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# BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the matter of resolving various regulatory violations associated with Haas Petroleum, LLC (Operator).	)	Docket No.	21-CONS-3193-CPEN 21-CONS-3201-CPEN 22-CONS-3031-CPEN 22-CONS-3034-CPEN
	)	CONSERVALICENSE No.	ATION DIVISION 33640

#### PRE-FILED TESTIMONY

**OF** 

#### **RODNEY BREEZE**

ON BEHALF OF COMMISSION STAFF

**NOVEMBER 8, 2021** 

- 1 Q. What is your name and business address?
- 2 A. Rodney Breeze, 137 E. 21st Street, Chanute, Kansas 66720.
- 3 Q. By whom are you employed and in what capacity?
- 4 A. I am employed by the Kansas Corporation Commission (KCC), Conservation Division, as
- 5 an Environmental Compliance and Regulatory Specialist (ECRS) for District #3.
- 6 Q. Would you please briefly describe your background and work experience?
- 7 A. I graduated from Burlington High School in 2005 and from Tulsa Welding School in 2006.
- 8 Prior to my work with the KCC, I worked in the oil and gas industry for approximately 12
- 9 years as a roustabout for B&B Cooperative Ventures. As a roustabout, my duties included
- drilling and completion operations for oil and injection wells, plugging of oil and failed
- injection wells, mechanical integrity well preparation and testing, well maintenance, line
- repair, and general operational duties. In March of 2020, I started my work with the KCC as
- an ECRS.

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- Q. What duties does your position with the Conservation Division involve?
- 15 A. As an ECRS, I am responsible for witnessing and monitoring oil and gas related activities in
- 16 Coffey, Greenwood, Lyon, Osage, and Wabaunsee counties, Kansas. My job involves
- inspections, documentation, investigation, and consultation with lease operators, landowners,
- and Commission Staff on compliance issues related to oil and gas production in Kansas.
- Additionally, I witness and monitor mechanical integrity tests, the plugging of wells, and the
- drilling and completion of oil, gas, injection, and disposal wells. I also investigate spills and
- complaints. In addition, I conduct inspections on new and abandoned wells to verify the exact
- location and the status of wells. I work with District Staff and Central Office Staff when
- required to complete various projects and requests.

# 1 Q. What is the purpose of your testimony in this matter?

- 2 A. The purpose of my testimony is to discuss the evidence supporting the Commission's findings
- 3 relating to the Penalty Orders issued by the Commission against Haas Petroleum, LLC
- 4 (Operator) in Docket 21-CONS-3193-CPEN (Docket 21-3193), Docket 21-CONS-3201-
- 5 CPEN (Docket 21-3201), Docket 22-CONS-3031-CPEN (Docket 22-3031), and Docket
- 6 22-CONS-3034-CPEN (Docket 22-3034). Specifically, my testimony is to discuss my
- 7 investigative reports regarding Operator's injection wells.

## 8 Q. Have you previously testified before this Commission?

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# 10 Q. How did issues with Operator's injection wells come to your attention?

On November 6, 2020, I was witnessing a tubing and packer mechanical integrity test (MIT) for Operator at its Wallace #8 and Wallace #14 injection wells. While the testing of the Wallace #8 was being conducted, I noticed the well was holding its pressure, but that it was only using an extremely small volume of air to achieve the 300 psi of pressure required compared to similarly constructed wells that I had previously witnessed. Out of suspicion, I asked Operator's employee, Mr. Randy Bishop, to take the nipple with the elbow that was full of fluid, out of the casing well head to verify the well casing was full of fluid. At that time, he was unable to unscrew it with a pipe wrench. However, I was able to find a piece of wire and tried to run it into the nipple to see how far it would reach. The wire was only able to go as deep as the nipple. We then proceeded to the Wallace #14 well. This well had a nipple, then a ball valve, then another nipple and elbow that was also full of fluid. Additionally, it did not have the two bolts used to tighten the packing to prevent air from escaping during pressurization of the annulus, which it should have had. Once again, I attempted to run a piece

of wire into the nipple. However, it would only go as far as the threads on the ball valve. I then contacted Mr. Duane Sims, the District #3 UIC Coordinator, to inform him of the situation. He told me that he would come to the Wallace Lease to verify what was going on, but that the nipples on both wells would have to be removed for verification that day.

Once the nipples were removed, I could see that both well casings for the Wallace #8 and Wallace #14 wells did not in fact have fluid to surface. Further, I could see that the nipple from the Wallace #8 well had a plate welded into the end of it. Additionally, the nipple and valve from the Wallace #14 well had a plate welded in between the ball valve and elbow. I verified this by running wire in the opposite end to ensure that the ball valve was actually open. At that time, Mr. Duane Sims arrived and verified my findings and that both wells had been inappropriately modified and did not have fluid at surface.

### Q. Did you investigate more of Operator's wells?

Yes. After the findings at the Wallace Lease, Mr. Sims and I decided that I was to go check the wells Operator stated were satisfactorily tested that morning, but I was unable to witness. At Operator's Luthi Dale Lease, I went to the location of Operator's Luthi Dale #2 injection well. At that time, I ran wire inside of the nipple which only went as far as the threads of the ball valve which was open. Additionally, I went to Operator's Jones A Lease. Once I was at the lease I went to Operator's Jones A #1 and Jones A #17 wells. Similarly, the wire that I ran inside of the nipple and elbow would only go to the threads of the ball valve which was open. Operator had fabricated wellhead connections in these three wells in a similar fashion as the wells on the Wallace Lease to falsely indicate a satisfactory MIT.

As part of the second stage of our investigation of Operator's wells, Mr. Sims and I went to Operator's Griblin B Lease. Operator had previously conducted satisfactory MITs at four

- injection wells on this lease in September 2020. However, in light of the new evidence found at Operator's Jones A, Luthi Dale, and Wallace Leases, we felt it was important to investigate whether the wells at the Griblin B Lease had been similarly fabricated. Our inspection of the wells on the Griblin B Lease revealed no fluid visible within the annulus of the casing.

  Mr. Sims goes into further detail in his testimony as to why it is important for fluid to be in the annulus of the casing and Staff's actions after my findings.
- 7 Q. Does this conclude your testimony?
- 8 A. Yes.

## **CERTIFICATE OF SERVICE**

21-CONS-3193-CPEN, 21-CONS-3201-CPEN, 22-CONS-3031-CPEN, 22-CONS-3034-CPEN

I, the undersigned, certify that a true and correct copy of the attached Prefiled Testimony of Rodney Breeze has been served to the following by means of electronic service on November 8, 2021.

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/s/ Paula J. Murray

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