

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

In the matter of the failure of Prairie Gas)	Docket No.: 20-CONS-3129-
CPEN)	
Operating, LLC ("Operator") to comply)	
With K.A.R. 82-3-111 at the Watson # 1)	CONSERVATION DIVISION
and Earl #1 in Greeley County and)	
Hamilton County, Kansas.)	
_____)	License No.: 35442

)	
In the matter of the failure of Prairie Gas)	Docket No.: 20-CONS-3144-
CPEN)	
Operating, LLC ("Operator") to comply)	
With K.A.R. 82-3-407 at the Bounds # 2)	CONSERVATION DIVISION
in Greeley County, Kansas.)	
_____)	License No.: 35442
)	

**PRE-FILED DIRECT AND REBUTTAL TESTIMONY
OF
PATRICK BASS
ON BEHALF OF THE OPERATOR, PRAIRIE GAS OPERATING, LLC**

March 9, 2020

1 Q. What is your name and business address?
2 A. Patrick Bass, P.O. Box 2170, Tulsa, Oklahoma, 74101
3 Q. What is your position with Prairie Gas Operating, LLC (“Prairie Gas”) the
4 “Operator” named in this docket?
5 A. I am the Operations Manager of Prairie Gas.
6 ***Docket No. 20-CONS-3129-CPEN***
7 Q. Are you personally knowledgeable with Prairie Gas’ operations and procedures
8 on the Watson # 1 and Earl # 1 wells which are at issue in this docket?
9 A. Yes
10 Q. Are you familiar with the testimony submitted in this docket on behalf of the
11 Conservation Division of the Corporation Commission of the State of Kansas by
12 Ken Jehlik?
13 A. Yes.
14 Q. At pages 3-5 of his pre-filed testimony, Mr. Jehlik testifies that the Watson #1
15 remains inactive without proper TA status. Do you agree with that testimony?
16 A. No.
17 Q. Why not?
18 A. Prairie Gas filed an application for TA status which was approved by the
19 Commission.
20 Q. As of the date of approval on December 17, 2019, based on your knowledge
21 was the Watson # 1 eligible for TA status? If so, please state why you believe so.
22 A. The language of K.A.R. 82-3-111 provides that certain wells are subject to an
23 exemption if five conditions are met: (1) The well is fully equipped for production
24 of oil or gas or for injection; (2) The well is capable of immediately resuming
25 production of oil or gas or of injection; (3) The well is subject to a valid,
26 continuing oil and gas lease,(4) The cessation period for the well is less than 365
27 consecutive days, and (5) The well is otherwise in full compliance with all of the
28 commission’s regulations.
29 Q. Does Mr. Jehlik’s testimony establish that this well does not qualify under
30 those exceptions?
31 A. No.
32 Q. Why not?

1 A. This well is fully equipped for production. The well is capable of immediately
2 resuming production. Mr. Jehlik indicates that on an inspection a meter run valve
3 was padlocked shut and the power shut off to the pumping unit. That does not
4 mean that the well is incapable of immediately resuming production. All that is
5 required is to unlock the meter valve and turn on the power. Also, the well is
6 subject to a valid oil and gas lease and as shown in Mr. Jehlik's testimony the
7 cessation of production is less than 365 days.

8 Q. To your knowledge is the Watson # 1 in compliance with other Commission
9 regulations?

10 A. Yes. I had no knowledge of a claim to the contrary until we received a notice
11 of violation dated January 23, 2020 alleging a possible violation of K.A.R. 82-3-
12 104.

13 Q. Did you respond to that notice, and if so, how?
14

15 A. Yes. The notice said that the well needed to be tested for casing effectiveness
16 to demonstrate compliance by March 1, 2020. I requested an extension of time,
17 and was informed by Scott Alberg, Professional Geologist Supervisor that the
18 deadline to conduct a CIT on the Watson # 1 was extended to March 23, 2020.

19 Q. Has the CIT referenced been conducted as of the date this testimony is
20 required to be filed?

21 A. No.

22 Q. Has any formal penalty notice been received as to the Watson # 1 since this
23 docket was initiated by the Commission staff?

24 A. No.

25 Q. Are you aware of any current violation of Commission regulations other than
26 the allegation as to the failure to qualify to TA status?

27 A. No.

28 Q. Are you also familiar with the Earl # 1 which is referenced in the same docket
29 as the Watson # 1?

30 A. Yes.

31 Q. Mr. Jehlik indicates in his testimony that the Earl # 1 needed to be returned to
32 service in order to qualify for TA status. Do you agree with that?

33 A. No. The only fact recited by Mr. Jehlik which he seems to feel disqualifies the
34 Earl # 1 for an exemption is that the power had been shut off and there were no
35 belts on the electric motor.

1 Q. Can the two facts referenced be remedied at any time to make the well capable
2 of producing?

3 A. Yes. The well would be capable of doing so. Actual production depends on the
4 economics of the field and it is my understanding that a well which is shut in for
5 economic reasons is not by virtue of that fact incapable of resuming production.

6 Q. Do have any notice of any other alleged violations of the Commission's
7 regulations with respect to the Earl # 1?

8 A. No.

9 ***Docket No. 20-CONS-3114-CPEN***

10 Q. Are you familiar with the Bounds lease referenced in this docket and a penalty
11 order issued as to the Bounds # 2 well?

12 A. Yes. I understand that the penalty is based on a failure to perform a successful
13 casing integrity test (CIT).

14 Q. Do you understand why the Staff states Prairie failed to perform such a test?

15 A. No. Prairie performed a MIT in January. The test did not show whether
16 blockage down hole or casing leaks further uphole. We know of no confirmed
17 evidence of a leak in the casing.

18 Q. What is the current status of the Bounds # 2?

19 A. Prairie Gas is continuing its efforts to ascertain what type of test is legally
20 required and will certainly comply with applicable regulations once the factual
21 basis for any such requirement is proven by the Commission's staff to require a
22 specific MIT or CIT test.

Respectfully Submitted
PRAIRIE GAS OPERATING, LLC

By s/ Lee Thompson

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CERTIFICATE OF SERVICE

I hereby certify on this 9th day of March, 2020, the above and foregoing Pre-Filed Testimony was filed in the referenced docket by the express electronic filing system which will also serve notice upon the Kansas Corporation Commission, Conservation Division at 266 N. Main, Suite 220, Wichita Kansas.

s/ Lee Thompson