THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners: Andrew J. French, Chairperson

Dwight D. Keen Susan K. Duffy

In the matter of the failure of Jeff Crawford dba Jeff's Oilwell Supervision (Operator) to comply with K.A.R. 82-3-111 at the Lerock) CONSERVATION DIVISION #5, Lerock/Harrison #2, Schindler #B-1, Schindler #B-2, and Schindler #B-4 wells in Rooks County, Kansas.

PENALTY ORDER

The Commission finds Operator has violated K.A.R. 82-3-111 regarding the captioned wells, assesses a \$500 penalty, directs Operator to come into compliance, and further rules as more fully described below.

I. JURISDICTION

- 1. K.S.A. 74-623 provides the Commission exclusive jurisdiction and authority to regulate oil and gas activities in Kansas. K.S.A. 55-152 provides the Commission with jurisdiction to regulate the construction, operation, and abandonment of any well, and also the protection of the usable water of this state from any actual or potential pollution from any well. The Commission has licensing authority under K.S.A. 55-155.
- 2. K.S.A. 55-162 and K.S.A. 55-164 provide the Commission authority to issue penalty orders for violations of Chapter 55 of the Kansas Statutes Annotated, or of any rule, regulation, or order of the Commission. Under K.S.A. 55-164, a penalty order may include a monetary penalty of up to \$10,000, the penalty must constitute a substantial and actual economic deterrent to the violation, and each day of a continuing violation constitutes a separate violation.
- 3. K.A.R. 82-3-111 provides that within 90 days after operations cease on any well, the operator of that well shall plug the well, return the well to service, or file an application with the Conservation Division requesting temporary abandonment (TA) status. If not plugged or

returned to service, the operator must obtain TA approval; TA status may be denied by the Conservation Division if necessary to prevent pollution. A well shut-in for 10 years or more cannot be granted TA status without the operator filing an application for an exception pursuant to K.A.R. 82-3-100 and approval from the Commission. K.A.R. 82-3-111(e) provides a TA exemption for certain wells fully equipped and capable of production.

II. FINDINGS OF FACT

- 4. Operator is licensed to conduct oil and gas activities in Kansas and is responsible for the following wells (Subject Wells), located in Section 23, Township 8 South, Range 17 West, Rooks County, Kansas:
 - a. Lerock #5, API #15-163-20953-00-00;
 - Lerock/Harrison #2, API #15-163-20868-00-00; b.
 - Schindler #B-1, API #15-163-20845-00-00; c.
 - d. Schindler #B-2, API #15-163-20866-00-00; and
 - Schindler #B-4, API #15-163-20883-00-00. e.
- 5. On July 27, 2021, Commission records indicated the Subject Wells had been inactive and unplugged for longer than the 90 days allowed by K.A.R. 82-3-111, that the wells were not exempt pursuant to K.A.R. 82-3-111(e), and that the wells were not approved for TA status. Thus, Commission Staff sent letters to Operator, requiring Operator to bring the Subject Wells into compliance with K.A.R. 82-3-111 by August 26, 2021.¹
- 6. On August 30, 2021, Commission Staff inspected the Subject Wells, because the deadline in the letters had passed and the violations had not been resolved, verifying that the wells continued to be inactive and unplugged.²

III. CONCLUSIONS OF LAW

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

¹ Exhibit A.

² Exhibit B.

8. Operator has committed five violations of K.A.R. 82-3-111 because the Subject Wells have been inactive in excess of the time allowed by regulation without being plugged, returned to service, or approved for TA status.³

THEREFORE, THE COMMISSION ORDERS:

- A. Operator shall pay a \$500 penalty.
- B. Operator shall plug the Subject Wells, or return the wells to service, or obtain TA status for the wells if eligible.
- C. Commission Staff may require Staff-witnessed static fluid level measurements before a Subject Well is returned to service. A Subject Well may not be returned to service if (1) any measurement has shown fluid in the wellbore at or above the appropriate minimum surface casing requirement described in Table I of the Commission's August 1, 1991, Order in Docket 34,780, (2) any measurement has shown fluid in the wellbore at or above any salt formation or other corrosive formation, or (3) in the opinion of Staff, variation in measurements indicates the possibility of a casing leak. Provided, however, a Subject Well may be returned to service upon (a) passing a casing integrity test after issuance of this Penalty Order to the satisfaction of Staff, or (b) Staff providing written, well-specific authorization after issuance of this Penalty Order.
- D. Operator may request a hearing on the above issues by submitting a written request, pursuant to K.S.A. 55-164, K.S.A. 77-537, and K.S.A. 77-542, to the Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202, within 30 days from the date of service of this Order. A request for hearing must comply with K.A.R. 82-1-219.
- E. <u>Failure to timely request a hearing will result in a waiver of Operator's right to a</u> hearing. If no party timely requests a hearing, then this Order shall become final.
- F. <u>If Operator is not in compliance with this Order and the Order is final, then Operator's license shall be suspended without further notice and shall remain suspended until Operator complies.</u> If a Subject Well has been inactive for more than 10 years and Operator

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³ K.S.A. 55-164; K.A.R. 82-3-111(b).

applies for an exception to the 10-year limit on TA status for the Subject Well prior to this Order becoming final, and Operator would be in compliance with this Order if the application were approved, then suspension shall not be enforced unless: (1) the application is denied, and (2) 30 days have elapsed since the denial. The notice and opportunity for a hearing on this Order shall constitute the notice required by K.S.A. 77-512 regarding license suspension.

G. A party may petition for reconsideration of a final order pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).⁴

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

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Duffy, Commissioner

Dated: 10/05/2021	Lynn M. Ref	
	Lynn M. Retz Executive Director	
Mailed Date:10/05/2021		
TSK		

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



Phone: 785-261-6250 Fax: 785-625-0564 http://kcc.ks.gov/

Laura Kelly, Governor

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

July 27, 2021

Jeff Crawford Crawford, Jeff dba Jeff's Oilwell Supervision 705 BAUM ST PO BOX 245 NATOMA, KS 67651-0245

Re: Temporary Abandonment API 15-163-20953-00-00 LEROCK 5 SE/4 Sec.23-08S-17W Rooks County, Kansas

Dear Jeff Crawford:

Your application for Temporary Abandonment (TA) for the above-listed well is denied for the following reasons(s):

High Fluid Level

Pursuant to K.A.R. 82-3-111, the well must be plugged, or returned to service, or obtain temporary abandonment status by 08/26/2021.

This deadline does NOT override any compliance deadline given to you in any Commission Order.

You may contact me if you have any questions.



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July 27, 2021

Jeff Crawford Crawford, Jeff dba Jeff's Oilwell Supervision 705 BAUM ST PO BOX 245 NATOMA, KS 67651-0245

Re: Temporary Abandonment API 15-163-20868-00-00 LEROCK/HARRISON 2 SE/4 Sec.23-08S-17W Rooks County, Kansas

Dear Jeff Crawford:

Your application for Temporary Abandonment (TA) for the above-listed well is denied for the following reasons(s):

High Fluid Level

Pursuant to K.A.R. 82-3-111, the well must be plugged, or returned to service, or obtain temporary abandonment status by 08/26/2021.

This deadline does NOT override any compliance deadline given to you in any Commission Order.

You may contact me if you have any questions.



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July 27, 2021

Jeff Crawford Crawford, Jeff dba Jeff's Oilwell Supervision 705 BAUM ST PO BOX 245 NATOMA, KS 67651-0245

Re: Temporary Abandonment API 15-163-20845-00-00 SCHINDLER B-1 SW/4 Sec.23-08S-17W Rooks County, Kansas

Dear Jeff Crawford:

Your application for Temporary Abandonment (TA) for the above-listed well is denied for the following reasons(s):

High Fluid Level

Pursuant to K.A.R. 82-3-111, the well must be plugged, or returned to service, or obtain temporary abandonment status by 08/26/2021.

This deadline does NOT override any compliance deadline given to you in any Commission Order.

You may contact me if you have any questions.



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July 27, 2021

Jeff Crawford Crawford, Jeff dba Jeff's Oilwell Supervision 705 BAUM ST PO BOX 245 NATOMA, KS 67651-0245

Re: Temporary Abandonment API 15-163-20866-00-00 SCHINDLER B-2 SW/4 Sec.23-08S-17W Rooks County, Kansas

Dear Jeff Crawford:

Your application for Temporary Abandonment (TA) for the above-listed well is denied for the following reasons(s):

High Fluid Level

Pursuant to K.A.R. 82-3-111, the well must be plugged, or returned to service, or obtain temporary abandonment status by 08/26/2021.

This deadline does NOT override any compliance deadline given to you in any Commission Order.

You may contact me if you have any questions.



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July 27, 2021

Jeff Crawford Crawford, Jeff dba Jeff's Oilwell Supervision 705 BAUM ST PO BOX 245 NATOMA, KS 67651-0245

Re: Temporary Abandonment API 15-163-20883-00-00 SCHINDLER B-4 SW/4 Sec.23-08S-17W Rooks County, Kansas

Dear Jeff Crawford:

Your application for Temporary Abandonment (TA) for the above-listed well is denied for the following reasons(s):

High Fluid Level

Pursuant to K.A.R. 82-3-111, the well must be plugged, or returned to service, or obtain temporary abandonment status by 08/26/2021.

This deadline does NOT override any compliance deadline given to you in any Commission Order.

You may contact me if you have any questions.

INSPECTION REPORT

Case#		ļ	Situation onse to request	
Date of Inspection:	August 30, 2021			
Operator:	Jeff's Oilwell Supervision	License:	32247	
Address:	P.O. Box 245	Location:	SE/4 23-8S-17W	
City/St:	Natoma, Ks. 67651-0245	Lease:	LeRock	
Phone:	(785)-885-8013	County:	Rooks	
Reason for i	nvestigation: Request from Compliance Officer			
Problem:	Inactive Wells			
Findings: Aug. 30, 2021: Tank Battery has proper identification. (GPS LOC: LAT. 39.33618, LONG. 099.18463.). LeRock/Harrison #2 API# 15-163-20868-0000, located SW SW SE/4 23-8-17W Rooks County Kansas is currently inactive. (GPS LOC: LAT. 39.33683, LONG. 099.18430 Footages 305' F. S. L. & 2352' F. E. L.). LeRock #5 API# 15-13-20953-0000, located NW SW SE/4 23-8-17W Rooks County Kansas is currently inactive. (GPS LOC: LAT. 39.33871, LONG. 099.18416 Footages 989' F.S. L. & 2316' F.E. L.). LeRock #3 API# 15-163-20891-0001, Docket# E-27241-0002, located SW NW SE/4 Rooks County Kansas is currently an active injection. (GPS LOC: LAT. 39.34047, LONG. 099.18420 Footages 1630' F.S. L. & 2331' F.E. L.). Photos: Yes Action /recommendations: No change from previous inspection on 3/9/2021. Referred to Compliance Officer.				
Pat Bedore	E.C.R.S. (agent)	Pat	Bedone (signature)	
cc: file				

Date: August 30, 2021

Jeff's Oilwell Supervision LeRock SE/4 23-8S-17W Rooks County, Kansas

Lease inspection conducted on April 20, 2020 to check lease for compliance with State Rules & Regulations regarding the Conservation of Crude Oil & Natural Gas.





LeRock/Harrison #2 SW SW SE API# 15-163-20868-0000

LeRock #5 NW SW SE API# 15-163-20953-0000

INSPECTION REPORT

Case#		New	plaint Situation onse to request w-up	
Date of Inspection:	August 30, 2021			
Operator:	Jeff's Oilwell Supervision	License:	32247	
Address:	P.O. Box 245	Location:	SW/4 23-8S-17W	
City/St:	Natoma, Ks. 67651-0245	Lease:	Schindler B	
Phone:	(785)-885-8013	County:	Rooks	
	nvestigation: Request from Compliance Officer	county.	TOOLO	
Problem:	Inactive Wells			
Findings: Aug. 30, 2021: Tank Battery has proper identification. (GPS LOC: LAT. 39,33609, LONG. 099,19023.). Schindler B1 API# 15-163-20845-0000, located SW SE SW/4 23-8-17W Rooks County Kansas is currently inactive. (GPS LOC: LAT. 39.33672, LONG. 099,19003 Footages 292' F.S.L. & 3972' F.E.L.). Pumping Unit has been removed. Schindler B2 API# 15-163-20866-0000, located NE SW SW/4 23-8-17W Rooks County Kansas is currently inactive. (GPS LOC: LAT. 39.33867, LONG. 099,19006 Footages 1002' F.S.L. & 3984' F.E.L.). Schindler B7 API# 15-163-20921-0002, Docket# E-27842-0001, located SW SE SW/4 23-8-17W Rooks County Kansas is currently an active injection. (GPS LOC: LAT. 39.33771, LONG. 099,18829 Footages 644' F.S.L. & 3842' F.E.L.). Schindler B3 API# 15-163-20876-0000, located SE SE SW/4 23-8-17W Rooks County Kansas has been returned to production. (GPS LOC: LAT. 39.33680, LONG. 099,18658 Footages 305' F.S.L. & 2997' F.E.L.). Schindler B4 API# 15-163-20883-0000, located NE SE SW/4 23-8-17W Rooks County Kansas is currently inactive. (PS LOC: LAT. 39.33876, LONG. 099,18656 Footages 1018' F.S.L. & 2995' F.E.L.). Photos: Yes Action /recommendations: No change Schindler B1, B2, and B4 from previous inspection on 3/9/2021. Schindler B3 has been returned to production Referred to Compliance Officer.				
Pat Bedore	E.C.R.S. (agent)	Pat	Bedore (signature)	

Date: August 30, 2021

Jeff's Oilwell Supervision Schindler B SW/4 23-8S-17W Rooks County, Kansas

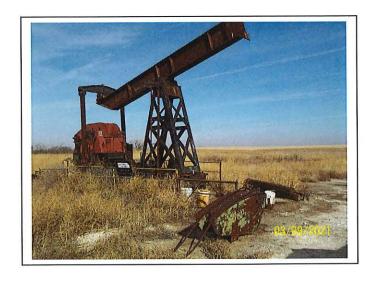
< A Lease inspection conducted on April 10, 2020_to check for compliance with State Rules & Regulations regarding the Conservation of Crude Oil & Natural Gas.



Schindler B2 NE SW SW API# 15-163-20866-0000



Schindler B1 SW SE SW API# 15-163-20845-0000



Schindler B4 NE SE SW API# 15-163-20883-0000

CERTIFICATE OF SERVICE

22-CONS-3149-CPEN

I, the undersigned, certify that a true cop	y of the attached Order has been served to the following by means of
first class mail and electronic service on	10/05/2021

JEFF CRAWFORD D/B/A Jeff's Oilwell Supervision PO BOX 245 NATOMA, KS 67651-0245 jeffsoilwell50@gmail.com TRISTAN KIMBRELL, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION CENTRAL OFFICE 266 N. MAIN ST, STE 220 WICHITA, KS 67202-1513 t.kimbrell@kcc.ks.gov

RICHARD WILLIAMS
KANSAS CORPORATION COMMISSION
DISTRICT OFFICE NO. 4
2301 E. 13TH STREET
HAYS, KS 67601-2654
r.williams@kcc.ks.gov

/S/ Desirae Mayfield

Desirae Mayfield