

Notice: Fill out COMPLETELY and return to Conservation Division at the address below within 60 days from plugging date.

the same are true and correct, so help me God.

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CP-4 March 2009 Type or Print on this Form Form must be Signed All blanks must be Filled

WELL PLUGGING RECORD K.A.R. 82-3-117

OPERATOR: License #:				API No. 15											
Name:				Spot Description:											
Address 1:				Sec Twp S. R East West											
Address 2:				Feet from North / South Line of Section											
City:				Feet from East / West Line of Section											
Contact Person:				Footages Calculated from Nearest Outside Section Corner:											
Phone: ()			—	NE NW	SE SW										
Type of Well: (Check one) Oil Well Gas Well OG D&A Cathodic				County:											
Water Supply Well Other: SWD Permit #: Gas Storage Permit #: Is ACO-1 filed? Yes No If not, is well log attached? Yes No Producing Formation(s): List All (If needed attach another sheet)				Lease Name: Well #: Date Well Completed: (Date) The plugging proposal was approved on: (KCC District Agent's Name)											
								Depth to Top: Bottom: T.D				Plugging Commenced:			
								Depth to		m: T.D	Plugging	Plugging Completed:			
								Depth to	Top: Botto	m:T.D					
Show depth and thickness of a	all water, oil and gas forma	ations.	·												
Oil, Gas or Water Records Cas			Casing Record (Sเ	g Record (Surface, Conductor & Production)											
Formation	Content	Casing	Size	Setting Depth	Pulled Out										
Describe in detail the manner cement or other plugs were us	. 00		•												
Plugging Contractor License #:			Name:	e:											
Address 1:			Address 2:												
City:			State:		Zip:	+									
Phone: ()															
Name of Party Responsible for	r Plugging Fees:														
State of	County, _		·												
	(Print Nama)		L E	mployee of Operator of	r U Operator on ab	ove-described well,									
being first duly sworn on oath,	(Print Name) says: That I have knowled	lge of the facts statements, ar	nd matters herein o	ontained, and the log of	of the above-described	well is as filed, and									

Submitted Electronically

Conservation Division 266 N. Main St., Ste. 220 Wichita, KS 67202-1513



Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Sam Brownback, Governor

Jay Scott Emler, Chairman Shari Feist Albrecht, Commissioner Pat Apple, Commissioner

March 18, 2016

Joe Brake Brake, Joe dba Brake Inc. RT 1 BOX 84 LATHAM, KS 67072-0084

Re: Well Plugging
API 15-083-10273-00-00
REGNIER 1
NW/4 Sec.02-24S-21W
Hodgeman County, Kansas

Dear Joe Brake:

On March 18, 2016 an operator well plugging report (CP-4) was received, which indicated to Staff that Becker Oil Corporation is the current operator of the REGNIER 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 Becker Oil Corporation for the REGNIER lease. Brake, Joe dba Brake Inc. therefore remains the Commission's operator of record and party responsible for the proper care and control of REGNIER 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 with 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 REGNIER lease into compliance with K.A.R. 82-3-136 and/or K.A.R. 82-3-410(a). As such, you have until April 15, 2016 to bring the REGNIER lease into compliance. To bring your operations into compliance, you need to file a T-1 with Conservation Division for the REGNIER lease. A blank T-1 is enclosed with this letter. The T-1 is also available on the Conservation Division's website, at http://kcc.ks.gov/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 Brake, Joe dba Brake Inc. believes it is still the operator of the REGNIER 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 Conservations

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

If by April 15, 2016 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 the 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, 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 April 15, 2016, to remedy the above possible violation(s) and avoid further compliance action by the Commission. Please include a copy of this letter with the completed T-1 form upon filing with the Conservation Division.

Sincerely, Production Department Supervisor

cc: Doug Brown Becker Oil Corporation PO BOX 1150 PONCA CITY OK 74602