

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1309509

March 2010 This Form must be Typed Form must be Signed All blanks must be Filled

Form CP-1

Form KSONA-1, Certific		bmitted with the Ka		wher Notificat	on Act,	
OPERATOR: License #:		API No. 15				
Name:		If pre 1967, suppl	y original compl	etion date:		
Address 1:		Spot Description:				
Address 2:				_ Sec Tw	p S. R	East West
City: State:	Zip: +			Feet from	North /	South Line of Section
Contact Person:				Feet from	East /	West Line of Section
			Footages Calcula			n Corner:
Phone: ( )					SE SW	
			Lease Name:		Well #	
Check One: Oil Well Gas Well OG	D&A	Cathodic	Water Supply	Well	ther:	
SWD Permit #:	ENHR Per	 mit #:		¬	Permit #:	
Conductor Casing Size:						
Surface Casing Size:						
Production Casing Size:						
List (ALL) Perforations and Bridge Plug Sets:	_ 001 01.			cu with		
Condition of Well: Good Poor Junk in Hole Proposed Method of Plugging (attach a separate page if addi Is Well Log attached to this application? Yes No	tional space is needed	(Inter I):	val) No			
If ACO-1 not filed, explain why: Plugging of this Well will be done in accordance with K.						ssion
Company Representative authorized to supervise plugging						
Address:		-		State:	Zip:	+
Phone: ( )						
Plugging Contractor License #:						
Address 1:		Address	2:			
City:				State:	Zip:	
Phone: ( )						
Proposed Date of Plugging (if known):						
Proposed Date of Plugging (# known): Payment of the Plugging Fee (K.A.R. 82-3-118) will be gi						

Submitted Electronically

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

#### KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form KSONA-1 January 2014 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 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License #	Well Location:					
Name:						
Address 1:	County:					
Address 2:	Lease Name: Well #:					
City: State: Zip:+	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 county, and in the real estate property tax records of the county treasurer.					
Address 1:						
Address 2:						
City: State: Zip:+						

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

#### Select one of the following:

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I must provide the name and address of the surface owner by filling out the top section of this form and that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

#### Submitted Electronically

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SION 1309509

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

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

Jay Scott Emler, Chairman Shari Feist Albrecht, Commissioner Pat Apple, Commissioner Sam Brownback, Governor

June 16, 2016

Bert Carlson Viking Production LLC 1432 NIGHTHAWK RD YATES CENTER, KS 66783

Re: Plugging Application API 15-035-24350-00-00 BUTTS 18-1 NE/4 Sec.18-32S-08E Cowley County, Kansas

Dear Bert Carlson:

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. <u>Central office staff is therefore requesting</u> 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 December 13, 2016. 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 2

(316) 630-4000

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



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

Jay Scott Emler, Chairman Shari Feist Albrecht, Commissioner Pat Apple, Commissioner Sam Brownback, Governor

June 16, 2016

Bert Carlson B-C Steel, LLC 1432 NIGHTHAWK RD YATES CENTER, KS 66783-4503

Re: Plugging Application API 15-035-24350-00-00 BUTTS 18-1 NE/4 Sec.18-32S-08E Cowley County, Kansas

Dear Bert Carlson:

On June 16, 2016 a well plugging application (CP-1) was received, which indicated to Staff that Viking Production LLC is the current operator of the BUTTS 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 Viking Production LLC for the BUTTS lease. B-C Steel, LLC therefore remains the Commission's operator of record and party responsible for the proper care and control of the BUTTS 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 BUTTS 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 July 14, 2016, to bring the BUTTS lease into compliance. To bring your operations into compliance, you need to file a T-1 with the Conservation Division for the BUTTS 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 B-C Steel, LLC believes it is still the operator of the BUTTS 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 July 14, 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 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 July 14, 2016, 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: Bert Carlson Viking Production LLC 1432 NIGHTHAWK RD YATES CENTER KS 66783