

BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

In the matter of the Application of ) Docket No: 20-CONS-3043-CUIC  
TDR Construction, Inc. for a )  
permit to authorize the enhanced ) CONSERVATION DIVISION  
recovery of saltwater into the )  
Moldenhauer #42 well, located ) License No. 32218  
in Franklin County, Kansas )

In the Matter of the Application of ) Docket No. 20-CONS-3079-CUIC  
TDR Construction, Inc. for a )  
permit to authorize the enhanced ) CONSERVATION DIVISION  
recovery of saltwater into the )  
Moldenhauer #30 and ) License No. 32218  
Moldenhauer #45 wells, located in )  
Franklin County, Kansas )

**INFORMATION REQUEST**

COME NOW Scott Yeargain and Polly Shteamer, Protestants in these dockets, who respectfully request that TDR Construction, Inc. provide responses to the following to them (Scott Yeargain and Polly Shteamer) by October 28, 2019:

1. What are the operational expenses of TDR Construction, Inc. in the Moldenhauer lease for the year 2018? By "Moldenhauer Lease" we mean the lease in which all three wells in the above-referenced dockets are located.

(This query is relevant to this docket partly due to a claim by protestants in a docket filing (Response to Motion to Dismiss, Docket 20-CONS-3079-CUIC) dated October 10, 2019. In this filing we claim that a simple geometric progression summing shows that this lease, based on the past 5 years of production, cannot

generate sufficient income to pay for plugging its 50 wells. The cost of plugging wells is an operational expense (*Reese Enterprises, Inc. v. Lawson, Claiborne v. Galemore*). We ask for the actual operational expenses of the lease under TDR's tenure with the lease as a further demonstration of our point. Further, KSA 55-602 defines "waste" and includes "economic waste." We think operation of a lease which cannot generate sufficient assets to "close up the lease," i.e., plug its wells, is a form of economic waste. Continued operation of such a lease is a form of liability dumping onto the taxpayers who eventually will likely be left with the economic burden of plugging the 50 wells on this lease.)

RESPONSE:

2. If TDR Construction, Inc. were to declare bankruptcy while legally holding the assigned operational lease of Moldenhauer, Franklin county, Kansas what, under the controlling terms of TDR's incorporation, are TDR's financial obligations to the Moldenhauer lease?

RESPONSE:

3. List all those to whom you pay a % of your working interest in the Moldenhauer lease and the % of the working paid to each one.

RESPONSE:

4. Please provide a copy of your contract that provides you with the right to work and collect the working interest on the Moldenhauer lease.

RESPONSE:

5. On what data have you relied to make your estimates of the recoverable oil on the Moldenhauer lease? Please provide reports from experts, reports or notes about core samples and any and all other data on which you relied to make your estimates of the amount of oil you will recover from the Moldenhauer lease.

RESPONSE:

6. Is the surface and or the production casing pipe you are using on this lease lined? If you are using lined pipe, what is the lining material?

RESPONSE:

7. With what are the pits on this lease lined? Do you store either produced water and/or flowback water in pits?

RESPONSE:

8. What is the make-up of the fluid you use in EOR wells on this lease? In the make-up of the fluid you use in the EOR wells, what % of this fluid is nonsaline water, what % of this fluid is produced water from wells on the property, what % of this fluid is produced water from wells from other leases, and what % of this fluid is other types of additives do you mix into the fluid pumped into the EOR wells on the Moldenhauer lease?

RESPONSE:

9. How do you store the produced water on the Moldenhauer lease? What is your storage capacity on the lease premises? Does any of the produced water from the wells on this lease leave the lease property? By what conveyance does it leave the property, who removes it and what does it cost?

RESPONSE:

10. In the fluid you use in EOR wells on the Moldenhauer lease, please provide a list by category all additives you use? Examples: polymers, surfactants, antimicrobials, anti-corrosives, etc.

RESPONSE:

11. From whom do you purchase water, (if any) for the Moldenhauer lease? What is the amount of water purchased for the Molderhauer lease in 2019?

RESPONSE:

12. Please provide us a copy of the original lease of the mineral rights for any lease on which you are or will be working under the KCC permit # E-18352.

RESPONSE:

13. Please describe cap formation for the Squirrel Formation in the area of the Moldenhauer lease.

RESPONSE:

Respectfully submitted,

/s/ Polly Shteamer

Polly Shteamer

2263 Nevada Road

Ottawa, Kansas 66067

2263 Nevada Road

/s/ Scott Yeargain

Scott Yeargain

2263 Nevada Road

Ottawa, Kansas 66067

## CERTIFICATE OF SERVICE

We hereby certify that a copy of the above and foregoing was sent via U.S. Mail, postage prepaid, hand-delivery, or electronically, this 21st day of October, 2019 to:

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