2021-08-20 16:35:16 Filed Date: 8/20/2021 Kansas Corporation Commission /s/ Lynn M. Retz

# BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the matter of resolving K.A.R. 82-3-111	)	Docket No.	20-CONS-3129-CPEN
issues associated with Prairie Gas Operating,	)		20-CONS-3144-CPEN
LLC (Operator) in four consolidated dockets,	)		20-CONS-3220-CPEN
regarding wells in Greeley and Hamilton	)		21-CONS-3199-CPEN
Counties, Kansas.	)		
	)	CONSERVA	ATION DIVISION
	)		
	)	License No.	35442

## PRE-FILED DIRECT TESTIMONY

**OF** 

### KEN JEHLIK

ON BEHALF OF COMMISSION STAFF

**AUGUST 20, 2021** 

- 1 Q. What is your name and business address?
- 2 A. Ken Jehlik, 210 E. Frontview, Suite A, Dodge City, Kansas 67801.
- 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, District
- 5 #1 Office, as an Environmental Compliance and Regulatory Specialist (ECRS).
- 6 Q. Would you please briefly describe your educational background and work experience?
- 7 A. I have a Bachelor's degree in Geology from Kansas State University in Manhattan, Kansas.
- 8 I worked 10 years as an engineer for the Dowell Division of Dow Chemical Company where
- 9 I was involved in well cementing, acidizing and fracturing from 1966 to 1976. Afterwards, I
- worked 21 years as an engineer and superintendent for Helmerich and Payne Oil Co. Later,
- in 2004, I began my work with the Commission as an ECRS.
- 12 Q. Have you previously testified before this Commission?
- 13 A. No.
- 14 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
- Finney, Kearny, Hamilton, Greeley, Wichita, and Scott County, 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.
- 19 Specifically, 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, and 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 The purpose of my testimony is to offer Commission District Staff's testimony with regard to whether Prairie Gas Operating, LLC (Operator) needs to conduct satisfactory casing integrity 3 tests at the Earl #1, Fecht D #1, and the Watson #1 wells. Additionally, my testimony in 4 Docket 21-CONS-3199-CPEN (Docket 21-3199) covers where I conducted lease inspections 5 and found wells to be out of compliance with Commission regulations. Operator was 6 penalized for 27 violations of K.A.R. 82-3-111 for failure to return to service, plug, or obtain 7 approval for Temporary Abandonment (TA) status for the wells listed in paragraph 5 of the 8 9 Docket 21-3199 Penalty Order. Mr. Michael Maier, District #1 TA Coordinator, and I both agree the violations issued against Prairie Gas Operating, LLC (Operator), should be affirmed. 10 Mr. Maier provides testimony addressing wells where Operator was denied TA status or failed 11 to maintain TA status. 12
- 13 Q. Are your familiar with the Earl #1, Fecht D #1, and Watson #1 wells?
- 14 A. Yes.
- 15 Q. Do these three wells have a high fluid level within the casing?
- A. Yes. I have reviewed the fluid level tapes for each of these wells and have verified that they have a high fluid level.
- 18 Q. What can you tell us about the high fluid level within the Earl #1 well?
- A. The last time that Operator obtained TA approval at the Earl #1 was August 29, 2017. A copy of that TA application is attached to my testimony as part of *Exhibit KJ-1*. At that time,

<sup>&</sup>lt;sup>1</sup> See Presiding Officer Order Consolidating Dockets, Clarifying Remaining Issues, and Setting Procedural Schedule (May 28, 2021). "At the May 27, 2021, prehearing conference, parties agreed the remaining issues as they presently stand in these consolidated dockets are: (1) whether the Earl #1, Fecht D #1, and Watson #1 wells need to have casing integrity tests conducted upon them and/or be repaired or plugged, and (2) all matters related to the Penalty Order in Docket 21-3199 and Operator's request for hearing thereon."

Operator reported the fluid level within the casing to be 2,660 feet from the surface. The next TA application submitted by Operator had a fluid level of 1,271 feet and was temporarily approved on April 28, 2020. However, this approval was later revoked after Staff reviewed fluid level tapes provided by Operator and discovered that the fluid level was actually 1,071 feet which is above the usable water level. This is also over a 1,500 foot change in fluid level from the last time the well was approved for TA status.

On December 22, 2020, I witnessed this well producing water. At that time, I witnessed a fluid level test taken at the well, which indicated a fluid level of 2,709 feet from the surface. However, this was not a static fluid level. On January 6, 2021, I witnessed a static fluid level taken by Brett Cook, who was the pumper for Operator, which was 1,669 feet from the surface. This was a fluid level change of over 1,000 feet within a 13-day time period. This information can be found in my field inspection report for the Earl #1 well attached as part of *Exhibit KJ-2*. Additionally, I have compared the fluid level within the Earl #1 well to the fluid levels within other wells in the vicinity of the Earl #1. There appears to be a significant difference in the levels as displayed in *Exhibit KJ-3*.

### Q. What can you tell us about the high fluid level within the Fecht D #1 well?

The last time Operator obtained TA approval at the Fecht D #1 was November 27, 2018. A copy of that TA application is attached to my testimony as part of *Exhibit KJ-1*. At that time the Operator stated that the fluid level within the casing was 2,272 feet from the surface. On December 3, 2019, Operator's next annual TA application for the Fecht D #1 well was denied due to a high fluid level. The fluid level listed on Operator's TA application was 1,085 feet from the surface. This is a fluid level change of over 1,000 feet within a one-year time period. On February 18, 2020, a subsequent TA application for the Fecht D #1 well was denied due

to a high fluid level. The fluid level listed in that application was 1,023 feet. Further, on December 22, 2020, I witnessed the Fecht D #1 well pumping water. A fluid level test taken at that time indicated that the fluid level had been lowered to 1,354 feet from the surface. Once again, this was not a static fluid level. On January 6, 2021, I returned to the Fecht D #1 well to witness a static fluid level at the well. The static fluid level revealed that the fluid level had risen to 819 feet from the surface. This is approximately a 500 foot change within a 13-day time period. This information can be found in my field inspection report for the Fecht D #1 well attached as part of *Exhibit KJ-2*. Similar to the Earl #1, I have compared the fluid level within the Fecht D #1 to other wells within the area, and there is a substantial difference in the fluid levels as seen in *Exhibit KJ-3*.

### Q. What can you tell us about the high fluid level within the Watson #1 well?

The last time Operator obtained TA approval at the Watson #1 was August 29, 2017. A copy of that TA application is attached to my testimony as part of *Exhibit KJ-1*. At that time, the Operator stated that the fluid level within the casing was 2,070 feet from the surface. The next TA application submitted by Operator had a fluid level of 1,550 feet and was temporarily approved on December 17, 2019. However, this approval was later revoked after Staff reviewed fluid level tapes provided by Operator and discovered that the fluid level at that time was actually 788 feet from the surface, which is above the usable water level. This is also over a 1,200 foot change in fluid level from the last time the well was approved for TA status. The most recent fluid level that I witnessed at the Watson #1 was January 6, 2021. On that date, the fluid level was 724 feet from the surface. That information can be found in my field report attached as *Exhibit KJ-2*. Further, the fluid level at the Watson #1 is substantially higher than other wells in its vicinity as seen in *Exhibit KJ-3*.

### 1 Q. Did Staff request Operator to perform casing integrity tests at these three wells?

A. Yes. On July 29, 2020, Mr. Scott Alberg, former KCC District #1 Supervisor, sent a Notice of Violation (NOV) letter to Operator requiring Operator to test the Earl #1 and Watson #1 for casing effectiveness. On October 20, 2020, Mr. Alberg sent a NOV letter to Operator requiring Operator to test the Fecht D #1 for casing effectiveness. Those NOV letters are attached as *Exhibit KJ-4*. To date, Operator has not demonstrated casing effectiveness at any of the three wells.

### Q. Why is a high fluid level within the casing of these wells indicative of a casing leak?

The Glorietta, also known as the Cedar Hills formation, contains highly corrosive water that is generally found a few hundred feet below the usable water level in western Kansas. The formation is a common cause of casing leaks in wells in many sections of the District 1 area. Generally, when a casing leak occurs, water from the Glorietta will first flow downward inside the production casing into the producing zone where a well has been perforated. After flooding out, charging up, and/or plugging off the wells' producing zone, water will rise up within the casing, leading to a high fluid level within the wellbore. This is due to the reservoir pressure in excess of 400 psi within the Glorietta formation. Once that fluid level rises into the area of usable water, it creates a significant risk of pollution due to the corrosive nature of the water acting on the steel production casing that is in place to isolate and protect the usable water formation. Due to the high fluid levels observed at these wells, and the known, corrosive nature of the water in the Glorietta formation, I have concerns about the potential pollution of the usable water and harm to correlative rights due to invasion of foreign water from the casing leak into the low pressure producing interval.

- Q. Does the current status of the Earl #1, Fecht D #1, and Watson #1 wells present the
- 2 threat of waste or violation of correlative rights, or a pollution threat to soils or waters
- of the state, necessitating casing integrity tests, repairs, plugging, or other action?
- 4 A. Yes, for at least the past two years.
- 5 Q. Now I would like to transition to discussing Operator's violations of K.A.R. 82-3-111 in
- 6 Docket 21-3199. Would you please explain the requirements of K.A.R. 82-3-111?
- 7 A. Yes. K.A.R. 82-3-111 states that within 90 days after operations cease on any well the
- 8 operator of that well shall: (1) plug the well, (2) return the well to service, or (3) file an
- 9 application with the Conservation Division requesting TA authority, on a form prescribed in
- writing by the Conservation Division. K.A.R. 82-3-111 also states that no well shall be
- temporarily abandoned unless first approved by the Conservation Division and a well shall
- not be eligible for TA status if the well has been shut in for 10 years or more without an
- application and approval by the Commission of an exception pursuant to K.A.R. 82-3-100.
- Q. Would you please explain the requirements of K.A.R. 82-3-111(c)?
- 15 A. After an application for temporary abandonment has been filed, the well shall be subject to
- inspection by the Conservation Division to determine whether its temporary abandonment
- 17 could cause pollution of fresh and usable water resources. If necessary to prevent the pollution
- of fresh and usable water, temporary abandonment may be denied by the Conservation
- Division, and the operator may be required to plug or repair the well according to the direction
- of the Conservation Division and in accordance with Commission regulations.
- 21 Q. What is the relevance of these regulations in this docket?
- 22 A. These regulations are relevant because many of the TA applications provided by Operator
- have been denied due to a high fluid level. As discussed above, a high fluid level is indicative

- of a casing leak in most cases and is of great concern due to the potential pollution of usable
- 2 water and harm to correlative rights from the Glorietta formation.
- 3 Q. Are you aware that Operator was penalized for 27 violations of K.A.R. 82-3-111 in
- 4 **Docket 21-3199?**
- 5 A. Yes. My understanding is that there are three general reasons why Operator was penalized in
- 6 Docket 21-3199. First, Operator submitted TA applications for some of the wells, but
- 7 Commission Staff denied the TA applications for various reasons. Second, for some of the
- 8 wells, Operator had approved TA applications on file, but allowed the applications to expire
- 9 and Operator did nothing to maintain TA status, return the wells to service, or plug the wells.
- Those two reasons are discussed in greater detail in Mr. Maier's testimony; however I have
- performed lease inspections at each of the 27 wells to verify their inactivity. This includes the
- remaining wells, where I performed lease inspections and found that the wells appeared to be
- out of compliance with our rules and regulations, specifically K.A.R. 82-3-111 because the
- wells appeared to be inactive in excess of the time allowed under the regulation.
  - Q. Which wells did you perform a lease inspection at?
- A. I performed lease inspections at the Hermann #1, API #15-075-20704; Kuttler A #1, API
- 17 #15-071-20224; Kuttler B #1, API #15-071-20231; Sandifer A #1, API #15-071-20379; and
- 18 Sell A #2-3, API #15-071-20821.

15

- 19 Q. In what way were these wells out of compliance with K.A.R. 82-3-111?
- 20 A. On September 15, 2019, I performed a lease inspection for the Sell A #2-3 well. My inspection
- 21 report states that the power was shut off to the well, that the control panel at the well was
- broken and laying on the ground, that there were no belts on the pumping unit, and that the
- 23 meter run at the well did not have any gas flow. In short, the well was not equipped to produce,

and there was no TA record on file. On January 13, 2021 and March 10, 2021, I performed follow-up lease inspections which indicated that there had been no changes at the well since my September 2019 inspection. As such, I identified in the field report a probable violation at the Sell A #2-3 well.

On November 5, 2019, I performed a lease inspection for the Hermann #1 well. The inspection report states that the pumping unit had the power turned off and that the meter run at the well showed no gas flow. On September 3, 2020, I performed a follow-up lease inspection which indicated that there had been no changes at the well since November 2019. The field inspection identified a probable violation at the Hermann #1.

On April 22, 2020, I performed a lease inspection for the Kuttler A #1, Kuttler B #1, and Sandifer A #1 wells. My inspection report states that the power was shut off to the pumping units and that there was no current gas chart at the meter run for the wells. On January 13, 2021 and March 10, 2021, I performed follow-up inspections at the Kuttler A #1, Kuttler B #1, and Sandifer A #1 wells and recorded no change in the wells' conditions since April 2020. Based on these facts, I identified a probable violation at each of the Kuttler A #1, Kuttler B #1, and Sandifer A #1 wells.

Based upon my inspections, each of these wells appeared to be out of compliance with K.A.R. 82-3-111 because it was not in production, was not equipped to produce, nor was there a valid TA application on file for the wells. Details of the inspections at these wells are attached to Exhibit B of the Docket 21-3199 Penalty Order.

### Q. What action did you take to warn Operator of the compliance issues?

- A. I requested a standard NOV letter be sent to Operator regarding the Hermann #1, Kuttler A #1,
- Kuttler B #1, Sandifer A #1, and Sell A #2-3 wells. These NOV letters stated that the wells

- were in probable violation of K.A.R. 82-3-111, and gave Operator a specific deadline to return
- the wells to service, plug the wells, or obtain approval for temporary abandonment status.
- These letters are attached to the Docket 21-3199 Penalty Order as part of Exhibit A.
- 4 Q. Did Operator bring the wells into compliance by their respective deadlines?
- 5 A. No. Operator failed to bring the wells into compliance by their respective deadlines. To date,
- Operator has failed to take any action to bring the Hermann #1 or Kuttler A #1 wells into
- 7 compliance with K.A.R. 82-3-111. However, Operator obtained TA approval at the Kuttler
- 8 B #1, Sandifer A #1, and Sell A #2-3 after the Docket 21-3199 Penalty Order was issued.
- 9 Q. Please summarize your recommendations.
- 10 A. I believe the evidence provided above is sufficient to require Operator to conduct casing
- integrity tests at the Earl #1, Fecht D #1, and Watson #1 wells. If these wells fail their casing
- integrity tests, then Operator should be required to demonstrate the effectiveness of the casing
- to the satisfaction of Staff or plug the wells. Additionally, the evidence provided above and
- the evidence provided in Mr. Maier's testimony are sufficient to affirm the Penalty Order
- issued by the Commission in Docket 21-3199. All 27 wells were out of compliance with
- 16 K.A.R. 82-3-111, and Operator failed to meet the required deadlines to return the wells to
- 17 compliance.
- 18 Q. Does this conclude your testimony?
- 19 A. Yes.

Form CP-111 July 2017 Form must be Typed Form must be signed

## TEMPORARY ABANDONMENT WELL APPLICATION

All blanks must be complete

OPERATOR: License# _	35442			API No 1	515-075-2074	5-00-00		
Name: Prairie		ing, LLC		Spot Desc	cription:			
Address 1: 427 S.					SW_NW _Sec 23	3 <sub>Twp.</sub> _22 <sub>S.</sub>	R. <u>40</u> □ E 🗸 W	
Address 2: SUITE 520  City: _TULSA								
				Dotum:	ation: Lat:	, Long:  X)   MCS84	(e.gxxx.xxxxx)	
							GL KB	
				Lease Na	me: EARL	Wel	#: <u>1</u>	
Field Contact Person:				Well Type	: (check one) 🗌 Oil 🗹 G	as OG WSW	Other:	
Field Contact Person Phone: ( )			SWD Permit #: ENHR Permit #:					
	,			Gas S	torage Permit #: e:04/01/2001	 Date Shut-In:	7/7/2016	
	Conduc	or Surface	Pro	oduction	Intermediate	Liner	Tubing	
Size	0	8.625	4.5		0	0	2.375	
Setting Depth	0	227	2769		0	0	2749	
Amount of Cement	0	175	770		0	0	0	
Top of Cement	0	0	0		0	0	0	
Bottom of Cement	0	227	2769		0	0	0	
Casing Fluid Level from S	Surface: 2660	Ho	w Determined?	ACOUS	TIC FLUID LEVE	L	<sub>Date:</sub> 7/7/2016	
		w / sacks						
Total Depth: 2769  Geological Date:  Formation Name  1	F At:	DV ATTECT THAT THE INICA	se Feet Perfo	Plug Back Me  ration Interva  ration Interva	Completion   2730 to 2742 Fee   1 to Fee   Fee   1 to F	et or Open Hole Interva	al toFeet	
Do NOT Write in This Space - KCC USE ON		Tested:	Results:		Date Plugged:	Date Repaired: Date	te Put Back in Service:	
Review Completed by: _	Michael Maie		Comr	nents:				
TA Approved: 🗹 Yes	Denied	Date: 08/29/2017						
		Mail to the	Appropriate	KCC Conse	rvation Office:			
There have been man had not been		CC District Office #1 - 210 E	. Frontview. Su	ite A, Dodae (	City, KS 67801		Phone 620.682.7933	
The trans trans one to the trans one	-6-3	CC District Office #2 - 3450			•		Phone 316.337.7400	
		CCC District Office #3 - 137 E				-	Phone 620.902.6450	
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Phone: 620-682-7933 http://kcc.ks.gov/

Sam Brownback, Governor

Pat Apple, Chairman Shari Feist Albrecht, Commissioner Jay Scott Emler, Commissioner

August 29, 2017

STEVE RACKLEY Prairie Gas Operating, LLC 427 S. BOSTON ST. SUITE 520 TULSA, OK 74103

Re: Temporary Abandonment API 15-075-20745-00-00 EARL 1 NW/4 Sec.23-22S-40W Hamilton County, Kansas

### Dear STEVE RACKLEY:

"Your temporary abandonment (TA) application for the well listed above has been approved. In accordance with K.A.R. 82-3-111 the TA status of this well will expire 08/29/2018.

- \* If you return this well to service or plug it, please notify the District Office.
- \* If you sell this well you are required to file a Transfer of Operator form, T-1.
- \* If the well will remain temporarily abandoned, you must submit a new TA application, CP-111, before 08/29/2018.

You may contact me at the number above if you have questions.

Very truly yours,

Michael Maier"

July 2017
Form must be Typed
Form must be signed

## TEMPORARY ABANDONMENT WELL APPLICATION

All blanks must be complete

OPERATOR: License# _	35442			API No. 1	15-071-2010	09-00-00			
Name: Prairie (	Gas Opera	ating, LLC		Spot Des	scription:				
Address 1: 114 E 5	th Street			4000	<mark>SE</mark> _Sec2	28 <sub>Twp.</sub> 18 <sub>S.</sub>	. R. <u>40</u> □ E 🗹 W		
Address 2: SUITE	100			Spot Description:					
City: TULSA	Sta	ate: OK zip: 74103 +							
Contact Person:Jim \	<u> Williams</u>								
Phone:(918) 409-	6711						GL KB		
Contact Person Email:				Lease Na	<sub>ame:</sub> FECHT D	W	GL KB		
Field Contact Person:							Other:		
Field Contact Person Pho	ne:()				Permit #:		rmit #:		
	, ,			Spud Da	Storage Permit #: te:04/19/1976	 Date Shut-In: _	04/07/2016		
	Cond	uctor Surface	Pro	duction	Intermediate	Liner	Tubing		
Size	0	8.625	4.5		0	0	2.375		
Setting Depth	0	215	2956		0	0	2950		
Amount of Cement	0	200	550		0	0	0		
Top of Cement	0	0	0		0	0	0		
Bottom of Cement	0	215	2956		0	0	0		
Casing Fluid Level from Si	urface: 227	72 How	Determined?	Acoustic	c Fluid Level		Date: 11/21/2018		
		w / sacks of							
Type Completion:  AL Packer Type: Total Depth: 2956  Geological Date: Formation Name	T. I ALT.	Tools in Hole at	eet Perfo	sa Set at: Plug Back Me	cks of cement $\square$ Port ( Feel ethod: Feel ethod: Completion at $2882$ to $2889$ Fe	collar: w t  n Information eet or Open Hole Inter	/ sack of cement		
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Do NOT Write in This Space - KCC USE ONL		te Tested:	Results:		Date Plugged:	Date Repaired: D	ate Put Back in Service:		
Review Completed by:	Michael Ma	ier	Comn	nents:					
TA Approved:   ✓ Yes	Denied	Date: _11/27/2018							
		Mail to the A	ppropriate	KCC Conse	ervation Office:				
Trans. System States State State Special States Spacing		KCC District Office #1 - 210 E. F	rontview, Sui	te A, Dodge	City, KS 67801		Phone 620.682.7933		
**************************************	言言	KCC District Office #2 - 3450 N	. Rock Road,	Building 600	0, Suite 601, Wichita, KS	67226	Phone 316.337.7400		
	3	KCC District Office #3 - 137 E. 2	21st St., Char	ute, KS 667	720		Phone 620.902.6450		
See   See	The State of	KCC District Office #4 - 2301 E.	13th Street,	Hays, KS 67	601-2651	Eyh	Phone 785.261.6250		
			<del></del>						

## STATE OF KANSAS

CORPORATION COMMISSION CONSERVATION DIVISION DISTRICT NO. 1 210 E. FRONTVIEW, SUITE A DODGE CITY, KS 67801



PHONE: 620-682-7933 http://kcc.ks.gov/

## GOVERNOR JEFF COLYER, M.D. SHARI FEIST ALBRECHT, CHAIR | JAY SCOTT EMLER, COMMISSIONER | DWIGHT D. KEEN, COMMISSIONER

November 27, 2018

Jim Williams Prairie Gas Operating, LLC 114 E 5th Street SUITE 100 TULSA, OK 74103

Re: Temporary Abandonment API 15-071-20109-00-00 FECHT D 1 SE/4 Sec.28-18S-40W Greeley County, Kansas

#### Dear Jim Williams:

"Your temporary abandonment (TA) application for the well listed above has been approved. In accordance with K.A.R. 82-3-111 the TA status of this well will expire 11/27/2019.

- \* If you return this well to service or plug it, please notify the District Office.
- \* If you sell this well you are required to file a Transfer of Operator form, T-1.
- \* If the well will remain temporarily abandoned, you must submit a new TA application, CP-111, before 11/27/2019.

You may contact me at the number above if you have questions.

Very truly yours,

Michael Maier"

Form CP-111 July 2017 Form must be Typed Form must be signed

## TEMPORARY ABANDONMENT WELL APPLICATION

All blanks must be complete

OPERATOR: License#	35442			API No. 15-	15-071-206	56-00-00			
Name: Prairie Gas Operating, LLC			Spot Description:						
Address 1: 427 S. E				<u> </u>	SW_SW Sec.	17 <sub>Twp.</sub> 20 <sub>S.</sub>	R. 39	E 🚺 W	
Address 2: SUITE 5				660 feet from □ N / ▼ S Line o					
		OK zip: 74103	+				f Section		
		Y 2.p. 1.100		GPS Locat	ion: Lat:	, Long:	(e.gxxx.xxxxxx)		
		- 1			NAD27 NAD83		□GI	□ KB	
,				County: Greeley Elevation: GL KE Lease Name: WATSON Well #: 1					
Field Contact Person:				Well Type:	(check one) 🗌 Oil 🗹	Gas OG WSW	Other:		
Field Contact Person Phone: ( )					ENHR Peri	mit #:			
	,				orage Permit #: 03/18/1997	Date Shut-In:	4/7/2016		
	Conduct	or Surface	Pr	oduction	Intermediate	Liner	Tubing		
Size	0	8.625	4.5		0	0	2.375		
Setting Depth	0	269	2831		0	0	2811		
Amount of Cement	0	175	525		0	0	0		
Top of Cement	0	0	0		0	0	0		
Bottom of Cement	0	269	2831		0	0	0		
Do you have a valid Oil & O Depth and Type: Junk Type Completion: AL Packer Type: Total Depth: 2831  Geological Date: Formation Name 1 2	to (botto)  Gas Lease? (c)  (in Hole at (de  T. I ALT. II  For At:	w / sacks  Yes    No  Tools in Hole at  Depth of:    DV Tool:  Size:  Plug Back Depth:  ormation Top Formation Ba  to  to	s of cement, Ca	asing Leaks: sack Set at: Plug Back Methoration Interval	Yes No Depth s of cement Port of Completion  2800 to Completion  2810 Feb. 15 TBUE AND Completion	n of casing leak(s): w / Collar: w / et  In Information eet or Open Hole Intervie	Date: sack o	of cement Feet	
Do NOT Write in This Space - KCC USE ONL	Υ	Fested:	Results:		Date Plugged:	Date Repaired: Da	te Put Back in Serv	rice:	
Review Completed by:N	/lichael Maie		Com	ments:					
TA Approved: 🗹 Yes	Denied	Date: _08/29/2017							
		Mail to the	Appropriate	KCC Conserv	vation Office:				
Transmit Replier Distant States State	→ ×	CC District Office #1 - 210 E	E. Frontview, Su	ite A, Dodge C	ity, KS 67801		Phone 620.682	2.7933	
**************************************	K	CC District Office #2 - 3450	) N. Rock Road	, Building 600,	Suite 601, Wichita, KS	6 67226	Phone 316.33	7.7400	
make that the law the form the law the	K	CC District Office #3 - 137 E	E. 21st St., Cha	nute, KS 6672	0		Phone 620.902	2.6450	

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

Phone 785.261.6250 Exhibit KJ-1



Phone: 620-682-7933 http://kcc.ks.gov/

Sam Brownback, Governor

Pat Apple, Chairman Shari Feist Albrecht, Commissioner Jay Scott Emler, Commissioner

August 29, 2017

STEVE RACKLEY Prairie Gas Operating, LLC 427 S. BOSTON ST. SUITE 520 TULSA, OK 74103

Re: Temporary Abandonment API 15-071-20656-00-00 WATSON 1 SW/4 Sec.17-20S-39W Greeley County, Kansas

### Dear STEVE RACKLEY:

"Your temporary abandonment (TA) application for the well listed above has been approved. In accordance with K.A.R. 82-3-111 the TA status of this well will expire 08/29/2018.

- \* If you return this well to service or plug it, please notify the District Office.
- \* If you sell this well you are required to file a Transfer of Operator form, T-1.
- \* If the well will remain temporarily abandoned, you must submit a new TA application, CP-111, before 08/29/2018.

You may contact me at the number above if you have questions.

Very truly yours,

Michael Maier"

## KCC OIL/GAS REGULATORY OFFICES

Date: <u>01/06/21</u>	District: 01	Case #:
	New Situation	Lease Inspection
	Response to Request	Complaint
	Follow-Up	Field Report
Operator License No: 35442	API Well Number: <u>15-07</u>	5-20745-00-00
Op Name: Prairie Gas Operating, LLC		Sec 23 Twp 22 S Rng 40 E / W
Address 1: 114 E. 5th ST, Ste 100	3293	Feet from N/ S Line of Section
Address 2: P.O. Box 2170		Feet from Feet from Line of Section
City: Tulsa	GPS: Lat: 38.12657	Long: 101.68404 Date: 11/2/18
State: Okla Zip Code: 74101 -2170	Lease Name: Earl	Well #: _1
Operator Phone #: <u>(817) 681-7600</u>	County: Hamilton	
Reason for Investigation:		
5-12-20 Witness a fluid level shot by Brett Cook with Prairie Gas 9-2-20 Re check well statu <sup>3</sup> 12-22-20 Witness well operation and fluid level shot 12-31-20 Check status 1-2-31 Witness another static fluid level requested by the legal dept		
Problem:		
5-12-20 The fluid level submitted by Prairie G	as on 4-6-20 is in que	stion.
Persons Contacted:		
Brett CookPrairie Gas pumper		
Brett CookPrairie Gas pumper Findings:		
	intil 9-29-18.  Itibg leak.  Joint level.  The fluid level tape error in counting the tbg joints  Sh. Brett Cook agreed that he 1071'.  compliance. Failure to comply would be \$1000 f  No work has been done. Well is inactive. producing water. Well running 64x11x11/2. Will:  Il down to see if the fluid level rises again. mper. Fluid level unknown.  c fluid level shot by Brett Cook on 1-6-21 = 1668	take a water test 12-23-20. Shot fluid level.  2'. Well had been shut down for 13 days
Findings:  8-17-18 Fluid level shot by Brett Cook was 1039'(33jts) indicating a csg leak. Bottom of usable with the sevent of th	intil 9-29-18.  Itibg leak.  Joint level.  The fluid level tape error in counting the tbg joints  Sh. Brett Cook agreed that he 1071'.  compliance. Failure to comply would be \$1000 f  No work has been done. Well is inactive. producing water. Well running 64x11x11/2. Will:  Il down to see if the fluid level rises again. mper. Fluid level unknown.  c fluid level shot by Brett Cook on 1-6-21 = 1668	take a water test 12-23-20. Shot fluid level.  9'. Well had been shut down for 13 days wing foreign water to enter the wellbore.
Findings:  8-17-18 Fluid level shot by Brett Cook was 1039'(33jts) indicating a csg leak. Bottom of usable with the sevent of th	intil 9-29-18.  It be leak.  Jid level.  The fluid level tape error in counting the tbg joints s). Brett Cook agreed that he 1071'.  compliance. Failure to comply would be \$1000 f No work has been done. Well is inactive. producing water. Well running 64x11x11/2. Will' ill down to see if the fluid level rises again.  mper. Fluid level unknown. c fluid level shot by Brett Cook on 1-6-21 = 1665 the area is ~ 1150'. Probable casing leak is allow  Up Required Yes No istake in interpreting the water at 1150'.  e with no negotiations a	Date:  e fluid level by the operator. The fluid
Findings:  8-17-18 Fluid level shot by Brett Cook was 1039'(33jts) indicating a csg leak. Bottom of usable wis 8-29-18 TA status expired. No application filed. Mike Maier granted an extension to file for a TA understand the cook of th	intil 9-29-18.  It be leak.  Jid level.  The fluid level tape error in counting the tbg joints s). Brett Cook agreed that he 1071'.  compliance. Failure to comply would be \$1000 f No work has been done. Well is inactive. producing water. Well running 64x11x11/2. Will' ill down to see if the fluid level rises again.  mper. Fluid level unknown. c fluid level shot by Brett Cook on 1-6-21 = 1665 the area is ~ 1150'. Probable casing leak is allow  Up Required Yes No istake in interpreting the water at 1150'.  e with no negotiations a	Date:  e fluid level by the operator. The fluid
Findings:  8-17-18 Fluid level shot by Brett Cook was 1039'(33jts) indicating a csg leak. Bottom of usable w. 8-29-18 TA status expired. No application filed. Mike Maier granted an extension to file for a TA u. 10-1-18 NOV letter sent for failure to file a TA application.  112-18, 12-14-18, 1-22-19 Field checks. The well was not producing.  9-5-19 NOV letter sent for failure to file a TA application.  10-23-19 No TA application filed. Field check. Well not producing. Pumper advised the well has a i. 4-6-20 Fluid level shot by Brett Cook was reported as 1271' (41 jts). Not witnessed by KCC.  4-28-20 Mike Maier & Ken Jehlik agreed to approve the TA application based on the submitted file 5-12-20 Ken Jehlik witnessed another fluid level shot by Brett Cook. Fluid level was 1071'(34 jts) from 4-6-20 was then re-examined and it was determined that the operator had made an and calculating the fluid level of 1271'. The actual fluid level on this date was 1071' (34 jts) had made a mistake in calculating the fluid level and agreed with the actual fluid level of 07-729-20 Scott Alberg sent a letter to Prairie Gas giving them until 8-29-20 to bring the well into 2-2-20 Field re-check. No response to Scotts NOV letter. No change in well status or conditions.  12-22-20 Witness well operation and fluid level shot after operator changed the pump and started = 2709'. Fluid level has been lowered-1600'. Operator will take a bucket test and shut we 12-31-20 Check status. Found well shut down with power off. No gas flow. No bucket test from pur 1-6-21 Bucket test taken on 12-24-20 shows well producing- 40 bwpd. No gas. Witnessed a stati prior to shooting the fluid level. Fluid level has risen ~ 1460'. No gas flow. Usable water in 12-22-20 Update legal on well status. Photos purces:  4-20 Advise legal on well status. Photos purces:	intil 9-29-18.  It gleak.  Jid level.  The fluid level tape error in counting the tbg joints s). Brett Cook agreed that he 1071'.  compliance. Failure to comply would be \$1000 f No work has been done. Well is inactive. producing water. Well running 64x11x11/2. Will' ill down to see if the fluid level rises again.  mper. Fluid level unknown. c fluid level shot by Brett Cook on 1-6-21 = 1665 the area is ~ 1150'. Probable casing leak is allow  Up Required Yes No istake in interpreting the water at 1150'.  e with no negotiations a previously sent.  A Program	Photos Taken:
Findings:  8-17-18 Fluid level shot by Brett Cook was 1039'(33jts) indicating a csg leak. Bottom of usable w. 8-29-18 TA status expired. No application filed. Mike Maier granted an extension to file for a TA u 10-1-18 NOV letter sent for failure to file a TA application.  11-2-18, 12-14-18, 1-22-19 Field checks. The well was not producing.  9-5-19 NOV letter sent for failure to file a TA application.  11-2-18, 12-14-18, 1-22-19 Field checks. The well was not producing.  9-5-19 NOV letter sent for failure to file a TA application.  10-23-19 No TA application filed. Field check. Well not producing. Pumper advised the well has a 14-6-20 Fluid level shot by Brett Cook was reported as 1271' (41 jts). Not witnessed by KCC.  4-6-20 Fluid level shot by Brett Cook was reported as 1271' (41 jts). Not witnessed by KCC.  4-8-20 Mike Maier & Ken Jehlik agreed to approve the TA application based on the submitted file 5-12-20 Ken Jehlik witnessed another fluid level shot by Brett Cook. Fluid level was 1071'(34 jts). from 4-6-20 was then re-examined and it was determined that the operator had made a and calculating the fluid level of 1271'. The actual fluid level on this date was 1071' (34 jts) had made a mistake in calculating the fluid level and agreed with the actual fluid level of 0n 7-29-20 Scotd Alberg sent a letter to Prairie Gas giving them until 8-29-20 to bring the well into 9-2-20 Field re-check. No response to Scotts NOV letter. No change in well status or conditions.  12-22-20 Witness well operation and fluid level shot after operator changed the pump and started = 2709'. Fluid level has been lowered-1600'. Operator will take a bucket test taken on 12-24-20 shows well producing-40 bwpd. No gas. Witnessed a stat prior to shooting the fluid level. Fluid level has risen ~ 1460'. No gas flow. Usable water in 12-22-20 Update legal on well status. Photos p 12-31-20 Advise legal  1-6-21 Advise legal.	intil 9-29-18.  It gleak.  Jid level.  The fluid level tape error in counting the tbg joints s). Brett Cook agreed that he 1071'.  compliance. Failure to comply would be \$1000 f No work has been done. Well is inactive. producing water. Well running 64x11x11/2. Will'il il down to see if the fluid level rises again.  mper. Fluid level unknown. c fluid level shot by Brett Cook on 1-6-21 = 1665 the area is ~ 1150'. Probable casing leak is allow  Up Required Yes No istake in interpreting the water at 1150'.  e with no negotiations a previously sent.	Photos Taken:  Jehlik

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Form: <u>02/22/2008</u> Exhibit KJ-2 Page 1 of 3

## KCC OIL/GAS REGULATORY OFFICES

Date: 01/06/21	District: 01		Case #:	
	New Situat	ion	Lease Inspection	
	Response to	Request	Complaint	
	Follow-Up		Field Report	
	<u>—</u>		_	
Operator License No: 35442		er: <u>15-071-20109</u>		
Op Name: Prairie Gas Operating, LLC	Spot: NW SE	<u>SE</u> Sec <u>28</u>		E / W
Address 1: <u>114 E. 5th ST, Ste 100</u>	1082		Feet from N/S Line	
Address 2: P.O. Box 2170	1293	5400 - 4		of Section
City: Tulsa		5429 Long: <u>1</u>		)
State: Okla Zip Code: 74101 -2170		echt D		
Operator Phone #: (817) 681-7600	County: Greel	ey		
Reason for Investigation:				
9-24-20 Witness well operation for compliance Dkt 20-CONS-3220-CPEN10-19-20 10-19-20 Witness a fluid level shot by Prairie Cas 12-22-20 Legal dept requested a current lease inspection. 12-31-20 Check status. Have not received any communication with the pumper. 14-8-24 Witnesse estatic fluid level shot 1-8-8-4 Witnesse estatic fluid level shot 1-8-8-4 Witnesse estatic fluid level shot 1-8-8-4 Witnesse estatic fluid level shot 1-8-8-8 Witnesse estatic fluid level shot 1-8-8-9 Witnesse estatic fluid level shot 1-8-8-9 Witnesse estatic fluid level shot 1-8-9 Witnesse 1-8-9				+
Problem:				
Well was denied TA status due to a high fluid level done due remedy the problem. A license suspens License was again suspended 10-9-20 with all we	ion notice was i	ssued dated 9-14		I
Persons Contacted:				
9-24-20 Patrick Bass and Brett Cook with Pr	airie Gas on Io	cation.		
Findings:				
9-24-20 11:30am Pumping unit with an electric motor running 48 x 10 1.5 pu 125 bpd). Well was not producing water nor was it producing gas. 22 pipeline pressure.  Operator advised that they plan to leave the well running to evaluate 1 10-19-20 Well ran for a few days but did not produce any water or gas due to a with the tbg or the pump so operator shut well down. Witness a fluid le Praire Gas on this date. Fluid level = 27 joints=850' from surface. Usa The fluid level has actually come up the hole from 2-18-20 fluid level s 12/2020 Operator advised that they repaired a tbg leak but at that time the well 12-22-20 Witness pumping unit running. Took tank test on water production. 9 Shot fluid level. 1354' after running 4 days. Have lowered it ~500' so 12-31-20 Re check status. Found well shut down with power off. Fluid level un 1-6-21 Witness a static fluid level shot. Well has been down 13 days. FL= 8 same level as 10-19-20 due to a Glorietta (Cedar Hills) csg leak allow threat to the usable water in the area. Plus the foreign water is "dum operators. (Note: Normal static fluid level of a well in this area without	# casing pressure. 22# for commercial production an apparent down hole is evel shot by Brett Cook while water depth is ~ 1600 hot flo23'.  I had not pumped up yet. to BWPD. Running 54x7x far. Still above the usable known. No gas produced 19'. Usable water ~ 1600' wing foreign water to ente p flooding out" the Chase	n. sue ith )'. 11/2. • water ~ 1600'. . Fluid level has risen back r the wellbore. This high flu zone and possibly affectin	d level poses a possible	
Action/Recommendations: Follow	Up Required	Yes No	Date:	
10-19-20 Send operator a 82-3-104 to test ca 12-22-20 Send to legal for further action. Pic 12-31-20 Advise legal 1-6-21 Advise legal			I return to production.	
Verification Sources:			Photos Taken:	 Yes 4
✓ RBDMS KGS ✓ 1	TA Program			
	Courthouse	By: Ken Jehlik		
Other:		ECRS		
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Form: <u>02/22/2008</u> Exhibit KJ-2 Page 2 of 3

## KCC OIL/GAS REGULATORY OFFICES

Date: 01/06/21	District:	1		Case	#:
	✓ New S	Situation	Г	Lease Ins	pection
	Respo	onse to Request	<u> </u>	<b>⊣</b> Complain	ıt
	Follo	v-Up	7	Field Rep	ort
	ш		<u> </u>	_	
Operator License No: <u>35442</u>	API Well N	umber: <u>15-07</u>	<b>′1-20656-0</b>	0-00	
Op Name: Prairie Gas Operating, LLC	Spot: NW	SW SW	Sec	Twp <u>20</u>	_S Rng 39E / \sqrt{W}
Address 1: 114 E. 5th ST, Ste 100	664			Feet from	N/ S Line of Section
Address 2: P.O. Box 2170	4649			Feet from	E / W Line of Section
City: Tulsa	GPS: Lat:	38.30823	_ Long: <u>101</u>	.65717	Date: <u>3/19/19</u>
State: Okla Zip Code: 74101 -2170	Lease Name	: <u>Watson</u>			Well #: 1
Operator Phone #: (817) 681-7600	County: _C	Greeley			
Reason for Investigation:		-			
11-13-18 Attempt to check well status 12-14-18 Check well status 12-24-19 Re check well status 1-22-19 Re check well status and spill clean up 4-18-19 Re check well status and spill clean up 4-18-19 Re check well status and spill clean up. 9-2-20 Re check gas well status 12-31-20 Check status 14-31-31 Re pack well status	6-21 Witness a static fluid leve	shot			8
Problem:					_
7-29-20TA expired 8-29-18. Mike Maier granted an extension until 9-29-18 to file a CP-111. Well has a high fluid 10-1-18. File review letter gave the operator a final deadline of 10-29-18 to obtain an approved TA 10-23-19 A second NOV file review dated 9-5-19 was mailed to the operator for failure to produce, plug or TA th 10-23-19 A second NOV file review dated 9-5-19 was mailed to the operator for failure to produce, plug or TA th 20-21 (19-20) and the produce of 1500°, but could not produce the echometer tape to 0-12-30-19 Ken Jehlik reshort the fluid level with the KCC echometer at 788° 7-29-20. Scott Alberg sent Prairie Gas a NOV letter sent with a deadline of 8-29-20 to bring well into compliance	ne well. onfirm. SA approved the C				
Persons Contacted:					
Brent CookPumper					
Findings:					
11-13-18 Attempted to get to well two different days. Both times the access trail road was impassable to to mud and snow.					
Pumper advises that no work has been done to the well and it is still inactive.  12-14-18 Suspended license was re-instated on 12-3-18. Found the pumping unit running but 0 mcf gas sales.					
1-22-19 Re check. Pumping unit will run but pumper advises that they have been unable to get the well to produce gas. Found unreported spill. Asked pumper to call it in to Dist 1 office which he did. Gave pumper instructions on how to clean up spill and remediate.					
3-19-19 Re check. Pumping unit down. Power shut off. 0 mcf sales. Brake set on pumping unit. Spill not cleaned up. 3-26-19 Re check. Pumper advises he has not received approval from his Tulsa office to clean up the spill 4-1-19 Re check. Same as above					
4-9-19 Re check. Same as above. Well is shut down. Have been unable to get well to produce gas. 2 spill pics 4-18-19 Re check. The spill has been cleaned up. The well is still shutdown. No gas flow. 10-23-19 Re check well status. Found meter run valve padlocked shut by the pipeline and EGM battery removed. Power is off in the production of the production of the production of the production.	to the pumping unit				
8-17-18. Brett Cook w/ Prairie Gas shot the fluid level at 1165 which is above the Permian usable water top of ~1325 (attach 12-17-19. Operator submitted a CP-111 w/a fluid level of 1550' shot 12-12-19 by Brett Cook. Scott Alberg approved the TA req 12-23-19 Ken Jehlik requested a copy of the fluid level tape from Mr Cook but the operator was unable or unwilling to produce	uest the tape.				
12-30-19 Ken Jehlik shot the fluid level twice with the KCC echometer obtaining a fluid level of 788' (25 jts) both times. (attache 12-12-0) Withess a fluid level shot by Brett Cook with Prainir Gas. FL = 25 jt. (788') 7-29-20 Scott Alberg sent Prainire Gas a NOV letter dated 7-29-20 with a deadline of 8-29-20 to bring well into compliance.					
9-2-20 Re check, Pumping unit down with power off. 0 mcf sales. Brake set on pumping unit. No work has been done to the 10-16-20 Fluid level shot witnessed by KJ. FL-787. "Jusable water '1325." 12-31-20 Well down. No gas flow. No work done to the well to bring it in to compliance.					
1-6-21 Witness a static fluid level shot. Well has been down several months. FL= 724'. Usable water- 1325'. A Glorietta (Cec pollution threat to the usable water. Plus the foreign water is "flooding out" the producing Chase zone and possibly at "	fecting correlative rights of off	set operators.	allowing the huld level to ris	e creating a possible	
Action/Recommendations: Follow	v Up Required	Yes N	0 🛛	Date: _	
11-13-18 Send to legal					
1-22-19 Send to legal with pics 4-9-19 Update legal					
10-23-19 Send to legal with 3 updated pics 12-30-19 Send letter to operator revoking the approved CP-111 due	to a high fluid le	vel above the usak	nle		
water.					
9-2-20 Send to legal to impose the \$1000 fine with no negotiation 12-31-20 Advise legal 1-6-21 Advise legal	is and to bring w	ell into compliance.			
Verification Sources:					Photos Taken: 5 sent previously
✓ RBDMS ✓ KGS	ΓA Program				
T-I Database District Files	Courthouse	·	<u>Jehlik</u>		
Other:		<u>ECI</u>	RS		
	-	-			

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Form: <u>02/22/2008</u> Exhibit KJ-2 Page 3 of 3 Static fluid levels on TA'd gas wells in the vicinity of the Prairie Gas Fecht D-1, Earl #1 and Watson #1 wells.

<b>Operator</b>	<u>Well</u>	<u>Legal</u>	Co	Static FL	<b>Date Shot</b>	<b>Usable water</b>	Calc BHSP(psi)
Prairie Gas	Clift A-1	SE 33-18-40	GL	1890	6/11/2020	1500	434
Prairie Gas	CliftB-1	NW 34-18-40	GL	1575	10/15/2020	1475	539
<b>Prairie Gas</b>	Fecht D-1	SE 28-18-40	GL	850	1/6/2021	1600	
Scout	HCU 2220C	SE 22-22-40	НМ	2112	9/17/2020	1125	266
Scout	HCU 2220B	NW 22-22-40	НМ	2300	6/17/2020	1125	194
<b>Prairie Gas</b>	Earl 1	NW 23-22-40	HM	1071	5/12/2020	1125	
Duninia Can	Matana Farma 2	NIM 10 20 20	CI	2015	4/44/2020	1225	262
Prairie Gas	Watson Farms 2	NW 19-20-39	GL	2015	4/14/2020		363
Prairie Gas	Watson Farms 1	NE 19-20-39	GL	2139	4/14/2020	1325	326
Prairie Gas	Watson Farms 2	SW 19-20-39	GL	1983	11/2/2020	1325	359
<b>Prairie Gas</b>	Watson 1	SW 17-20-39	GL	788	10/16/2020	1325	

This spreadsheet shows the fluid levels and calculated bottom hole static pressure (BHSP) of the Chase formation in the areas shown. The fluid levels of the Fecht D-1, Earl 1 and the Watson 1 are much higher than the surrounding wells. Since there is insuffucient BHSP to raise the fluid levels from the producing Chase gas zone to that height in the respective areas, the water has to be coming from a foreign source flowing into the casing creating a "dump flood" effect charging up the Chase fmtn and thus causing the fluid levels to rise in the casing.



Phone: 620-682-7933 http://kcc.ks.gov/

Laura Kelly, Governor

Susan K. Duffy, Chair Dwight D. Keen, Commissioner Andrew J. French, Commissioner

July 29, 2020

Ian B. Acrey
Prairie Gas Operating, LLC
114 E. 5<sup>th</sup> St, Suite 100
PO Box 2170
Tulsa, Oklahoma 74101-2170

License No. 35442

## NOTICE OF VIOLATION

Re: Earl #1, API #15-075-20745-00-00, Section 23-T22S-R40W, Hamilton County, Kansas

Operator:

Pursuant to K.A.R. 82-3-104, each person who drills a well or test hole that penetrates formations containing oil, gas, fresh water, mineralized water, or valuable minerals shall case or seal off these formations to effectively prevent migration of oil, gas, or water from or into strata that would be damaged by this migration. The effectiveness of the casing or sealing off shall be tested in a manner prescribed or approved by an agent of the commission.

On January 21, 2020, a high fluid level was witnessed by KCC staff. Therefore, the above referenced well must be tested for casing effectiveness in order to demonstrate compliance with K.A.R. 82-3-104.

Failure to demonstrate the well has effective casing
By August 29, 2020
Shall be punishable by a \$1,000 per-well administrative penalty.

Please contact me at 620-682-7933 if you have any questions.

Sincerely,

Scott Alberg

Scott Alberg - Professional Geologist Supervisor

Conservation Division
Kansas Corporation Commission
210 E. Frontview, Suite A | Dodge City, KS | 67801
Phone (620) 682-7933



Phone: 620-682-7933 http://kcc.ks.gov/

Laura Kelly, Governor

Susan K. Duffy, Chair Dwight D. Keen, Commissioner Andrew J. French, Commissioner

October 20, 2020

Ian B. Acrey Prairie Gas Operating, LLC 114 E. 5<sup>th</sup> St, Suite 100 PO Box 2170 Tulsa, Oklahoma 74101-2170

License No. 35442

## NOTICE OF VIOLATION

Re: Fecht D #1, API #15-071-20109-00-00, Section 28-T18S-R40W, Greeley County, Kansas

Operator:

Pursuant to K.A.R. 82-3-104, each person who drills a well or test hole that penetrates formations containing oil, gas, fresh water, mineralized water, or valuable minerals shall case or seal off these formations to effectively prevent migration of oil, gas, or water from or into strata that would be damaged by this migration. The effectiveness of the casing or sealing off shall be tested in a manner prescribed or approved by an agent of the commission.

On October 19, 2020, a fluid level of 850' was witnessed by KCC staff. Therefore, the above referenced well must be tested for casing effectiveness in order to demonstrate compliance with K.A.R. 82-3-104.

Failure to demonstrate the well has effective casing
By November 20, 2020
Shall be punishable by a \$1,000 per-well administrative penalty.

Please contact me at 620-682-7933 if you have any questions.

Sincerely,

Scott Alberg

Scott Alberg – Professional Geologist Supervisor Conservation Division Kansas Corporation Commission 210 E. Frontview, Suite A | Dodge City, KS | 67801 Phone (620) 682-7933



Phone: 620-682-7933 http://kcc.ks.gov/

Laura Kelly, Governor

Susan K. Duffy, Chair Dwight D. Keen, Commissioner Andrew J. French, Commissioner

July 29, 2020

Ian B. Acrey
Prairie Gas Operating, LLC
114 E. 5<sup>th</sup> St, Suite 100
PO Box 2170
Tulsa, Oklahoma 74101-2170

License No. 35442

## NOTICE OF VIOLATION

Re: Watson #1, API #15-071-20656-00-00, Section 17-T20S-R39W, Greeley County, Kansas

Operator:

Pursuant to K.A.R. 82-3-104, each person who drills a well or test hole that penetrates formations containing oil, gas, fresh water, mineralized water, or valuable minerals shall case or seal off these formations to effectively prevent migration of oil, gas, or water from or into strata that would be damaged by this migration. The effectiveness of the casing or sealing off shall be tested in a manner prescribed or approved by an agent of the commission.

On January 21, 2020, a high fluid level was witnessed by KCC staff. Therefore, the above referenced well must be tested for casing effectiveness in order to demonstrate compliance with K.A.R. 82-3-104.

Failure to demonstrate the well has effective casing
By August 29, 2020
Shall be punishable by a \$1,000 per-well administrative penalty.

Please contact me at 620-682-7933 if you have any questions.

Sincerely,

Scott Alberg

Scott Alberg – Professional Geologist Supervisor

Conservation Division Kansas Corporation Commission 210 E. Frontview, Suite A | Dodge City, KS | 67801 Phone (620) 682-7933

### **CERTIFICATE OF SERVICE**

20-CONS-3129-CPEN, 20-CONS-3144-CPEN, 20-CONS-3220-CPEN, 21-CONS-3199-CPEN

I, the undersigned, certify that a true and correct copy of the attached Prefiled Direct Testimony of Ken Jehlik has been served to the following by means of electronic service on August 20, 2021.

FRED MACLAREN
KANSAS CORPORATION COMMISSION
DISTRICT OFFICE NO. 1
210 E. FRONTVIEW SUITE A
DODGE CITY, KS 67801
e.maclaren@kcc.ks.gov

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

LEE THOMPSON, ATTORNEY THOMPSON LAW FIRM, LLC D/B/A THOMPSON LAW FIRM, LLC 1919 N Amidon Avenue, Ste 315 WICHITA, KS 67203-1480 Ithompson@tslawfirm.com KELCEY MARSH, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION CENTRAL OFFICE 266 N. MAIN ST, STE 220 WICHITA, KS 67202-1513 k.marsh@kcc.ks.gov

MICHELE PENNINGTON
KANSAS CORPORATION COMMISSION
DISTRICT OFFICE NO. 1
210 E. FRONTVIEW SUITE A
DODGE CITY, KS 67801
m.pennington@kcc.ks.gov

/s/ Paula J. Murray

Paula J. Murray