

JUL 26 2012

LEGAL SECTION

BEFORE THE
STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: Mark Sievers, Chairman
Thomas E. Wright

In the Matter of the Application of Steven A.) Docket No. 12-CONS-265-CUIC
Leis for a permit to authorize the injection of) (E-21983)
saltwater for enhanced recovery on the Hartzler)
Lease located in the SE/4 of Section 28,) CONSERVATION DIVISION
Township 26 South, Range 15 East, Woodson)
County, Kansas.) License No. 33960

PREFILED TESTIMONY

OF

STEVEN A. LEIS

- 1 Q. Please state your name.
- 2 A. Steven A. Leis.
- 3 Q. Please state your address.
- 4 A. 1902 Osage Rd., Yates Center, KS 66783.
- 5 Q. Is this also your business address?
- 6 A. Yes.
- 7 Q. What is the name of your business?
- 8 A. Steven A. Leis Oil Co.
- 9 Q. What type of business is Steven A. Leis Oil Co.?
- 10 A. It is an oil and gas lease operator.
- 11 Q. Do you own any other businesses?

12 A. Yes. I own Hodown Drilling which owns a drilling rig and pulling unit. I also own a hay
13 company.

14 Q. Could you please give the Commission a brief summary of your educational background
15 and employment history in the oil and gas industry?

16 A. I do not have any formal educational in the oil and gas industry. However, I began
17 working on a drilling rig in 1977 as a roughneck and, later, as a driller. I eventually
18 purchased a drilling rig and pulling unit, and began operating oil and gas leases.

19 Q. What is the purpose of your testimony in this docket?

20 A. I am testifying in support of five (5) Applications for Injection Wells.

21 Q. What is the name and location of the oil and gas lease involved?

22 A. It is the Hartzler lease at Sec. 28, T 25S, R 15E, Woodson County, Kansas.

23 Q. Could you please explain your involvement with the lease?

24 A. In 2005, I bought a one-half (1/2) interest in the Hartzler lease from David Bishop and on
25 December 20, 2011, I became the sole owner of the working interest on the lease. Steven
26 A. Leis Oil Co. is the current operator of the lease.

27 Q. How many wells are located on the lease?

28 A. There are thirty-six (36) oil wells and eleven (11) injection wells on the Hartzler lease.
29 Six (6) of the injection wells are currently permitted. Five of the wells, namely the #23,
30 #29, # 30, #33, and #34, are the subject matter of the Applications for Injection Wells.

31 Q. How long have the injection wells been in operation?

32 A. The wells were drilled in 1982 and 1983 and, subject to down time, have been in
33 operation since that time.

34 Q. Has Steven A. Leis Oil Co. been the operator of lease and, specifically, the injection
35 wells since injection began?

36 A. No. The lease has been operated by various individuals. My brother, John Leis, operated
37 the lease from approximately 2000 until December 20, 2011. In 2005, I purchased 50%
38 of the working interest on the lease and John Leis remained the operator.

39 Q. What happened on December 20, 2011?

40 A. I took over as operator on December 20, 2011, and filed a Request for Change of
41 Operator with the KCC.

42 Q. I am handing you what has been marked as Exhibit 1. Can you identify that document as
43 the Request for Change of Operator form which you filed with the KCC?

44 A. Yes.

45 Q. Why did you take over as operator?

46 A. Prior to the change, John was not maintaining the lease in an acceptable manner. I
47 contemplated filing a partition action, but John ultimately transferred full ownership of
48 the working interest in the Hartzler lease to me as a part of a split in our partnership.

49 Q. Has the change of operator been approved by the KCC?

50 A. No. It is my understanding that the change of operator will not be approved until the five
51 (5) unpermitted wells are permitted.

52 Q. Were you previously under the impression that the wells were already permitted?

53 A. Yes. Given that all of the injection wells were drilled in 1982 and 1983, I understood that
54 all eleven injection wells were properly permitted with the Commission. However, the
55 Commission recently notified me that five of the wells were unpermitted and asked me to
56 file applications in order to properly permit the wells.

57 Q. Have you completed any repairs or other maintenance on the Hartzler lease since
58 assuming operation on December 20, 2011?

59 A. Yes. As I mentioned before, John Leis had not maintained the lease as well as he should
60 have.

61 Q. After assuming operation of the Hartzler lease, were you aware of any complaints
62 regarding the condition of the lease?

63 A. In March 2012, I was notified by the KCC of the surface-owner's complaints concerning
64 abandoned wells, on-going spills, unreported spills, failure to clean up spills and other
65 issues.

66 Q. I am handing you what has been marked as Exhibit 2. Could you please describe this
67 Exhibit?

68 A. This is a copy of the letter that I received from Ryan M. Duling, a PIRT II with the KCC
69 District #3 office, concerning the status of the wells, including the oil spills and
70 abandoned wells. The letter set forth a timeframe to complete remediation of the items
71 addressed in the letter.

72 Q. Did you take steps to comply with the requirements set forth by the KCC?

73 A. Yes.

74 Q. I am handing you what has been marked as Exhibit 3. Could you please describe this
75 Exhibit?

76 A. This is a copy of a report prepared by Ryan M. Duling. It illustrates the efforts that I
77 undertook to remediate several sites on the Hartzler lease.

78 Q. Is it your understanding that this report confirms that you complied with the remediation
79 requirements set forth by Mr. Duling and the KCC?

80 A. Yes. The report contains a finding from Mr. Duling that "No further action is needed on
81 this lease as of now."

82 Q. I am going to hand you what has been marked as Exhibit 4. Could you please describe
83 this Exhibit?

84 A. This is a copy of a report prepared by Mr. Duling on June 29, 2012. It states that all
85 repairs needed for approval of the Temporary Abandonment applications were completed
86 and that "No further actions are required."

87 Q. Following your repairs on the Hartzler lease, can you now shut off all of the injection
88 wells in the event that saltwater under pressure were to back up within the wells?

89 A. Yes. As a result of installing valves and otherwise repairing the wells, the wells can be
90 shut off.

91 Q. When was the lease last inspected by the KCC?

92 A. According to Exhibit 4, the lease was last inspected on June 29, 2012.

93 Q. Are you aware of any complaints filed with the KCC concerning spills or other issues on
94 the premises since that time?

95 A. No.

96 Q. Since assuming the operations of the Hartzler lease, how frequently is Steven A. Leis Oil
97 Co. checking the lease for spills or other issues?

98 A. My son pumps the wells and checks the premises twice daily on behalf of Steven A. Leis
99 Oil Co.

100 Q. I am going to hand you what has been marked as Exhibit 5. Could you please describe
101 this Exhibit?

102 A. This is a copy of the Casing Mechanical Integrity Tests that were completed on each of
103 the injection wells that are the subject matter of my applications.

104 Q. When did you last perform a mechanical integrity test (MIT) of the wells?

105 A. The MIT for each well was completed as follows:

106 #29 on February 8, 2012;

107 #23 on February 8, 2012;

108 #34 on February 25, 2012;

109 #30 on November 28, 2011;

110 #33 on November 28, 2011.

111 Q. What were the results of the mechanical integrity test for each well?

112 A. The result for each well was satisfactory and the wells passed inspection.

113 Q. Were these five wells tested prior to the latest round of tests?

114 A. Yes. It is my understanding that these wells have been tested regularly since they were
115 drilled.

116 Q. Are you currently using the five wells that are the subject matter of this docket?

117 A. No. If the wells are permitted, I plan put the wells back into use as saltwater injection
118 wells.

119 Q. Based on your experience, is using salt water injection a common practice in operating
120 oil wells in Woodson County?

121 A. Yes, it is a common practice.

122 Q. What is the result of injecting salt water into a formation?

123 A. The result of injecting salt water into a formation is that it repesurrizes the formation,
124 which can increase productivity, prevent waste and protect correlative rights.

125 Q. Is this a common method for increasing production?

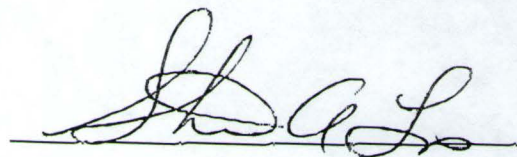
126 A. Yes. As stated above, there are other active injection wells on the premises. Also, the
127 injection facilities are already in place and have been previously used on the leased
128 premises.

129 Q. Do you plan to make any changes to the injection wells if permitted?

130 A. Yes. I plan to put a water meter on each injection well on the lease in order to uniformly
131 inject water into the formation.

132 Q. Does this conclude your testimony?

133 A. Yes.
134
135
136
137

A handwritten signature in black ink, appearing to read 'S. A. Leis', written over a horizontal line.

Steven A. Leis

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form T-1
March 2010
Form must be Typed
Form must be Signed
All blanks must be Filled

REQUEST FOR CHANGE OF OPERATOR
TRANSFER OF INJECTION OR SURFACE PIT PERMIT

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

Check Applicable Boxes:

- ☒ Oil Lease: No. of Oil Wells 36 "
- ☐ Gas Lease: No. of Gas Wells "
- ☐ Gas Gathering System: "
- ☐ Saltwater Disposal Well - Permit No.: "
- Spot Location: " feet from ☐ N / ☐ S Line
- " feet from ☐ E / ☐ W Line
- ☒ Enhanced Recovery Project Permit No.: E-21,983
- Entire Project: ☒ Yes ☐ No
- Number of Injection Wells 10 "

Field Name: Yates Center

**** Side Two Must Be Completed.**

Effective Date of Transfer: 3/20/2011

KS Dept of Revenue Lease No.: 101159

Lease Name: Hartzler

S 1/2 " " " " Sec. 28 Twp. 25 R. 15 ☒ E ☐ W

Legal Description of Lease: South Half 28 -25 -15

County: Woodson

Production Zone(s): Squirrel

Injection Zone(s): Squirrel

Surface Pit Permit No.: " "
(API No. if Drill Pit, WO or Haul)

Type of Pit: ☐ Emergency ☐ Burn ☐ Settling ☐ Haul-Off ☐ Workover ☐ Drilling

Past Operator's License No. 32079

Past Operator's Name & Address: John E. Leis 1188 Nighthawk Rd.

Yates Center, KS 66783

Title: owner

Contact Person: John E. Leis

Phone: 620 625 3676

Date: 3/20/2011

Signature: John E. Leis

New Operator's License No. 33900

New Operator's Name & Address: Steven Leis O:100

1092 Osage Rd

Yates Center, KS 66783

Title: Owner

Contact Person: Steven Leis

Phone: 620-330-6828

Oil / Gas Purchaser: Pacer Energy

Date: 2-1-11

Signature: Shirley R

RECEIVED

FEB 24 2012

KCC WICHITA

Acknowledgment of Transfer: The above request for transfer of injection authorization, surface pit 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 pit permit.

" " is acknowledged as
the new operator and may continue to inject fluids as authorized by
Permit No.: " " Recommended action: " "

Date: " "

Authorized Signature

" " is acknowledged as
the new operator of the above named lease containing the surface pit
permitted by No.: " "

Date: " "

Authorized Signature

DISTRICT " "

EPR " "

PRODUCTION " "

UIC " "

Mail to: Past Operator " "

New Operator " "

District " "

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

EXHIBIT

* Location: South Hq 1F 28-25-15

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.

RECEIVED
FEB 24 2012
KCC WICHITA

Must Be Filed For All Wells

KDOR Lease No.: 101159Lease Name: HartzlerLocation: South Hq/E 28-25-15

Well No.	API No. (YR DRLD/PRE '67)	Footage from Section Line (i.e. FSL = Feet from South Line)	Type of Well (Oil/Gas/INJ/WSW)	Well Status (PROD/TA'D/Abandoned)
6 5	15-207-23 774	1560 ^{Circle} FSL/FNL 200 ^{Circle} FEL/FWL	oil	Prod
5	23,773	1120 FSL/FNL 200 FEL/FWL	oil	Prod
9	23,795	640 FSL/FNL 1560 FEL/FWL	oil	Prod
10	23,796	640 FSL/FNL 2000 FEL/FWL	oil	Prod
11	23,794	640 FSL/FNL 1120 FEL/FWL	oil	Prod
12	23,797	640 FSL/FNL 3440 FEL/FWL	oil	Prod
14	23,849	200 FSL/FNL 680 FEL/FWL	oil	Prod
15	23,850	640 FSL/FNL 680 FEL/FWL	oil	Prod
16	23,851	1080 FSL/FNL 1120 FEL/FWL	oil	Prod
17	23,852	1080 FSL/FNL 1560 FEL/FWL	oil	Prod
18	23,853	1520 FSL/FNL 1120 FEL/FWL	oil	Prod
19	23,854	1520 FSL/FNL 1560 FEL/FWL	oil	Prod
20	23,855	1520 FSL/FNL 2000 FEL/FWL	oil	Prod
21	23,856	1960 FSL/FNL 1560 FEL/FWL	oil	Prod
27	23,910	1960 FSL/FNL 1100 FEL/FWL	oil	Prod
31	23,930	1080 FSL/FNL 660 FEL/FWL	oil	Prod
32	23,931	1080 FSL/FNL 2440 FEL/FWL	oil	Prod
37	23,936	1520 FSL/FNL 3440 FEL/FWL	oil	Prod
42	23,941	⁵ 1560 FSL/FNL 640 FEL/FWL	oil	Prod
43	23,942	1960 FSL/FNL 640 FEL/FWL	oil	Prod
44	23,943	1960 FSL/FNL 2440 FEL/FWL	oil	Prod
51	23,923	3428 1560 FSL/FNL	WSW	
55	23,998	1960 FSL/FNL 1120 FEL/FWL	oil	Prod
26	23,909	1960 FSL/FNL 200 FEL/FWL	oil	Prod

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.

RECEIVED

FEB 24 2012

KCC WICHITA

Notice of Violations

March 21, 2012

Steven A. Leis #33900
1092 Osage Road
Yates Center, Kansas 66783

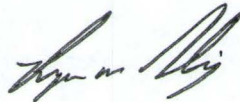
Re: Hartzler lease located in S2 of Section 28, Township 25 South, Range 15 East,
Woodson County, Kansas

Mr. Leis;

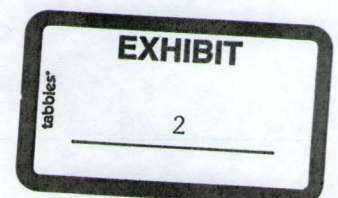
The District #3 Office received a complaint from the landowner concerning abandoned wells, on-going spills, un-reported spills, failure to cleanup spills and various civil issues. This letter is to document the meeting on March 21, 2012 at 10:00 AM at the District #3 Office with you, your son, John Almond and myself, as a result of the complaint. We discussed several violations including abandoned wells and unreported spills. We informed you of the regulations concerning the violations, including reporting spills in a timely manner, cleaning up spills in a timely manner and filing the proper paperwork for abandoned wells. We agreed to a timeframe of 30-days to cleanup (5) spill site locations on the Hartzler lease and for you to file TA (Temporary Abandoned) well applications on all abandoned wells located on the lease.

Failure to comply by the 30-day deadline of April 20, 2012 could result in a penalty recommendation. Thank you in advance for your cooperation concerning this matter, if you have any questions, please call me at 620-432-2300.

Sincerely,



Ryan M. Duling
P.I.R.T. II District #3



KCC OIL/GAS REGULATORY OFFICES

Inspection Date 05/10/2012 District: 3 Incident Number: 4816

- ☐ New Situation ☐ Lease Inspection
☐ Response to Request ☐ Complaint
☒ Follow-up ☒ Field Report

Operator License No: 33900 API: Q3 Q2: Q1: SE
Operator Name: Steven A. Leis SEC 28 TWP 25 RGE 15 RGEDIR E
Address: 1092 Osage Rd FSL:
City: Yates Center FEL:
State KS Zip Code: 66783 Lease: Hartzler Well No.:
Phone contact: 620-330-6328 County: WO

Reason for Investigation:

Remediation sites around several wells were ready to be seeded. The weather finally cooperated with the operator and he has the seed and equipment ready to go forward.

Problem:

These remediation sites relate back to a complaint made by the landowners.

Persons contacted:

Steve Leis 620-330-6328

Findings:

I arrived on the Hartzler lease on 5/10/2012 at 9:00 am. The operator started on the affected area around well #16. This area was approximately 30' by 9'. The operator removed an old barrel of chemical and picked up old buckets and debris from the well site. An old tank is still present, however, no rules or regulations are being broken. The operator tilled the oil stained grass up and leveled the area with a tiller. The operator seeded the area with Brome grass seed and tilled the seed in with the tiller. The operator then put fine gravel around the well head and built a rock pad next to the well so he could get his pulling unit in to pull the well. I took three (3) pictures of the completed work. They are labeled as Well #16.

The operator then moved to the affected area around well #42. This area was approximately 80' by 12'. The operator removed about 2" of oil saturated soil and hauled the soil off the lease. The operator then hauled in fresh soil and leveled the site. Troy Russell, Environmental Geologist for District #3, and I collected a composite sample consisting of 6 locations equally transecting the impacted soils on

Actions / Recommendation

Follow-up Require ☐

Deadline Date:

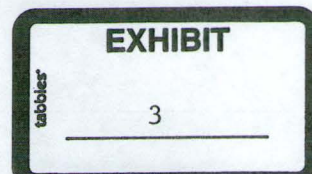
No further action is needed on this lease as of now. When we receive the test results back from K-Sate, I will contact Mr. Leis to inform him of what actions need to be taken on the two (2) areas the samples was taken from.

- ☒ RBDMS ☒ KGS ☐ TA DBF
☐ T1 DBF ☒ District Files ☐ Courthouse

Report Prepared By: Ryan M. Duling

Position: PIRT II

Photo's Taken: 28



KCC OIL/GAS REGULATORY OFFICES

Additional Findings:

4/18/2012. IPEC results for this sample tested 1.2 on the titration strip indicating a Cl- of <150 mg/kg. This level is acceptable to be seeded. The operator tilled the affected area with a tiller and seeded the area with Brome grass seed and tilled the seed in with the tiller. The operator then put fine rock down around the well head. I took six (6) pictures of the completed work. They are labeled as Well #42.

The operator then moved to the affected area around well #26. The operator tilled the oil stained grass up and leveled the area with a tiller. Troy Russell, Environmental Geologist for District #3, and I collected a composite sample consisting of 4 locations equally transecting the impacted soils on 4/18/2012. IPEC results for this sample tested 2.2 on the titration strip indicating a Cl- of <250 mg/kg. This level is acceptable to be seeded. The operator seeded the area with Brome grass seed and tilled the seed in with the tiller. The operator then put fine rock down around the well head. I took five (5) pictures of the completed work. They are labeled as Well #26.

The operator then moved to the affected area around well #18. The operator again removed the fluids that were captured from recent rainfall in the hole around the well. The operator welded a new piece of surface pipe to the existing surface and brought the surface casing to surface. He then brought the production string to surface. The operator backfilled the hole in with dirt and leveled. The operator then tilled the affected area with the tiller. I told the operator not to seed the area yet as we needed to take soil samples. I contacted Troy Russell, Environmental Geologist for District #3, and he stated we would go together and run a IPEC test in the field. If the sample tested high in chlorides in the field, we will collect a sample to be submitted to K-State Soils Lab for a Soil Salt Alkali Analysis. After testing, we will remediate accordingly and seeding will take place. I took two (2) pictures of the completed work.

The operator then moved to the affected area around well #3. The operator had already cleaned up the free oil and applied fine rock around the well. I took one (1) picture of this area. This photo is labeled as well #3.

The operator had completed all the work required at this time to meet the deadline set forth in the Notice of Violation letter that I had sent him. However, the operator went further and beyond to try to make this lease look the best he could. The operator then moved to a small affected area located around well #32. The operator had a small leak and spill previously at this site. The operator had already cleaned up the spill and applied spag sorb to the affected grass. The operator decided to till the area and seed the area to try to please the landowners. The operator tilled a larger area than was needed but wanted to remediate an old larger scar that happened before he took the lease over. He seeded the area with Brome grass seed and tilled the seed into the soil. He then placed fine rock around the well site. I took four (4) pictures of the completed work. These photos are labeled as well #32.

The operator then moved to well #10. He placed fine rock around the well head. The operator had a small leak previously. The spill was reported and I found the spillage to be around 1/2 gallon. I took one (1) picture at this location. The photo is labeled as well #10.

The operator then moved to old affected area around well #17. This again was an old site that was



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

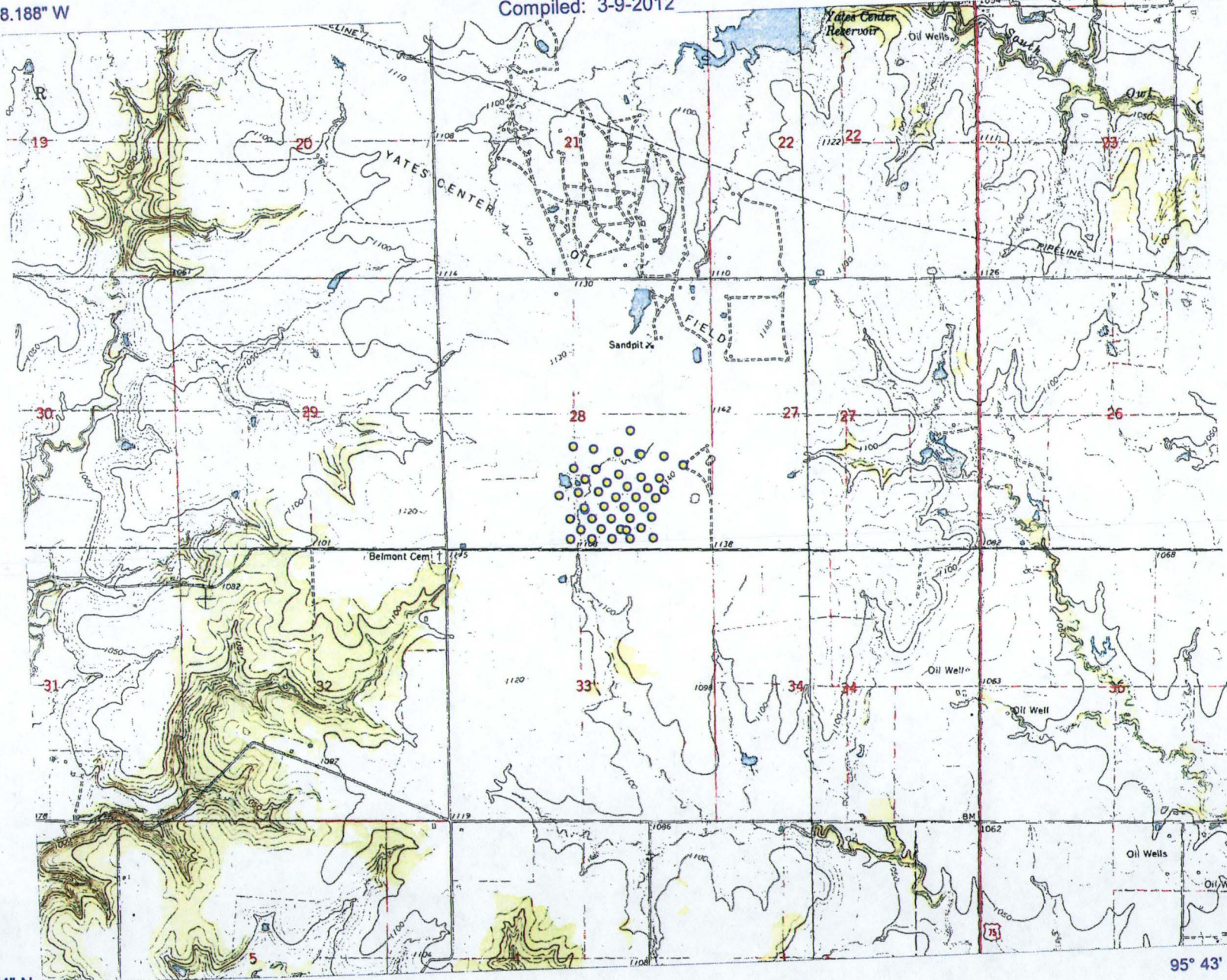
Additional Information: This picture shows the sign at the tank battery. Picture was taken looking North.

Hartzler Lease: S28- T25S - R15E WO CO
 Operator: Steven A Leis
 Compiled: 3-9-2012

Hartzler Lease 28-25-15E WO CO

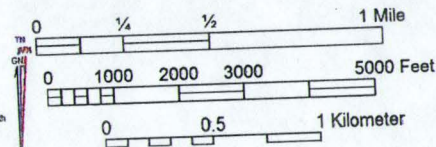
95° 43' 22.137" W
 37° 51' 55.080" N

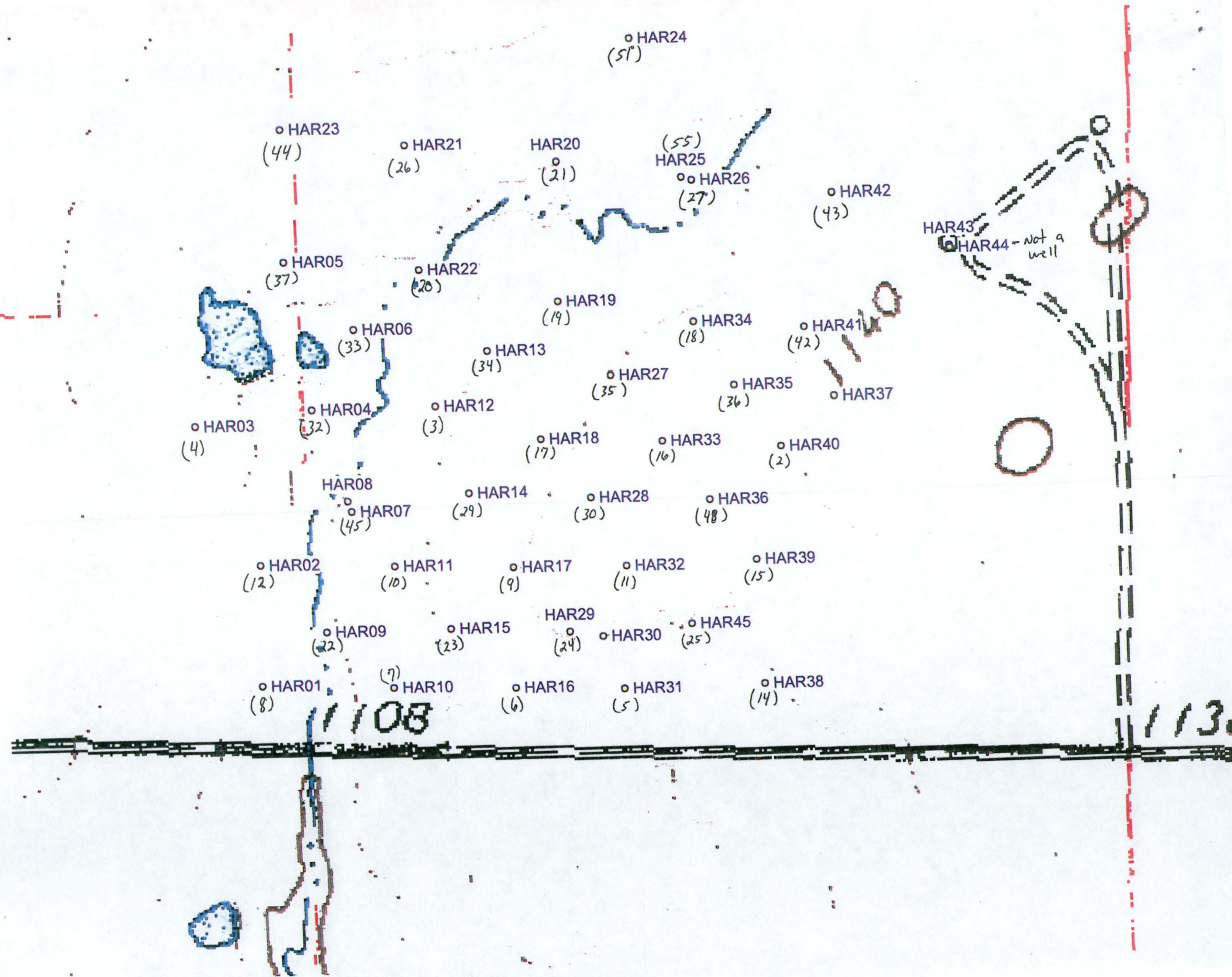
95° 48' 18.188" W
 37° 51' 48.125" N



37° 48' 45.574" N
 95° 48' 11.273" W

37° 48' 52.516" N
 95° 43' 15.424" W







Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Additional Information: This picture was taken to show the type of seed used to seed all the remediation sites that needed re-seeded. The operator used Brome seed to re-seed the areas. Brome seed usually germinates with-in 10 days unlike Native grasses.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Additional Information: This picture was taken to show the Brome seed applied to the tilled soil. The seed was then tilled into the soil. The operator used Brome seed to re-seed all the remediated areas. Brome seed usually germinates with-in 10 days unlike Native grasses.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #16

Additional Information: This picture was taken looking Northwest. The operator removed all free fluids from around the well head. The operator placed fine gravel around the well head and built a pad to get a pulling unit into the well to pull the well.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #16

Additional Information: This picture was taken looking Northeast. The operator tilled the affected area and seeded the area with brome grass seed.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

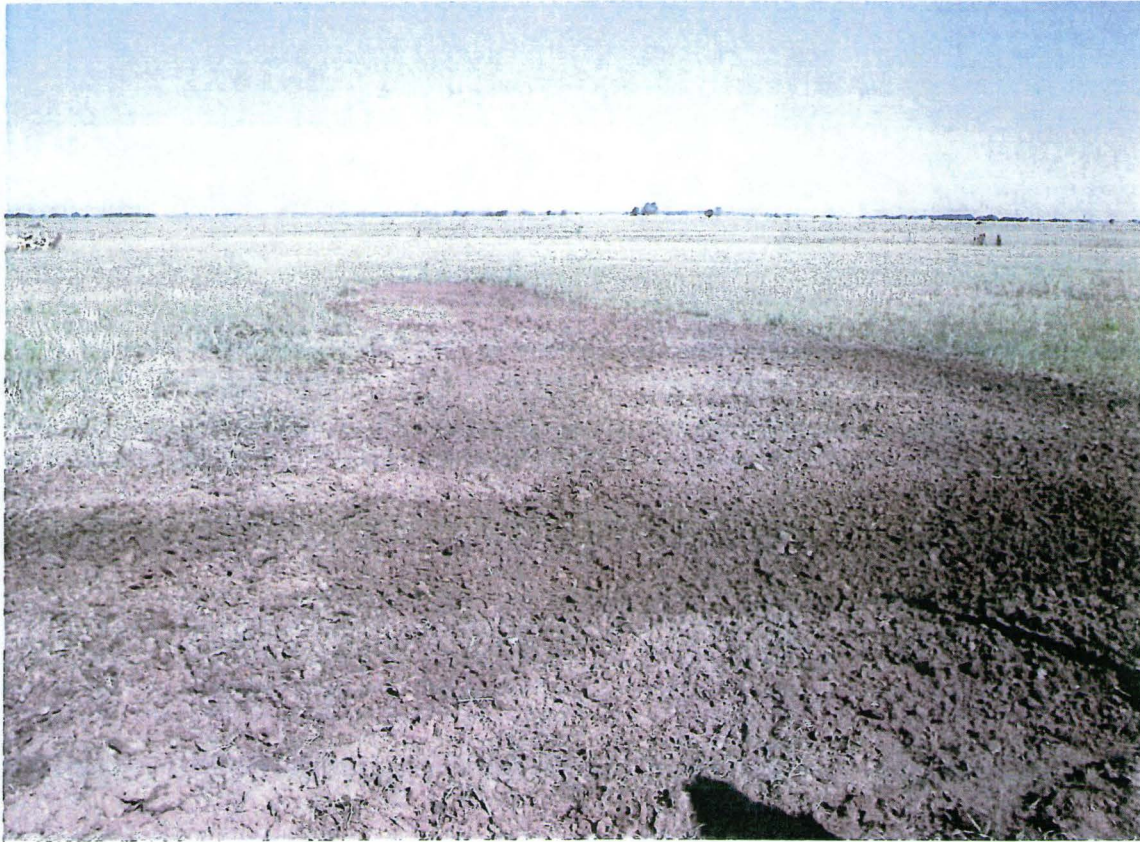
Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #16

Additional Information: This picture was taken looking Southeast. The operator tilled the affected area and seeded the area with brome grass seed.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #42

Additional Information: This picture was taken looking West. The operator removed and hauled off the oil saturated soil and replaced soil to the affected area. The operator tilled the affected area and seeded the area with brome grass seed.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #42

Additional Information: This picture was taken looking Northeast. The operator removed and hauled off the oil saturated soil and replaced soil to the affected area. The operator tilled the affected area and seeded the area with brome grass seed.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #42

Additional Information: This picture was taken looking East. The operator removed and hauled off the oil saturated soil and replaced soil to the affected area. The operator tilled the affected area and seeded the area with brome grass seed.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #42

Additional Information: This picture was taken looking South. The operator removed and hauled off the oil saturated soil and replaced soil to the affected area. The operator tilled the affected area and seeded the area with brome grass seed.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

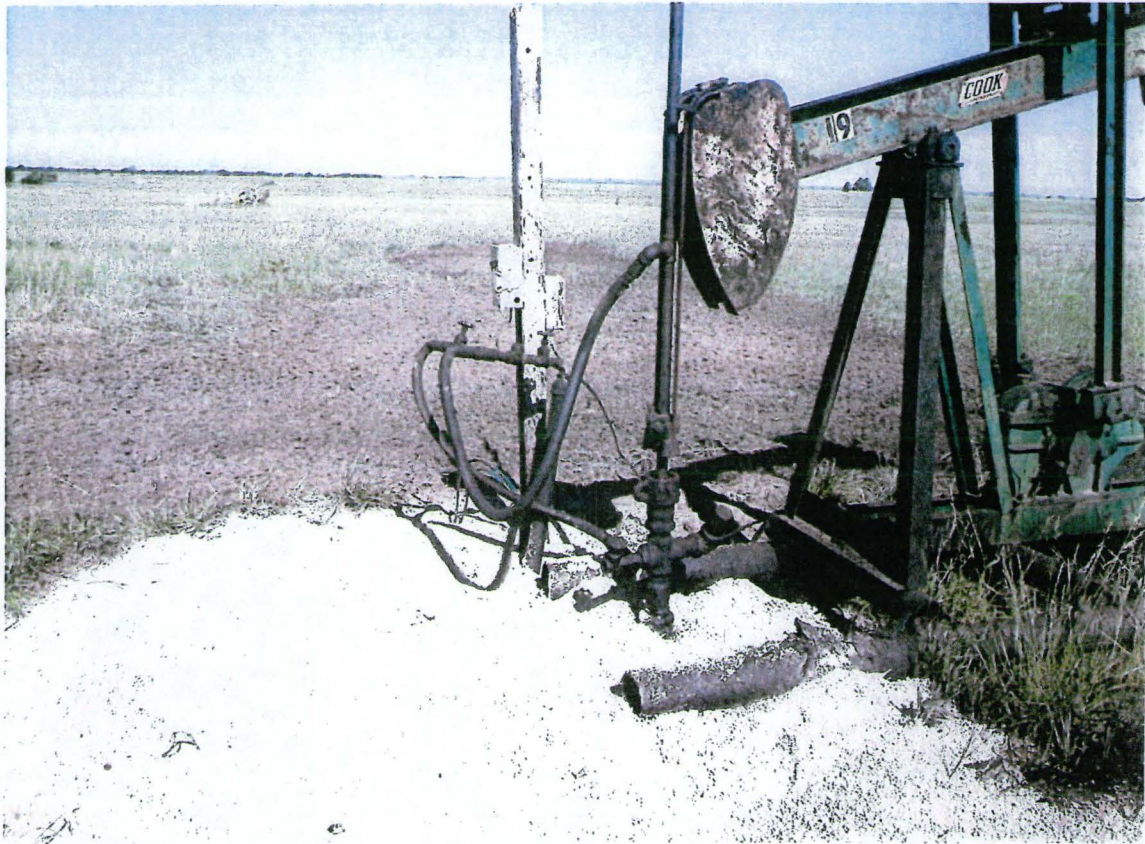
Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #42

Additional Information: This picture was taken looking North. The operator removed all free fluids around the well head. The operator then placed fine gravel around the well head.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #42

Additional Information: This picture was taken looking West. The operator removed all free fluids around the well head. The operator then placed fine gravel around the well head.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #26

Additional Information: This picture was taken looking East. The operator tilled the affected area and seeded the area with brome grass seed.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

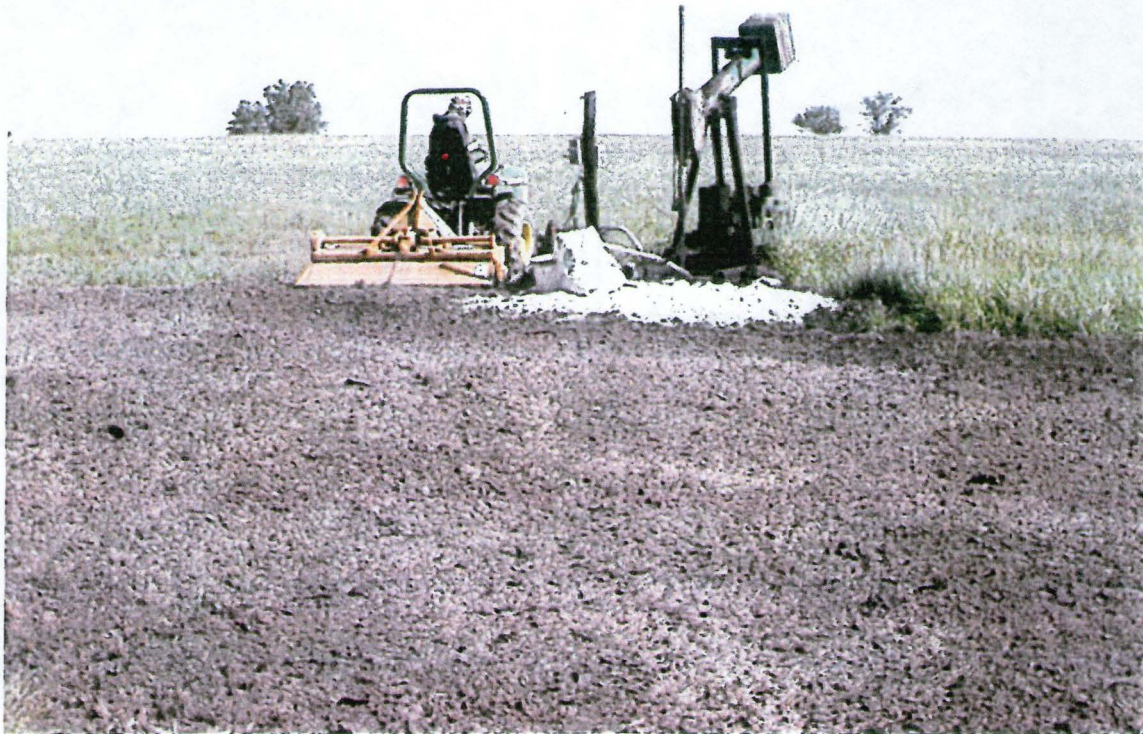
Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #26

Additional Information: This picture was taken looking Southeast. The operator tilled the affected area and seeded the area with brome grass seed.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #26

Additional Information: This picture was taken looking North. The operator tilled the affected area and seeded the area with brome grass seed.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #26

Additional Information: This picture was taken looking Northwest. The operator tilled the affected area and seeded the area with brome grass seed.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #26

Additional Information: This picture was taken looking North. The operator removed all free fluids around the well head. The operator then placed fine gravel around the well head.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #18

Additional Information: This picture was taken looking East. The operator removed the fluids with a vac truck that was captured in the hole dug around the casing. The operator repaired the well casing. The operator brought the surface casing and production casing to surface then backfilled the hole with soil. The operator leveled and tilled the affected area around the well. Soil samples will be taken and when the results are back, final remediation and seeding will take place.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #18

Additional Information: This picture was taken looking East. This picture shows the repaired casing back to surface.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #3

Additional Information: This picture was taken looking North.. The operator removed all free fluids around the well head and applied fine gravel around the well head.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #32

Additional Information: This picture was taken looking North. The operator tilled the affected area and seeded the area with brome grass seed.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #32

Additional Information: This picture was taken looking Northeast. The operator tilled the affected area and seeded the area with brome grass seed.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #32

Additional Information: This picture was taken looking Southwest. The operator tilled the affected area and seeded the area with brome grass seed. The operator removed all free fluids around the well head and applied fine gravel around the well head.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

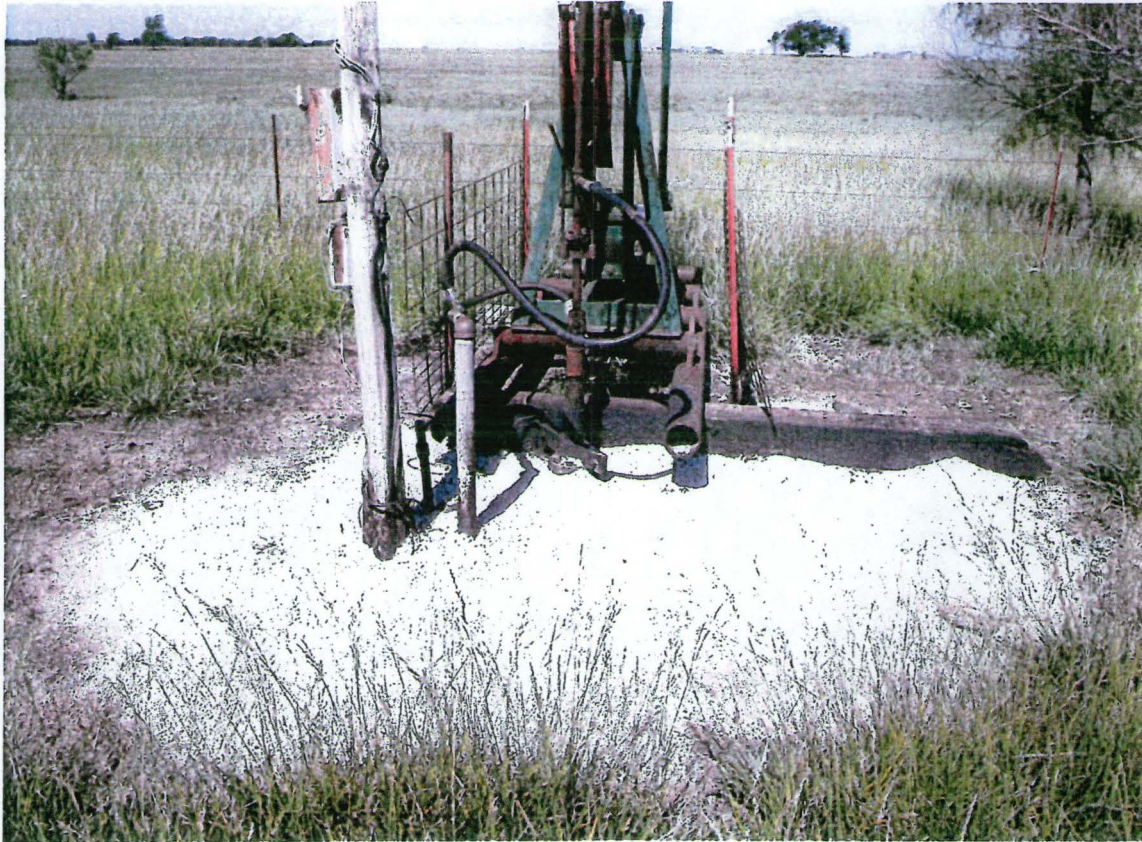
Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #32

Additional Information: This picture was taken looking Northwest. The operator removed all free fluids around the well head and applied fine gravel around the well head.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #10

Additional Information: This picture was taken looking West. The operator removed all free fluids around the well head and applied fine gravel around the well head.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #17

Additional Information: This picture was taken to show the pelletized gypsum that the operator applied to the affected area. The operator tilled the affected area around the well and applied 200 pounds of gypsum to the affected area. The gypsum was then tilled into the affected soil. Soil samples will be taken again at a later date. The samples will be submitted to a lab. Once the soil samples are tested and the results back into the KCC hands, further remediation and seeding will be done.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

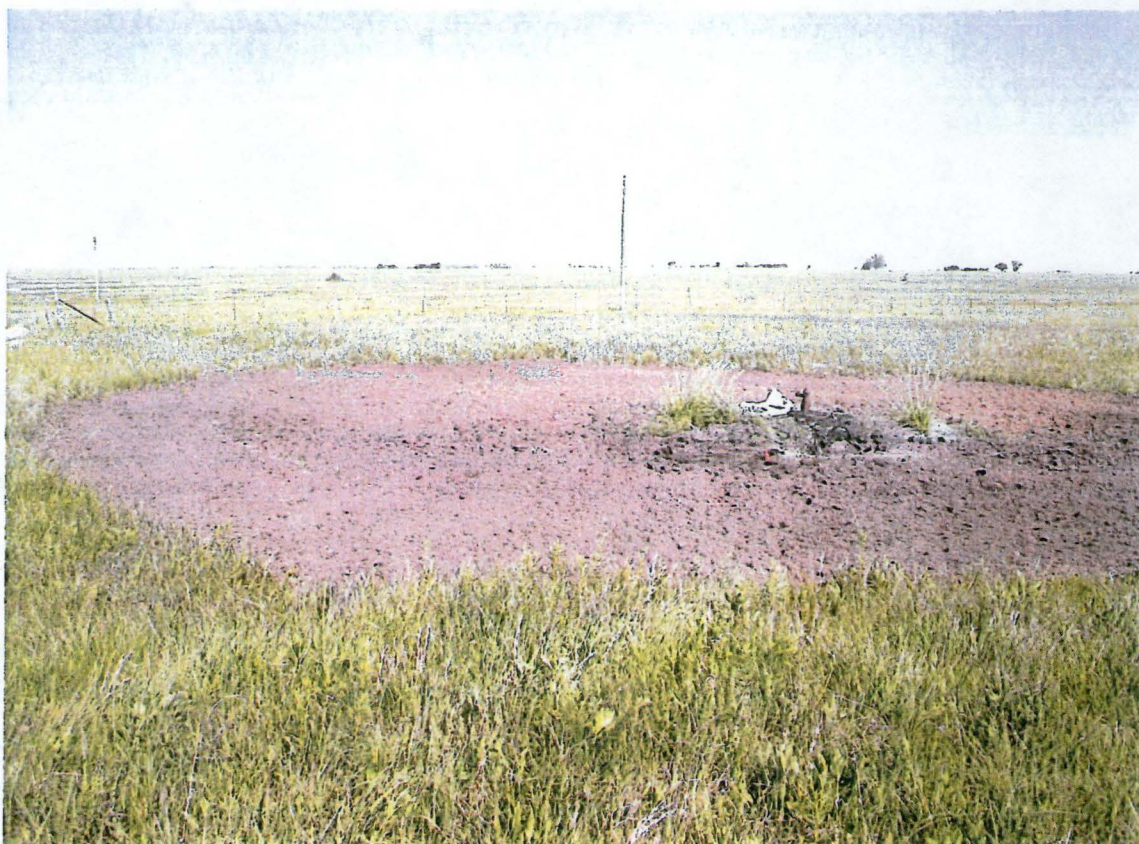
Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #17

Additional Information: This picture was taken looking North. The operator tilled the affected area around the well and applied 200 pounds of gypsum to the affected area. The gypsum was then tilled into the affected soil. Soil samples will be taken again at a later date. The samples will be submitted to a lab. Once the soil samples are tested and the results back into the KCC hands, further remediation and seeding will be done.



Lease Name: Hartzler

Operator: Steve Leis

License #: 33900

Date: 5/10/2012

Legals: S28 – T25S – R15E

County: Woodson

Well #: #17

Additional Information: This picture was taken looking North. The operator tilled the affected area around the well and applied 200 pounds of gypsum to the affected area. The gypsum was then tilled into the affected soil. Soil samples will be taken again at a later date. The samples will be submitted to a lab. Once the soil samples are tested and the results back into the KCC hands, further remediation and seeding will be done.

KCC OIL/GAS REGULATORY OFFICES

Inspection Date 06/29/2012

District: 3

Incident Number:

4859

☐ New Situation

☐ Lease Inspection

☐ Response to Request

☐ Complaint

☒ Follow-up

☐ Field Report

Operator License No: 33900

API:

Q3

Q2:

Q1: SE

Operator Name: Steven A. Leis

SEC 28 TWP 25 RGE 15 RGEDIR E

Address: 1092 Osage Rd

FSL:

City: Yates Center

FEL:

State KS Zip Code: 66783

Lease Hartzler

Well No.:

Phone contact: 620-330-6328

County: WO

Reason for Investigation:

Follow-up to field report #4858.

Problem:

Check work on well #4 and #12.

Persons contacted:

Steve Leis, Operator

Findings:

I arrived on the Harzler lease around 9:00 am on 6/29/2012. I met with Steve Leis, operator, and we visited the well sites for well #4 and well #12. Mr. Leis had repaired both wells and brought the cement back to surface. Both wells were shut-in with a valve. This concluded all the wells he needed to repair for TA (Temporary Abandonment) approval.

Actions / Recommendation

Follow-up Required ☐

Deadline Date:

No further actions are required.

☐ RBDMS

☐ KGS

☐ TA DB

Report Prepared By Ryan M. Duling

☐ T1 DBF

☐ District Files

☐ Courthouse

Position: PIRT II

Photo's Taken:

0

EXHIBIT

4

CASING MECHANICAL INTEGRITY TEST

DOCKET # E-21983Disposal ☐ Enhanced Recovery: NW NE NW SE Sec 28, T 25 S, R 16 EW

OW -OP

Repressuring ☒

Syr test

Flood ☐Tertiary ☐

Date injection started

API #15 - 207-23932Lease HartzlerWell # 34County WoodsonOperator: John LeisOperator License # 23079 32079

Name &

Address 1188 Night Hawk rdContact Person John LeisYate Center, KS 66783Phone 620-625-3646

Max. Auth. Injection Press. _____ psi; Max. Inj. Rate _____ bbl/d;

If Dual Completion - Injection above production _____ Injection below production _____

Conductor	Surface	Production	Liner	Size	Tubing
Size	<u>6 1/2"</u>	<u>2 1/2"</u>		Size	
Set at	<u>40"</u>	<u>1217'</u>		Set at	
Cement Top	<u>Circ</u>	<u>Circ</u>		Type	
" Bottom	<u>40"</u>	<u>1217'</u>			

DV/Perf. _____ TD (and plug back) _____ ft. depth

Packer type _____ Size _____ Set at _____

Zone of injection 1164 ft. to ft. 1173 Perf. or open hole PerfType Mit: Pressure ☒ Radioactive Tracer Survey ☐ Temperature Survey ☐F Time: Start 20 Min. 40 Min. 60 Min.

I

E Pressures: 360 350 350 Set up 1 System Pres. during test _____

L

D _____ Set up 2 Annular Pres. during test _____

D

D _____ Set up 3 Fluid loss during test _____ bbls.

A

T Tested: Casing ☒ or Casing - Tubing Annulus ☐

A

The bottom of the tested zone is shut in with Fluid depression testTest Date 2-15-2012 Using Midwest surveys Company IS EquipmentThe operator hereby certifies that the zone between 0 feet and 1164 feetwas the zone tested Brett Martin Signature Contractor TitleThe results were Satisfactory ☒, Marginal _____, Not Satisfactory _____State Agent [Signature] Title Brett Martin Witness: Yes ☐ No ☒REMARKS: Fl. level was 372 from surface: 1164 - 372 = 792 x .43 = 343☐ Orgin. Conservation Div.; ☐ KDHE/T; ☒ Dist. Office;☐ Computer Update

KCC Form U-7 6/84

EXHIBIT

CASING MECHANICAL INTEGRITY TEST

Disposal ☐ Enhanced Recovery: ☐Repressuring ☒Flood ☐Tertiary ☐

Date injection started _____

API #15 - 207 - 23920

Lat = 37.83818

Long = 095.76443

DOCKET # E-21983

NW SW SE, Sec 28, T 25S, R 15 EW

GPS =

818

860

Feet from South Section Line

2181

2100

Feet from East Section Line

Lease

Hartzler

Well #

29

County

Woodson

Operator: John Leis

Operator License # 32079

Name &

Address 1188 Nighthawk Rd

Contact Person John Leis

Yates Center, KS 666783

Phone 620-625-3676

Max. Auth. Injection Press. _____ psi; Max. Inj. Rate _____ bbl/d;

If Dual Completion - Injection above production _____ Injection below production _____

Conductor	Surface	Production	Liner	Size	Tubing
Size	6 1/4"	2 1/2"		Size	
Set at	40'	1205'		Set at	
Cement Top	Circ	Circ		Type	
" Bottom	40'	1205'			

DV/Perf. _____ TD (and plug back) _____ ft. depth

Packer type _____ Size _____ Set at _____

Zone of injection 1140 ft. to ft. 1145 Perf. or open hole Perforate

Type Mit: Pressure ☒ Radioactive Tracer Survey ☐ Temperature Survey ☐

F Time: Start 20 Min. 40 Min. 60 Min.

I Pressures: 480 460 460 Set up 1 System Pres. during test _____

L Set up 2 Annular Pres. during test _____

D Set up 3 Fluid loss during test _____ bbls.

A Tested: Casing ☒ or Casing - Tubing Annulus ☐

The bottom of the tested zone is shut in with Fluid Depression Test

Test Date 2/8/12 Using midwest surveys Company's Equipment

The operator hereby certifies that the zone between 0 feet and 1140 feet

was the zone tested [Signature] [Signature] Contractor

Signature

Title

The results were Satisfactory ☒, Marginal _____, Not Satisfactory _____State Agent [Signature] Title [Signature] Witness: Yes ☒ No _____

REMARKS: Full of Fluid 1140 x .43 = 490 1140 - 50 = 1090 x .43 = 468

☐ Origin. Conservation Div.; ☐ KDHE/T; ☒ Dist. Office;☐ Computer Update

[Signature]

KCC Form U-7 6/84

CASING MECHANICAL INTEGRITY TEST

Lat = 37.83700
Long = 095.76465DOCKET # E-21983Disposal ☐ Enhanced Recovery: SW SW SE, Sec 28, T 25 S, R 15 B/WRepressuring ☒
Flood ☐
Tertiary ☐Date injection started _____
API #15 - 207 - 23899GFS = 388 420 Feet from South Section Line
2241 2100 Feet from East Section LineLease Hartzer Well # 23
County WoodsonOperator: John LeisOperator License # 32079

Name &

Address 1188 Nighthawk RdContact Person John LeisYates Center, MS 66783Phone 620-625-3676

Max. Auth. Injection Press. _____ psi; Max. Inj. Rate _____ bbl/d;

If Dual Completion - Injection above production _____ Injection below production _____

Conductor	Surface	Production	Liner	Size	Tubing
Size _____	<u>6 1/4"</u>	<u>2 1/2"</u>	_____	_____	_____
Set at _____	<u>40'</u>	<u>1190'</u>	_____	Set at _____	_____
Cement Top _____	<u>Circ</u>	<u>Circ</u>	_____	Type _____	_____
" Bottom _____	<u>40'</u>	<u>1190'</u>	_____	_____	_____

DV/Perf. _____ TD (and plug back) _____ ft. depth

Packer type _____ Size _____ Set at _____
Zone of injection 1150 ft. to ft. 1160 Perf. or open hole PerforatedType Mit: Pressure ☒ Radioactive Tracer Survey ☐ Temperature Survey ☐F Time: Start 20 Min. 40 Min. 60 Min.

Pressures:	Set up 1	System Pres. during test
<u>340</u> <u>340</u> <u>340</u>	_____	_____
_____	Set up 2	Annular Pres. during test _____
_____	Set up 3	Fluid loss during test _____ bbls.

T Tested: Casing ☒ or Casing - Tubing Annulus ☐The bottom of the tested zone is shut in with Fluid Depression TestTest Date 2/8/2012 Using Midwest Surveys Company's EquipmentThe operator hereby certifies that the zone between 0 feet and 1150 feetwas the zone tested [Signature] Signature Contractor TitleThe results were Satisfactory ☒, Marginal _____, Not Satisfactory _____State Agent [Signature] Title Lat 2 Witness: Yes ☒ No _____REMARKS: Fluid Level = 429 1150 - 429 = 721 x .43 = 310☐ Origin. Conservation Div.; ☐ KDHE/T; ☒ Dist. Office;☐ Computer Update

JCM

KCC Form U-7 6/84

CASING MECHANICAL INTEGRITY TEST

DOCKET # E-21983Disposal ☐ Enhanced Recovery:DW-Op
5yr testRepressuring ☒
Flood ☐
Tertiary ☐

Date injection started

API #15 - 207-23,932NE NE NW SE Sec 26, T 25 S, R 15 EW1320 Feet from South Section Line2540 Feet from East Section LineLease HartzlerWell # 33County WoodsonOperator: John E. LeisOperator License # 32079

Name &

Address 1188 N. Light Hawk Rd.Contact Person John LeisYates Center, KS 66783Phone 620-625-3676

Max. Auth. Injection Press. _____ psi; Max. Inj. Rate _____ bbl/d;

If Dual Completion - Injection above production _____ Injection below production _____

	Conductor	Surface	Production	Liner	Size	Tubing
Size		<u>6 7/8"</u>	<u>2 3/4"</u>			
Set at		<u>40'</u>	<u>1205'</u>		Set at	
Cement Top		<u>Circ</u>	<u>Circ</u>		Type	
" Bottom		<u>40'</u>	<u>1205'</u>			

DV/Perf. _____ TD (and plug back) _____ ft. depth

Packer type _____ Size _____ Set at _____

Zone of injection 1140 ft. to ft. 1164 Perf. or open hole PerforatedType Mit: Pressure ☒ Radioactive Tracer Survey ☐ Temperature Survey ☐F Time: Start 4:10 20 Min. 40 Min. 60 Min.

RECEIVED

I Pressures: 5:10 310 300 300 Set up 1 System Pres. during test NOV 30 2011L Set up 2 Annular Pres. KCC Chg. test #3

D Set up 3 Fluid loss during test _____ bbls.

A Tested: Casing ☒ or Casing - Tubing Annulus ☐The bottom of the tested zone is shut in with Fluid depression testTest Date 11-28-11 Using Midwest surveys Company's EquipmentThe operator hereby certifies that the zone between 0 feet and 1140 feetwas the zone tested John Christopher Contractor

Signature

Title

The results were Satisfactory ☒, Marginal ☐, Not Satisfactory ☐State Agent John E. LeisTitle Test IIWitness: Yes ☐ No ☒REMARKS: Fluid was 513' from surface no pressure 1140-50-109-513-527-13-24☐ Origin. Conservation Div.;☒ KDHE/T;☐ Dist. Office;☐ Computer Update

KCC FORM U-7 6/84

CASING MECHANICAL INTEGRITY TEST

Disposal ☐ Enhanced Recovery: ☐

OWOP

Repressuring ☒
Flood ☐
Tertiary ☐

Date injection started

API #15 - 207 - 23929-00-01

687 - 1771 00

Lat = 37.83815

Lon = 095.76307

NE SW

NW SE SE, Sec 28, T 25 S, R 15 E/W

DOCKET # 15-21983

808' 860 Feet from South Section Line
1768' 1760 Feet from East Section Line

Lease Hart 21st

Well # 30

County Woodson

Operator: John E. Lewis

Operator License # 32079

Name &

Address 1188 Nighthawk Rd

Contact Person John Lewis

Yates Center, KS 66783

Phone 620-625-3676

Max. Auth. Injection Press. _____ psi; Max. Inj. Rate _____ bbl/d;

If Dual Completion - Injection above production _____ Injection below production _____

	Conductor	Surface	Production	Liner	Tubing
Size		6 1/4"	2 1/2"		
Set at		40'	1220'		
Cement Top		One	One		
" Bottom		40'	1220'		

DV/Perf. _____ TD (and plug back) _____ ft. depth

Packer type _____ Size _____ Set at _____

Zone of injection 1145 ft. to ft. 1154 Perforated or open hole Perforated

Type Mit: Pressure ☒ Radioactive Tracer Survey ☐ Temperature Survey ☐

F Time: Start 20 Min. 40 Min. 60 Min.

	Pressures	Set up 1	Set up 2	Set up 3	System Pres. during test	Annular Pres. during test	Fluid loss during test
I	400	380	380				
E							
L							
D							
D							
A							
T							
A							

Tested: Casing ☒ or Casing - Tubing Annulus ☐

The bottom of the tested zone is shut in with Fluid Deposition Test

Test Date 11/28/2011 Using Midwest Survey Company's Equipment

The operator hereby certifies that the zone between 0 feet and 1145 feet

was the zone tested Wyatt Construction Contractor

Signature

Title

The results were Satisfactory ☒, Marginal _____, Not Satisfactory _____State Agent Ryan M. Smith Title Dist II Witness: Yes ☒ No _____

REMARKS: Fluid Level = 472' 1145-50 = 1095 - 472 = 623 X .43 = 268

☐ Origin. Conservation Div.; ☒ KDHE/T; ☐ Dist. Office;☐ Computer Update

KCC Form U-7 6/84