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

July 21, 2016

Merit Energy Company 1701 N. Kansas PO Box 1293 Liberal, KS 67905

Re: Hoffman T 4

NW/4 Sec. 07-32S-33W Seward County, Kansas 15-175-22230-01-00

Closure of Drill Pit - Extension of Time Unavailable

Operator:

A review of your recent correspondence and/or our files indicates that the referenced pit remains open, and that a further extension of time to close the pit is not available to you. The pit is or was required to be closed by June 18, 2016.

If you wish to obtain an exception to K.A.R. 82-3-602, you will need to file a formal application and publish notice under K.A.R. 82-3-100. Note that the application may or may not be granted. You may contact our legal department if you have questions about that process.

If the referenced pit is not closed along with a Surface Pit Closure ("CDP-4") Form submitted, or alternatively if a formal application has not been filed, by **August 22**, **2016**, staff may make a penalty recommendation to the Commission, which may result in a monetary fine.

You are welcome to contact me with any questions, by either calling the phone number at the top of the page or emailing me at k.haynes@kcc.ks.gov.

Sincerely,

Kathy Haynes

Conservation Division

Kathy Haynes

Kansas Corporation Commission

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

April 8, 2016

Merit Energy Company 1701 N. Kansas PO Box 1293 Liberal, KS 67905

Re: Hoffman T 4

NW/4 Sec. 07-32S-33W Seward County, Kansas 15-175-22230-01-00

Dear Sir or Madam:

This letter is to inform you that you have been granted an additional extension of time in which to close the drilling pits associated with the Hoffman T 4 well.

The original 365 days for closure expired on 12/18/2015. This extension will expire 6/18/2016. No additional extensions will be granted. In the event there is water standing in these pits, please dewater and dispose of fluids in an authorized disposal facility to expedite closure. Extension of this time frame automatically extends the time period for filing the closure of surface pit form, but not the time period for filing the waste transfer form (CDP-5).

Failure to close the pit prior to the expiration date shall result in a monetary penalty in accordance with K.A.R. 82-3-602(a).

Please complete the pit closure form (CDP-4) through Kolar (Kansas On-Line Automated Reporting) at https://kolar.kgs.ku.edu.

If you have any questions in this regard, please do not hesitate to contact Kathy Haynes at (316) 337-6243.

Sincerely,

Ryan A. Hoffman

Director

Cc:

File District 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

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

January 7, 2016

Merit Energy Company 1701 N. Kansas PO Box 1293 Liberal, KS 67905

Re: Hoffman T 4

NW/4 Sec. 07-32S-33W Seward County, Kansas 15-175-22230-01-00

Dear Sir or Madam:

This letter is to inform you that you have been granted an extension of time in which to close the drilling pits associated with the Hoffman T 4 well.

The original 365 days for closure expired on 12/18/2015. This extension will expire on 4/07/2016. We urge you to make every effort to close these pits within this time frame. In the event there is water standing in these pits, please dewater and dispose of fluids in an authorized disposal facility to expedite closure. Extension of this time frame automatically extends the time period for filing the closure of surface pit form, but not the time period for filing the waste transfer form (CDP-5).

Failure to close the pit or request an additional extension prior to the expiration date shall result in a monetary penalty in accordance with K.A.R. 82-3-602(a). An additional pit extension may be renewed upon request, but no pit permit extension shall be extended beyond six months after the original deadline.

Please complete the pit closure form (CDP-4) through Kolar (Kansas On-Line Automated Reporting) at https://kolar.kgs.ku.edu.

If you have any questions in this regard, please do not hesitate to contact Kathy Haynes at (316) 337-6243.

Sincerely,

Ryấn A. Hoffman [°]

Director

Cc: File

District



Merit Energy Company 1701 N. Kansas P.O. Box 1293 Liberal, Kansas 67905

January 6, 2016

Kansas State Corporation Commission Conservation Division (Oil & Gas) 266 N. Main St., Ste. 220 Wichita, KS 67202-1513

RE:

Name	Pit Type	API	Comment		
Shell B-6	Onsite	15-055-22331	Pit is still wet due to Snow and Rain		
Wiggains 12-13	Onsite	15-189-22837	Pit is still wet due to Snow and Rain		
		15-175-22230-01-			
Hoffman T-4	Onsite	00	Pit is still wet due to Snow and Rain		

Miss Haynes:

The pit closures for the wells listed above are coming due, but the pits are too wet to be backfilled, due to snow and rain we've had lately.

We are requesting an extension of the deadline to 2/29/2016, hoping that time frame will give the pits enough time to dry.

Thanks in advance for your patience. If there are any questions or you require further information, please contact me at the address listed above or by phone at (620) 629-4228.

Sincerely,

Idanial Dedina

Idania Medina

Merit Energy Company - Regulatory Analyst

Cc:

Merit - Dallas

Well Files

Kathy Haynes

From:

Medina, Idania < Idania. Medina@meritenergy.com>

Sent: To: Thursday, April 07, 2016 4:06 PM

Subject:

Kathy Haynes RE: Pit Closures

Attachments:

DOC000.pdf; DOC001.pdf

Hi Kathy,

Hope you are having a great day. The attached pit closures were due today, but they are still well, due to the moisture we had these past few months. Our foreman Isaac Gaard spoke to Ken Jehlik about it and Ken asked us to let you know. He said that if they don't dry soon, we might have to widen the pits and spread the mud out so they can dry faster. Can you please let me know what is the next step we need to take on your side?

Thank you!!!

Idania Medina

Ph: (620) 629-4228

From: Medina, Idania

Sent: Wednesday, January 06, 2016 10:00 AM

To: 'Kathy Haynes'

Subject: RE: Pit Closures

Attached is the pit extension letter.

Thank you again!

Idania Medina

Ph: (620) 629-4228

From: Kathy Haynes [mailto:k.haynes@kcc.ks.gov] Sent: Wednesday, January 06, 2016 9:27 AM

To: Medina, Idania

Subject: RE: Pit Closures

Yes just send me new requests for all of them. You can attach the letter and email back to me if that is easier.

Thanks

Kathy

From: Medina, Idania [mailto:Idania.Medina@meritenergy.com]

Sent: Wednesday, January 06, 2016 9:23 AM

To: Kathy Haynes

Subject: FW: Pit Closures

Good Morning Kathy,

KCC OIL/GAS REGULATORY OFFICES

Date: <u>04/26/16</u>	District: <u>01</u>	Case #:
	New Situation	Lease Inspection
	Response to Request	Complaint
	Follow-Up	Field Report
Operator License No: 32446	API Well Number: <u>15-175-</u> 2	2230-01-00
Op Name: Merit Energy Company LLC	Spot: <u>NW SE SW NW</u> S	ec <u>7</u> Twp <u>32</u> S Rng <u>33</u> E / W
Address 1: 13727 Noel Road, Ste 1200		—
Address 2:		Feet from Feet from Line of Section
City: Dallas		
State: Texas Zip Code: 75240	<u></u>	
Operator Phone #: (972) 628-1659	_ County: <u>Seward</u>	
Reason for Investigation:		
Requested by Scott Alberg		,
Problem:		
Expired drilling pit extension 4/7/2016.	,	
Persons Contacted:		
Kathy Haynes, Scott Alberg	· !	
Findings:		
1:30 pm		
Found reserve pit still open. Trace amount	s of water standing.	
Will probably need more time to dry due to	rain.	
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<i>,</i>	4 .	•
	,	
Action/Recommendations: Fo	llow Up Required Yes Vo	Date:
Sent to Kathy Haynes		**************************************
•	. *	•
Verification Sources:	1	Photos Taken: 03
✓ RBDMS ✓ KGS	TA Program	
T-I Database District Files	Courthouse By:	
Other: on-site inspection		Klaus
Retain 1 Copy District Office	<u></u>	
Send 1 Copy to Conservation Division		

Form:

Date: <u>04/26/16</u>		_	District:	01	Lic	ense #: <u>32446</u>	
Op Name: <u>32446</u>			Spot: <u>NV</u>	W SE SW NW	Sec <u>7</u> Twp <u>32</u>	2 S Rng <u>33</u>	E W
County: Seward			Lease Na	me: <u>Hoffman T</u>		Well #: <u>4</u>	
I.D. Sign Yes	No		7	Gas Venting	Yes No		3
Tank Battery Cone		ole Overflow	ving 🔄	Pits Fluid Depth:	ft; Approx. Si	ze:ft. x	ft.
Pits, Injection Site		Size:f	t. xft.	Saltwater Pi Leaks Visible		Tested for Leaks:	☞ ⑤ Y N
Oil Spill Evidence				Flowing Hol	les		-
Abandoned Well	Potential Poll	ution Problem [Yes No 🕶	TA Wells		<u></u>	
				Monitoring	Records		
Lease Cleanliness Very Good S	Satisfactory	Poor Ver	y Bad				
SWD/ER Injection Wel Permit #: P Permit #: P Permit #: P	ressure – Actu ressure – Actu ressure – Actu	al:psi; Au al:psi; Au al:psi; Au	thorized: psi thorized: psi	Tubing: Tubing: Tubing:	ions Yes No ; T/C Annulus: ; T/C Annulus: ; T/C Annulus: ; T/C Annulus:	; C/SP Annu ; C/SP Annu	lus: lus:
API Number	Footages	Spot Location	GPS	Well#		Well Status	
				l l			
<u>.</u>							<u>,</u>
						<u> </u>	

Retain 1 Copy District Office Send 1 Copy to Conservation Division

Form: _____

KCC OIL/GAS REGULATORY OFFICES

Date: <u>04/26/16</u>	District: 01		Case #:			
	New Situation	n J	/ Lease Inspection			
	Response to I	Request -	Complaint			
	Follow- Up	Ē	Field Report			
Operator License No: 32446	_ API Well Number;	nber: <u>15-189-22837-00-00</u>				
Op Name: Merit Energy Company LLC	_ Spot: <u>NE NE SV</u>	<u>V NE Sec_12</u>	_Twp_ <u>35_</u> S Rng_ <u>3</u>	6E / √ W		
Address 1: 13727 Noel Road, Ste 1200	.3735		_ Feet fromN/_	S Line of Section		
Address 2:	1311		_ Feet from 🔽 E /	W Line of Section		
City: Dallas	GPS: Lat: <u>37.02</u>	102 Long: <u>10</u>	1.17999 Date:	4/26/16		
State: Texas Zip Code: 75240 -	Lease Name: Wig	gains	Well #: _1	2-13		
Operator Phone #: (972) 628-1659	_ County: Stevens	s				
Reason for Investigation:						
Request from Scott Alberg	i		:			
Problem:						
Expired drilling pit extension on 4/7/2016.		•	·			
Persons Contacted:	<u> </u>					
Kathy Haynes, Scott Alberg		1011.				
Findings:						
9:10 am			ħ			
Found reserve pit still partially open and co Pit would have to have water removed and			e backfilling.	ı		
	. 5	,	, and a second			
		•				
			•.	ļ		
Action/Recommendations: Fo	llow Up Required Ye	es 🔽 No 🔄	Date:			
Sent to Kathy Haynes.			4	•		
	4					
Verification Sources:			Photos T	'aken: <u>2</u>		
✓ RBDMS ✓ KGS	TA Program					
T-I Database District Files		Ву:				
✓ Other: on-site inspection	_	Wade Klaus				
Retain 1 Copy District Office			•			

Send 1 Copy to Conservation Division

Form: ___

Date: <u>04/26/16</u>		-	District	<u>.U1</u>		License	#: <u>32446</u>		
Op Name: 32446			Spot: <u>N</u>	E NE SW NE	Sec <u>12</u>	_Twp <u>35</u> \$	8 Rng <u>36</u>	E	
County: Stevens			Lease Na	ıme: <u>Wiggains</u>		W	/ell #: <u>12-1</u>	3	
I.D. Sign Ves	No		Ø	Gas Venting	Yes V)		[.0]	
Tank Battery Conc		ble Overflow	zing ্রি	Pits Fluid Depth:	ft; A	pprox. Size:	ft. x	sft.	
Pits, Injection Site		Size:fi	t. xft.	Saltwater P Leaks Visibl	Pipelines e: Y I	N Teste	d for Leaks:	y N	
Oil Spill Evidence				Flowing Ho	oles				
Abandoned Well	Potential Polls	ution Problem [Yes No	TA Wells				_	
				Monitoring Records					
Lease Cleanliness Very Good	Satisfactory	Poor Ver	y Bad	1					
SWD/ER Injection Wel	I Yes 🗸	No	Stevens 🔄	Gauge Connec	tions Yes	☐ No			
Permit #: I	ressure – Actu	al: psi; Au	thorized: psi	Tubing:	; T/C An	nulus:	_; C/SP An	nulus:	
Permit #: I	Pressure – Actu	al: psi; Au	thorized: psi	Tubing:	; T/C An	nulus:	_; C/SP An	nulus:	
Permit #: F	Pressure – Actu	al: psi; Au	thorized: psi	Tubing:	; T/C An	nulus:	_; C/SP An	nulus:	
Permit #: F	ressure – Actu	al: psi; Au	thorized: psi	Tubing:	; T/C An	nulus:	_; C/SP An	nulus:	
API Number	Footages	Spot Location	GPS	Well #			ell atus		
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Retain 1 Copy District Office Send 1 Copy to Conservation Division

Form: _____