

**BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

In the matter of the failure of Tailwater, Inc.)
("Operator") to comply with K.A.R. 82-3-407)
at the Finkenbinder #6-IW in Anderson County,)
Kansas.)
_____) License No. 32461

PRE-FILED REBUTTAL TESTIMONY

OF

JOHN ALMOND

ON BEHALF OF COMMISSION STAFF

AUGUST 7, 2020

1 **Q. What is your name and business address?**

2 A. John Almond, 137 E. 21st Street, Chanute, KS 66720

3 **Q. By whom are you employed and in what capacity?**

4 A. I am employed by the Conservation Division of the Kansas Corporation Commission (KCC
5 or Commission), District #3 Office, as a Compliance Officer and Environmental Compliance
6 and Regulatory Specialist (ECRS).

7 **Q. Would you please briefly describe your educational background and work experience?**

8 A. I graduated from Chanute High School in 1973. I worked in Southeast Kansas operating John
9 Almond Contract Services. We had six employees pumping leases, maintaining wells and
10 equipment, and taking care of several hundred wells in Allen, Anderson, Crawford, Linn,
11 Neosho, Woodson, and Wilson Counties. I had a pulling unit, backhoe, and service vehicles
12 to maintain and service old and new oil, water supply, injection, and disposal wells. We also
13 conducted mechanical integrity tests (MITs) on injection and disposal wells, and laid
14 underground electric, production and injection lines for wells in the oil industry for over
15 twenty years. In May of 1997, I was hired by the Kansas Corporation Commission District #3
16 Office at Chanute as a Petroleum Industry Regulatory Technician (PIRT) I. Shortly thereafter
17 I advanced to a PIRT II. In 1999, I was promoted to PIRT III as the District #3 Compliance
18 Officer. Due to a statewide reclassification of environmental positions, I am now an ECRS
19 and the Compliance Officer in District #3.

20 **Q. Have you previously testified before this Commission?**

21 A. Yes.

1 **Q. What duties does your position with the Conservation Division involve?**

2 A. As Compliance Officer, I prepare evidence necessary to recommend penalties for probable
3 violations of Commission regulations. My job includes reviewing Staff field reports,
4 coordinating day-to-day operations of the District #3 Office, sending notice of violation
5 letters, and generally trying to resolve compliance issues. I work to coordinate scheduling of
6 Staff-witnessed well completions, well pluggings, and MITs. I coordinate the investigation of
7 spills and complaints, verify proper construction of wells, help train District Staff, and work
8 with Commission Staff in Wichita. I conduct inspections and investigations on special
9 projects myself or in the absence of assigned Staff whenever necessary. I work with lease
10 operators, landowners, local, county and state agencies and organizations resolving oil and
11 gas related issues and other tasks as required.

12 **Q. What is the purpose of your testimony in this matter?**

13 A. The purpose of my testimony is to respond to the testimony of Mr. Christian Martin, on behalf
14 of Tailwater, Inc. (Operator) in Docket No. 20-CONS-3234-CPEN (the 20-3234 Docket). I
15 was personally involved with this matter due to my position as the District #3 Compliance
16 Officer.

17 **Q. How did the Subject Well come to your attention?**

18 A. On January 26, 2020, Operator sent me an e-mail requesting an extension for plugging the
19 Subject Well.

20 **Q. Did you respond to the email?**

21 A. No. I did not respond to Operator's e-mail. I researched KCC records regarding the Subject
22 Well and discovered that it was an injection well with a failed MIT, and was required to be
23 repaired and re-tested or plugged within 90-days of the failed date. Information in the records

1 indicated the well had a compliance deadline of February 6, 2020. I forwarded the e-mail to
2 Troy Russell, District #3 Supervisor, on January 27, 2020.

3 On February 13, 2020, I contacted Operator by telephone to explain that I did not have the
4 authority to grant an extension to the regulatory compliance deadline.

5 **Q. In Operator's testimony it states that he called the District Office several times to discuss**
6 **an extension for the Subject Well. Did you speak with Mr. Martin during that time**
7 **regarding the Subject Well, or are you aware of anyone in the District office who spoke**
8 **with Mr. Martin?**

9 A. No, I did not speak with him, and I am unaware of anyone in the office who did. I reviewed
10 the District #3 call log and did not find a record of Mr. Martin contacting the District Office.
11 I don't know who he may have talked to, but he did not talk to me about the well until I called
12 him on February 13, 2020.

13 **Q. On page 5, Mr. Martin discusses the K.A.R. 82-3-407 regulation and states that it**
14 **wouldn't be possible for the well to leak anything into any waters zones. How do you**
15 **respond?**

16 A. KCC records show Keith Carswell witnessed the failed MIT on the Subject Well. His rebuttal
17 testimony indicates that the contractor could not get the pressure above 110 pounds, and that
18 each time they quit pumping on the casing, the pressure would immediately drop back to 60
19 pounds. That likely means there was a substantial sized leak in the casing.

20 Furthermore, Mr. Martin did not know where the leak was for certain, he could not say the
21 leak was well below the fresh water zone and that it was protected by the surface casing. When
22 Operator originally called the District #3 Office to report the spud call for the Subject Well,
23 they stated they were going to set 20 feet of 7" surface casing. The U-7 MIT form states that

1 the well has 46.9 feet of 7” surface casing. The ACO-1 well completion form filed by the
2 operator states that the well has 64.9 feet of 7” surface casing, so it is not exactly clear how
3 much surface casing the well had. Regardless, the surface casing is meant to be cemented
4 from top to bottom. The failed MIT indicates that there was no cement behind the casing at
5 the location of the leak.

6 **Q. On page 5 of his testimony, Mr. Martin states Midwest put the leak between 60 and 100**
7 **feet below surface, but that the leak is well below the fresh water zone, which was also**
8 **protected by the surface casing. How do you respond?**

9 **A.** Mr. Martin testifies that the leak was put at between 60 and 100 feet. Table 1 of Docket
10 34,780-C sets the minimum surface casing requirements to protect fresh and usable water
11 across the state of Kansas. The table indicates the minimum surface casing requirement for
12 Anderson County in that particular area is 125 feet. Additionally the fluid level of the Subject
13 Well before the MIT was conducted was 81 feet, which is above the level of usable water.
14 KGS also indicates that a domestic water well is located in the adjacent section to the Subject
15 Well. Its total depth is documented at 275 feet. I have attached a screenshot of that well from
16 the KGS website as *Exhibit JA-1*.

17 **Q. Was there ever any indication that the Subject Well posed a threat to fresh or usable**
18 **water resources or endangered correlative rights or was causing any pollution or leaking**
19 **any fluids into any fresh water zones?**

20 **A.** When any well fails a required MIT, we have to operate as if the casing failure is a threat to
21 fresh or usable water resources and is causing pollution and leaking contaminated fluids into
22 any fresh water zones. That is why we give the operator a timeframe with a deadline to repair
23 and retest or plug or isolate the leak within the wellbore.

1 **Q. Please summarize your recommendations.**

2 A. The Penalty Order in the 20-3234 Docket should be affirmed. The assessment of the \$1,000
3 penalty is reasonable and should be upheld. Operator failed to successfully conduct a MIT on
4 the Subject Well before the February 6, 2020 deadline. Furthermore, it took the Operator over
5 twice the allowed amount of time to plug the well. The Commission found one violation of
6 K.A.R. 82-3-407 and Staff's testimony supports this assessment.

7 **Q. Does this conclude your testimony?**

8 A. Yes.

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Finkenbinder #6-IW

CERTIFICATE OF SERVICE

20-CONS-3234-CPEN

I, the undersigned, certify that a true copy of the attached Prefiled Rebuttal Testimony of John Almond has been served to the following by means of electronic service on August 7, 2020.

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

JOHN C. CHAPPELL, ATTORNEY AT LAW
JOHN CHAPPELL
PO BOX 602
LAWRENCE, KS 66044
jchappell@jchap.com

KELCEY MARSH, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
CENTRAL OFFICE
266 N. MAIN ST, STE 220
WICHITA, KS 67202-1513
Fax: 785-271-3354
k.marsh@kcc.ks.gov

RENE STUCKY
KANSAS CORPORATION COMMISSION
266 N. Main St., Ste. 220
WICHITA, KS 67202-1513
Fax: 785-271-3354
r.stucky@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

/S/ Paula J. Murray

Paula J. Murray