2019-05-13 13:33:52 Kansas Corporation Commission /s/ Lynn M. Retz

STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the matter of the failure of Quito, Inc. Docket No. 19-CONS-3271-CPEN) ("Operator") to comply with K.A.R. 82-3-111 at) the Solomon #3, Solomon #5 in Chautauqua) CONSERVATION DIVISION County, Kansas.)) License No. 33594 In the matter of the failure of Quito, Inc.) Docket No. 19-CONS-3272-CPEN ("Operator") to comply with K.A.R. 82-3-111 at)

the Doty #3 in Chautauqua County, Kansas.

CONSERVATION DIVISION

License No. 33594

PRE-FILED TESTIMONY

)

)

)

OF

DUANE SIMS

May 13, 2019

1 Q. What is your name and business address? 2 A. Duane Sims, 137 West 21st Street, Chanute, Kansas 66720. 3 Q. By whom are you employed and in what capacity? I am employed by the Conservation Division of the Kansas Corporation Commission, 4 A. District #3 Office, as an Environmental Compliance and Regulatory Specialist (ECRS). 5 6 **Q**. How long have you worked for the Corporation Commission's Conservation Division? 7 A. I have worked for the Conservation Division since December 31, 2007. 8 0. Have you previously testified before this Commission? 9 A. Yes. 10 **Q**. What duties does your position with the Conservation Division involve? A. As an ECRS, I am responsible for the witnessing and monitoring of oil and gas related 11 activities in Chautauqua, Elk, and the west half of Montgomery County, Kansas. My job 12 involves inspections, documentation, investigation, and consultation with lease operators, 13 14 landowners and Commission Staff on compliance issues related to oil and gas production in 15 Kansas. I witness and monitor the drilling and completion of oil, gas, injection, and disposal wells. I also investigate spills and complaints, witness mechanical integrity tests, witness 16 the plugging of wells, and witness the completion of wells. In addition, I conduct GPS 17 18 surveys on new and abandoned wells to verify the exact location and the status of wells. I 19 work with District Staff and Central Office Staff when required to complete various projects and requests. 20

Are you familiar with Docket 19-CONS-3271-CPEN? 1 **Q**. 2 A. Yes, I have reviewed all filings in this Docket. The Operator was penalized for two violations 3 of K.A.R. 82-3-111 for failure to produce, plug or obtain approved Temporary Abandonment 4 (TA) status for the following two abandoned wells (Solomon subject wells): Solomon #3, API #15-019-24303-00-00; and 5 Solomon #5, API #15-019-24301-00-00. 6 7 **O**. Would you please explain the requirements of K.A.R. 82-3-111? Yes. K.A.R. 82-3-111 states that within 90 days after operations cease on any well the 8 A. 9 operator of that well shall: (1) plug the well, (2) return the well to service, or (3) file an application with the Conservation Division requesting TA authority, on a form prescribed by 10 the Conservation Division. K.A.R. 82-3-111 also states that no well shall be temporarily 11 abandoned unless first approved by the Conservation Division and a well shall not be eligible 12 for TA status if the well has been shut in for 10 years or more without an application and 13 14 approval by the Commission of an exception pursuant to K.A.R. 82-3-100. 15 **O**. What is the penalty for failure to comply with K.A.R. 82-3-111? A. The failure to comply with K.A.R. 82-3-111 is punishable by a \$100 penalty, and the failure 16 to obtain approval of temporary abandonment status shall subject the Operator to additional 17 18 administrative action pursuant to K.S.A. 55-164 according to the Penalty Order in this docket. 19 Did the Operator file TA applications on the Solomon subject wells? 20 **Q**. A. Yes. The Operator filed TA applications on the Solomon subject wells in September 2018. 21

22 The TA applications are attached as D.S. Exhibit 1. Staff denied the two TA applications on

3

September 11, 2018, because the Operator failed to provide current fluid levels for the 1 2 Solomon subject wells.

3 Q. What happened after District Staff denied TA status for the two Solomon subject wells?

4 A. The Operator received letters denying its TA applications via email through KOLAR, on 5 September 11, 2018. This letter also served as a Notice of Violation (NOV) to the Operator, with a deadline of 30 days to bring the Solomon subject wells into compliance. The NOV 6 7 letters are attached as D.S. Exhibit 2. The NOV letters gave the Operator until October 09, 2018, to correct the violations by plugging the Solomon subject wells or returning them to 8 service. The NOV letter also stated that the reason for the denial was that the Operator needed 9 10 to provide a current fluid level.

11 **O**. Did the Operator comply with the deadline in the NOV letters?

A. 12 No.

What did vou do after the 30-day deadline? 13 0.

- 14 A. I met with a representative for the Operator at the location of the Solomon #3 well and #5 15 well on October 11, 2018, to witness measuring the fluid level. The fluid level for the Solomon #3 well was 140 feet from the surface. The fluid level for the Solomon #5 well was 16 150 feet from the surface. The fluid level in both the Solomon subject wells were determined 17 to be near or above the designated Table I depth.
- 18

19

Please explain what Table I depth means. 0.

A. Table I is a designation determined by the Commission and the advisory Committee made 20 up of representatives from Kansas Petroleum Council, Kansas Independent Oil and Gas 21 Association, Eastern Kansas Oil and Gas Association, Association of Groundwater 22 Management Districts, the Kansas Department of Health and Environment, the Kansas 23

Geological Survey, the Kansas Water Office, Division of Water Resources, and the General Public to designate maximum depths for fresh and usable water within established geographic areas. For this area, Table I indicates the maximum depth from the surface at which fresh and usable water may possibly be found is 225 feet. The fluid levels in both the Solomon subject wells were determined to be above the designated Table I depth, which would indicate the possibility of a casing failure.

7 Q. Why is the possibility of a casing failure a concern when reviewing a TA application?

8 A. A casing failure would allow the comingling of produced fluids within the designated fresh 9 and usable water zones identified in the Table I area. A fluid level above the Table I 10 designated depth, well construction, and well history information are determining factors in requesting a casing integrity test (CIT). I requested the CIT to ensure the integrity of the 11 casing that should be protecting the fresh and usable water zones. Therefore, the fluid levels 12 for the Solomon subject wells were too high to approve TA status without confirmation of a 13 14 successful CIT. The TA applications with the updated fluid levels are attached as D.S. 15 Exhibit 3.

16 Q. Did you request the Operator conduct further testing to verify casing integrity?

A. Yes, while we were still on site, I requested the Operator to perform CITs on the Solomon
subject wells. I requested that the Operator perform either a tubing and packer test or a fluid
depression test within 50 feet of the top perforations in order to verify the casing was
adequately protecting fresh and usable water. The Operator declined to conduct the CIT as
requested.

1	Q.	Why did you request the Operator test the Solomon subject wells in this manner?
2	A.	A tubing and packer test with the packer set at 50 feet above the top perforation or a fluid
3		depression test calculated from the interval of 50 feet above the top perforation to surface
4		would adequately determine the status of the casing integrity within that interval. In the
5		Solomon #3 well, the packer would be required to be placed at 1006 feet. In the Solomon #5
6		well the packer would be required to be placed at 970 feet. The Operator refused to perform
7		a CIT as I requested.
8	Q.	What did you do after the Operator refused to perform further testing?
9	A.	On January 10, 2019, District #3 Compliance Officer John Almond, District #3 Supervisor
10		Troy Russell, and I had a conference call with the Operator. During this call, my supervisor,
11		Troy Russell, gave the Operator a 25-day extension to bring the wells into compliance. The
12		extension deadline was February 4, 2019.
13	Q.	Did the Operator bring the Solomon subject wells into compliance by the extension
14		deadline?
15	A.	No. On February 4, 2019, I conducted an inspection of both of the Solomon subject wells
16		finding that neither of the Solomon subject wells had been put back into production, nor had
17		these wells been plugged, and the Operator still had not performed CITs for TA status
18		approval. The Solomon subject wells remained out of compliance. At this time, I submitted
19		my field reports and penalty recommendations to the District #3 Compliance Officer. The
20		field reports are attached as D.S. Exhibit 4. On February 26, 2019, the Commission issued a
21		Penalty Order finding the Operator violated K.A.R. 82-3-111 and assessing the Operator a
22		\$200 penalty.

Are you familiar with Docket 19-CONS-3272-CPEN? 1 **Q**. 2 A. Yes. I have reviewed all filings in this docket. The Operator was penalized for one violation 3 of K.A.R. 82-3-111 for failure to produce, plug, or obtain approved TA status for the 4 following well (Doty #3): Doty #3, API #15-019-23901-00-00. 5 6 **Q**. Did the Operator file a TA application on the Doty #3 well? 7 A. Yes. The Operator filed a TA application on the Doty #3 well in January 2019. The TA 8 application is attached as D.S. Exhibit 5. Staff denied the TA application on January 10, 2019. Staff denied the TA application because the Operator failed to provide a current fluid 9 10 level for the subject well. 11 **O**. What happened after District Staff denied TA status for the Doty #3 well? A. The Operator received a letter denying its TA application via email through KOLAR, on 12 January 10, 2019. This letter also served as a NOV to the Operator, with a deadline of 30 13 days to bring the Doty #3 well into compliance. The NOV letter is attached as D.S. Exhibit 14 6. The NOV letter gave the Operator until February 7, 2019, to correct the violation by 15 plugging the Doty #3 or returning it to service. The NOV letter also stated that the reason for 16 the denial was that the Operator needed to provide a current fluid level. 17 18 Q. What did you do after sending the Operator the NOV letter? I met with the representative for the Operator at the location of the Doty #3 well on January 19 A. 20 17, 2019, to witness the measuring of the fluid level. The fluid level for the Doty #3 well was 21 215 feet from surface. For this area Table I is 300 feet, which indicates the maximum depth 22 from the surface at which fresh and usable water may be expected to be found. The fluid

level in the Doty #3 subject well was determined to be near or above the designated Table I

depth, which would indicate the possibility of a casing failure. The fluid level in the Doty #3
 was too high to approve TA status without confirmation of a successful CIT.

3 Q. Did you request the Operator perform further tests to verify casing integrity?

4 A. Yes, while we were still on site I requested the Operator perform a CIT on the Doty #3 well. 5 I requested the Operator perform the CIT in order to verify the casing was adequately protecting fresh and usable water. To comply with the test the Operator would have to 6 7 complete a tubing and packer test with the packer set at 50 feet above the top perforation or a fluid depression test calculated from the interval of 50 feet above the top perforation to 8 surface would adequately determine the status of the casing integrity within that interval. The 9 10 Operator refused to conduct the CIT as required. Without the CIT, I was unable to approve the Operator's TA application. The Operator was still required to either plug the well or 11 return the well to service by the NOV letter deadline. 12

13 Q. Did the Operator comply with the deadline in the NOV letter?

- 14 A. No.
- 15 Q. What did you do after the 30-day deadline?

A. On February 7, 2019, I conducted an inspection of the Doty #3 well finding that the well had
not been put back into production, nor had the well been plugged, and the Operator still had
not performed a CIT for TA status approval. The Doty #3 remained out of compliance. At
this time, I submitted my field report and penalty recommendation to the District #3
Compliance Officer. The field report is attached as D.S. Exhibit 7. On February 26, 2019,
the Commission issued a Penalty Order finding the Operator violated K.A.R. 82-3-111 and
assessing the Operator a \$100 penalty.

Direct Testimony Prepared by Duane Sims Docket No. 19-CONS-3271-CPEN Docket No. 19-CONS-3272-CPEN

Q. As of today, has the Operator brought any of the three subject wells into compliance? A. No.

3 Q. Do you have a recommendation regarding the Penalty Orders in these two dockets?

- 4 A. Yes. The Penalty Orders should be affirmed. The Operator failed to plug, produce, or obtain
- 5 TA status for the three subject wells and remains in violation of K.A.R. 82-3-111 as of this
- 6 date. These wells remain a potential source of pollution to fresh and usable waters identified
- 7 under Table I for this area. The assessment of the \$100.00 penalty for each of the three subject
- 8 wells in the Commission's Penalty Orders is reasonable and should be upheld.
- 9 Q. Does this conclude your testimony?
- 10 A. Yes.

TEMPORARY ABANDONMENT WELL APPLICATION

OPERATOR: License#				API No. 15-	15-019-24303	3-00-00	
Name: Quito, In				Spot Descr	ription:		
Address 1: 1613 W	6TH ST				SE SE Sec. 18	3 Twp. 35	s. r. <u>12</u> ∠ E ⊡ W
Address 2:				990		feet from	N / ✓ S Line of Section I E / □ W Line of Section
City: BARTLESVILI	E State: OK	zip: 74003 + 37	<u>'12</u>				
Contact Person: Mark	W. McCann			Datum:	ion: Lat:	x) WGS84	(e.gxxx.xxxxx)
Phone:(<u>918</u>) <u>331-6</u>	6433			County: C	hautauqua Ele	evation:	GL KB
Contact Person Email:	mccanncompani	es@yahoo.com					
Field Contact Person:							/ Other:
Field Contact Person Phon	e:()						Permit #:
				Gas Sto Spud Date:	orage Permit #: 08/23/1983	Date Shut-In:	10/22/2010
	Conductor	Surface	Pro	duction	Intermediate	Liner	Tubing
Size	NA	10	4.5		NA	NA	2.3
Setting Depth		41	1118				1054
Amount of Cement		25	130				NA
Top of Cement		NA	NA				NA
Bottom of Cement		NA	NA				NA
Casing Fluid Level from Su Casing Squeeze(s):							
Do you have a valid Oil & G				(lop)	(bollow)		
Depth and Type: 🗌 Junk							
Type Completion: ALT	.I 🗹 ALT. II Depth o	f: DV Tool:	w/	sacks	s of cement Port Co	llar:(depth)	w / sack of cement
Packer Type:	Size:		Inch \$	Set at:	Feet		
Total Depth: 1118	Plug Bac	k Depth:	F	Plug Back Meth	od:		
Geological Date:							
Formation Name		Top Formation Base			Completion In		
1. Wayside	1000	to Feet					erval toFeet
2. Wayside	At:1060	to Feet	Perfor	ation Interval -	1070 to 1082 Feet	or Open Hole Inte	erval toFeet
						DECT TO THE BE	ST OF MY KNOW! EDGE
		Submitt	ed Eleo	ctronicall	У		
Do NOT Write in This Space - KCC USE ONLY	Date Tested:	R	esults:		Date Plugged:	Date Repaired:	Date Put Back in Service:
Review Completed by:	uane Sims		Comm	ents:			
TA Approved: 🗌 Yes	Denied Date:	09/11/2018					

Mail to the Appropriate KCC Conservation Office:

 KCC District Office #1 - 210 E. Frontview, Suite A, Dodge City, KS 67801	Phone 620.682.7933
KCC District Office #2 - 3450 N. Rock Road, Building 600, Suite 601, Wichita, KS 67226	Phone 316.337.7400
KCC District Office #3 - 137 E. 21st St., Chanute, KS 66720	Phone 620.902.6450
 KCC District Office #4 - 2301 E. 13th Street, Hays, KS 67601-2651	Phone 785.261.6250

TEMPORARY ABANDONMENT WELL APPLICATION

OPERATOR: License#	33594			API No. 15-	15-019-24307	-00-00	
Name: Quito, Inc.				Spot Descr	iption:		
Address 1: 1613 W				SW SE	NE_SE Sec. 18		R. <u>12</u> ∠E □W
Address 2:				990		feet from	N / S Line of Section
city: BARTLESVILLE State: OK zip: 74003 + 3712			12				E / 🗍 W Line of Section
Contact Person: Mark				GPS Locati	on: Lat:	, Long:	(e.gxxx.xxxx)
Phone:(<u>918</u>) <u>331-6</u>	6433						GL 🗌 KB
Contact Person Email:		es@yahoo.com		Lease Nam	e: SOLOMON	We	GL ☐ KB
Field Contact Person:							Other:
Field Contact Person Phon	e:()				ermit #:		mit #:
	. ,			Gas Sto	orage Permit #: 08/27/1983	Date Shut-In:	10/22/2010
				opuu Date.			
	Conductor	Surface		duction	Intermediate	Liner	Tubing
Size	NA	10	6.5		NA	NA	2.375
Setting Depth		49	1076				1020
Amount of Cement		20	120				NA
Top of Cement		NA	NA				NA
Bottom of Cement		NA	NA				NA
Casing Fluid Level from Su	rface:800	How De	termined?	Line Mea	surement		Date: 10/22/2010
Casing Squeeze(s):					w/	sacks of cement.	Date:
(<i>top,</i> Do you have a valid Oil & G		-		(top)	(bottom)		
Depth and Type: 🗌 Junk	in Hole at	Tools in Hole at	Ca	sing Leaks:	Yes No Depth of	casing leak(s):	
Type Completion:	.I 🗹 ALT. II Depth o	f: DV Tool:(depth)	w/_	sacks	s of cement Port Coll	ar:w	/ sack of cement
Packer Type:						(dopu)	
Total Depth: 1093	Plug Bac	k Depth:	1	Plug Back Meth	od:		
Geological Date:							
Formation Name	Formation	Top Formation Base			Completion In	formation	
			Perfo	ation Interval			val toFeet
2							val toFeet
	IIIDVI LIEDEDV ATTE					BEATTATUE BEET	
		0.1					
		Submitt	ed Ele	ctronicall	У		
				í.			
Do NOT Write in This	Date Tested:	R	esults:		Date Plugged:	Date Repaired: Date	ate Put Back in Service:
Space - KCC USE ONLY					·		1
Review Completed by:	uane Sims		Comm	ents:			
TA Approved: Yes	Denied Date:	09/11/2018					

Mail to the Appropriate KCC Conservation Office:

And have have and the provided from the second seco	KCC District Office #4 - 2301 E. 13th Street, Hays, KS 67601-2651	Phone 785.261.6250
	KCC District Office #3 - 137 E. 21st St., Chanute, KS 66720	Phone 620.902.6450
	KCC District Office #2 - 3450 N. Rock Road, Building 600, Suite 601, Wichita, KS 67226	Phone 316.337.7400
	KCC District Office #1 - 210 E. Frontview, Suite A, Dodge City, KS 67801	Phone 620.682.7933



CORPORATION COMMISSION CONSERVATION DIVISION DISTRICT OFFICE NO. 3 137 E. 21st Street Chanute, KS 66720

PHONE: 620-902-6450 http://kcc.ks.gov/

GOVERNOR JEFF COLYER, M.D. Shari Feist Albrecht, Chair | Jay Scott Emler, Commissioner | Dwight D. Keen, Commissioner

September 11, 2018

Mark W. McCann Quito, Inc. 1613 W 6TH ST BARTLESVILLE, OK 74003-3712

Re: Temporary Abandonment API 15-019-24303-00-00 SOLOMON 3 SE/4 Sec.18-35S-12E Chautauqua County, Kansas

Dear Mark W. McCann:

Your application for Temporary Abandonment (TA) for the above-listed well is denied for the following reasons(s):

need current Fluid level

Pursuant to K.A.R. 82-3-111, the well must be plugged, or returned to service, or obtain temporary abandonment status by October 09, 2018.

This deadline does NOT override any compliance deadline given to you in any Commission Order.

You may contact me if you have any questions.

Sincerely, Duane Sims KCC DISTRICT 3

STATE OF KANSAS

Corporation Commission Conservation Division District Office No. 3 137 E. 21st Street Chanute, KS 66720



PHONE: 620-902-6450 http://kcc.ks.gov/

GOVERNOR JEFF COLYER, M.D. Shari Feist Albrecht, Chair | Jay Scott Emler, Commissioner | Dwight D. Keen, Commissioner

September 11, 2018

Mark W. McCann Quito, Inc. 1613 W 6TH ST BARTLESVILLE, OK 74003-3712

Re: Temporary Abandonment API 15-019-24307-00-00 SOLOMON 5 SE/4 Sec.18-35S-12E Chautauqua County, Kansas

Dear Mark W. McCann:

Your application for Temporary Abandonment (TA) for the above-listed well is denied for the following reasons(s):

need current Fluid level

Pursuant to K.A.R. 82-3-111, the well must be plugged, or returned to service, or obtain temporary abandonment status by October 09, 2018.

This deadline does NOT override any compliance deadline given to you in any Commission Order.

You may contact me if you have any questions.

Sincerely, Duane Sims KCC DISTRICT 3

Form CP-111 July 2017 Form must be Typed Form must be signed All blanks must be complete

TEMPORARY ABANDONMENT WELL APPLICATION

OPERATOR: License# 33594 Name: Quito, Inc. Address 1: 1613 W 6TH ST Address 2:				Spot Descr NE_NV 990 GPS Locati Datum: County: Lease Nam Well Type: (SWD P Gas Sto Spud Date:	x SE_SE Sec18	3 Twp. 35	. Well #: _3 GL ☐ KB W ☐ Other: R Permit #: n:10/22/2010
	Conductor	Surface		duction	Intermediate	Liner	Tubing
Size	NA	10	4.5		NA	NA	2.3
Setting Depth	~	41	1118	>			1054
Amount of Cement		25	130				NA
Top of Cement	11	NA	NA				NA
Bottom of Cement Casing Fluid Level from Su		NA 7	NA				NA <i>AS</i> Date: <u>12/22/2017</u>
Casing Squeeze(s):	to w / Gas Lease? Ves In Hole at (depth) [No Tools in Hole at (depu- f: DV Tool: (depth) by Formation Base to 1044 Feet to 1044 Feet	Cas w / Inch S F Perfor Perfor	sing Leaks: sack Set at: Plug Back Meth ation Interval . ation Interval .	Yes No Depth cost of cement Port Co s of cement Port Co Feet od: Feet 1056 to 1060 Feet 1070 to 1082 Feet EIN IS TRUE AND COF	of casing leak(s): llar: (<i>depth</i>) nformation t or Open Hole In t or Open Hole In RRECT TO THE BI	_ w / sack of cement RECEIVED KCC DIST # 3 SEP 2 6 201 CHANUTE, KS nterval to Feet nterval to Feet EST OF MY KNOWLEDGE.
	\searrow /						
Do NOT Write in This Space - KCC USE ONLY	14	_	esults:			Date Repaired:	Date Put Back in Service:
Review Completed by:			Comm	ents: Orig	pinally Denial	on 9-1	1-18
TA Approved: 🗌 Yes	Denied Date:					4	
		Mail to the App	ropriate k	CC Conserv	vation Office:		

 KCC District Office #1 - 210 E. Frontview, Suite A, Dodge City, KS 67801
 Phone 620.682.7933

 KCC District Office #2 - 3450 N. Rock Road, Building 600, Suite 601, Wichita, KS 67226
 Phone 316.337.7400

 KCC District Office #3 - 137 E. 21st St., Chanute, KS 66720
 Phone 620.902.6450

 KCC District Office #4 - 2301 E. 13th Street, Hays, KS 67601-2651
 Phone 785.261.6250

*

Form CP-111 July 2017 Form must be Typed Form must be signed All blanks must be complete

TEMPORARY ABANDONMENT WELL APPLICATION

OPERATOR: License#	33594		N	API No. 15	15-019-24307	-00-00		
Name: Quito, In				Spot Desc	ription:			
Address 1: 1613 W			11	SM SE	NESE Sec 18	Twp S. R.	12 🔽 E	W
Address 2:		1	14	990	000	feet from N /	S Line of S	ection
city: BARTLESVILL	E State: OK	Zip: 74003 / +	+ 3712			feet from 🗶 E /	W Line of S	ection
Contact Person: Mark		1		GPS Locat	ion: Lat:	, Long:	(e.gxxx.xxxxx)	
Phone:(<u>918</u>) <u>331-6</u>		N N					[] GL [∣кв
Contact Person Email:	mccanncompani	es@yahoo.co	m	Lease Nam	hautauqua Elev	Well #	_5	
Field Contact Person:					(check one) 🗹 Oil 🗌 Ga			
Field Contact Person Phone	e:()		N	SWD Permit #: ENHR Permit #:				
		15	11	Gas St	orage Permit #: 08/27/1983	Data Shut In: 10	/22/2010	
			//	Spud Date				
	Conductor	Surface	~	duction	Intermediate	Liner	Tubing	
Size	NA	10	6.5		NA	NA	2.375	
Setting Depth		49	1076	>			1020	
Amount of Cement		20	120				NA	
Top of Cement	1)	NA	NA			*	NA	
Bottom of Cement		NA 7 F	NA				NA	
Casing Fluid Level from Sur Casing Squeeze(s):	rface: 800 / 58	Ho sacks	ow Determined?	Line Mea	sureme <mark>nt (w.the</mark>	sel by DAS Dat	e: <u>12/22/201</u> e: <u>/0-11-18</u>	7-
Do you have a valid Oil & G	Contraction of the Contraction o							
Depth and Type: Unk	in Hole at] Tools in Hole at	(denth) Cas	sing Leaks:	Yes No Depth of	casing leak(s):		
Type Completion:					s of cement Port Coll			ement
Packer Type:	Size:				Feet	(depth)	KCC DIST	ſ#3
Total Depth: 1093		ck Depth:	F	Plug Back Meth	od:		SEP 26	2018
Geological Date:	_ \ \						CHANUTE,	, KS
Formation Name	Formation	Top Formation Bas	se		Completion In			
1. Wayside	At 1046	Y to _1020	Feet Perfor	ation Interval	1020 to 1040 Feet	or Open Hole Interval_	to	Feet
2	At:	to	Feet Perfor	ation Interval	to Feet	or Open Hole Interval _	to	_Feet
UNDER PENALTY OF PER	JURY I HEREBY ATTE	ST THAT THE INFO	DRMATION CON	ITAINED HEF	REIN IS TRUE AND CORI	RECT TO THE BEST OF	MY KNOWLEDG	϶E.
Date:	Signature:				Title: _			
Do NOT Write in This Space - KCC USE ONLY	Date Tested:		Results:		Date Plugged: D	Date Repaired: Date F	ut Back in Service	:
Review Completed by:			Comm	ents: Origi	hally denied o	~ 9-11-18		
TA Approved: Yes					5			_
				5				
		Mail to the	Annronriato k	CC Consor	vation Office:			

Mail to the Appropriate KCC Conservation Office:

	KCC District Office #1 - 210 E. Frontview, Suite A, Dodge City, KS 67801	Phone 620.682.7933
	KCC District Office #2 - 3450 N. Rock Road, Building 600, Suite 601, Wichita, KS 67226	Phone 316.337.7400
······································	KCC District Office #3 - 137 E. 21st St., Chanute, KS 66720	Phone 620.902.6450
and the state an	KCC District Office #4 - 2301 E. 13th Street, Hays, KS 67601-2651	Phone 785.261.6250

KCC OIL/GAS REGULATORY OFFICES

Inspection Date:	02/04/2019	District:	3		Incident N	lumber:	e	392
		Situation		🗹 Lea	se Inspectio	on		
	🗌 Res	ponse to Re	quest		nplaint			
	✓ Follo	ow-up		✓ Fiel	d Report			
Operator License No	: 33594	API:			Q3:	Q2:	Q1:	
Operator Name: Qui	ito, Inc.		SE	C 18	TWP 35	RGE 12	RGEDIR:	Е
Address: 1613 W. 6	TH ST.					FSL:		
City: Bartlesville						FEL:		
State: OK Zip C	Code: 74003	Lea	se: S	olomon	V	Vell No.:	3	
Phone contact:	918-331-6433				Coun	ty: CQ		
Reason for Investigat	<u>tion:</u>							

To check status of wells.

Problem:

CP-111 was denied on these wells on September 11, 2018.

Persons contacted:

District #3 Staff

Findings:

On February 4, 2019 I was on the Solomon lease for a follow up from the January 2, 2019 inspection. Quito, Inc. was granted a verbal extension from Troy Russell (District #3 Supervisor) of February 4, 2019 to have the Solomon #3 and the Solomon #5 wells put back into production. As of February 4, 2019 neither one of these wells have been put back into production. A casing intergrity test has not been completed so CP-111's could be filed and approved, nor have these wells been plugged.

Actions / Recommendation	Follow-up Required	Deadline Date:	
Turn my finding in to John Almond	l (District #3 Compliance Officer) for review.	
		<u>Photo's Taken:</u>	
	DB Report Prepared By:	Duane A. Sims	
□ T1 DBF	Courthouse Position :	<u>E.C.R.S.</u>	D.S. Exhibit 4 Page 1 of 4

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Q	uito, Inc.
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Lease: Solomon

County: Chautauqua

Subject: Abandoned well (Solomon #3)

FSL: 1008

FEL: 974

API#: 15-019-24303-00-00

Date: February 4, 2019

Staff: Duane A. Sims

KLN: 335	594
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Legal: 18-35-12E

PIC ID#: IMG 0919

PIC Orientation: Facing East

Latitude: 37.002029

Longitude: -96.130592

Time: 5:06PM

Additional Information: This is a picture of the Solomon #3 well. I was on location on February 4, 2019, for a follow up from the January 2, 2019 inspection. The Operator was granted a verbal extension of February 4, 2019 to have the well put back into production. The well is not in production. A Casing Intergity Test has not been completed on this well, so a CP-111 can not be approved because of the 140' fluid level. The well has not been plugged. Table I for this 225'.

KCC OIL/GAS REGULATORY OFFICES

Inspection Date:	02/04/2019	District:	3		Incident N	umber:	6	392
	🗌 New	Situation		🗹 Lea	se Inspectio	n		
i,	🗌 Res	ponse to Re	quest		nplaint			
	✓ Follo	ow-up		✓ Field	d Report			
Operator License No	33594	API:			Q3:	Q2:	Q1:	
Operator Name: Qui	ito, Inc.		SEG	C 18	TWP 35	RGE 12	RGEDIR:	Е
Address: 1613 W. 6	TH ST.					FSL:		
City: Bartlesville						FEL:		
State: OK Zip C	Code: 74003	Lea	se: S	olomon	W	/ell No.:	5	
Phone contact:	918-331-6433				Count	y: CQ		
Reason for Investigat	tion:							

To check status of wells.

Problem:

CP-111 was denied on these wells on September 11, 2018.

Persons contacted:

District #3 Staff

Findings:

On February 4, 2019 I was on the Solomon lease for a follow up from the January 2, 2019 inspection. Quito, Inc. was granted a verbal extension from Troy Russell (District #3 Supervisor) of February 4, 2019 to have the Solomon #3 and the Solomon #5 wells put back into production. As of February 4, 2019 neither one of these wells have been put back into production. A casing intergrity test has not been completed so CP-111's could be filed and approved, nor have these wells been plugged.

Actions / Recommendation

Follow-up Required

Deadline Date:

Photo's Taken:

Turn my finding in to John Almond (District #3 Compliance Officer) for review.

T1 DBF

RBDMS KGS

TA DB

✓ District Files □ Courthouse

Position: E.C.R.S.

Report Prepared By: Duane A. Sims

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator:	Quito,	Inc.
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Lease: Solomon

County: Chautauqua

Subject: Abandoned well (Solomon #5)

FSL: 1032

FEL: 343

API#: 15-019-24307-00-00

Date: February 4, 2019

Staff: Duane A. Sims

KLN:	33594

Legal: 18-35-12E

PIC ID#: IMG 0920

PIC Orientation: Facing East

Latitude: 37-002100

Longitude: -96.128433

Time: 5:07PM

Additional Information: This is a picture of the Solomon #5 well. I was on location on February 4, 2019, for a follow up from the January 2, 2019 inspection. The Operator was granted a verbal extension of February 4, 2019 to have the well put back into production. The well is not in production. A Casing Intergity Test has not been completed on this well, so a CP-111 can not be approved because of the 150' fluid level. The well has not been plugged. Table I for this area is 225'.

All blanks must be complete

TEMPORARY ABANDONMENT WELL APPLICATION

OPERATOR: License#				API No. 15						
Name:				Spot Description:						
Address 1:					Se	ec	_ Twp S. R		E 🗌 W	
Address 2:							feet from N / [
City: State: Zip: +							feet from E / [W Line o	f Section	
Contact Person:				GPS Location: Lat:, Long:, Long:, Datum: NAD27 NAD83 WGS84						
Phone:()							ion:	GL	. 🗌 KB	
							Well #:			
					check one) 🗌	Oil Gas	OG WSW Oth	ner:		
Field Contact Person Phone							ENHR Permit #	:		
	//				rage Permit #: _					
				Spud Date:			_ Date Shut-In:			
	Conductor	Surface	e P	roduction	Intermediate		Liner	Tubing		
Size										
Setting Depth										
Amount of Cement										
Top of Cement										
Bottom of Cement										
Casing Fluid Level from Su	rface:		How Determined	?			Date:	:		
Casing Squeeze(s):										
Do you have a valid Oil & G	as Lease? 🗌 Yes [No								
Depth and Type: 🗌 Junk	in Hole at	Tools in Hole	at C	asing Leaks:	Yes No	Depth of ca	asing leak(s):			
Type Completion: ALT							(depth)	Sauk U	Cement	
Packer Type:	Size: _		Inc	h Set at:		Feet				
Total Depth:	Plug Ba	ack Depth:		Plug Back Metho	od:		_			
10tal 20ptili										
Geological Date:										
	Formation	n Top Formation	Base		Com	pletion Infor	rmation			
Geological Date:		n Top Formation		foration Interval _		•	rmation r Open Hole Interval	to	Feet	

Submitted Electronically

<i>Do NOT Write in This Space -</i> KCC USE ONLY			Date Plugged:	Date Repaired:	Date Put Back in Service:
Review Completed by:		Comments:			
TA Approved: 🗌 Yes 🗌 D	Denied Date:				

Mail to the Appropriate KCC Conservation Office:

	KCC District Office #1 - 210 E. Frontview, Suite A, Dodge City, KS 67801	Phone 620.682.7933	
	KCC District Office #2 - 3450 N. Rock Road, Building 600, Suite 601, Wichita, K	Phone 316.337.7400	
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	KCC District Office #3 - 137 E. 21st St., Chanute, KS 66720		Phone 620.902.6450
The second secon	KCC District Office #4 - 2301 E. 13th Street, Hays, KS 67601-2651	D.S. Exhibit 5	Phone 785.261.6250
	·	Page 1 of 1	·

STATE OF KANSAS



PHONE: 620-902-6450 http://kec.ks.gov/

GOVERNOR JEFF COLYER, M.D. Shari Feist Albrecht, Chair | Jay Scott Emler, Commissioner | Dwight D. Keen, Commissioner

January 10, 2019

Mark W. McCann Quito, Inc. 1613 W. 6th Street Bartlesville, OK 74003-3712

Re: Temporary Abandonment API 15-019-23901-00-00 DOTY 3 SE/4 Sec.33-33S-11E Chautauqua County, Kansas

Dear Mark W. McCann:

Your application for Temporary Abandonment (TA) for the above-listed well is denied for the following reasons(s):

Needs current Fluid level

Pursuant to K.A.R. 82-3-111, the well must be plugged, or returned to service, or obtain temporary abandonment status by February 07, 2019.

This deadline does NOT override any compliance deadline given to you in any Commission Order.

You may contact me if you have any questions.

Sincerely, Duane Sims KCC DISTRICT 3

KCC OIL/GAS REGULATORY OFFICES

Inspection Date:	02/07/2019	District:	3		Incident N	Number:		6394
	✓ Nev	w Situation		🗹 Lea	ase Inspecti	on		
		sponse to Re	equest		mplaint			
	Fol	low-up		✓ Fie	ld Report			
Operator License No	33594	API:	15-01	9-23901	-00-00 Q3:	SW Q2	: SW Q	1: SE
Operator Name: Qu	lito, Inc.		SE	E C 33	TWP 33	RGE 11	RGEDI	IR: E
Address: 1613 W. 6	TH ST.					FSL:		351
City: Bartlesville						FEL:		2198
State: OK Zip	Code: 74003	Lea	ase:	Doty	١	Well No.:	3	
Phone contact:	918-331-6433				Cour	nty: CQ		
Reason for Investiga	tion:							

To check status of well.

Problem:

CP-111 was denied on this well on January 10, 2019.

Persons contacted:

District #3 Staff, Coleen Servant 918-331-6433

Findings:

On February 7, 2019 I was at the Doty #3 well location to check status of well. The well was still abandoned. I denied a CP-111 for this well on January 10, 2019 because a current fluid level was not provided. On January 17, 2019 I met with a representative (Darrell Hughes) for Quito, Inc. on lease to check the fluid level of the Doty #3. The fluid level was 215'. This fluid level is to high to approve the CP-111. Table One for this area is 300'. I talked to Coleen Servant on this day and explained to her that a CIT would have to be performed and pass before the deadline of February 7, 2019 because of the high fluid level so a CP-111 could be approved. As of February 7, 2019 a satifactory CIT has not been conducted on the well so a CP-111 could be approved. This well has not been put back into production, nor has the well been plugged.

Actions / Recommendation

Follow-up Required

Deadline Date:

Turn my finding in to John Almond (District #3 Compliance Officer) for review and turn in for fine recommendations.

						Photo's Taken:	
	KGS		TA DB	Report Prep	pared By:	Duane A. Sims	
T1 DBF	✓ Distr	ict File	s 🗆 C	ourthouse	Position:	E.C.R.S.	

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KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.
Lease: Doty
County: Chautauqua
Subject: Abandoned well (Doty #3)
FSL: 351
FEL: 2198
API#: 15-019-23901-00-00

Date: February 7, 2019

Staff: Duane A. Sims

KLN:	33594
KLIN.	55554

Legal: 33-33-11E

PIC ID#: IMG 0922

PIC Orientation: Facing South

Latitude: 37.127958

Longitude: -96.207154

Time: 5:00PM

Additional Information: This a picture of the Doty #3. I was on site of this well on February 7, 2019 at 5:00pm and the well is still inactive. The CP-111 was denied on January 10, 2019. It was denied because it needed a current fluid level on the well. I met a representative (Darrel Hughes) for Quito, Inc. on site on January 17, 2019 and witnessed a fluid level. The fluid level was 215' from surface. This fluid level is too high and well needs a satisfactory Casing Integrity Test conducted before a CP-111 can be approved. Table I for this area is 300'. This well could also be put back into production or plugged to bring it into compliance.

CERTIFICATE OF SERVICE

19-CONS-3271-CPEN 19-CONS-3272-CPEN

I, the undersigned, certify that a true copy of the attached Prefiled Testimony of Duane Sims has been served to the following by means of electronic service on <u>May 13, 2019</u>.

JOHN ALMOND KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 3 137 E. 21ST STREET CHANUTE, KS 66720 Fax: 785-271-3354 j.almond@kcc.ks.gov

JONATHAN R. MYERS, ASSISTANT GENERAL COUNSEL KANSAS CORPORATION COMMISSION 266 N. Main St., Ste. 220 WICHITA, KS 67202-1513 Fax: 316-337-6211 j.myers@kcc.ks.gov

DUANE SIMS KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 3 137 E. 21ST STREET CHANUTE, KS 66720 Fax: 785-271-3354 d.sims@kcc.ks.gov JEFF KENNEDY MARTIN, PRINGLE, OLIVER, WALLACE & BAUER, LLP 100 N. Broadway Suite 500 Wichita, KS 67202 Fax: 913-491-3341 jkennedy@martinpringle.com

LAUREN WRIGHT, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 266 N. Main St., Ste. 220 WICHITA, KS 67202-1513 Fax: 316-337-6211 I.wright@kcc.ks.gov

/S/ Paula J. Murray

Paula J. Murray