

Kansas Corporation Commission Oil & Gas Conservation Division

1041642

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

WELL PLUGGING APPLICATION

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

OPERATOR: License #:			API No. 15			
Name:		If pre 196	If pre 1967, supply original completion date:			
Address 1:		Spot Desc	cription:			
Address 2:		_	Sec Twp S. R East West			
City: State: Zip: +			Feet from North / South Line of Section Feet from East / West Line of Section			
Filone. ()		0		SE SW		
			me:			
		Lease Na		vveπ π		
Check One: Oil Well Gas Well OG	D&A Cat	hodic Water	Supply Well Ot	her:		
SWD Permit #:	ENHR Permit #:		Gas Storage	Permit #:		
Conductor Casing Size:	_ Set at:	(Cemented with:		Sacks	
Surface Casing Size:	_ Set at:		Cemented with:		Sacks	
Production Casing Size:	_ Set at:		Cemented with:		Sacks	
Elevation: (G.L. / K.B.) T.D.: Condition of Well: Good Poor Junk in Hole Proposed Method of Plugging (attach a separate page if adding Is Well Log attached to this application? Yes No. 1f ACO-1 not filed, explain why:	Casing Leak at:tional space is needed):			tone Corral Formation)		
Plugging of this Well will be done in accordance with K. Company Representative authorized to supervise plugging						
Address:	(Dity:	State:	Zip:	-+	
Phone: ()						
Plugging Contractor License #:	1	Name:				
Address 1:	A	ddress 2:				
City:			State:	Zip:	_+	
Phone: ()						
Proposed Date of Plugging (if known):						

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

Submitted Electronically



Kansas Corporation Commission Oil & Gas Conservation Division

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Form KSONA-1
July 2010
Form Must Be Typed
Form must be Signed
All blanks must be Filled

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

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).

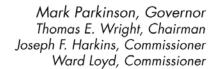
Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (C	Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)			
OPERATOR: License #	Well Location:			
Name:	SecTwpS. R East West			
Address 1:	County:			
Address 2:	Lease Name: Well #:			
City:	If filing a Form T-1 for multiple wells on a lease, enter the legal description of			
Contact Person:	the lease below:			
Phone: () Fax: ()				
Email Address:				
Surface Owner Information:				
Name:	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			
Address 1:				
Address 2:	county, and in the real estate property tax records of the county treasurer.			
City: State: Zip:+				
the KCC with a plat showing the predicted locations of lease roads, tank	dic Protection Borehole Intent), you must supply the surface owners and a batteries, pipelines, and electrical lines. The locations shown on the plat in the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.			
☐ I certify that, pursuant to the Kansas Surface Owner Notice A owner(s) of the land upon which the subject well is or will be loced. CP-1 that I am filing in connection with this form; 2) if the form to form; and 3) my operator name, address, phone number, fax, and ☐ I have not provided this information to the surface owner(s). I as KCC will be required to send this information to the surface owner(s).	cknowledge that, because I have not provided this information, the vner(s). To mitigate the additional cost of the KCC performing this			
task, I acknowledge that I am being charged a \$30.00 handling If choosing the second option, submit payment of the \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-	fee with this form. If the fee is not received with this form, the KSONA-1			
Submitted Electronically				

Form	CP1 - Well Plugging Application	
Operator	K & N Petroleum, Inc.	
Well Name	MUSENBERG 3	
Doc ID	1041642	

Perforations And Bridge Plug Sets

Perforation Top	Perforation Base	Formation	Bridge Plug Depth
3367	3369		
3370	3372		
3372	3374		
3351	3356		





August 05, 2010

Ed Nemnich K & N Petroleum, Inc. 1105 Walnut Great Bend, KS 67530

Re: Plugging Application API 15-009-20275-00-00 MUSENBERG 3 SE/4 Sec.34-19S-12W Barton County, Kansas

Dear Ed Nemnich:

The purpose of this letter is twofold. First, 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.

This letter is also to notify you that during the central office's review of your CP-1 for license number verification, staff has discovered that you are not the current operator of record of the above well on file with the Conservation Division. Central office staff is therefore requesting that you verify that you are the operator of record of the above well. The proper procedure for verifying operator authority is by filing a Conservation Division form T-1 (Request for Change of Operator; Transfer of Injection or Surface Pit Permit). If a T-1 has already been filed with the Conservation Division reflecting the transfer of operator authority, please disregard this paragraph. If a T-1 has not been filed reflecting the transfer, please see the attached letter, which explains the T-1 filing process.

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. Furthermore, 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.

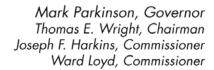
This notice is void after February 01, 2011. The CP-1 filing does not bring the above well into compliance with K.A.R 82-3-111 with regard to the Commission's temporary

abandonment requirements.

Sincerely, Production Department Supervisor

cc: District 4

(785) 625-0550





August 05, 2010

Vinita June Stephens StepCo Oil, Inc. 519 W 6TH ST PO BOX 155 ELLINWOOD, KS 67526-1318

Re: Plugging Application API 15-009-20275-00-00 MUSENBERG 3 SE/4 Sec.34-19S-12W Barton County, Kansas

Dear Vinita June Stephens:

On August 05, 2010 a well plugging application (CP-1) was received, which indicated to Staff that K & N Petroleum, Inc. is the current operator of the MUSENBERG lease. However, Conservation Division records indicate you have not filed a Request for Change of Operator; Transfer of Injection or Surface Pit Permit (Conservation Division Form T-1) transferring operator responsibility to K & N Petroleum, Inc. for the MUSENBERG lease. StepCo Oil, Inc. therefore remains the Commission's operator of record and party responsible for the proper care and control of the MUSENBERG lease.

K.A.R. 82-3-136(a) provides that if operator responsibility is transferred, the past operator shall report the transfer to the Conservation Division within 30 days of the change upon a form prescribed by the Commission (the T-1); and/or K.A.R. 82-3-410(a) provides that authority to operate an injection well shall not be transferred from one operator to another without the approval of the Conservation Division. Furthermore, the transferring operator shall in writing notify the Conservation Division of its intent to transfer the injection authority, on a form prescribed by the Commission, the T-1, and in compliance with K.A.R. 82-3-136.

Staff will provide you with 28 days from this letter's date to bring the MUSENBERG lease into compliance with K.A.R. 82-3-136 and/or K.A.R 82-3-410(a). As such, you will have until September 02, 2010, to bring the MUSENBERG lease into compliance. To bring your operations into compliance, you need to file a T-1 with the Conservation Division for the MUSENBERG lease. A blank T-1 is enclosed with this letter. The T-1 is also available on the Conservation Division's website, at http://www.kcc.state.ks.us/conservation/forms/index.htm, or upon request in the Conservation Division's central office in Wichita or any of the Conservation Division's district offices. If StepCo Oil, Inc. believes it is still the operator of the MUSENBERG lease, you need to contact Jonelle Rains, the Conservation Division's Supervisor of Environmental Protection and Remediation, immediately to address the situation. Jonelle Rains may be reached at the

Conservation Division's central office in Wichita, at the contact information listed on the bottom of this page.

If by September 02, 2010, the Conservation Division has not received the T-1 requested, or you have not contacted Jonelle Rains and resolved this situation, Staff may refer the matter to Conservation Division legal staff with a recommendation for an administrative penalty or penalties. Violations of K.A.R. 82-3-136(a) and K.A.R. 82-3-410(a) are punishable by up to a \$1,000 fine for the first violation, \$2,000 for a second violation, and \$3,000 and operator license review for a third violation. In addition, Staff may ask the Commission to shut in your current operations until compliance is achieved.

Please contact the Conservation Division immediately, or provide the requested information by September 02, 2010, to remedy the above possible violation(s) and avoid further compliance action by the Commission. Please include a copy of this letter with completed T-1 form upon filing with the Conservation Division.

Sincerely, Production Department Supervisor

cc: Ed Nemnich K & N Petroleum, Inc. 1105 Walnut Great Bend KS 67530