KCC OIL/GAS REGULATORY OFFICES Inspection Date 06/13/2017 District: 3 Incident Number: 5789 ✓ New Situation ☐ Lease Inspection Response to Request ☐ Complaint ☐ Follow-up ✓ Field Report Operator License No: 5484 Q3 SE Q2; NE Q1; SW API: 15-001-28447-00-00 Operator Name: Shermnan Oil Company SEC 15 TWP 26 RGE 18 RGEDIR E Address: RR2, Box 98 FSL: 1495 City: Chanute 3235 FEL: State KS Zip Code: 66720 Lease: AMOCO Well No.: INJ 10 Phone contact: 316-431-4137 County: AL Reason for Investigation: Mike Wimset, one of the partners in Shermnan Oil Company requested assistance in locating unplugged well on expired operator license #5484 Problem: Unplugged well on expired operator license #5484 license expired June 30, 1994. Operator unable to locate well. Persons contacted: Mike Wimsett Findings: I met Mike Wimsett at the Amoco lease and we went to the specified location of the well number Inj 10 API#15-001-28447-00-00 listed as 1495 FSL 3235 FEL Lat. 37.780472 Long. -95.426338 in Section 15, Township 26 South, Range 18 East Allen County. We did not find any evidence above ground that would indicate the well was ever drilled. We found part of an old stake that may have been used to mark a well location but nothing else. I have determined that the well number Inj. 10 was never drilled. I found no evidence of a pit, injection lines or a well bore, I checked the area with a metal detector and found no metal of any kind. Follow-up Required Actions / Recommendation Deadline Date: At this time I am requesting the status of well number. Inj. 10 API#15-001-28447-00-00 be changed to "EX" for expired intent because I believe the well was never drilled. Photo's Taken: 0 ✓ KGS RBDMS ☐ TA DBF Report Prepared By: John Almond E.C.R.S.

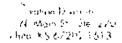
▼ T1 DBF

✓ District Files

☐ Courthouse

Position:

Compliance Officer District #3





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P. Capple Chair and Shire Food Albrich Commissioner Lot South and Continuous and

NOTICE OF VIOLATION

May 16, 2017

WIMSETT, K. J. OR M. J. Sherman Oil Company RR 2, Box 98 Chanute, KS 66720

Re: Unplugged Well(s) on Expired License #5484

Operator:

Unplugged well(s) are on your expired license, which violates K.A.R. 82-3-120. Attached is a list of the unplugged well(s). Please do one of the following:

- Renew your license, or obtain a new license and transfer the well(s) to that license,
- Transfer the well(s) to another operator by filing T-1 forms with the Commission, or
- File Well Plugging Application (CP-1) form(s) and plug the well(s).

Your deadline is June 16, 2017.

If you do not correct this violation by June 16, 2017, then I will file a Motion to Show Cause, asking the Commission to require your attendance at a formal hearing, in anticipation of seeking a Commission order requiring you to plug the well(s).

For help renewing or obtaining a license, contact Judy Streeter at 316-337-6194. For help transferring wells, contact Olivia Raigosa at 316-337-6203. For help with CP-1 forms, contact Rick Hestermann at 316-337-6193.

If you have questions, you may contact me by calling our main number at the top of this letter.

Sincerely,

Joshua D. Wright Litigation Counsel Kansas Corporation Commission Exhibit A

FR- #5789

Shermnan Oil Company License: 5484

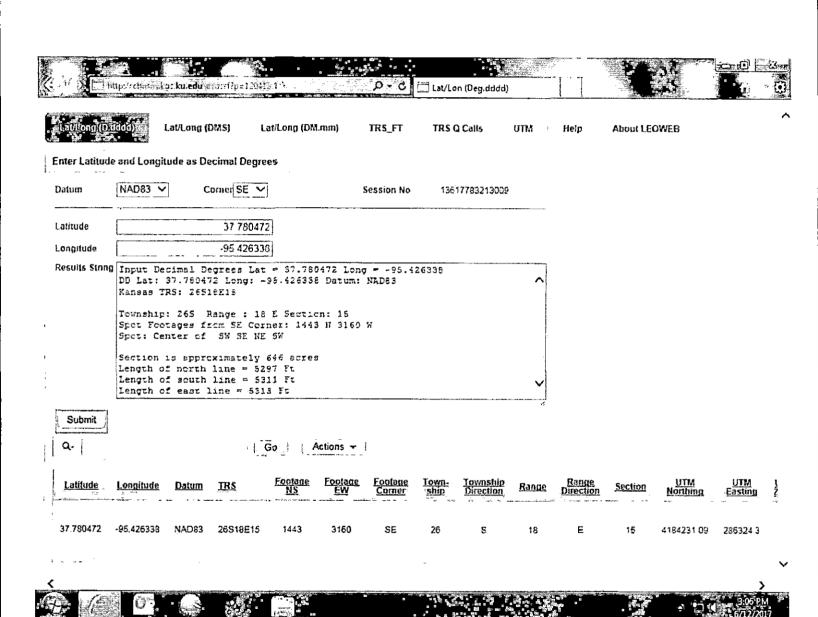
| Unplugged | Wells on | Operator's | License |
|-----------|-----------|------------|---------|
| Unpluqueu | AACHO OIL | Optially 5 | LICENSE |

API Well # Lease Name / Well # Well Location County

15-001-28447-00-00 AMOCO OIL INJ 10 15-26S-18E, SENESW ALLEN

1495 FSL 37-780472 3235 FEL -95.426338

mike wimsett 431-5970 Tues Lay 8:00 Aer



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| API_WELLIND - WELL_NM - WE - WL - UICPeimi - LEI | Well Inventory Certification Company Types | Date: LAR FORY de: AA NOF ORY |