

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

In the matter of the failure of Oil Producers, Inc.)	Docket No. 20-CONS-3134-CPEN
of Kansas (“Operator”) to comply with K.A.R.)	
82-3-407 at the Fitzgerald #3 in Kingman)	CONSERVATION DIVISION
County, Kansas.)	
)	License No. 8061

PRE-FILED REBUTTAL TESTIMONY

OF

JEFF KLOCK

February 10, 2020

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

2 A. Jeff Klock, 3450 N. Rock Road, Building 600, Suite 601, Wichita, Kansas 67226.

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 the Supervisor of District #2, which covers most of central Kansas.

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

7 A. Yes.

8 **Q. Please briefly describe your educational background and work experience.**

9 A. I received my Bachelor of Science degree in Geology from Wichita State University in 1990.
10 From 1988 to 1990, I worked for F. G. Holl Company as a Geological Technician, and from
11 1991 to 1995 I worked for them as a Staff Petroleum Geologist. In April 1995, I began work
12 for the KCC as an Environmental Geologist II in the Production Department. In that position,
13 I reviewed and approved Notices of Intent to Drill, Cathodic Protection Borehole Intents to
14 Drill, New Pool Applications, Commingling Applications, and Enhanced Recovery Project
15 Certification.

16 In October 2001, I started working for the District #2 field office as an Environmental
17 Geologist II. My responsibilities in that position included assisting in the planning and
18 coordination of district field investigations, spill control and clean-up activities, and
19 overseeing contamination sites. That position and my current position as District #2
20 Supervisor require that I be a licensed geologist in the State of Kansas, which I am. I became
21 District #2 Supervisor on August 27, 2007.

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

2 A. As District Supervisor, I make sure District Staff efficiently and fairly enforce the rules and
3 regulations, policies, and goals of the Commission, on a daily basis.

4 **Q. Are you familiar with Docket 20-CONS-3134-CPEN?**

5 A. Yes. I have reviewed the documents generated by District Staff pertaining to the Penalty
6 Order filed in November of 2019 for the Fitzgerald #3 well.

7 **Q. What is the purpose of your rebuttal testimony?**

8 A. To address the inconsistencies contained in the direct testimony filed by the Operator.

9 **Q. Have you reviewed the direct prefiled testimony of Jordan Diskin on behalf of the**
10 **Operator?**

11 A. Yes.

12 **Q. On page 3, lines 5-7, Mr. Diskin, states “With no fluid going down the tubing there is**
13 **nothing that could create any pressure causing the fluid in the well to rise to any point**
14 **to contaminate any water zone in the well.” Do you agree with this statement?**

15 A. No. At the time of the failure, neither OPIK or KCC could know if or where the casing leak(s)
16 were at in this well. This includes the inability to know where the fluid level was at, so I do
17 not agree with the statement. An issue overlooked throughout Mr. Diskin’s testimony is the
18 correlative rights issue, and the fact that there is no way to ensure the protection of other
19 operator’s correlative rights. K.A.R. 82-3-104 states the casing of any well that penetrates
20 formations containing oil, gas, fresh water, mineralized water or valuable minerals shall be
21 cased or sealed as to prevent migration of fluids into other formations such as any other
22 hydrocarbon zone, or highly mineralized zones. It is not only fresh and usable water that
23 must be protected at all times.

1 **Q. On page 4, line 1, Mr. Diskin, states that he did not believe the MIT report and the data**
2 **reported therein confirmed a failure. Do you agree with this statement?**

3 A. No. His statements actually show that the Fitzgerald #3 was a failure for several reasons.
4 First, on page 3, lines 7-9, Mr. Diskin states, “In fact, after shutting in the well, the well
5 continued to be on a vacuum which also indicates that the SWD zone (Arbuckle) continued
6 to take fluid that was on the backside.” In addition, on page 4, lines 3-4, he states that there
7 was 30 pounds of vacuum on the casing when the test began. There should never be a vacuum
8 on the casing, if in fact he is referring to the casing tubing annulus. This is true for any
9 disposal well that demonstrates a vacuum on the casing. A vacuum indicates that fluid is
10 moving downward in the annulus, which usually indicates that a leak(s) is present.

11 Second, on page 2, line 13, Mr. Diskin makes the statement that the wellbore for a
12 packerless well is loaded with an oil column all the way to surface and should leave constant
13 pressure at the surface, which is correct, there must always be a positive pressure present at
14 surface, not a vacuum. On page 4, line 4, Mr. Diskin states that the shut-in pressure was not
15 noted. However, Mr. Steve VanGieson, who conducted the MIT, noted the shut-in pressure
16 as zero pounds. Mr. Diskin then states that there was 100 pounds of pressure with water
17 flowing. Mr. Diskin means that water flowing down the tubing raised backside pressure up
18 to 100 pounds, which was noted as the in-use pressure by Mr. Steve VanGieson on the MIT
19 test. Both measurements can be seen on the first page of *Exhibit A* of Ms. Fletcher’s
20 testimony. It is always an automatic failure when a packerless well cannot demonstrate a
21 positive pressure on the backside of the casing at surface, and is also on a vacuum.

1 **Q. Have you reviewed the direct prefiled testimony of Melody Fletcher on behalf of the**
2 **Operator?**

3 A. Yes.

4 **Q. On page 2, lines 9-10, Ms. Fletcher states, “OPIK did not necessarily agree with the**
5 **KCC’s failure determination.” Did she or anyone else from OPIK reach out to you to**
6 **discuss this discrepancy?**

7 A. No. I was not contacted by anyone from OPIK after the well failed the MIT disputing the
8 results that the MIT test was not satisfactory. I’ve spoken with Ms. Fletcher in the past, so I
9 would have assumed that OPIK would have reached out to the District Supervisor back in
10 June 2019 if they truly thought there were details of the test that needed to be discussed. Staff
11 was never contacted by OPIK asking to retest the well.

12 **Q. On page 2, lines 10-12, Ms. Fletcher states, “Exhibit A attached hereto are copies of**
13 **MIT recorded reports from the KCC, dating back to 1989. It includes the KCC’s 2019**
14 **report. OPIK contends the report is inconclusive and incomplete.” Do you agree with**
15 **this statement?**

16 A. No. As I previously stated above, both the in-use and shut-in pressures were recorded by
17 Mr. Steve VanGieson when the MIT was conducted. I have reviewed his report. It was
18 complete and included everything that was necessary. The MIT form would have also been
19 reviewed and signed by a representative from OPIK after it was completed. The only time
20 there would not be filled out MIT form is if an operator conducted a pre-test and determined
21 that the well would not pass an MIT. However, an operator would be required to make a self-
22 reported failure to the District Office which would be followed by a letter from District Staff
23 giving the operator 90-days to plug or repair the well from the date they reported the failure.

1 In addition, I have attached a graph, *Exhibit JK-1*, comparing the most recent MIT test at the
2 Fitzgerald #3 to its previous mandatory MIT tests. As you can see in the chart there was zero
3 pressure from the well in 2019, where previous tests showed at least some amount of positive
4 pressure when the well was shut-in. There is also a noticeable difference of in-use pressure
5 in the most recent MIT in comparison to the previously conducted MIT's at this well.
6 Nonetheless, this argument by Ms. Fletcher fails to address the fact that OPIK was given
7 deadlines to perform a successful MIT and did not meet those deadlines.

8 **Q. Do you have a recommendation regarding the Penalty Order in this docket?**

9 A. Yes. The Penalty Order should be affirmed under K.A.R. 82-3-407. The Operator failed to
10 demonstrate the well had mechanical integrity between the initial failure date in June of 2019,
11 and the final deadline given in writing of October 22, 2019. The assessment of the \$1000.00
12 penalty issued in the Commission's Penalty Order is reasonable and should be upheld.

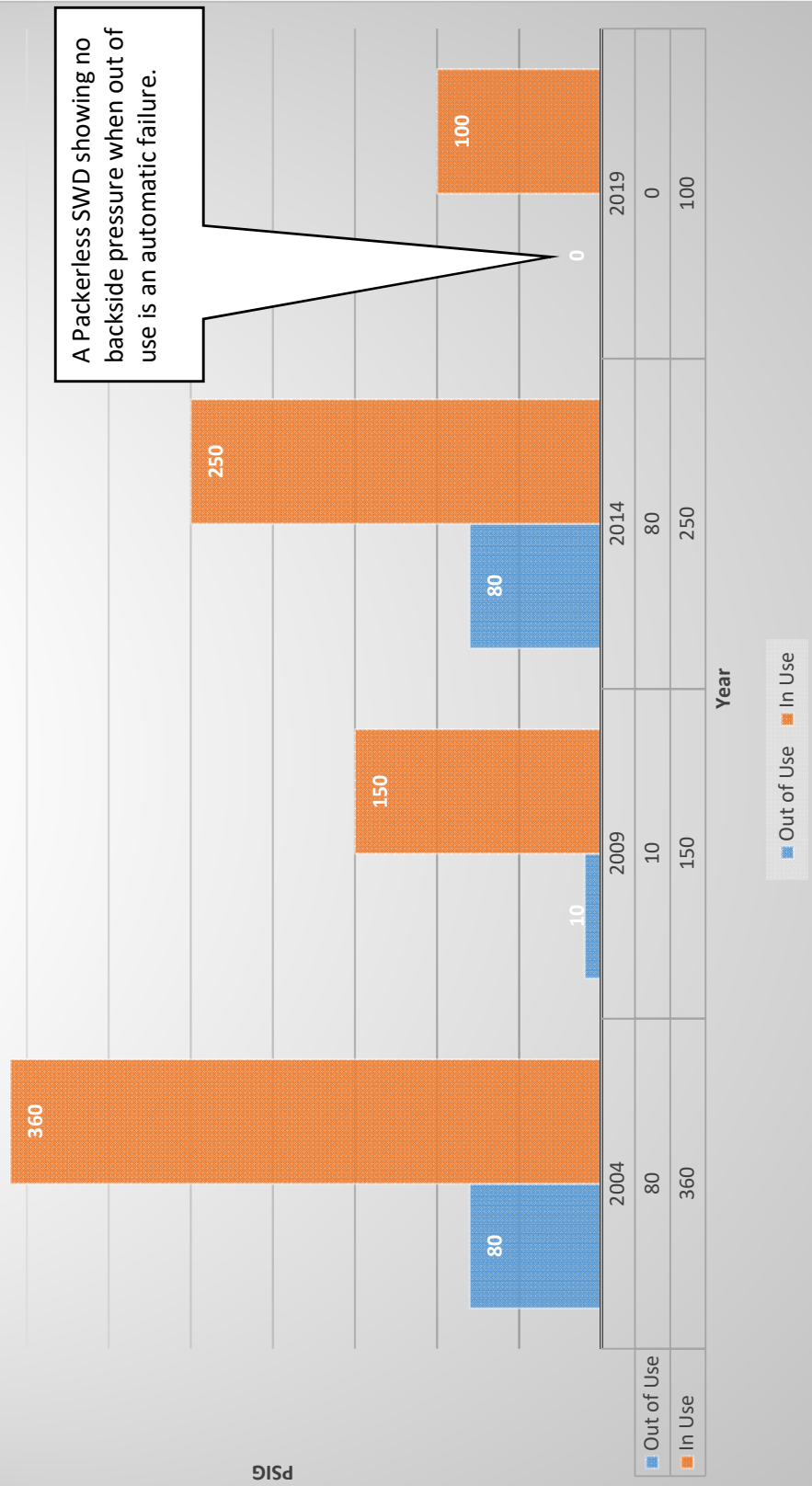
13 **Q. Does this conclude your testimony as of this date, February 10, 2020?**

14 A. Yes.

Year	Out of Use	In Use
2004	80	360
2009	10	150
2014	80	250
2019	0	100

Fitzgerald #3

Chart showing annular pressures in psig recorded on past MIT's for the Fitzgerald #3. Dates 2004 - 2019



CERTIFICATE OF SERVICE

20-CONS-3134-CPEN

I, the undersigned, certify that a true copy of the attached Rebuttal Testimony of Jeff Klock has been served to the following by means of electronic service on February 10, 2020.

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/S/ Paula J. Murray

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