

MAR 16 2010  
3-16-2010  
CONSERVATION DIVISION  
WICHITA, KS

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**WELL PLUGGING APPLICATION**  
Please TYPE Form and File ONE Copy

Form CP-1  
March 2009  
This Form must be Typed  
Form must be Signed  
All blanks must be Filled

OPERATOR: License #: 33344  
Name: QUEST CHEROKEE, LLC  
Address 1: 4402 JOHNSON ROAD  
Address 2: \_\_\_\_\_  
City: CHANUTE State: KS Zip: 66720 + \_\_\_\_\_  
Contact Person: JENNIFER SMITH  
Phone: (620) 431-1600

API No. ~~15~~ - 15-019-21634-0000  
If pre 1967, supply original completion date: UNKNOWN  
Spot Description: \_\_\_\_\_  
NESWSW Sec. 3 Twp. 32 S. R. 12  East  West  
878 Feet from  North /  South Line of Section  
4,356 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
County: CHATAUQUA  
Lease Name: MUSTOE Well #: 3

Check One:  Oil Well  Gas Well  OG  D&A  Cathodic  Water Supply Well  Other: \_\_\_\_\_  
 SWD Permit #: \_\_\_\_\_  ENHR Permit #: ER4680.2  Gas Storage Permit #: \_\_\_\_\_

Conductor Casing Size: UNKNOWN Set at: UNKNOWN Cemented with: UNKNOWN Sacks  
Surface Casing Size: UNKNOWN Set at: UNKNOWN Cemented with: UNKNOWN Sacks  
Production Casing Size: UNKNOWN Set at: UNKNOWN Cemented with: UNKNOWN Sacks

List (ALL) Perforations and Bridge Plug Sets:

Elevation: \_\_\_\_\_ (  G.L. /  K.B. ) T.D.: \_\_\_\_\_ P.B.T.D.: \_\_\_\_\_ Anhydrite Depth: \_\_\_\_\_  
(Stone Corral Formation)

Condition of Well:  Good  Poor  Junk in Hole  Casing Leak at: \_\_\_\_\_  
(Interval)

Proposed Method of Plugging (attach a separate page if additional space is needed):

Is Well Log attached to this application?  Yes  No Is ACO-1 filed?  Yes  No

If ACO-1 not filed, explain why:

Plugging of this Well will be done in accordance with K.S.A. 55-101 et. seq. and the Rules and Regulations of the State Corporation Commission

Company Representative authorized to supervise plugging operations: ERNIE GONZALEZ  
Address: 210 PARK AVENUE, SUITE 2750 City: OKLAHOMA CITY State: OK Zip: 73102 + \_\_\_\_\_  
Phone: (405) 600-7704  
Plugging Contractor License #: 33344 Name: QUEST CHEROKEE, LLC  
Address 1: 211 W. 14TH STREET Address 2: \_\_\_\_\_  
City: CHANUTE State: KS Zip: 66720 + \_\_\_\_\_  
Phone: (620) 431-9500

Proposed Date of Plugging (if known): UNKNOWN

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

Date: 3/12/10 Authorized Operator / Agent: \_\_\_\_\_  
*Jennifer R. Smith*  
(Signature)



**KANSAS**  
CORPORATION COMMISSION

Mark Parkinson, Governor Thomas E. Wright, Chairman, Joseph F. Harkins, Commissioner, Ward Loyd, Commissioner

May 6, 2010

Richard Marlin  
Quest Cherokee, LLC  
Oklahoma Tower  
210 Park Ave. Ste 2750  
OKLAHOMA CITY, OK 73102

RE: Transfer of Operations at the MUSTOE lease, located in Section 3, Township 32S, Range 12E, CHAUTAUQUA County, Kansas

Dear Richard Marlin:

On March 16, 2010, a well plugging application (CP-1) was received, which indicated to Staff that you are the current operator of the MUSTOE lease. However, Conservation Division records indicate that L & B Oil has not filed a Request for Change of Operator: Transfer of Injection or Surface Pit Permit (Conservation Division Form "T-1") transferring to you operator responsibility for the MUSTOE lease. Therefore, L & B Oil remains the Commission's operator of record and party responsible for the proper care and control of the MUSTOE lease.

Conservation Division Staff understands that the burden of transferring operator responsibility first falls upon the transferring operator. However, in instances in which the transferring operator is no longer a licensed operator, or Staff is unable to determine the last operator of the subject lease, the burden of verifying operator responsibility falls upon the current operator of such lease. Staff is therefore requesting that you verify whether or not you are the current operator of the MUSTOE lease.

The proper way to notify the Conservation Division that you are the current operator of the MUSTOE lease is to file a Request for Change of Operator: Transfer of Injection or Surface Pit Permit (Conservation Division Form "T-1"). Staff will provide you with 28 days from this letter's date to provide a T-1 for the MUSTOE lease. As such, you have until June 3, 2010, to file a T-1 for the MUSTOE 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 the past operator of the subject lease is unknown, or the past operator no longer has an active license, Staff is willing to accept other documentation in lieu of the past operator's signature on the T-1 form. Staff needs the T-1 signed by or on behalf of Quest Cherokee, LLC, as well as a copy of the bill or contract of sale under which you purchased the MUSTOE lease, a copy of the agreement under which you are operating the lease, a copy of the assignment of the lease to you, or a copy of the new lease under which you are operating.

If you do not believe you are the operator of the MUSTOE 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 below.

If by June 3, 2010, Commission Staff has not received the required information, or you have not contacted Jonelle Rains and resolved this situation, Staff may refer this matter to Conservation Division legal staff with a recommendation for an administrative penalty or penalties. Under K.A.R. 82-3-128, the failure to verify information requested by the Commission is punishable by a \$100 penalty. 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 within 28 days of this letter's date, 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.

Yours truly,  
KCC Conservation Division Staff

cc: **KCC Conservation Division**

Larsh, Doris  
L & B Oil  
PO BOX 97  
LONGTON, KS 67352

CONSERVATION DIVISION  
Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802  
(316) 337-6200 • Fax (316) 337-6211 • <http://kcc.ks.gov/>



Mark Parkinson, Governor Thomas E. Wright, Chairman, Joseph F. Harkins, Commissioner, Ward Loyd, Commissioner

## NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

•QUEST CHEROKEE, LLC  
OKLAHOMA TOWER  
210 PARK AVE, STE 2750  
OKLAHOMA CITY, OK 73102

May 13, 2010

Re: MUSTOE #3  
API 15-019-21634-00-01  
3-32S-12E, 878 FSL 4356 FEL  
CHAUTAUQUA COUNTY, KANSAS

Dear Operator:

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 November 9, 2010. 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,

Steve Bond

Production Department Supervisor

District: #3  
1500 W. 7th  
Chanute, KS 67220  
(316) 432-2300