



VIVA
INTERNATIONAL, INC.

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Overland Park, Kansas 66213

April 23, 2020

Kansas Corporation Commission
Conservation Division
266 N Main Street
Suite 220
Wichita, KS 67202-1513

2020-05-05 08:12:13
Filed Date: 05/01/2020
Kansas Corporation Commission
/s/ Lynn M. Retz

RE: Penalty Assessment Docket # 20-CONS-3255-CPEN

Mr Glamann,

Due to the coronavirus pandemic and the delays set forth by Governor Laura Kelly, it is unclear as to when the stay of docket order will be lifted and business for the KCC is back to normal.

I dispute the penalty order set forth in the above named docket number for the following reasons and request a hearing.

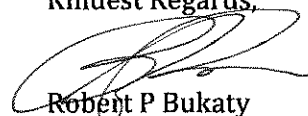
When I contacted John Almond at the Chanute district office, we had just entered into a financing agreement with a private investor/lender and were in the process of restarting our production. It was at this time that I became aware of the suspension that had been in place since June. The reason for the ignorance of the suspension order is that after checking with my assistant, she has never seen a suspension order notice and had we seen it, we would have clearly resolved the issue as was displayed by how quickly it was handled. The main issue we have with being uninformed about the suspension is this. For some reason, throughout the process of renewing our license in June 2019, not one time did a representative of the KCC state, "oh by the way...", your license is suspended. I informed you of this and at the time, you stated that "we have fixed that".

If I had been notified during the license renewal, it would have been resolved immediately prior to continuing any production in Sedgwick County. This is clearly an error, in my opinion, of the Kansas Corporation Commission. How do you renew a suspended license and how was this scenario even allowed to play out in a regulatory agency?

The statement that we had wells "in production" the day after being notified of the suspension by Mr Almond, is incorrect and you and I spoke about it. We were in the process of repairing electrical systems and my pumper, Chuck Ikehorn, told the KCC representative, which I believe was Keith Carswell, that the wells were intermittently turned on as we were assessing each electrical issue on each well. Multiple wells are connected to common fuse boxes. He told Keith that we were not leaving them on in a production capacity for any long period of time and thus turned off the wells as soon as repairs were completed.

My final statement for the cause of the penalty order being unfair and economically damaging to Viva International, Inc., is this. As we sought financial backing, the Sedgwick County lease was pumping to maintain the minimum revenue as we did not have the capital to pursue the re-establish production on our other properties. This was not done in a deceptive manner as we were completely unaware of the suspension, since our license was renewed without issue. The \$50,000 fine is rather excessive and in light of the actions this pandemic has had on the oil markets, the KCC would impose a detrimental blow to the company on what I see as a complete oversight error on the commission's part.

Kindest Regards,



Robert P Bukaty