extremely difficult to locate visually due to heavy
15 vegetation growing around each well. However, the location of the wells is evident due to
16 the electric power poles and electric power drops present at each well location.

17 Q Did you observe other indication(s) that wells are present at this location?

18 A Yes, using a metal detector I was able to locate various oil field debris at the Rosecrans
19 #4, #5 and #6 locations. I've attached a lease inspection report from August 25, 2017
20 (Exhibit C), a photograph of the Rosecrans #4 site (Exhibit D), debris at the Rosecrans #5
21 location (Exhibit E), and a map showing the location of the Rosecrans wells (Exhibit F).

22 Q How have you determined that Operator is responsible for these wells?

23 A I've reviewed a Request for Change of Operator form (T-1) that transferred responsibility
24 for the Rosecrans wells effective December 15, 2000. I've attached the T-1 form (Exhibit
25 G).

26 With regard to the Hower #1 and #3 wells, Operator filed well plugging applications
27 (CP-1) dated March 1, 2011. No subsequent plugging records were filed. I've attached
28 the CP-1 forms (Exhibit H).

29 Operator filed well completion forms (ACO-1) for the Forbeck #1 on December 14,
30 1998, and Horton #2 on January 16, 2002. I've attached the ACO-1 forms (Exhibit I).

1 Q Has another operator subsequently filed paperwork regarding the wells you've testified
2 about?

3 A No.

4 Q. Does this conclude your testimony as of this date, August 28, 2017?

5 A. Yes.

(Top) Hower #1, water at surface. Salt crystals around well and out in crop field.

API#15-191-21633-00-00



Water at surface and overflowing into winter wheat.



(Bottom) Hower #3, oil well converted to water supply well. 4.5" casing at surface.

API#15-191-21670-00-00



KCC OIL/GAS REGULATORY OFFICES

Date: 06/26/17

District: 02

Case #: _____

☐ New Situation
☒ Response to Request
☐ Follow-Up

☒ Lease Inspection
☐ Complaint
☒ Field Report

Operator License No: 3954 (Expired)

API Well Number: _____

Op Name: Jaed Production CO., Inc.

Spot: _____ Sec _____ Twp _____ S Rng _____ ☒ E / ☐ W

Address 1: PO Box 902

Feet from ☐ N / ☒ S Line of Section

Address 2: _____

Feet from ☒ E / ☐ W Line of Section

City: Arkansas City

GPS: Lat: _____ Long: _____ Date: _____

State: KS Zip Code: 67005 -0902

Lease Name: All Leases Well #: _____

Operator Phone #: (620) 442-0826

County: Sumner

Reason for Investigation:

Request from Wichita Legal department with KCC.

Problem:

Operator well inventory shows inactive, producing and or injection application withdrawn wells on operators expired license.

Persons Contacted:

Josh Wright-Litigation Counsel-KCC

Findings:

Operators license has been expired since Nov. 30th 2012. There are remaining oil and gas wells and enhanced oil recovery wells left on operators well inventory list. After field inspection the results are as follows. Forbeck #1-Unable to visually see or physically get to well due to vegetation to thick and to high-status unknown. Horton #2-Conditions are the same as Forbeck well. Hower #1-Abandoned and found rusty colored water to the top and has overflowed a little into crop field, dried salt crystals were also present. Hower #3 was drilled as a Water Supply well and has an open 4.5" casing at surface, could not conduct a rock drop to determine fluid level due to leftover equipment over well. Rosecrans #2, 4, 5 & 6 are all also so covered in vegetation I can not get in to see well casing.

Action/Recommendations:

Follow Up Required ☒ Yes ☐ No ☐

Date: _____

I recommend operator provide a backhoe and or the equipment needed to exhume well-site to expose well casing to determine well status.

Verification Sources:

Photos Taken: Yes

☒ RBDMS ☐ KGS ☐ TA Program
☐ T-I Database ☐ District Files ☐ Courthouse
☐ Other: Google Earth-Aerial photos.

By: Daniel K. Fox-E CRS

Retain 1 Copy District Office
 Send 1 Copy to Conservation Division

Form: _____

Date: 06/26/17District: 02License #: 3954 (Expired)Op Name: 3954 (Expired)Spot: _____ Sec _____ Twp _____ S Rng _____ ☒ E ☐ WCounty: SumnerLease Name: All Leases Well #: _____

I.D. Sign <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<input checked="" type="checkbox"/> Tank Battery Condition Condition: <input type="checkbox"/> Good <input checked="" type="checkbox"/> Questionable <input type="checkbox"/> Overflowing <input type="checkbox"/>
<input type="checkbox"/> Pits, Injection Site Fluid Depth: _____ ft; Approx. Size: _____ ft. x _____ ft.
<input type="checkbox"/> Oil Spill Evidence
<input checked="" type="checkbox"/> Abandoned Well Potential Pollution Problem <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<input checked="" type="checkbox"/> Lease Cleanliness <input type="checkbox"/> <input type="checkbox"/> Very Good <input type="checkbox"/> Satisfactory <input checked="" type="checkbox"/> Poor <input type="checkbox"/> Very Bad

Gas Venting <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<input checked="" type="checkbox"/> Pits Fluid Depth: <u>3</u> ft; Approx. Size: <u>10</u> ft. x <u>20</u> ft.
<input checked="" type="checkbox"/> Saltwater Pipelines <input type="checkbox"/> <input type="checkbox"/> Leaks Visible: <input type="checkbox"/> Y <input checked="" type="checkbox"/> N Tested for Leaks: <input type="checkbox"/> Y <input type="checkbox"/> N
<input type="checkbox"/> Flowing Holes
<input type="checkbox"/> TA Wells
<input type="checkbox"/> Monitoring Records

SWD/ER Injection Well ☒ Yes ☐ No ☐

Permit #: _____ Pressure – Actual: _____ psi; Authorized: _____ psi

Permit #: _____ Pressure – Actual: _____ psi; Authorized: _____ psi

Permit #: _____ Pressure – Actual: _____ psi; Authorized: _____ psi

Permit #: _____ Pressure – Actual: _____ psi; Authorized: _____ psi

Gauge Connections ☐ Yes ☒ No ☐

Tubing: _____; T/C Annulus: _____; C/SP Annulus: _____

Tubing: _____; T/C Annulus: _____; C/SP Annulus: _____

Tubing: _____; T/C Annulus: _____; C/SP Annulus: _____

Tubing: _____; T/C Annulus: _____; C/SP Annulus: _____

API Number	Footages	Spot Location	GPS	Well Number	Well Status

License #: 3954 (Expired)

Spot: _____ Sec _____ Twp _____ S Rng _____ ☒ E / ☐ W

Lease Name: All Leases Well #: _____

[illegible]



Lease sign at tank battery, Endeavor sticker over old Drake Exploration sign.

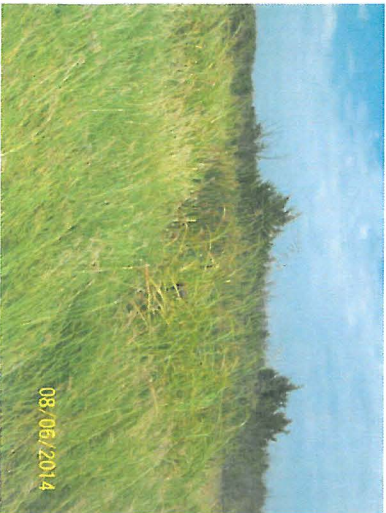


Rosecrans #5 (Abandoned well)



Rosecrans #8 (Active producer)

Endeavor Energy Res. Lic#32887, SE/4 of 17-35-2E. Endeavor acquired lse in the fall of 2011 from Cyclone Petro., Inc. Photos taken by Dan Fox.



Rosecrans #7 SWD



Rosecrans #7 SWD (Abandoned well)



Rosecrans #6 (Abandoned well)

KCC OIL/GAS REGULATORY OFFICES

Date: 08/25/17

District: 02

Case #: _____

- ☐ New Situation
☐ Response to Request
☐ Follow-Up

- ☒ Lease Inspection
☐ Complaint
☒ Field Report

Operator License No: 3954

API Well Number: _____

Op Name: Jaed Production Co., Inc. - Expired

Spot: SE/4 Sec 17 Twp 35 S Rng 2 ☒ E ☐ W

Address 1: _____

Feet from ☐ N ☐ S Line of Section

Address 2: _____

Feet from ☐ E ☐ W Line of Section

City: _____

GPS: Lat: _____ Long: _____ Date: _____

State: _____ Zip Code: _____

Lease Name: Rosecrans Well #: 2, 4, 5, 6

Operator Phone #: _____

County: Sumner

Reason for Investigation:

Request from legal for photos / verification that wells existed.

Problem:

Jaed Production Co., Inc (Jaed) has had an expired license since 11-30-2012 and the Rosecrans #2, #4, #5 and #6 wells remain on their license. There are no plugging reports on file.

Persons Contacted:

Josh Wright, Litigation Counsel - Wichita Central Office

Findings:

Prior to conducting a further site investigation, the past T-1 forms on file were reviewed. In November 2010 the KCC received a T-1 form from Jaed stating that effective 10/27/2004 it had transferred a Rosecrans #1 SWD, #7 SWD and #8 gas well to Drake Exploration. The remainder of the wells were left off of the transfer. Subsequent T-1 forms have included all three of these wells along with the addition of the Rosecrans #3 oil well.

Visually locating the Rosecrans #2, #4, #5 and #6 casing is currently difficult due to the very heavy vegetation growing around each location. The location of the wells is quite evident due to the fact that electric power poles still remain and old electric power drops can be seen at each location. These locations have grown up due to the fact that they have been driven around for years for farming operations such as bailing grass. I did not visually see any of the wells, but using a metal detector I was able to find various oil field debris at the #4, #5 and #6 locations. Most of the grass and weeds were 5' plus with heavy under growth so any casing at ground level could be easily missed.

Action/Recommendations:

Follow Up Required ☒ Yes ☐ No ☐

Date: _____

It is my recommendation that Jaed expose the Rosecrans #2, #4, #5 and #6 with staff present to demonstrate that the wells have been plugged. As stated above I found old oil field debris such as lead lines, tubing heads, and metal at the #4 and #5 locations. Old pieces of metal found at the #6 location. The #2 location had an old wood pole along the lease road where the old electric box was once hung.

Note: The lease is currently operated by Endeavor Energy Resources, L.P. KCC #32887. They have a lease ID sign at the tank battery.

Verification Sources:

Photos Taken: Yes

- ☐ RBDMS ☐ KGS ☐ TA Program
☐ T-1 Database ☐ District Files ☐ Courthouse
☐ Other: _____

By: Dehl Klock
DISTRICT SUPERVISOR

Retain 1 Copy District Office
 Send 1 Copy to Conservation Division

Form _____

Date: 08/25/17 District: 02 License #: 3954
 Op Name: 3954 Spot: SE/4 Sec 17 Twp 35 S Rng 2 ☒ E ☐ W
 County: Sumner Lease Name: Rosecrans Well #: 2, 4, 5, 6

I.D. Sign ☒ Yes ☐ No ☐

Endeavor Energy Resources, L.P. #32887

☐ Tank Battery Condition
 Condition: ☐ Good ☐ Questionable ☐ Overflowing ☐

☐ Pits, Injection Site
 Fluid Depth: _____ ft; Approx. Size: _____ ft. x _____ ft.

☐ Oil Spill Evidence

☐ Abandoned Well Potential Pollution Problem ☐ Yes ☐ No ☐

☐ Lease Cleanliness ☐

☐ Very Good ☐ Satisfactory ☐ Poor ☐ Very Bad

Gas Venting ☐ Yes ☐ No ☐

☐ Pits
 Fluid Depth: _____ ft; Approx. Size: _____ ft. x _____ ft.

☐ Saltwater Pipelines ☐ ☐
 Leaks Visible: ☐ Y ☐ N Tested for Leaks: ☐ Y ☐ N

☐ Flowing Holes

☐ TA Wells

☐ Monitoring Records

SWD/ER Injection Well ☐ Yes ☐ No ☐

Permit #: _____ Pressure – Actual: _____ psi; Authorized: _____ psi

Permit #: _____ Pressure – Actual: _____ psi; Authorized: _____ psi

Permit #: _____ Pressure – Actual: _____ psi; Authorized: _____ psi

Permit #: _____ Pressure – Actual: _____ psi; Authorized: _____ psi

Gauge Connections ☐ Yes ☐ No ☐

Tubing: _____; T/C Annulus: _____; C/SP Annulus: _____

Tubing: _____; T/C Annulus: _____; C/SP Annulus: _____

Tubing: _____; T/C Annulus: _____; C/SP Annulus: _____

Tubing: _____; T/C Annulus: _____; C/SP Annulus: _____

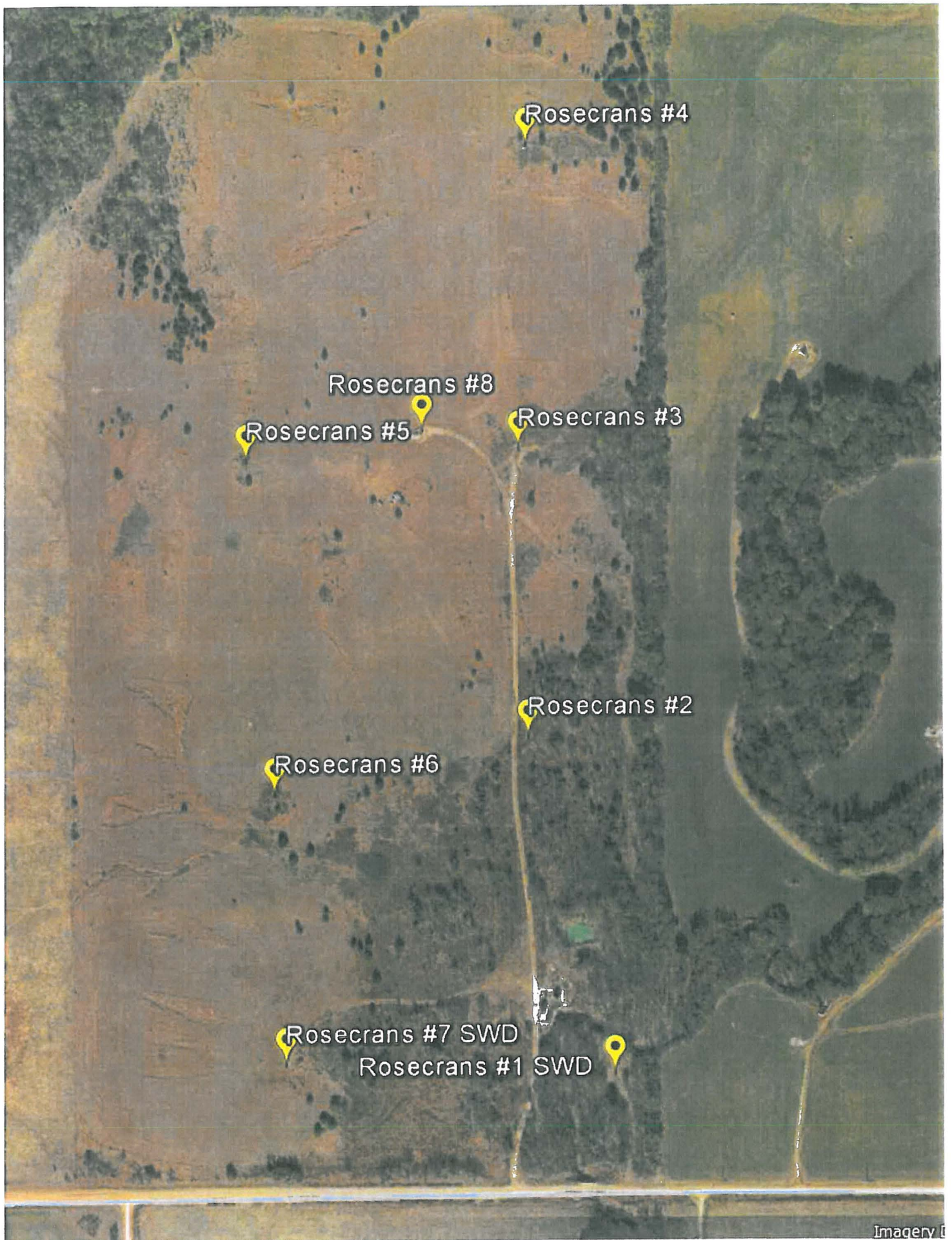
API Number	Footages	Spot Location	GPS	Well Number	Well Status
15-191-10830-0000		NESWSE		2	Unknown
15-191-10834-0000		NE NW SE		4	Unknown
15-191-10835-0000		SW NW SE		5	Unknown
15-191-10836-0000		NW SW SE		6	Unknown



Jaed Production Co., Inc. #3954 (Exp.)
Rosecrans #4 Location
Approx. NE NW SE, Sec. 17-35-2E, SU Co.
Approx. 2320' FSL 1601' FEL
Date: 8-25-2017 J. Klock



Jaed Production Co., Inc. #3954 (Expired)
Rosecrans #5
SW NW SE, Sec. 17-35-2E, Sumner Co., KS
Approx. 1615' FSL 2221' FEL
Photo showing old head found in the brush.
Date: 8-25-2017 J. Klock



Imagery [

RECEIVED

SEP 16 2002

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form T-1

June 2000

Form must be Typed

Form must be Signed

All blanks must be Filled

REQUEST FOR CHANGE OF OPERATOR

TRANSFER OF INJECTION OR SURFACE POND PERMIT

SLANNED
KCC WICHITA

DOR 102102

Check Applicable Boxes:

☒ Oil Lease: No. of Wells 7☐ Gas Lease: No. of Wells _____

** Side Two Must Be Completed.

☐ Saltwater Disposal Well - Docket No. D10820Spot Location: 330 feet from N / S Line2310 feet from E / W Line☐ Enhanced Recovery Project Docket No. _____Entire Project: ☐ Yes ☐ No

Number of Injection Wells _____

Field Name: _____

RECEIVED

AUG 19 2002

KCC WICHITA

Effective Date of Transfer: December 15, 2000Lease Name: Eva RosecransSE Sec. 17 Twp. 35S R. 2 ☒ E ☐ WLegal Description of Lease: SE/4 Sec. 17-35S-2ESumner, KSCounty: SumnerProduction Zone(s): LaytonInjection Zone(s): Stalnaker

Surface Pond Permit # _____

(API # if Drill Pit)

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Identify:

☐ Emergency Pit☐ Burn Pit☐ Storage Pit☐ Drill PitPast Operator's License No. 31642 EXP. 2/28/1998Past Operator's Name & Address: Jerry Sullivan1669 East 150th, Olathe Springs, KS 67051Title: Owner

Contact Person: _____

Phone: _____

Date: _____

Signature: Jerry SullivanNew Operator's License No. 3954 ✓New Operator's Name & Address: Jaed Production Co., Inc.P.O. Box 902Arkansas City, KS 67005Title: V.P.Contact Person: Jay WarrenPhone: (620) 442-0826Oil / Gas Purchaser: SeminoleDate: 7-17-2002Signature: Jay Warren V.P.

Acknowledgment of Transfer: The above request for transfer of injection authorization, surface pond permit # _____ has been noted, approved and duly recorded in the records of the Kansas Corporation Commission. This acknowledgment of transfer pertains to Kansas Corporation Commission records only and does not convey any ownership interest in the above injection well(s) or pond permit.

Jaed Production Co., Inc. _____ is acknowledged as the new operator and may continue to inject fluids as authorized by Docket # D10820. Recommended action: _____

Date: 2-10-03Authorized Signature [Signature]

_____ is acknowledged as the new operator of the above named lease containing the surface pond permitted by # _____.

Date: _____

Authorized Signature _____

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

EP&R 9/17/2000 FEB 10 2003 UIC 9/02

Exhibit G
Page 1 of 2

* Location: SE/4 Sec 17-35S-2E

[illegible]

A separate sheet may be attached if necessary

* When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located.

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

WELL PLUGGING APPLICATION

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

Form CP-1
March 2010

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

OPERATOR: License #: 3954
Name: Jaed Production Co., Inc.
Address 1: P.O. Box 902
Address 2:
City: Arkansas City State: KS Zip: 67005
Contact Person: Jay Warren
Phone: (785) 230-5685

RECEIVED
MAR 11 2011
KCC WICHITA

API No. 15 - 15-191-21633-00-00
If pre 1967, supply original completion date: 1-7-85
Spot Description: SW NW NE Sec. 20-33-2E
SW NW NE Sec. 20 Twp. 33 S. R. 2 ☒ East ☐ West
4290 Feet from ☐ North / ☒ South Line of Section
2310 Feet from ☒ East / ☐ West Line of Section
Footages Calculated from Nearest Outside Section Corner:
☒ NE ☐ NW ☐ SE ☐ SW
County: Sumner
Lease Name: Hower Well #: 1

Check One: ☒ Oil Well ☐ Gas Well ☐ OG ☐ D&A ☐ Cathodic ☐ Water Supply Well ☐ Other:
☐ SWD Permit #: ☐ ENHR Permit #: ☐ Gas Storage Permit #:

Conductor Casing Size: Set at: Cemented with: Sacks
Surface Casing Size: 8 5/8 Set at: 261' Cemented with: 175 Sacks
Production Casing Size: 4 1/2 Set at: 3621' Cemented with: 150 Sacks

List (ALL) Perforations and Bridge Plug Sets:
NONE

Elevation: 1127 (☒ G.L. / ☐ K.B.) T.D.: PBTD: Anhydrite Depth: (Stone Corral Formation)

Condition of Well: ☒ Good ☐ Poor ☐ Junk in Hole ☐ Casing Leak at: (Interval)

Proposed Method of Plugging (attach a separate page if additional space is needed):

Perforate @ 300' circulate cement to surface, then cut 4 1/2 pipe off below ground level.

Is Well Log attached to this application? ☐ Yes ☒ No Is ACO-1 filed? ☒ Yes ☐ No

If ACO-1 not filed, explain why:

Plugging of this Well will be done in accordance with K.S.A. 55-101 et seq. and the Rules and Regulations of the State Corporation Commission

Company Representative authorized to supervise plugging operations: Darrin Broyles
Address: 526 S. Summit City: Arkansas City State: KS Zip: 67005
Phone: (620) 441-7223

Plugging Contractor License #: 3356 Name: Drake Exploration
Address 1: Same As Above Address 2:
City: State: Zip: +
Phone: ()

Proposed Date of Plugging (if known): As soon as possible.

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

Date: 3-1-11 Authorized Operator / Agent: Jay Warren V.P. (Signature)

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
**CERTIFICATION OF COMPLIANCE WITH THE
KANSAS SURFACE OWNER NOTIFICATION ACT**

Form KSONA-1
July 2010
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 # 3954
Name: Jaed Production Co., Inc.
Address 1: P.O. Box 902
Address 2: _____
City: Arkansas City State: KS Zip: 67005 + _____
Contact Person: Jay Warren
Phone: (785) 230-5685 Fax: (620) 442-2816
Email Address: _____

Well Location:

SW NW NE Sec. 20 Twp. 33 S. R. 2 ☒ East ☐ West

County: Sumner

Lease Name: Hower Well #: 1

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

✓ **KSONA FEE
PAID**

Surface Owner Information:

Name: Ernest M. Hower Living Trust
Address 1: P.O. Box 1047
Address 2: _____
City: Arkansas City State: KS Zip: 67005 + _____

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 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.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 3-1-11 Signature of Operator or Agent: Jay Warren Title: V.P.

RECEIVED
MAR 11 2011
KCC WICHITA



Sam Brownback, Governor, Thomas E. Wright, Chairman Ward Loyd, Commissioner

NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

JAED PRODUCTION CO., INC.
PO BOX 902
ARKANSAS CITY, KS 67005-0902

March 15, 2011

Re: HOWER #1
API 15-191-21633-00-00
20-33S-2E, 4290 FSL 2310 FEL
SUMNER COUNTY, KANSAS

Dear Operator:

This letter is to notify you that the Conservation Division has received your plugging proposal, form CP-1, for the above well and has reviewed the proposal for completeness. The central office will now forward your CP-1 to the district office listed below for review of the proposed plugging method. **Please contact the district office for approval of your proposed plugging method at least five (5) days before plugging the well, pursuant to K.A.R. 82-3-113(b). If a workover pit will be used during the plugging of the well it must be permitted. A CDP-1 form must be filed and approved prior to the use of the pit in accordance with K.A.R. 82-3-600.**

The Conservation Division's review of form CP-1, either in the central or district office, does not include an inquiry into well ownership or the filing operator's legal right to plug the well. This notice in no way constitutes authorization to plug the above well by persons not having legal rights of ownership or interest in the well.

This notice is void after September 11, 2011. The CP-1 filing does not bring the above well into compliance with K.A.R. 82-3-111 with regard to the Commission's temporary abandonment requirements.

Sincerely,

Steve Bond
Production Department Supervisor

District: #2
3450 N. Rock Road, Suite 601
Wichita, KS 67226
(316) 630-4000

CONSERVATION DIVISION
Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802
(316) 337-6200 • Fax (316) 337-6211 • <http://kcc.ks.gov/>

PENDING - INCOMP. -
K. FEE NOT PD.

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

WELL PLUGGING APPLICATION

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

Form CP-1
March 2010

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

OPERATOR: License #: 3954
Name: Jaed Production Co., Inc.
Address 1: P.O. Box 902
Address 2:
City: Arkansas City State: KS Zip: 67005
Contact Person: Jay Warren
Phone: (785) 230-5685

API No. 15 - 15-191-21670-00-00
If pre 1987, supply original completion date: 4-27-84
Spot Description: NW SW NE Sec. 20-33-2E
NW SW NE Sec. 20 Twp. 33 S. R. 2 ☒ East ☐ West
3630 Feet from ☐ North / ☒ South Line of Section
2310 Feet from ☒ East / ☐ West Line of Section
Footages Calculated from Nearest Outside Section Corner:
☒ NE ☐ NW ☐ SE ☐ SW
County: Sumner
Lease Name: Hower Well #: 3

Check One: ☒ Oil Well ☐ Gas Well ☐ OG ☐ D&A ☐ Cathodic ☒ Water Supply Well ☐ Other:
☐ SWD Permit #: ☐ ENHR Permit #: ☐ Gas Storage Permit #:

Conductor Casing Size: Set at: Cemented with: 175 SX Sacks
Surface Casing Size: 8 5/8 Set at: 268' Cemented with: Sacks
Production Casing Size: 4 1/2 Set at: 3596' Cemented with: 150 SX Sacks

List (ALL) Perforations and Bridge Plug Sets:
NONE

Elevation: 1125 (☒ G.L. / ☐ K.B.) T.D.: P.B.T.D.: Anhydrite Depth: (Stone Corral Formation)

Condition of Well: ☒ Good ☐ Poor ☐ Junk in Hole ☐ Casing Leak at: (Interval)

Proposed Method of Plugging (attach a separate page if additional space is needed):

Perforate @ 300' circulate cement to surface, then cut 4 1/2 pipe off below ground level.

Is Well Log attached to this application? ☐ Yes ☒ No Is ACO-1 filed? ☒ Yes ☐ No

If ACO-1 not filed, explain why:

Plugging of this Well will be done in accordance with K.S.A. 55-101 et seq. and the Rules and Regulations of the State Corporation Commission

Company Representative authorized to supervise plugging operations: Darrin Broyles
Address: 526 S. Summit City: Arkansas City State: KS Zip: 67005
Phone: (620) 441-7223

Plugging Contractor License #: 3356 Name: Drake Exploration
Address 1: Same As Above Address 2:
City: State: Zip: +
Phone: ()

Proposed Date of Plugging (if known): As soon as possible.

Payment of the Plugging Fee (K.A.R. 82-3-118) will be guaranteed by Operator or Agent
3-1-11

Date: Authorized Operator / Agent: Jay Warren U.P.
(Signature)

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

**CERTIFICATION OF COMPLIANCE WITH THE
KANSAS SURFACE OWNER NOTIFICATION ACT**

Form KSONA-1
July 2010
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 # 3954
Name: Jaed Production Co., Inc.
Address 1: P.O. Box 902
Address 2: _____
City: Arkansas City State: KS Zip: 67005 + _____
Contact Person: Jay Warren
Phone: (785) 230-5685 Fax: (620) 442-2816
Email Address: _____

Well Location:
NW. SW. NE Sec. 20 Twp. 33 S. R. 2 ☒ East ☐ West
County: Sumner
Lease Name: Hower Well #: 3

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: Ernest M. Hower Living Trust
Address 1: P.O. Box 1047
Address 2: _____
City: Arkansas City State: KS Zip: 67005 + _____

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 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.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 3-1-11 Signature of Operator or Agent: Jay Warren Title: _____

RECEIVED
MAR 11 2011
KCC WICHITA
FEE NOT PD.
RECEIVED
MAR 11 2011
KCC WICHITA

RECEIVED

MAR 17 2011

KCC WICHITA

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISIONCERTIFICATION OF COMPLIANCE WITH THE
KANSAS SURFACE OWNER NOTIFICATION ACTForm KSONA-1
July 2010
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 # 3954
Name: Jaed Production Co., Inc.
Address 1: P.O. Box 902
Address 2: _____
City: Arkansas City State: KS Zip: 67005
Contact Person: Jay Warren
Phone: (785) 230-5685 Fax: (620) 442-2816
Email Address: _____

Well Location:
NW SW NE Sec. 20 Twp. 33 S. R. 2 ☒ East ☐ West
County: Sumner
Lease Name: Hower Well #: 3

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

KSONA FEE
PAID

Surface Owner Information:
Name: Ernest M. Hower Living Trust
Address 1: P.O. Box 1047
Address 2: _____
City: Arkansas City State: KS Zip: 67005

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.

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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 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.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 3-1-11 Signature of Operator or Agent: Jay Warren Title: V.P.

RECEIVED

MAR 17 2011

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

KCC WICHITA



Sam Brownback, Governor, Thomas E. Wright, Chairman Ward Loyd, Commissioner

NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

JAED PRODUCTION CO., INC.
PO BOX 902
ARKANSAS CITY, KS 67005-0902

March 21, 2011

Re: HOWER #3
API 15-191-21670-00-00
20-33S-2E, 3630 FSL 2310 FEL
SUMNER COUNTY, KANSAS

Dear Operator:

This letter is to notify you that the Conservation Division has received your plugging proposal, form CP-1, for the above well and has reviewed the proposal for completeness. The central office will now forward your CP-1 to the district office listed below for review of the proposed plugging method. **Please contact the district office for approval of your proposed plugging method at least five (5) days before plugging the well, pursuant to K.A.R. 82-3-113(b). If a workover pit will be used during the plugging of the well it must be permitted. A CDP-1 form must be filed and approved prior to the use of the pit in accordance with K.A.R. 82-3-600.**

The Conservation Division's review of form CP-1, either in the central or district office, does not include an inquiry into well ownership or the filing operator's legal right to plug the well. This notice in no way constitutes authorization to plug the above well by persons not having legal rights of ownership or interest in the well.

This notice is void after September 17, 2011. The CP-1 filing does not bring the above well into compliance with K.A.R. 82-3-111 with regard to the Commission's temporary abandonment requirements.

Sincerely,

Steve Bond
Production Department Supervisor

District: #2
3450 N. Rock Road, Suite 601
Wichita, KS 67226
(316) 630-4000

CONSERVATION DIVISION
Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802
(316) 337-6200 • Fax (316) 337-6211 • <http://kcc.ks.gov/>

STATE CORPORATION COMMISSION OF KANSAS
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
ACO-1 WELL HISTORY
DESCRIPTION OF WELL AND LEASE

Operator: License # 3954Name: Jaed Production Co., Inc.Address P.O. Box 902City/State/Zip Arkansas City, KS 67005Purchaser: Diamond ShamrockOperator Contact Person: Jay WarrenPhone (316) 442-0826Contractor: Name: Dewey GresselLicense: 30375Wellsite Geologist: Edward Broyles

Designate Type of Completion

☐ New Well ☒ Re-Entry ☐ Workover

☒ Oil ☐ SUD ☐ SLOW ☐ Temp. Abd.
☒ Gas ☐ ENHR ☐ SIGN
☐ Dry ☐ Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Reentry: Old Well Info as follows:

Operator: Omega Enterprises, Inc.Well Name: Forbeck IComp. Date 11-26-80 Old Total Depth 3776

☐ Deepening ☐ Re-perf. ☐ Conv. to Inj/SUD
☐ Plug Back ☐ PBTD
☐ Commingled ☐ Docket No. ☐
☐ Dual Completion ☐ Docket No. ☐
☐ Other (SUD or Inj?) ☐ Docket No. ☐

5-1-98 5-5-98 9-1-98
 Spud Date Date Reached TD Completion Date

API NO. 15- 191-2107 3000²County SummerE/2 - E/2- SW - Sec. 15 Twp. 35 Rge. 2 ☒ E ☐ W1320 Feet from S/N (circle one) Line of Section2970 Feet from E/W (circle one) Line of SectionFootages Calculated from Nearest Outside Section Corner:
NE, (SE) NW or SW (circle one)Lease Name Forbeck Well # IField Name MurphyProducing Formation OswegoElevation: Ground 1125 KB 1130Total Depth 3240' PBTD Amount of Surface Pipe Set and Cemented at 253' FeetMultiple Stage Cementing Collar Used? ☐ Yes ☒ NoIf yes, show depth set FeetIf Alternate II completion, cement circulated from feet depth to w/ sx cmt.Drilling Fluid Management Plan Re-Entry - 12-22-98
(Data must be collected from the Reserve Pit) URChloride content ppm Fluid volume bblsDewatering method used Location of fluid disposal if hauled offsite: Operator Name Lease Name License No. Quarter Sec. Twp. S Rng. E/WCounty Docket No.

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information on side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature Jay WaneTitle V.P. Date 12-14-98Subscribed and sworn to before me this 14th day of December, 19 98.Notary Public Randy JohnsonDate Commission Expires 7/1/02

K.C.C. OFFICE USE ONLY		
F	Letter of Confidentiality Attached	
C	<input checked="" type="checkbox"/> Wireline Log Received	
C	<input type="checkbox"/> Geologist Report Received	
Distribution		
<input checked="" type="checkbox"/> KCC	<input type="checkbox"/> SUD/Rep	<input type="checkbox"/> NGPA
<input type="checkbox"/> KGS	<input type="checkbox"/> Plug	<input type="checkbox"/> Other
(Specify)		

Form ACO-1 (7-91)

SIDE TWO

Operator Name Jaed Production Co., Inc. Lease Name Forbeck Well # ISec. 15 Twp. 35S Rge. 2
☒ East
☐ WestCounty Sumner

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all drill stem 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 during test. Attach extra sheet if more space is needed. Attach copy of log.

Drill Stem Tests Taken
(Attach Additional Sheets.)☐ Yes ☒ No

Samples Sent to Geological Survey

☐ Yes ☒ No

Cores Taken

☐ Yes ☒ NoElectric Log Run
(Submit Copy.)☒ Yes ☐ No

List All E.Logs Run:

Cement Bond Log

☐ Log Formation (Top), Depth and Datums ☐ Sample

Name Top Datum

Wash down

CASING RECORD

☐ New ☒ Used

Report all strings set-conductor, surface, intermediate, production, 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
Long String	7 7/8	4 1/2	10.5 lb.	3240	OWC	53	-

ADDITIONAL CEMENTING/SQUEEZE RECORD

Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate				
<input type="checkbox"/> Protect Casing				
<input type="checkbox"/> Plug Back TD				
<input type="checkbox"/> Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
2	3129 to 3133	300 gallon acid	3133

TUBING RECORD	Size	Set At	Packer At	Liner Run	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	2	3110			
Date of First, Resumed Production, SMD or Inj.	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)				
Estimated Production Per 24 Hours	Oil 4 Bbls.	Gas 40 Mcf	Water 20 Bbls.	Gas-Oil Ratio	Gravity 38

Disposition of Gas:

METHOD OF COMPLETION

Production Interval

☐ Vented ☒ Sold ☐ Used on Lease
(If vented, submit ACO-18.)☐ Open Hole ☒ Perf. ☐ Dually Comp. ☐ Commingled
☐ Other (Specify) _____3129-3133'

CONSOLIDATED INDUSTRIAL SERVICES, INC.
211 W. 14TH STREET, CHANUTE, KS 66720
316-431-9210 or 800-467-8676

TICKET NUMBER **08871**
LOCATION Bartlesville
FOREMAN Tracy Williams

TREATMENT REPORT

DATE 5-8-98	CUSTOMER ACCT # 4098	WELL NAME Forbeck #1	QTR/QTR	SECTION 15	TWP 35S	RGE 2E	COUNTY Sumner	FORMATION
CHARGE TO JBCD Oil Production Ed Broyles				OWNER				
MAILING ADDRESS P.O. Box 902				OPERATOR				
CITY Arkansas City				CONTRACTOR				
STATE KS				ZIP CODE 67005				
TIME ARRIVED ON LOCATION				TIME LEFT LOCATION				

WELL DATA	
HOLE SIZE 1 7/8	
TOTAL DEPTH 3240	
CASING SIZE 4 1/2	
CASING DEPTH 3240	
CASING WEIGHT	
CASING CONDITION	
TUBING SIZE	
TUBING DEPTH	
TUBING WEIGHT	
TUBING CONDITION	
PACKER DEPTH	
PERFORATIONS	
SHOTS/FT	
OPEN HOLE	
TREATMENT VIA	

TYPE OF TREATMENT	
<input type="checkbox"/> SURFACE PIPE	<input type="checkbox"/> ACID BREAKDOWN
<input checked="" type="checkbox"/> PRODUCTION CASING	<input type="checkbox"/> ACID STIMULATION
<input type="checkbox"/> SQUEEZE CEMENT	<input type="checkbox"/> ACID SPOTTING
<input type="checkbox"/> PLUG & ABANDON	<input type="checkbox"/> FRAC
<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> FRAC + NITROGEN
<input type="checkbox"/> MISC PUMP	<input type="checkbox"/> FOAM FRAC
<input type="checkbox"/> OTHER	<input type="checkbox"/> NITROGEN

PRESSURE LIMITATIONS		
	THEORETICAL	INSTRUCTED
SURFACE PIPE		
ANNULUS LONG STRING		
TUBING		

INSTRUCTIONS PRIOR TO JOB

JOB SUMMARY
DESCRIPTION OF JOB EVENTS Started circulating hole while they drill hole. Got to TD. Put Plug Container on 4 1/2". Hooked up to plug container, got circulation mixed 53 sks of OWC and dropped plug pumped to bottom, no float shoe so when we landed plug we left 1100psi on well.

PRESSURE SUMMARY	
BREAKDOWN or CIRCULATING	psi 250
FINAL DISPLACEMENT	psi 1100
ANNULUS	psi
MAXIMUM	psi
MINIMUM	psi
AVERAGE	psi
ISIP	psi 1100
5 MIN SIP	psi
15 MIN SIP	psi

TREATMENT RATE	
BREAKDOWN BPM	24%
INITIAL BPM	
FINAL BPM	4%
MINIMUM BPM	
MAXIMUM BPM	
AVERAGE BPM	
HYD HHP = RATE x PRESSURE x 40.8	

AUTHORIZATION TO PROCEED

TITLE

Exhibit I
DATE Page 3 of 5

RECEIVED

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

COPY

Form ACO-1
September 1999
Form Must Be TypedWELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASEOperator: License # 3954Name: Jaed Production Co., Inc.Address: P.O. Box 902City/State/Zip: Arkansas City, KS 67005Purchaser: Seminole TransportationOperator Contact Person: Jay WarrenPhone: (620) 442-0826Contractor: Name: Berentz Drilling Co., Inc.License: 5892Wellsite Geologist: Edward L. Broyles

Designate Type of Completion:

☒ New Well ☐ Re-Entry ☐ Workover☒ Oil ☐ SWD ☐ SIOW ☐ Temp. Abd.☐ Gas ☐ ENHR ☐ SIGW☐ Dry ☐ Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Re-entry: Old Well Info as follows:

Operator:

Well Name:

Original Comp. Date: Original Total Depth:

☐ Deepening ☐ Re-perf. ☐ Conv. to Enhr./SWD☐ Plug Back ☐ Plug Back Total Depth☐ Commingled ☐ Docket No.☐ Dual Completion ☐ Docket No.☐ Other (SWD or Enhr.?) ☐ Docket No.

9-17-01

9-26-01

10-29-01

Spud Date or
Recompletion Date

Date Reached TD

Completion Date or
Recompletion DateAPI No. 15 - 191-22366-0000County: SumnerNE - NW - SE Sec. 9 Twp. 35 S. R. 2 ☒ East ☐ West
2310 feet from S / N (circle one) Line of Section1650 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE SE NW SWLease Name: Horton Well #: 2Field Name: MurphyProducing Formation: SimpsonElevation: Ground: 1146 Kelly Bushing: 1151Total Depth: 3655 Plug Back Total Depth:Amount of Surface Pipe Set and Cemented at 264 FeetMultiple Stage Cementing Collar Used? ☐ Yes ☒ NoIf yes, show depth set FeetIf Alternate II completion, cement circulated from 264feet depth to surface w/ 200sx 3% sx cmt.

CC

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content ppm Fluid volume bblsDewatering method used

Location of fluid disposal if hauled offsite:

Operator Name: Lease Name: License No.: Quarter Sec. Twp. S. R. ☐ East ☐ WestCounty: Docket No.:

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: Jay Warren V.P.Title: V.P. Date: 1/16/02Subscribed and sworn to before me this 16th day of January

1992.

Notary Public: Randy J. IversonDate Commission Expires: 2/1/02

RANDY J. IVERSON
State of Kansas
My Appt. Exp. July 1, 2002

KCC Office Use ONLY

☒ Letter of Confidentiality AttachedIf Denied, Yes ☐ Date: ☒ Wireline Log Received☒ Geologist Report Received☐ UIC Distribution

Exhibit I

Page 4 of 5

RECEIVED

Operator Name: Y Jaed Production Co., Inc. Lease Name: Horton Well #: 2
 Sec. 9 Twp. 35 S. R. 2 ☒ East ☐ West County: Sumner

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems 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. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken ☐ Yes ☒ No
 (Attach Additional Sheets)

Samples Sent to Geological Survey ☐ Yes ☒ No

Cores Taken ☐ Yes ☒ No

Electric Log Run ☒ Yes ☐ No
 (Submit Copy)

List All E. Logs Run:

Dual Induction
 Compensated Density
 Cement Bond Log

☒ Log Formation (Top), Depth and Datum ☐ Sample

Name	Top	Datum
Layton	2752	
Oswego	3176	
Wilcox	3614	

CASING RECORD ☐ New ☐ Used

Report all strings set-conductor, surface, intermediate, production, etc.

Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacs Used	Type and Percent Additives
Surface	12 1/4	8 5/8	23 1b	264	Common	200	3% cc
Long String	7 7/8	5 1/2	15 1b	3659	Quick Set	150	A-thick

ADDITIONAL CEMENTING / SQUEEZE RECORD

Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
___ Perforate				
___ Protect Casing				
___ Plug Back TD				
___ Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
16	3628 to 3632		

TUBING RECORD	Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No
---------------	------	--------	-----------	--

Date of First, Resumard Production, SWD or Enhr.	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)
--	--

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	8	10	80	10%	40

Disposition of Gas	METHOD OF COMPLETION	Production Interval
<input type="checkbox"/> Vented <input type="checkbox"/> Sold <input checked="" type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	<input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled	
	<input type="checkbox"/> Other (Specify)	

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

Before Commissioners: Pat Apple, Chairman
 Shari Feist Albrecht
 Jay Scott Emler

In the matter of an Order to Show Cause issued)	Docket No.: 17-CONS-3127-CSHO
to Jaed Production Co., Inc ("Operator"))	
regarding responsibility under K.S.A. 55-179 for)	CONSERVATION DIVISION
unplugged wells on an expired license.)	
<hr/>		License No.: 3954

CERTIFICATE OF SERVICE

I, Paula J. Murray, certify that on August 28, 2017, I did cause a true and correct copy of the Pre-Filed Testimony of Jeff Klock to be served electronically and via United States mail, first class, postage prepaid to the following:

Jeff Kennedy
Martin Pringle Oliver Wallace & Bauer LLP
100 N. Broadway, Suite 500
Wichita, KS 67202
jkennedy@martinpringle.com
Attorneys for Jaed Production Co., Inc.

and via e-mail to:

Jeff Klock
KCC District #2

Joshua D. Wright, Litigation Counsel
KCC Wichita Central Office

Michael J. Duenes, Assistant General Counsel
KCC Topeka Office

/s/ Paula J. Murray
Paula J. Murray
Legal Assistant
Kansas Corporation Commission