

DIST. 1

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

WELL PLUGGING APPLICATION

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

*** KSONA-1 FORM**
MSG. SURF. OWNER. INT. NO E. INT.

Form CP-1
March 2010
This Form must be Typed
Form must be Signed
All blanks must be Filled
RET'D. TO OPER.

135-23439-00-00

OPERATOR: License # 33984

Name: Scott Lutz Trust, Thomas C Lutz, Trustee

Address 1: 1645 W Sunrise Mountain Rd

Address 2: Post Office Box 1766

City: Fayetteville State: AR Zip: 72702 + 1766

Contact Person: Lisa Morgan Lutz

Phone: (479) 582-4114

API No. 15 - _____

If pre 1967, supply original completion date: _____

Spot Description: SWNWSW Sec. 13 Twp. 16 S. R. 26 East West

1650 Feet from North / South Line of Section

4950 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

NE NW SE SW

County: Ness

Lease Name: Evel 'A' Well #: 5

Check One: Oil Well Gas Well OG D&A Cathodic Water Supply Well Other: _____

SWD Permit #: _____ ENHR Permit #: _____ Gas Storage Permit #: _____

Conductor Casing Size: _____ Set at: _____ Cemented with: _____ Sacks

Surface Casing Size: 8 5/8 Set at: 397 Cemented with: _____ Sacks

Production Casing Size: 5 1/2 Set at: 4604 Cemented with: 210 Sacks

List (ALL) Perforations and Bridge Plug Sets: _____

Elevation: 2285 (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): _____

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KCC WICHITA

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

If ACO-1 not filed, explain why: _____

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KCC WICHITA

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: Ken Rupp

Address: 4790 US Highway 283 City: Ness City State: KS Zip: 67560 + _____

Phone: (785) 798-5260

Plugging Contractor License #: _____ Name: Same

Address 1: _____ Address 2: _____

City: _____ State: _____ Zip: _____

Phone: (_____) _____

Proposed Date of Plugging (if known): as soon as possible

KSONA FEE
NOT PAID

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

Date: 9/6/12 Authorized Operator / Agent: _____
(Signature)

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

Docket # 13-CONS-060-CPEN

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License # 7. 33984
Name: Scott Lutz Trust / Thomas C Lutz, Trustee
Address 1: 1645 W Sunrise Mountain Rd
Address 2: Post Office Box 1766
City: Fayetteville State: AR Zip: 72702 1766
Contact Person: Thomas Lutz
Phone: (479) 601-1685 Fax: ()
Email Address: morganization10@mac.com

Well Location: SW NW SW
Sec. 13 Twp. 16 S. R. 26 East West
County: Ness
Lease Name: Evel 'A' Well #: 5

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

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SEP 26 2012

SEP 13 2012

KCC WICHITA

KCC WICHITA

Surface Owner Information:

Name: GARY D EVEL
Address 1: R.R. 1
Address 2: _____
City: UTICA State: KS Zip: 67594 9802

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.

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 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.

**KSONA FEE
NOT PAID**

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 9/25/12 Signature of Operator or Agent: [Signature] Title: Owner/Operator

9.25.12

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

* REFER TO LEGAL'S LTR. OF STIPULATIONS DTD. 9/27/12 (ATTACHED). NO KSONA FEE AMT. RECEIVED.

Additional Owner for Evel A 5:

Kellie L Hagans Acker
172 Creekside Lane
Colorado Springs, CO 80906-3230

**KSONA FEE
NOT PAID**

**RECEIVED
SEP 26 2012
KCC WICHITA**

Conservation Division
Finney State Office Building
130 S. Market, Rm. 2078
Wichita, KS 67202-3802



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

Sam Brownback, Governor

Mark Sievers, Chairman
Thomas E. Wright, Commissioner
Shari Feist Albrecht, Commissioner

September 14, 2012

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SEP 26 2012

KCC WICHITA

Lutz, Scott T. Trust
Attn: Thomas C. Lutz, Trustee
1645 W. Sunrise Mountain Road
P.O. Box 1766
Fayetteville, AR 72702-1766

RE: CP-1/KSONA-1 forms
Lease Names: Evel 'A' 1 15-135-23137-0000
Evel 'A' 2 15-135-23137-0000
County: Ness 13-16S-26W

Dear Operator:

The enclosed **Well Plugging Application forms (CP-1 and KSONA-1)**, received September 13, 2012, are incomplete due to non-compliance with the Kansas Surface Owner Notification Act (KSONA). These forms cannot be processed without the following corrections:

The Surface Owner Information, to include the complete name(s) and address(es), was omitted. Although you elected for KCC to notify the Surface Owner, you are still required to provide their name(s) and address(es) on the KSONA-1 form. There is also a **\$30.00 KSONA Notification Fee** that must be paid if you elect for KCC to notify the surface owner for you. Please note that payment of the KSONA notification fee does *not* preclude your responsibility to identify the name(s) and address(es) of all of the Surface Owner(s) associated with the above-referenced well.

Please add this information to the KSONA-1 form, then initial and date beside your changes; if there is more than one Surface Owner, attach a separate piece of paper listing the applicable information for all subsequent Surface Owners. Additionally, you will need to line through your previous signature and date signed on the KSONA-1 form and re-sign and re-date it. This is required in order to meet our legal staff's minimum guidelines in order to approve your well plugging application

Please make all of the above-referenced corrections and **then return the CORRECTED, ORIGINAL CP-1, KSONA-1 form and any applicable attachments, along with a copy**

Lutz, Scott T. Trust
September 14, 2012
Page 2 of 2

of this letter, to my attention by September 28, 2012. Please contact me directly at (316) 337-6108 if you have any questions or need further assistance.

Sincerely,



Marjorie (Maggie) Marcotte
Production department
Encls.

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KCC WICHITA

Mark Sievers, Chairman
Thomas E. Wright, Commissioner
Shari Feist Albrecht, Commissioner

September 21, 2012

Thomas C. Lutz Trustee
Scott T. Lutz Trust
1645 W. Sunrise Mountain Road
PO Box 1766
Fayetteville, Arkansas 72702

RE: **FINAL NOTICE OF VIOLATION - Noncompliance with Commission Order**
KCC Docket No.: 13-CONS-060-CPEN – Deadline of October 11, 2012

Operator:

KCC records indicate that you are not in compliance with the above Penalty Order and that the deadline for compliance has passed. A copy of the Penalty Order may be obtained from the KCC website or by contacting the legal department.

Because you are currently in violation of a Commission Order, all of your pending Conservation Division applications or notices of intent will be placed on hold and not approved until compliance is obtained.

This is your final warning that you must comply with the Penalty Order within 20 days. If you do not obtain compliance within 20 days and inform the KCC Legal Department, your license will be suspended without further notice and any outstanding monetary penalties will be sent to collections.

Thank you for your prompt assistance with this matter. Please feel free to call or reply with any questions or concerns.

Sincerely,



Lane R. Palmateer
Litigation Counsel

cc: Richard Lacey, KCC District #1
Paula Murray, Legal Assistant

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KCC WICHITA

Conservation Division
Finney State Office Building
130 S. Market, Rm. 2078
Wichita, KS 67202-3802



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

Sam Brownback, Governor

Mark Sievers, Chairman
Thomas E. Wright, Commissioner
Shari Feist Albrecht, Commissioner

September 27, 2012

Lisa Lutz
Scott T. Lutz Trust
1645 W. Sunrise Mountain Rd.
P.O. Box 1766
Fayetteville, Arkansas 72702

Re: KCC Docket 13-CONS-060-CPEN – Contingent Approval of Plugging Applications

Ms. Lutz,

I understand that you have submitted plugging applications for the three wells subject to this Penalty Order, which are the Evel A #1, #2, and #5. Upon a request for additions or corrections, you resubmitted the forms. The KSONA-1 forms still indicate that you are requesting the KCC send notice to the surface owner. However, we do not believe this is your intention, because you did not send \$30 for each form (\$90).

We are approving these forms, but the approval is contingent upon your mailing copies of the well plugging applications to the surface owner.

Our records indicate these wells must be plugged by October 11, 2012, pursuant to a recent warning letter. This is a firm deadline. If the wells cannot be plugged by the deadline due to the contractor's schedule, you should provide me with a letter from the contractor including anticipated date that they will plug the well. Thank you for working on reaching compliance in this matter, and please call with any concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Lane R. Palmateer".

Lane R. Palmateer
Litigation Counsel

cc: Steve Bond and Marjorie Marcotte, KCC Production Department
Richard Lacey, KCC District #1



Mark Sievers, Chairman
Thomas E. Wright, Commissioner
Shari Feist Albrecht, Commissioner

Corporation Commission

Sam Brownback, Governor

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

LUTZ, SCOTT T. TRUST
1645 W. SUNRISE MOUNTAIN RD
PO BOX 1766
FAYETTEVILLE, AR 72702

September 27, 2012

Re: EVEL A #5
API 15-135-23439-00-00
13-16S-26W, 1650 FSL 4950 FEL
NESS COUNTY, KANSAS

Dear Operator:

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.**

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. 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 March 26, 2013. 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: #1
210 E Frontview, Suite A
Dodge City, KS 67801
(620) 225-8888