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Kansas Corporation Commission

STATE OF KANSAS

CORPORATION COMMISSION
CONSERVATION DIVISION
266 N. MAIN ST., STE. 220
WICHITA, KS 67202-1513

PHONE: 316-337-6200
FAX: 316-337-6211
http://kcc.ks.gov/

GOVERNOR JEFF COLYER, M.D.
SHARI FEIST ALBRECHT, CHAIR | JAY SCOTT EMLER, COMMISSIONER | DWIGHT D. KEEN, COMMISSIONER

NOTICE OF PENALTY ASSESSMENT

19-CONS-3131-CPEN

September 27, 2018

Leslie Wolfe
208 Stephens Street
Peru, KS 67360

This is a notice of a penalty assessment for violation(s) of Kansas Oil and Gas Conservation Statutes, Rules, and Regulations. For a full description of the penalty and process please refer to the Penalty Order that is attached to this notice.

IF YOU ACCEPT THE PENALTY:

You have been assessed a $100 penalty. You have 30 days from the service date of this Penalty Order to pay the fine amount. Check or money order must be made payable to the Kansas Corporation Commission and mailed to the Conservation Division of the Kansas Corporation Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202. The payment must include a reference to the docket number of this proceeding. Payment by credit card may be made by calling the Conservation Division at 316-337-6200.

IF YOU CONTEST THE PENALTY:

You have the right to request a hearing. A written request for hearing must be made within 30 days after service of the Penalty Order setting forth the specific grounds upon which relief is sought. Respondent must submit the request to the Commission, at 266 N. Main St., Suite 220, Wichita, Kansas 67202. The Commission shall conduct a hearing in accordance with the provisions of the Kansas administrative procedure act within 30 days after receipt of such request. K.S.A. 55-164; K.S.A. 77-542; K.A.R. 82-1-215.

IF YOU FAIL TO ACT:

Failure to pay the fine amount, or in the alternative, provide a written request for a hearing, within thirty (30) days of service of the Penalty Order, will result in the attached Penalty Order becoming a Final Order and may result in additional sanctions, including additional monetary penalties, the suspension of your oil and gas operating license, and the shutting-in of all operations until compliance is obtained. K.S.A. 55-164; K.S.A. 77-537.

Respectfully,

Lauren N. Wright
Litigation Counsel
316-337-6200

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: Shari Feist Albrecht, Chair
Jay Scott Emler
Dwight D. Keen

In the matter of the failure of Leslie Wolfe ("Operator") to comply with K.A.R. 82-3-117 at the Mustoe #8 well in Chautauqua County, Kansas.	)	Docket No.: 19-CONS-3131-CPEN
	)	CONSERVATION DIVISION
	)	License No.: 32967

PENALTY ORDER

The above captioned matter comes before the State Corporation Commission of the State of Kansas. Having examined the files and records, and being duly advised in the premises, the Commission finds and concludes as follows:

I. JURISDICTION

1. The Commission has the exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.[1] The Commission has jurisdiction to regulate the "construction, operation, and abandonment of any well and the protection of the usable water of this state from any actual or potential pollution from any well."[2] Every operator conducting oil and gas activity in Kansas must be licensed by the Commission.[3]

2. The Commission has the authority to issue a Penalty Order for violation of any provision of K.S.A. 55-101 *et seq*., rule, regulation, or order of the Commission.[4] The Commission shall take appropriate action which may include, but not be limited to, imposing a monetary penalty "not to exceed $10,000, which shall constitute an actual and substantial

[1] K.S.A. 74-623.
[2] K.S.A. 55-152.
[3] K.S.A. 55-155.
[4] K.S.A. 55-162; K.S.A. 55-164.

economic deterrent to the violation for which the penalty is assessed."[5] "In the case of a continuing violation, every day such violation continues shall be deemed a separate violation."[6]

3. Within 60 days after plugging any well, the owner or operator of the well shall file a well plugging report with the Conservation Division, on a form furnished by the Commission.[7] Failure to file a plugging report shall be punishable by a $100 penalty.

II. FINDINGS OF FACT

4. The Operator conducts oil and gas activities in Kansas under active license number 32967.

5. The Operator is responsible for the care and control of the Mustoe #8 ("the subject well"), API #15-019-22512-00-00, located in Section 3, Township 32 South, Range 12 East, Chautauqua County, Kansas.

6. On June 12, 2018, the Operator plugged the subject well. The Operator did not submit a complete and accurate well plugging report ("CP-4") within 60 days of the plugging date.

7. On September 04, 2018, Commission Staff sent a Notice of Violation letter to the Operator, requiring the Operator to file a CP-4 to bring the subject well into compliance with K.A.R. 82-3-117 by September 18, 2018.[8]

8. Commission Staff did not receive a CP-4 by the deadline set out in Staff's Notice of Violation letter.

[5] K.S.A. 55-164.
[6] *Id.*
[7] K.A.R. 82-3-117.
[8] Exhibit A.

III. CONCLUSIONS OF LAW

9. The Commission finds and concludes that it has jurisdiction over the Operator and this matter under K.S.A. 55-152 and K.S.A. 74-623.

10. The Commission finds and concludes the Operator committed one violation of K.A.R. 82-3-117 because the Operator has not submitted a complete and accurate CP-4 for the subject well in a timely manner.

THEREFORE, THE COMMISSION ORDERS:

A. The Operator shall pay a $100 penalty.

B. The Operator shall submit a complete and accurate CP-4 for the subject well.

C. If no party requests a hearing, and the Operator is not in compliance with this Order within 30 days from the date of service of this Order, then the Operator's license shall be suspended without further notice. The notice and opportunity for a hearing on this Order shall constitute the notice required by K.S.A. 77-512 regarding license suspension. The Commission may impose further sanctions, including additional monetary penalties and any other remedies available to the Commission by law, without further notice.

D. Checks and money orders shall be payable to the Kansas Corporation Commission. Payments shall be mailed to the Kansas Corporation Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202. The payment must include a reference to the docket number of this proceeding. Credit card payments may be made by calling the Conservation Division at 316-337-6200.

E. Any party 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, setting forth the specific grounds upon which relief is sought, to the Commission at 266 N. Main St., Suite 220, Wichita,

Kansas 67202, within 30 days from the date of service of this Order. Hearings will be scheduled only upon written request. Failure to timely request a hearing will result in a waiver of Operator's right to a hearing.

F. A corporation shall appear before the Commission by a Kansas licensed attorney.[9]

G. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further order or orders as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.
Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 09/27/2018

Lynn M. Retz
Secretary to the Commission

Mailed Date: 09/28/2018

LW

[9] K.S.A. 77-515(c); K.A.R. 82-1-228(d)(2).

CONSERVATION DIVISION
266 N. Main St., Ste. 220
Wichita, KS 67202-1513

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http://kcc.ks.gov/

Kansas
Corporation Commission

Shari Feist Albrecht, Chair
Jay Scott Emler, Commissioner
Dwight D. Keen, Commissioner

Jeff Colyer, M.D., Governor

September 04, 2018

License No. 32967

Wolfe, Leslie
208 STEPHENS ST
PERU KS 67360

NOTICE OF VIOLATION

Re: Well Plugging Record(s) - ("CP-4") -

Operator:

Commission records indicate that the well(s) on the attached list have been plugged, but we have not received the necessary Well Plugging Record(s).

It is a violation of K.A.R. 82-3-117 for an operator to fail to submit a CP-4 within 60 days after plugging a well.

Failure to submit a complete, accurate CP-4
for the well(s) on the attached list
by SEPTEMBER 18, 2018
shall be punishable by a $100 per-well administrative penalty.

The information requested above must be submitted on KOLAR. If a CP-4 is returned to you as incomplete, you do not have additional time - the deadline above governs.

Please contact me at (316) 337-6200 if you have any questions.

Sincerely,

RENE STUCKY
Production Department

List of Wells: Missing CP-4

API Well #	Lease Name / Well #	Well Location	County
15-019-22512-00-00	MUSTOE 8	3-32S-12E, NWSESWSW	CHAUTAUQUA

CERTIFICATE OF SERVICE

19-CONS-3131-CPEN

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of first class mail and electronic service on 09/27/2018.

RENE STUCKY
KANSAS CORPORATION COMMISSION
Conservation Division
266 N. Main St. Ste. 220
WICHITA, KS 67202-1513
Fax: 785-271-3354
r.stucky@kcc.ks.gov

LESLIE WOLFE
208 STEPHENS ST
PERU, KS 67360

LAUREN WRIGHT, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
Conservation Division
266 N. Main St. Ste. 220
WICHITA, KS 67202-1513
Fax: 316-337-6211
l.wright@kcc.ks.gov

/S/ DeeAnn Shupe
DeeAnn Shupe