

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

In the matter of the failure of Novy Oil & Gas,) Docket No.: **23-CONS-3212-CPEN**
Inc. (Operator) to comply with K.A.R. 82-3-111)
at the Beymer #4 and Isern A #2 wells in Barton) CONSERVATION DIVISION
and Kearny Counties, Kansas.)
_____) License No.: 31714

In the matter of the failure of Novy Oil & Gas,) Docket No.: 23-CONS-3331-CPEN
Inc. (Operator) to comply with K.A.R. 82-3-111)
at the Patton B #2 well in Scott County, Kansas.) CONSERVATION DIVISION
_____)
_____) License No.: 31714

PRE-FILED DIRECT TESTIMONY

OF

RICHARD WILLIAMS

ON BEHALF OF COMMISSION STAFF

JULY 21, 2023

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

2 A. Richard Williams, 2301 E. 13th Street, Hays, Kansas, 67601.

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
5 (Commission), District #4 Office, as Compliance Officer, Temporary Abandonment (TA)
6 Coordinator, and Environmental Compliance and Regulatory Specialist (ECRS).

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

8 A. After attending college for two years, I worked for an independent oil and gas operator in
9 Kansas. During my fifteen years with this operator I worked as a production superintendent,
10 where I was responsible for completing and maintaining wells and overseeing day to day
11 operations. In 1997, I began working for the Commission as a Petroleum Industry Regulatory
12 Technician. After a statewide reclassification of environmental positions, I am now an ECRS.
13 In 2000, I became the TA coordinator for the District #4 Office. Additionally, since 2014, I
14 have served as the District #4 Compliance Officer.

15 **Q. What are your duties with the Conservation Division?**

16 A. As Compliance Officer, I review operator data for compliance with Commission regulations
17 and prepare evidence necessary to recommend penalties for probable violations of those
18 regulations. Specifically, my job includes reviewing Staff field reports, coordinating day-to-
19 day operations of the District #4 Office, sending Notice of Violation (NOV) letters, and
20 generally trying to resolve compliance issues. I work to coordinate scheduling of Staff-
21 witnessed well completions, well pluggings, and mechanical integrity tests (MITs). I
22 coordinate the investigation of spills and complaints, verify proper construction of wells, help
23 train District Staff, and work with Commission Staff in Wichita. I conduct inspections and

1 investigations on special projects, or in the absence of assigned Staff, whenever necessary. I
2 work with lease operators, landowners, local, county, and state agencies and organizations to
3 resolve oil and gas related issues.

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

5 A. Yes.

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

7 A. The purpose of my testimony is to discuss the evidence supporting the Commission's findings
8 in regard to the Penalty Orders issued against Novy Oil & Gas, Inc. (Operator) in Docket
9 23-CONS-3212-CPEN (Docket 23-3212) and Docket 23-CONS-3331-CPEN (Docket
10 23-3331).

11 **Q. Please provide a brief overview of the facts in these consolidated dockets.**

12 A. In Docket 23-3212, the Commission penalized Operator for two violations of K.A.R. 82-3-
13 111 at the Beymer #4 and Isern A #2 wells. In Docket 23-3331, the Commission penalized
14 Operator for one violation of K.A.R. 82-3-111 at the Patton B #2 well. The Isern A #2 well is
15 located in District #4, so I will provide testimony about that well. The Beymer #4 and Patton
16 B #2 wells are located in District #1, so Eric MacLaren will provide testimony about those
17 wells.

18 **Q. What are the requirements of K.A.R. 82-3-111?**

19 A. K.A.R. 82-3-111 provides that within 90 days after operations cease on any well, the operator
20 of that well shall: (1) plug the well; (2) return the well to service; or (3) file an application
21 with the Conservation Division requesting TA status, on a form prescribed in writing by the
22 Conservation Division. K.A.R. 82-3-111 also states that failure by an operator to file a notice

1 of TA status for a well shall be punishable by a \$100 penalty. The testimony of Eric MacLaren
2 provides greater detail about the requirements of K.A.R. 82-3-111.

3 **Q. Did Operator submit a TA application for the Isern A #2?**

4 A. Yes. On December 18, 2022, Operator submitted a TA application for the Isern A #2 well (the
5 application is attached to my testimony as *Exhibit RW-1*). I denied the application on
6 December 19, 2022. On that same date, I sent a letter to Operator indicating that the TA
7 application had been denied because of a high fluid level in the well. The letter gave Operator
8 a deadline of January 18, 2023, to bring the well into compliance with K.A.R. 82-3-111. The
9 letter is attached to the Docket 23-3212 Penalty Order in Exhibit A.

10 **Q. You stated that the TA application for the Isern A #2 well was denied because of a high**
11 **fluid level. What was the fluid level for the well?**

12 A. Operator reported that the fluid level for the well was 625 feet (*see* the TA application attached
13 as *Exhibit RW-1*).

14 **Q. Why was this fluid level a concern?**

15 A. Operator measured the fluid level for the Isern A #2 well from the surface of the well down
16 to the fluid level. A fluid level of 625 feet suggests a casing leak in the well. Additionally,
17 although the fluid level is below any fresh and usable water zones, it is approximately 300
18 feet above the salt section, which could lead to the dissolution of the salt if any upper water
19 zones are able to move across the salt. This is a concern due to the fact that Operator was
20 unable to get below or even to the base of the salt when plugging the nearby Isern #1, Isern
21 #3, and Isern #4 wells (*see* the KCC technician plugging reports for the wells attached to my
22 testimony as *Exhibit RW-2*).

1 **Q. Did Operator respond to the letter you sent on December 19, 2022?**

2 A. No.

3 **Q. Did District #4 Staff perform a field inspection of the Isern A #2 well?**

4 A. Yes. On January 26, 2023, District #4 Staff performed a field inspection of the Isern A #2
5 well. Staff found the well to be inactive. Consequently, the well was out of compliance with
6 K.A.R. 82-3-111 after the deadline in the December 19, 2022, letter. The field report is
7 attached to the Docket 23-3212 Penalty Order in Exhibit B.

8 **Q. As of the date of this testimony, has Operator plugged, returned to service, or obtained**
9 **TA status for the Isern A #2 well?**

10 A. No.

11 **Q. Please summarize your recommendations.**

12 A. I believe the information gathered by District #4 Staff is sufficient to affirm the Commission's
13 Penalty Order with regard to the Isern A #2 well. The well has been inactive and unplugged
14 without TA status for longer than allowed by Commission regulations.

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

16 A. Yes.

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

TEMPORARY ABANDONMENT WELL APPLICATION

OPERATOR: License# 31714

Name: Novy Oil & Gas, Inc.

Address 1: PO BOX 559

Address 2: _____

City: GODDARD State: KS Zip: 67052 + 0559

Contact Person: Michael E. Novy

Phone: (316) 794-7200

Contact Person Email: _____

Field Contact Person: _____

Field Contact Person Phone: (_____) _____

API No. 15- 15-009-04521-00-01

Spot Description: _____

NW NW SW Sec. 25 Twp. 19 S. R. 11 ☐ E ☒ W

2310 feet from ☐ N / ☒ S Line of Section

4950 feet from ☒ E / ☐ W Line of Section

GPS Location: Lat: _____, Long: _____
(e.g. xx.xxxxx) (e.g. -xxx.xxxxx)

Datum: ☐ NAD27 ☐ NAD83 ☐ WGS84

County: Barton Elevation: _____ ☐ GL ☐ KB

Lease Name: ISERN A Well #: 2

Well Type: (check one) ☒ Oil ☐ Gas ☐ OG ☐ WSW ☐ Other: _____

☐ SWD Permit #: _____ ☐ ENHR Permit #: _____

☐ Gas Storage Permit #: _____

Spud Date: 07/18/2005 Date Shut-In: 10/1/2018

	Conductor	Surface	Production	Intermediate	Liner	Tubing
Size	na	8.625	5.5	na	na	2.875
Setting Depth		202	3233			3230
Amount of Cement		200	150			0
Top of Cement		0	450			0
Bottom of Cement		202	3233			0

Casing Fluid Level from Surface: 625 How Determined? Echo Meter Date: 12/15/2022

Casing Squeeze(s): _____ to _____ w / _____ sacks of cement, _____ to _____ w / _____ sacks of cement. Date: _____
(top) (bottom) (top) (bottom)

Do you have a valid Oil & Gas Lease? ☒ Yes ☐ No

Depth and Type: ☐ Junk in Hole at _____ ☐ Tools in Hole at _____ Casing Leaks: ☐ Yes ☐ No Depth of casing leak(s): _____
(depth) (depth)

Type Completion: ☒ ALT. I ☐ ALT. II Depth of: ☐ DV Tool: _____ w / _____ sacks of cement ☐ Port Collar: _____ w / _____ sack of cement
(depth) (depth)

Packer Type: _____ Size: _____ Inch Set at: _____ Feet

Total Depth: 3287 Plug Back Depth: _____ Plug Back Method: _____

Geological Date:

Formation Name **Formation Top** **Formation Base** **Completion Information**

1. _____ At: _____ to _____ Feet Perforation Interval _____ to _____ Feet or Open Hole Interval 3233 to 3287 Feet

2. _____ At: _____ to _____ Feet Perforation Interval _____ to _____ Feet or Open Hole Interval _____ to _____ Feet

UNDER PENALTY OF PERJURY I HEREBY ATTEST THAT THE INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE

Submitted Electronically

Do NOT Write in This
Space - KCC USE ONLY

Date Tested: _____ Results: _____ Date Plugged: _____ Date Repaired: _____ Date Put Back in Service: _____

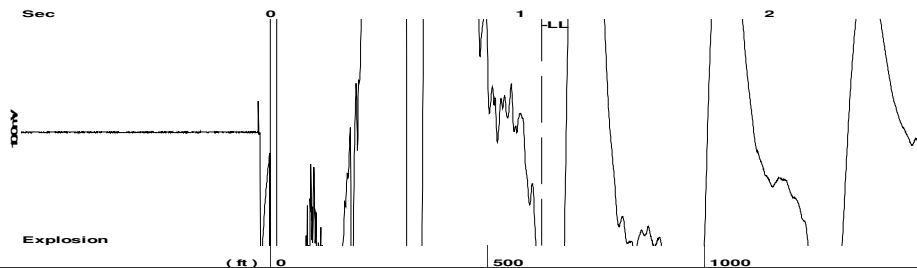
Review Completed by: RICHARD WILLIAMS Comments: T/A #4-005,863

TA Approved: ☐ Yes ☒ Denied Date: 12/19/2022

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

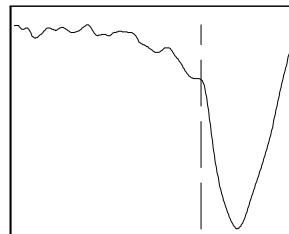
Group: Novy Oil & Gas Well: Isern A 2 (acquired on: 12/15/22 16:20:01)



Time 1.087 sec
Joints 19.7169 Jts
Depth 625.02 ft

Liquid level calculated with
user supplied Acoustic Velocity

Acoustic Velocity 1150 ft/s



Analysis Method: Acoustic Velocity

Group: Novy Oil & Gas Well: Isern A 2 (acquired on: 12/15/22 16:20:01)

NO PRESSURE DATA AVAILABLE

Change in Pressure 0.03 psi PT15262
Range 0 - ? psi
Change in Time 0.75 min

Group: Novy Oil & Gas Well: Isern A 2 (acquired on: 12/15/22 16:20:01)

Production	Potential	Casing Pressure	Producing
Current			
Oil - * -	- * - BBL/D	-0.8 psi (g)	
Water - * -	- * - BBL/D	Casing Pressure Buildup	Annular
Gas - * -	- * - Mscf/D	0.035 psi	Gas Flow
		0.75 min	0 Mscf/D
IPR Method	Vogel	Gas/Liquid Interface Pressure	% Liquid
PBHP/SBHP	- * -	-0.5 psi (g)	100 %
Production Efficiency	0.0		
		Liquid Level Depth	
Oil 40 deg.API		625.02 ft	
Water 1.05 Sp.Gr.H2O		Pump Intake Depth	
Gas 0.85 Sp.Gr.AIR		- * - ft	
Acoustic Velocity	1150 ft/s	Formation Depth	
		3287.00 ft	
Formation Submergence			Pump Intake
Total Gaseous Liquid Column HT (TVD)	2662 ft		- * - psi (g)
Equivalent Gas Free Liquid HT (TVD)	2662 ft		Producing BHP
			1209.7 psi (g)
			Static BHP
			1.7 psi (g)
Acoustic Test			

Group: Novy Oil & Gas Well: Isern A 2 (acquired on: 12/15/22 16:20:01)

Entered Acoustic Velocity for Liquid Level depth determination

TO:
STATE CORPORATION COMMISSION
CONSERVATION DIVISION - PLUGGING
130 SOUTH MARKET, SUITE 2078
WICHITA, KANSAS 67202

API Well Number: 15-009-21831-00-00

Spot: SWSWSW

Sec/Twnshp/Rge: 25-19S-11W

317 feet from S Section Line, 5082 feet from E Section Line

Lease Name: ISERN

Well #: 1

County: BARTON

Total Vertical Depth: 3298 feet

Operator License No.: 31714

Op Name: NOVY OIL & GAS, INC.

Address: 125 N. MARKET STE. 1230
WICHITA, KS 67202

String	Size	Depth (ft)	Pulled (ft)	Comment
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PROD	4.5	3295	0	w/50 sxs cmt
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SURF	8.625	212	0	w/unknown sxs cmt
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\$ 107.19

Well Type: OIL

UIC Docket No:

Date/Time to Plug: 02/09/2007 2:30 PM

Plug Co. License No.: 6901

Plug Co. Name: D S & W WELL SERVICING, INC.

Proposal Rcvd. from: ED NEMNICH

Company: D S & W WELL SERVICING, INC.

Phone: (620) 587-3361

Proposed Plugging Method: Ordered 250 sxs 60/40 pozmix - 10% gel - 500# hulls.

Top of fish 1077' 4 1/2" casing to TD - Pulled 1077' of 4 1/2". Attempted to fish casing with no success.

Hole filled with heavy return mud.

Plugging Proposal Received By: HERB DEINES

WitnessType: COMPLETE (100%)

Date/Time Plugging Completed: 02/09/2007 2:30 PM

KCC Agent: PAT STAAB

Actual Plugging Report:

Perfs:

RIH with tubing to 1037' - could not get down. Rigged to tubing - pumped 50 sxs neat, followed with 75 sxs cement with 300# hulls mixed in.
Pulled tubing to 575'. Rigged to tubing - pumped 25 sxs cement with 100# hulls mixed in.
Pulled tubing to 225'. Rigged to tubing - pumped 40 sxs cement with 100# hulls mixed in.
Pulled tubing to 40'. Rigged to tubing - pumped 10 sxs cement to circulate cement to surface.
Hole standing full.

INVOICED
DATE 3-1-07
INV. NO. 2007061418

RECEIVED
FEB 28 2007
KCC WICHITA

Remarks: ALLIED CEMENTING COMPANY-TICKET #26363.

Plugged through: TBG

District: 04

Signed

[Signature]
BB

(TECHNICIAN)

Form CP-2/3

FEB 12 2007

PVT

TO:
STATE CORPORATION COMMISSION
CONSERVATION DIVISION - PLUGGING
130 SOUTH MARKET, SUITE 2078
WICHITA, KANSAS 67202

API Well Number: 15-009-08651-00-02

Spot: SWSESW

Sec/Twnshp/Rge: 25-19S-11W

330 feet from S Section Line, 1650 feet from W Section Line

Lease Name: ISERN

Well #: 3

County: BARTON

Total Vertical Depth: 1409 feet

Operator License No.: 31714

Op Name: NOVY OIL & GAS, INC.

Address: 125 N. MARKET STE. 1230
WICHITA, KS 67202

String	Size	Depth (ft)	Pulled (ft)	Comment
SURF	12.5	156	0	w/unknown sxs cmt

#45 63

Well Type: OIL

UIC Docket No:

Date/Time to Plug: 01/24/2006 1:30 PM

Plug Co. License No.: 6901

Plug Co. Name: D S & W WELL SERVICING, INC.

Proposal Rcvd. from: MICHAEL NOVY

Company: NOVY OIL & GAS, INC.

Phone: (316) 265-4651

Proposed Plugging Method: Ordered 225 sxs 60/40 pozmix - 10% gel.
Plugged through tubing with heavy drilling mud between all plugs.
Drilled to 1409'. Ran into heavy iron in hole.

Plugging Proposal Received By: PAT STAAB

WitnessType: COMPLETE (100%)

Date/Time Plugging Completed: 01/24/2006 3:00 PM

KCC Agent: PAT STAAB

Actual Plugging Report:

Perfs:

D.S.& W. Ran in hole with tubing to 1400'.
Acid Services rigged to tubing - spotted 100 sxs 60/40 pozmix.
Pulled tubing to 550'. Acid Services rigged to tubing and spotted 45 sxs cement.
Pulled tubing to 200'. Acid Services rigged to tubing - pumped 60 sxs to circulate cement to surface.
Pulled tubing. Topped with 5 sxs cement. Hole standing full.

RECEIVED
FEB 13 2006
KCC WICHITA

Remarks: ACID SERVICES, INC.-TICKET #11439.

Plugged through: TBG

District: 04

Signed

Pat Staab

(TECHNICIAN)

INVOICED

DATE 1-25-06

AMOUNT 2006061007

FEB 09 2006

Form CP-2/3

TO:
STATE CORPORATION COMMISSION
CONSERVATION DIVISION - PLUGGING
130 SOUTH MARKET, SUITE 2078
WICHITA, KANSAS 67202

API Well Number: 15-009-14928-00-02
Spot: SESWSW Sec/Twnshp/Rge: 25-19S-11W
330 feet from S Section Line, 4290 feet from E Section Line
Lease Name: ISERN Well #: 4
County: BARTON Total Vertical Depth: 2347 feet

Operator License No.: 31714
Op Name: NOVY OIL & GAS, INC.
Address: 125 N. MARKET STE. 1230
WICHITA, KS 67202

String	Size	Depth (ft)	Pulled (ft)	Comment
PROD	5.5	2330	2330	when plugged 10/11/1966
SURF	13	200	0	w/unknown sxs cmt

76.28

Well Type: OIL UIC Docket No: _____ Date/Time to Plug: 02/08/2007 9:00 AM
Plug Co. License No.: 6901 Plug Co. Name: D S & W WELL SERVICING, INC.
Proposal Rcvd. from: ED NEMNICH Company: D S & W WELL SERVICING, INC. Phone: (620) 587-3361

Proposed Plugging Method: Ordered 175 sxs 60/40 pozmix - 10% gel - 500# hulls.
09/13/2006 - DS&W cleaned out hole to 2347' - went out of casing.

Plugging Proposal Received By: HERB DEINES WitnessType: COMPLETE (100%)
Date/Time Plugging Completed: 02/08/2007 11:15 AM KCC Agent: PAT STAAB

Actual Plugging Report:

Perfs:

DS&W could only get down hole to 1435'. Hole was filled with heavy rotary mud.
Rigged to tubing - pumped 50 sxs 60/40 pozmix with 100# hulls mixed in.
Pulled tubing to 575'. Rigged to tubing - pumped 35 sxs cement with 100# hulls.
Pulled tubing to 250'. Rigged to tubing - pumped 40 sxs cement with 100# hulls.
Pulled tubing to 40'. Rigged to tubing - pumped 20 sxs cement to circulate cement to surface.
Pulled tubing. Hole standing full.

Remarks: ALLIED CEMENTING COMPANY-TICKET #30577.

Plugged through: TBG

District: 04

Signed

[Signature]

(TECHNICIAN)

RECEIVED

FEB 20 2007

KCC WICHITA

FEB 12 2007

Form CP-2/3

CERTIFICATE OF SERVICE

23-CONS-3212-CPEN, 23-CONS-3331-CPEN

I, the undersigned, certify that a true and correct copy of the attached Prefiled Testimony of Richard Williams has been served to the following by means of electronic service on July 21, 2023.

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/s/ Paula J. Murray

Paula J. Murray