

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

In the matter of the failure of Tailwater, Inc.)	Docket No. 21-CONS-3032-CPEN
(Operator) to comply with K.A.R. 82-3-603 at)	
the South Kempnich Lease in Anderson County,)	CONSERVATION DIVISION
Kansas.)	
_____)	License No. 32461

PRE-FILED DIRECT TESTIMONY

OF

KEITH CARSWELL

ON BEHALF OF COMMISSION STAFF

NOVEMBER 25, 2020

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

2 A. Keith Carswell, 137 E. 21st Street, Chanute KS 66720.

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 (KCC
5 or Commission), District #3 Office, as an Environmental Compliance and Regulatory
6 Specialist (ECRS).

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

8 A. In 2007, I graduated High School from Ottawa High School in Ottawa, Kansas. In 2009, I
9 graduated from Longview Community College in Lee's Summit, Missouri with an
10 Associate's Degree in Applied Science.

11 After graduating, I worked for eight years cementing, plugging, and completing oil, gas,
12 and injection wells for Consolidated Oil Well Services until July 2019, at which time I came
13 to work for the KCC as an ECRS.

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

15 A. Yes.

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

17 A. As an ECRS, I am responsible for the witnessing and monitoring of oil and gas related
18 activities in Anderson, Franklin, Linn, and Miami Counties in Kansas. My job involves
19 inspections, documentation, investigation, and consultation with lease operators, landowners
20 and Commission Staff on compliance issues related to oil and gas production in Kansas. I
21 witness and monitor the drilling and completion of oil, gas, injection, and disposal wells. I
22 also investigate spills and complaints, inspect surface pits, witness mechanical integrity tests,
23 and witness the plugging and completion of wells. In addition, I conduct GPS surveys on new

1 and abandoned wells to verify the exact location and the status of wells. I work with District
2 Staff and Central Office Staff when required to complete various projects and requests.

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

4 A. The purpose of my testimony is to discuss the evidence supporting the Commission's finding
5 in regard to the violations issued against Tailwater, Inc. (Operator) in Docket No. 21-CONS-
6 3032-CPEN (21-3032 Docket).

7 **Q. Are you familiar with the 21-3032 Docket?**

8 A. Yes, Operator was penalized for twenty-three violations of K.S.A. 55-172 and K.A.R. 82-3-
9 603(e) because Operator did not clean up oil spills at the South Kempnich Lease (Subject
10 Lease) in a timely manner. The Commission issued one first violation, one second violation,
11 and twenty-one third violations of K.A.R. 82-3-603(e) and assessed Operator a total of
12 \$108,500 in penalties. Additionally, the Commission ordered Operator to take immediate
13 remedial action to obtain proper surface control to the satisfaction of Commission District #3
14 Staff. The Commission's Order also provided that if Operator fails to comply, then Staff may
15 take any action necessary to prevent continuing leaks at the Subject Lease regardless of
16 whether Operator requested a hearing on the Penalty Order in the 21-3032 Docket.

17 **Q. How did the spills at the Subject Lease come to your attention?**

18 A. On July 11, 2019, Ryan Duling, District #3 ECRS, and I conducted a lease inspection at the
19 Subject Lease. Upon our inspection, we documented 23 unreported spills that needed
20 remediation. Those spills are listed on page 2 of Exhibit A of the Penalty Order. At that time,
21 we visited with Mr. Dan Hutchinson, Tailwater's pumper, about all of the spills on the Subject
22 Lease. We reiterated the fact that Operator could be penalized for failure to report and clean-
23 up the spills. Mr. Hutchinson stated that he would make sure the spills were reported to the

1 District #3 Office and that he would try to clean up the spills. However, the spills were not
2 reported until October 28, 2019 by Mr. John Chappell, Tailwater's attorney.

3 **Q. Did you conduct a follow-up inspection to see whether the spills had been addressed?**

4 A. Yes. Follow-up inspections at the Subject Lease on September 9, 2019, and October 9, 2019,
5 indicated there had been no effort to remediate any of the spills. On October 11, 2019, a Notice
6 of Violation (NOV) letter was sent to Operator. The NOV letter identified the 23 unreported
7 spills that we documented. The letter required Operator to put proper surface control on all
8 idle wells and to install stuffing boxes to stop the spillage on the Subject Lease by October
9 21, 2019. The NOV letter also gave Operator 45 days to clean-up and remediate the spills on
10 the Subject Lease by November 25, 2019. On October 21, 2019, Mr. Duling and I once again
11 inspected the Subject Lease and documented that proper surface control was still not installed
12 on the wells as required. It also appeared that no effort had been made to clean-up the spills
13 on the Subject Lease.

14 **Q. Did Staff ever meet with Operator regarding the spills?**

15 A. Yes. On October 28, 2019, John Almond, District #3 Compliance Officer, contacted Christian
16 Martin, president of Operator, and Mr. Chappell by phone to see if they would be interested
17 in meeting with District Staff to review the spills needing remediation, the wells lacking
18 surface control, and to try to resolve the compliance issues and violations on the Subject
19 Lease. All parties agreed to meet on the Subject Lease at 10:00 am Thursday, November 7,
20 2019. District Staff met Mr. Chappell and Mr. Hutchinson at the Subject Lease as previously
21 agreed on November 7, 2019; however, Mr. Martin did not attend. During that visit, we went
22 to each well and spill site to discuss the progress of remediation. Mr. Chappell and
23 Mr. Hutchinson were also specifically told to implement surface control at the wells to stop

1 the source of the spillage. Without the proper surface control, fluids would continue to leak
2 onto the ground even if the current spills were remediated. Mr. Hutchinson told us that
3 Mr. Martin was going to purchase swedges and stuffing boxes to shut in the leaking wells,
4 and they were going to continue cleanup and servicing the wells that were idle in order to
5 return them to production. Staff then reminded Operator of the upcoming November 25, 2019,
6 deadline to have all spills remediated as recommended. On November 26, 2019, Mr. Almond
7 and I conducted a follow-up inspection. We documented four spills actively occurring and
8 that 19 wells still did not have proper surface control installed.

9 **Q. What did Staff do after its November 26, 2019, inspection?**

10 A. On December 5, 2019, Mr. Almond sent a third NOV letter regarding the spills on the Subject
11 Lease. The letter stated that we would re-inspect the Subject Lease on December 20, 2019.
12 Operator was notified that District Staff would continue to recommend penalties at any site
13 found with a spill that had traveled away from the well head and had not been remediated. On
14 December 27, 2019, Mr. Almond and I conducted a follow-up inspection at the 23 wells on
15 the Subject Lease noted in my NOV letter sent on October 11, 2019. This letter is attached to
16 the Penalty Order as Exhibit B. We documented that wells continued to leak fluids onto the
17 ground because Operator had failed to shut-in and implement proper surface control at its
18 wells.

19 On March 5, 2020, Mr. Almond and I inspected the status of the wells with spills on the
20 Subject Lease that had previously been recommended to Legal Staff for penalties. We
21 documented that Operator had shut in four additional wells, leaving 16 wells without proper
22 surface control; however, Operator had still not completed any cleanup or remediation on the

1 23 spill locations outlined in the letter referenced in Taylor Herman's testimony. I have
2 attached the March 5th report to my testimony as ***Exhibit KC-1***.

3 On June 17, 2020, Taylor Herman, District #3 Geologist, and I conducted another follow-
4 up inspection which indicated there was still a lack of proper surface control and that saltwater
5 and oil were still leaking out onto the ground.

6 **Q. Have you conducted any inspections of the Subject Lease since the Penalty Order was**
7 **issued in the 21-3032 Docket on August 27, 2020?**

8 A. Yes. On October 9, 2020, Taylor Herman and I conducted a lease inspection of the Subject
9 Lease. We visited all 43 oil wells on the lease and the two injection wells involved in previous
10 spill and remediation penalties. At that time, we found 19 oil wells leaking fluids at the surface
11 and 31 without proper surface control to stop the wells from leaking. We were able to
12 document 14 wells with proper surface control; however, none of the spill areas have been
13 remediated as required. I have attached a copy of that field inspection report to my testimony
14 as ***Exhibit KC-2***.

15 **Q. Has Operator made any attempts to address the spills on the lease?**

16 A. Operator has placed berms around the wells that were leaking fluids on the ground; however,
17 the berms are regularly filled with fluids from the wells which continue to seep through the
18 berms onto the ground surrounding the wells. Operator has made no attempt to remediate any
19 of the spill areas on the Subject Lease, and many wells on the lease continue to lack the proper
20 surface control to prevent fluids from leaking at the surface.

1 **Q. Did Operator ever bring the spills on the Subject Lease into compliance?**

2 A. No, as of my last lease inspection on October 9, 2020, Operator has not cleaned-up or
3 remediated any of the spill locations on the Subject Lease. There are 31 oil wells with no
4 surface control and 19 wells continue to leak fluids on the ground.

5 **Q. Please summarize your recommendations.**

6 A. The Penalty Order should be affirmed. Operator failed to install surface control and clean up
7 the spills on the Subject Lease. As described above, Operator was given a multitude of
8 opportunities to address the issues on the Subject Lease, but repeatedly failed.

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

10 A. Yes.

KCC OIL/GAS REGULATORY OFFICES

Inspection Date: 03/05/2020 District: 3 Incident Number: 6933

☐ New Situation ☐ Lease Inspection
☐ Response to Request ☐ Complaint
☒ Follow-up ☒ Field Report

Operator License No: 32461 API: Q3: Q2: Q1:
Operator Name: Tailwater Inc. SEC 22 TWP 20 RGE 20 RGEDIR: E
Address: 6421 Avondale Drive Suite 212 FSL:
City: Olkahoma, City FEL:
State: OK Zip Code: 74070 Lease: South Kempnich Well No.:
Phone contact: 405-810-0900 County: AN

Reason for Investigation:

Update on spill cleanup, remediation of spill sites and surface control for abandon wells on the South Kempnich lease. The last inspection was December 27, 2019.

Problem:

Tailwater Inc. failed to meet deadlines and comply with requests from district #3 staff to shut in leaking wells, cleanup spillage and remediate spill locations on more than twenty (20) abandon well locations and penalty recommendations have been requested.

Persons contacted:

Dan Hutchison

Findings:

Keith Carswell and I arrived on the South Kempnich lease on the morning of March 5, 2020 to inspect and to prepare updated documents for the status of more than twenty (20) abandon wells that the operator has failed to cleanup, failed to install proper surface control on the wells and remediate the areas impacted by the spillage at the locations. Penalty recommendations have been requested for the violations and the last inspection date was December 27, 2019. The twenty-six (26) pictures taken today are attached. [See additional findings on page 2]

Actions / Recommendations

Follow-up Required ☐

Deadline Date:

At this time I will forward the updated documents to support the requested penalty recommendations for Tailwater, Inc. on the South Kempnich lease for failure to contain the spillage with proper surface control by shutting in the abandon wells and failure to cleanup and remediate the impacted spillage locations as required by Kansas Corporation Commission Regulations.

Photo's Taken: 28

☐ RBDMS ☐ KGS ☐ TA DB Report Prepared By: John Almond and Keith Carswell
☐ T1 DBF ☐ District Files ☐ Courthouse Position: Compliance Officer and E.C.R.S.

KCC OIL/GAS REGULATORY OFFICES

Additional Findings:

The twenty-four (24) wells listed below are in violation and penalty recommendations have been requested for Tailwater, Inc. #32461 for failure to contain, cleanup and remediate spillage at the following locations:

The sixteen (16) wells listed below still do not have surface control, they continue to leak fluids on the ground and the remediation is not complete:

Well #20-T	15-003-25023-00-00
Well #26-T	15-003-24629-00-00
Well #27-T	15-003-25030-00-00
Well #30-T	15-003-25165-00-00
Well #17-T	15-003-25020-00-00
Well #23-T	15-003-25026-00-00
Well #24-T	15-003-25027-00-00
Well #3-T	15-003-24647-00-00
Well #4-T	15-003-24648-00-00
Well #5-T	15-003-24649-00-00
Well #9-T	15-003-24653-00-00
Well #8-T	15-003-24652-00-00
Well #7-T	15-003-24651-00-00
Well #22-T	15-003-25025-00-00
Well #18-T	15-003-25021-00-00
Well #2-T	15-003-24508-00-00

The four (4) wells listed below were found to be shut in at the December 27, 2019 inspection, the operator has failed to cleanup and complete the remediation from the spillage:

Well #25-T	15-003-25028-00-00
Well #28-T	15-003-25163-00-00
Well #31-T	15-003-25166-00-00
Well #14-IWL	15-003-26280-00-00

The four (4) wells listed below were found to be shut in at the March 5, 2020, the operator has failed to cleanup and complete the remediation from the spillage:

Well #13-T	15-003-24687-00-00	Shut in March 5, 2020, No Cleanup, No Remediation.
Well #14-T	15-003-25017-00-00	Shut in March 5, 2020, No Cleanup, No Remediation. [still leaking]
Well #15-T	15-003-25018-00-00	Shut in March 5, 2020, No Cleanup, No Remediation.
Well #16-T	15-003-25019-00-00	Shut in March 5, 2020, No Cleanup, No Remediation.

The area of the South Kempnich lease from the tank battery and pump house East more than 1/4 mile in the crop field has had numerous spills over the last several years, the operator has done several applications of gypsum to remediate the area and then continues to have spillage on top of the same area making it impossible for the remediation to have any affect to the impacted spill site to sustain vegetation.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.

Lease: South Kempnich

County: Anderson

Subject: Well #20-T

FSL: 1607'

FEL: 3832'

API#: 15-003-25023-00-00

Date: March 5, 2020

Staff: John Almond and Keith Carswell

KLN: #32461

Legal: Sec. 22, Twp. 20S, Rge. 20E

PIC ID#: Picture #1 of well #20-T

PIC Orientation: Facing Southeast

Latitude: 38.292492

Longitude: -95.189185

Time: 9:30 AM

Additional Information:

This is an updated picture of the South Kempnich well #20-T. The well is abandon and is not shut with the proper surface control, the well continues to leak crude oil on the ground.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture #2 of well #20-T
Subject: Well #20-T	PIC Orientation: Facing East
FSL: 1607'	Latitude: 38.292492
FEL: 3832'	Longitude: -95.189185
API#: 15-003-25023-00-00	
Date: March 5, 2020	Time: 9:30 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #20-T. The well is abandon and is not shut with the proper surface control, the well continues to leak crude oil on the ground.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture of well #26-T
Subject: Well #26-T	PIC Orientation: Facing East
FSL: 1485'	Latitude: 38.292139
FEL: 3372'	Longitude: -95.187582
API#: 15-003-25029-00-00	
Date: March 5, 2020	Time: 9:35 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #26-T. The well is abandon and is not shut with the proper surface control, the well continues to leak crude oil on the ground.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture of well #27-T
Subject: Well #27-T	PIC Orientation: Facing North
FSL: 1832'	Latitude: 38.293082
FEL: 3000'	Longitude: -95.186288
API#: 15-003-25030-00-00	
Date: March 5, 2020	Time: 9:45 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #27-T. The well is abandon and is not shut with the proper surface control, the well continues to leak crude oil on the ground.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture of well #30-T
Subject: Well #30-T	PIC Orientation: Facing West
FSL: 2072'	Latitude: 38.293734
FEL: 2818'	Longitude: -95.185658
API#: 15-003-25165-00-00	
Date: March 5, 2020	Time: 9:55 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #30-T. The well is abandon and is not shut with the proper surface control, the well continues to leak crude oil on the ground.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture of well #17-T
Subject: Well #17-T	PIC Orientation: Facing East
FSL: 1741'	Latitude: 38.292890
FEL: 4812'	Longitude: -95.192602
API#: 15-003-25020-00-00	
Date: March 5, 2020	Time: 10:10 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #17-T. The well is abandon and is not shut with the proper surface control, the well continues to leak crude oil on the ground.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture of well #23-T
Subject: Well #23-T	PIC Orientation: Facing South
FSL: 1475'	Latitude: 38.292160
FEL: 4830'	Longitude: -95.192661
API#: 15-003-25026-00-00	
Date: March 5, 2020	Time: 10:35 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #23-T. The well is abandon, the well is not shut in with the proper surface control and continues to leak crude oil and saltwater on the ground.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture of well #24-T
Subject: Well #24-T	PIC Orientation: Facing South
FSL: 1478'	Latitude: 38.292158
FEL: 4500'	Longitude: -95.191511
API#: 15-003-25027-00-00	
Date: March 5, 2020	Time: 10:45 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #24-T. The well is abandon, the well is not shut in with the proper surface control and continues to leak crude oil and saltwater on the ground.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture of well #3-T
Subject: Well #3-T	PIC Orientation: Facing North
FSL: 2488'	Latitude: 38.294933
FEL: 4528'	Longitude: -95.191616
API#: 15-003-24647-00-00	
Date: March 5, 2020	Time: 12:00 PM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #3-T. The well is abandon and is not shut with the proper surface control, the well continues to seep crude oil on the ground and saturate the soil in front of and South of the well. The operator has done nothing to stop the spillage since the last inspection and has made no effort to clean up the spillage.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture of well #4-T
Subject: Well #4-T	PIC Orientation: Facing East
FSL: 2498'	Latitude: 38.294950
FEL: 4193'	Longitude: -95.190450
API#: 15-003-24648-00-00	
Date: March 5, 2020	Time: 11:55 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #4-T. The well is abandon and is not shut with the proper surface control, the well continues to leak crude oil and salt water on the ground and saturate the soil in front of and South of the well. The operator has done nothing to stop the spillage since the last inspection and has made no effort to clean up the spillage.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture of well #5-T
Subject: Well #5-T	PIC Orientation: Facing East
FSL: 2356'	Latitude: 38.294550
FEL: 3873'	Longitude: -95.189333
API#: 15-003-24649-00-00	
Date: March 5, 2020	Time: 11:50 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #5-T. The well is abandon and is not shut with the proper surface control, the well continues to leak crude oil on the ground and saturate the soil in front of and South of the well. The operator has done nothing to stop the spillage since the last inspection and has made no effort to clean up the spillage.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture of well #9-T
Subject: Well #9-T	PIC Orientation: Facing South
FSL: 2173'	Latitude: 38.294066
FEL: 4538'	Longitude: -95.191650
API#: 15-003-24653-00-00	
Date: March 5, 2020	Time: 11:20 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #9-T. The well is abandon, the well is not shut in with the proper surface control and continues to leak crude oil and salt water on the ground and saturate the soil in the area in front of the well.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture 1 of 2 of well #8-T
Subject: Well #8-T	PIC Orientation: Facing South
FSL: 2036'	Latitude: 38.293700
FEL: 4849'	Longitude: -95.192733
API#: 15-003-24652-00-00	
Date: March 5, 2020	Time: 11:10 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #8-T. The well is abandon, the well is not shut in with the proper surface control and continues to leak crude oil on the ground and saturate the soil in the area in front and South of the well.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture 2 of 2 of well #8-T
Subject: Well #8-T	PIC Orientation: Facing East
FSL: 2036'	Latitude: 38.293700
FEL: 4849'	Longitude: -95.192733
API#: 15-003-24652-00-00	
Date: March 5, 2020	Time: 11:10 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #8-T. The well is abandon, the well is not shut in with the proper surface control and continues to leak crude oil on the ground and saturate the soil in the area in front and South of the well.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture of well #7-T
Subject: Well #7-T	PIC Orientation: Facing West
FSL: 2056'	Latitude: 38.293766
FEL: 5160'	Longitude: -95.193816
API#: 15-003-24651-00-00	
Date: March 5, 2020	Time: 11:00 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #7-T. The well is abandon, the well is not shut in with the proper surface control and continues to leak crude oil on the ground and saturate the soil in the area in front of the well and South and West of the well.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture of well #22-T
Subject: Well #22-T	PIC Orientation: Facing North
FSL: 1792'	Latitude: 38.292982
FEL: 3318'	Longitude: -95.187395
API#: 15-003-25025-00-00	
Date: March 5, 2020	Time: 9:50 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #22-T. The well is abandon and is not shut with the proper surface control, the well continues to leak crude oil on the ground.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture 1 of 2 of well #18-T
Subject: Well #18-T	PIC Orientation: Facing North
FSL: 1807'	Latitude: 38.293060
FEL: 4492'	Longitude: -95.191486
API#: 15-003-25021-00-00	
Date: March 5, 2020	Time: 10:05 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #18-T. The well is abandon and is not shut with the proper surface control, the well continues to leak crude oil on the ground.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture 2 of 2 of well #18-T
Subject: Well #18-T	PIC Orientation: Facing North
FSL: 1807'	Latitude: 38.293060
FEL: 4492'	Longitude: -95.191486
API#: 15-003-25021-00-00	
Date: March 5, 2020	Time: 10:05 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #18-T. The well is abandon and is not shut with the proper surface control, the well continues to leak crude oil on the ground. Picture 2 of 2 shows an area North of the well approximately 75' that is saturated with crude oil and saltwater.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture of well #2-T
Subject: Well #2-T	PIC Orientation: Facing East
FSL: 2805'	Latitude: 38.295766
FEL: 3551'	Longitude: -95.188216
API#: 15-003-24508-00-00	
Date: March 5, 2020	Time: 12:05 PM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #2-T. The well is abandon and is not shut with the proper surface control, the well continues to seep crude oil on the ground and saturate the soil in front of and South of the well. The operator has done nothing to stop the spillage since the last inspection and has made no effort to clean up the spillage.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater Inc.	KLN: 32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20 South, Rge. 20 East
County: Anderson	PIC ID#: Picture of well #25-T
Subject: Well #25-T	PIC Orientation: Facing North
FSL: 1506'	Latitude: 38.292224
FEL: 4147'	Longitude: -95.190282
API#: 15-003-225028-00-00	
Date: March 5, 2020	Time: 11:15 am
Staff: John Almond & Keith Carswell	

Additional Information:

This is an updated picture of well #25-T has been shut in but no remediation has been done.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture of well #28-T
Subject: Well #28-T	PIC Orientation: Facing South
FSL: 1473'	Latitude: 38.292164
FEL: 5137'	Longitude: -95.193730
API#: 15-003-25163-00-00	
Date: March 5, 2020	Time: 10:25 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #28-T. The well is abandon, since the last inspection the operator has installed a new swage and valve on the casing of the well but they have not cleaned up the crude oil that leaked from the well that continues to saturate the soil in the area in front of and on the Northside of the well.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM

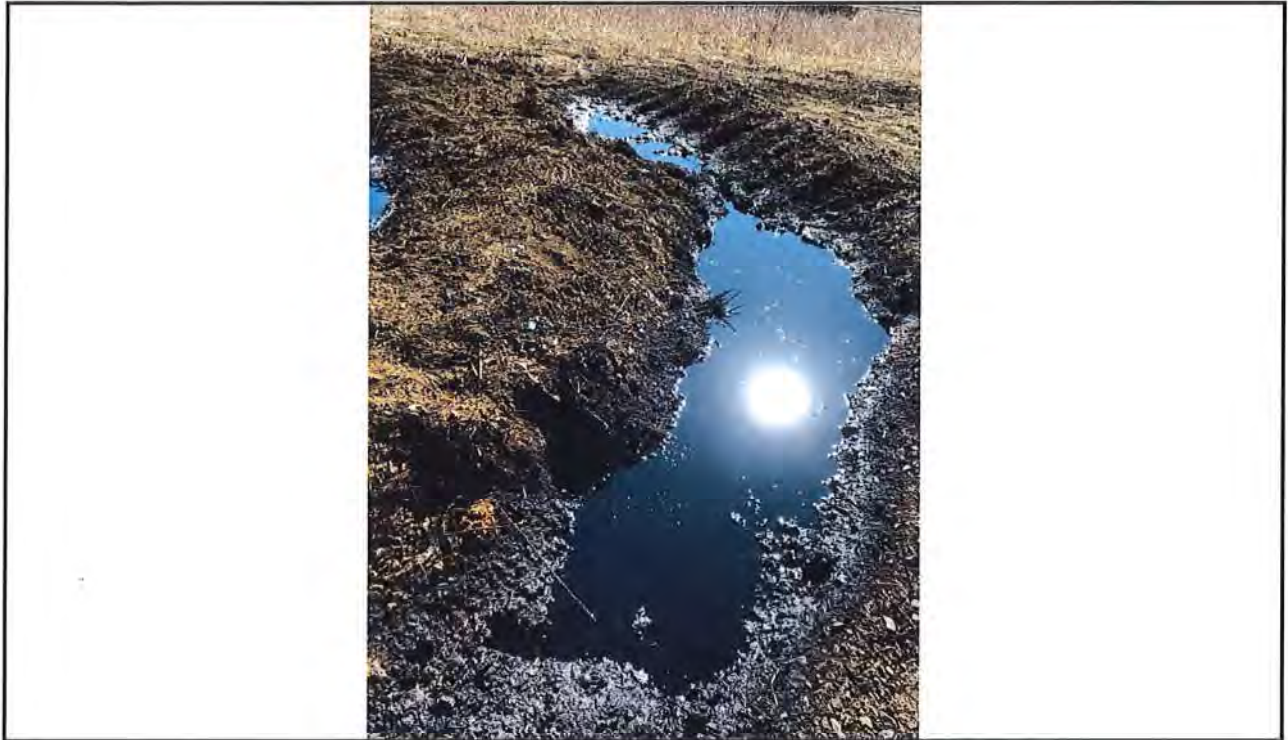


Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture 1 of 2 of well #13-T
Subject: Well #13-T	PIC Orientation: Facing Southeast
FSL: 1923'	Latitude: 38.293350
FEL: 3591'	Longitude: -95.188350
API#: 15-003-24687-00-00	
Date: March 5, 2020	Time: 11:30 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #13-T. The well is abandon, since the last inspection the operator has installed a swage and valve on the casing of the well but has not cleaned up the crude oil that has saturated the soil in the area in front of and South the well.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture 2 of 2 of well #13-T
Subject: Well #13-T	PIC Orientation: Facing Southeast
FSL: 1923'	Latitude: 38.293350
FEL: 3591'	Longitude: -95.188350
API#: 15-003-24687-00-00	
Date: March 5, 2020	Time: 11:30 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #13-T. The well is abandon, the operator has not cleaned up the crude oil that has saturated the soil in the area in front of and South the well.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture of well #14-T
Subject: Well #14-T	PIC Orientation: Facing Northeast
FSL: 2446'	Latitude: 38.294775
FEL: 3206'	Longitude: -95.187011
API#: 15-003-25017-00-00	
Date: March 5, 2020	Time: 11:45 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #14-T. The well is abandon, the operator installed a plug in the casing tee several months ago, however the saltwater continues to leak from the plug and saturate the soil in front of the well and East of the well. The operator has done nothing to stop the spillage since the last inspection and has made no effort to clean up the spillage or remediate the impacted area.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture of well #15-T
Subject: Well #15-T	PIC Orientation: Facing Northeast
FSL: 2110'	Latitude: 38.293852
FEL: 3256'	Longitude: -95.187184
API#: 15-003-25018-00-00	
Date: March 5, 2020	Time: 11:35 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #15-T. The well is abandon, the operator has installed a new swage and valve on the casing of the well since the last inspection but has not cleaned up the crude oil that has saturated the soil in the area in front of and North of the well.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture 1 of 2 of well #16-T
Subject: Well #16-T	PIC Orientation: Facing East
FSL: 1705'	Latitude: 38.292802
FEL: 5136'	Longitude: -95.192730
API#: 15-003-25019-00-00	
Date: March 5, 2020	Time: 10:15 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #16-T. The well is abandon, sometime since the last inspection the operator has installed a new swage and valve on the casing of the well to shut in the well, however they did not cleanup the crude oil that leaked from the well that continues to saturate the soil in the area in front of the well.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture 2 of 2 of well #16-T
Subject: Well #16-T	PIC Orientation: Facing East
FSL: 1705'	Latitude: 38.292802
FEL: 5136'	Longitude: -95.192730
API#: 15-003-25019-00-00	
Date: March 5, 2020	Time: 10:15 AM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #16-T. The well is abandon, the operator has not cleaned up the crude oil that leaked from the well that continues to saturate the soil in the area on the Southside of the well.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Tailwater, Inc.	KLN: #32461
Lease: South Kempnich	Legal: Sec. 22, Twp. 20S, Rge. 20E
County: Anderson	PIC ID#: Picture of well #29-T
Subject: Well #29-T	PIC Orientation: Facing East
FSL: 2627'	Latitude: 38.295265
FEL: 2954'	Longitude: -95.186130
API#: 15-003-25164-00-00	
Date: March 5, 2020	Time: 12:05 PM
Staff: John Almond and Keith Carswell	

Additional Information:

This is an updated picture of the South Kempnich well #29-T. The well is abandon and is not shut with the proper surface control, the well continues to seep saltwater on the ground and saturate the soil in front of and Southeast of the well. The operator has done nothing to stop the spillage since the last inspection and has made no effort to clean up and remediate the spillage.

KCC OIL/GAS REGULATORY OFFICES

Inspection Date: 10/09/2020 District: 3 Incident Number: 7187

☐ New Situation ☒ Lease Inspection
☒ Response to Request ☐ Complaint
☒ Follow-up ☒ Field Report

Operator License No: 32461 API: Q3: Q2: Q1:
Operator Name: Tailwater Inc. SEC 22 TWP 20 RGE 20 RGEDIR: E
Address: 6421 Avondale Dr Ste 212 FSL:
City: Oklahoma City FEL:
State: Oklahoma Zip Code: 73116-6428 Lease: South Kempnich Well No.:
Phone contact: (405)810-0900 County: AN

Reason for Investigation:

Lease status update for ongoing spills and penalty's on the South Kempnich lease.

Problem:

Wells do not have proper surface control and are leaking crude oil and saltwater out on to the ground

Persons contacted:

District 3 Staff and Dan Hutchison (pumper) for Tailwater Inc.

Findings:

Taylor Herman and I conducted a lease inspection to follow up on ongoing violations that have resulted in penalty recommendations for failure to install surface control, cleanup and conduct required remediation on spill sites at locations of inactive wells. The operator was notified by phone and NOV letters were sent to the operator with specific deadlines to shut in wells with the proper surface control, cleanup spillage and conduct remediation to restore vegetation to the spill locations. I went to every well location to verify status of wells and to make sure to include all spills currently on the lease. When I started the lease inspection Dan Hutchison asked what we were doing there. I told him we were doing a follow up on the spills on the South Kempnich. He and his helper started going location to location using shovels to try to cover up the spill areas. Chris Martin also knew we were on the lease and requested that Dan take pictures of everything Taylor and I did during the inspection. The following contains what I found at the well locations:

Actions / Recommendations

Follow-up Required ☒

Deadline Date:

I will forward this report and pictures on to John Almond District #3 Compliance officer. This is an update to the penalty recommendations sent January 22nd, 2020. At the time of the lease inspection this lease has 43 oil wells of those wells this lease only had 13 wells in production or capable of production. This lease also has 48 EOR wells of those EOR wells only 24 wells were hooked up for injection purposes. This lease only has 34 approved CP-111's, 24 EOR and 10 oil wells. Tailwater needs to shut in and obtain approved CP-111's for 20 oil wells

Photo's Taken: 30

☒ RBDMS ☒ KGS ☐ KOLAR Report Prepared By: Keith Carswell

☒ District Files ☐ Courthouse Position: E.C.R.S.

KCC OIL/GAS REGULATORY OFFICES

Additional Findings:

(continued from page 1)

15-003-24646-00-00 #2-T This well is inactive. This well has a rag and clamp trying to seal it in. This well was starting to seep through the rag at the time of inspection. There is a little spill area around the well head. The 1 inch is hanging on the clamp and is disconnected from the pump jack. This well doesn't have proper surface control. This well also doesn't have a CP-111 filed on the well.

15-003-24647-00-00 #3-T This well is inactive. This well has a rag and clamp trying to seal it in. This well had started seeping through the rag and leaking at the time of inspection. The 1 inch is hanging on the clamp and is disconnected from the pump jack. It is also missing the belt from the electric motor to the pump jack. This well doesn't have proper surface control. This well has a denied CP-111 filed for lack of surface control.

15-003-24648-00-00 #4-T This well is inactive. They are trying to seal this well in with a rag and clamp. This well is leaking but is contained in the berm pushed up around the well. This well doesn't have proper surface control. This well doesn't have a CP-111 filed.

15-003-24649-00-00 #5-T This well is inactive. The 1 inch is unhooked from the pump jack. The pump jack is also missing the belt. They are trying to seal this well in with a rag and clamp. The well is leaking crude oil that has escaped the berm. This is one of the locations that had fresh dirt trying to cover the spill area. This well doesn't have proper surface control. This well has a denied CP-111 filed for lack of proper surface control.

15-003-24651-00-00 #7-T This well is inactive. The one inch is on a clamp and is unhooked from the pump jack. They have tried to shut in this well in with a rag and clamp. The well is still leaking. This is one of the locations that Dan and his helper had tried covering up the spill area with fresh dirt. This well does not have proper surface control. This well doesn't have a CP-111 filed on it.

15-003-24652-00-00 #8-T This well is inactive. The pump jack is disconnected from the 1 inch and the pump jack is in disrepair. They have tried to shut this well in with a rag and clamp. The well is still leaking. Fresh crude oil is on the ground within the berm, the operator has pushed dirt up around the producing wells on the lease. This well does not have proper surface control. This well has a denied CP-111 filed on it for lack of surface control.

15-003-24653-00-00 #9-T This well is inactive. The pump jack is disconnected from the 1 inch. The pump jack is also missing the electric motor and the belt. The 1 inch is on a clamp with a rag trying to seal it off. This well is leaking but fluid is within the berm, the operator has pushed dirt up around the well. This well does not have proper surface control. This well has a denied CP-111 filed on it for lack of surface control.

15-003-24655-00-00 #11-T This well is inactive but is shut in with a swedge and valve. This well also has an approved CP-111 filed on the well.

15-003-24687-00-00 #13-T This well is inactive there is no 1 inch in the hole. This well is hooked into the flow line. This well was leaking at the time of inspection. The well was leaking out of the threads on the swedge screwed into the well trying to shut the well in. This well had fluid inside the berms pushed up around the well by the operator trying to contain the spills. This well has a denied CP-111 filed on it for lack of surface control.

15-003-25017-00-00 #14-T This well is inactive. This well has no 1 inch in the casing and is missing the belt on the pump jack. This well is shut in with a "T" and 2 inch pipe plugs screwed in. There is saltwater leaking through the threads of the 2 inch pipe plugs. The leak has been contained into the berm pushed up around the well. This well has a denied CP-111 filed on it for lack of surface control.

15-003-25018-00-00 #15-T This well is inactive there is no 1 inch in the casing and there is no belt on the electric motor. This well is hooked into the flow line. There is oil residue inside the berm. This well doesn't appear to be leaking at the time of inspection. This well has an approved CP-111 filed on it.

15-003-25019-00-00 #16-T This well is inactive. The well doesn't have 1 inch in the casing. The well is hooked into the flow line. I didn't see this well leaking at the time of inspection but the well has leaked at some point because there is oil inside the berm pushed up around the well. This well does have an approved CP-111 filed on it.

KCC OIL/GAS REGULATORY OFFICES

15-003-25020-00-00 #17-T This well is inactive. The 1 inch is hanging on a rag and clamp. The pump jack is missing the belt and the electric motor. The well is leaking production water and crude oil. It has stayed in the berm pushed up around the well. This well is leaking through the rag and clamp and through the 1 inch pipe. This well doesn't have proper surface control. This well has a denied CP-111 filed on it for lack of surface control..

15-003-25021-00-00 #18-T This well is inactive. This well is hooked into flow with a swedge and valve. This well did not appear to be leaking at the time of inspection but it has leaked in the past because there is oil residue inside the berm. This well has an approved CP-111 filed on it.

15-003-25023-00-00 #20-T This well is inactive. The 1 inch is unhooked from the pump jack. The one inch is hanging on a rag and clamp. The well is leaking but it has stayed in the berm pushed up around the well. This well doesn't have proper surface control. This well doesn't have a CP-111 filed on it.

15-003-25025-00-00 #22-T This well is inactive. There is no 1 inch in the casing and the pump jack is missing the belt. The well is hooked up to flow. This well is still leaking at the time of inspection. The well is leaking through the threads in the top of the "T" on top of the well. The fluid is contained inside the berm surrounding the well but has ran over sometime in the past causing a spill outside of the berm. This is one of the spots that Dan and his helper tried to cover up by throwing fresh dirt on top of the spill. This well has an approved CP-111 filed on it.

15-003-25026-00-00 #23-T This well is inactive. The 1 inch is unhooked from the pump jack. The pump jack is missing the bridal. The 1inch is hanging on a rag and clamp trying to seal the well in. This well is leaking. The oil has stayed inside the berm pushed up around the well. This well doesn't have proper surface control. This well doesn't have a CP-111 filed on it.

15-003-25027-00-00 #24-T This well is inactive. There is a pipe stuck into the pulley on the pump jack keeping it from turning. The stuffing box has been unscrewed and a rag and clamp has been used trying to seal the well in. There is some fresh crude oil on the ground around the well. This well doesn't have proper surface control. This well doesn't have a CP-111 filed on it.

15-003-25028-00-00 #25-T This well is inactive. This well is shut in with a swedge and valve. This well has an approved T/A filed on it.

15-003-25029-00-00 #26-T This well is was pumping at the time of the inspection. This well isn't leaking at the time of the inspection but the well has leaked in the past because there is oil residue on the ground inside and outside of the berm pushed up around the well. This well doesn't have proper surface control to control fluids if the well was to go down.

15-003-25030-00-00 #27-T This well is inactive. The 1 inch is hanging on a rag and clamp trying to seal off the well. This well is leaking through the rag. The berm that's pushed up around the well has fluid in it at the time of inspection and it appears it has ran over the berm before. This well doesn't have proper surface control. This well doesn't have a CP-111 filed on it.

15-003-25163-00-00 #28-T This well is inactive. The well is shut in with a valve and swedge. This well doesn't have 1 inch in the casing and the pump jack is missing the belt from the electric motor. This well doesn't appear to be leaking at the time of inspection but it has at some point as there is oil inside the berm pushed up around the well. This well has an approved CP-111 filed on it.

15-003-25164-00-00 #29-T This well is inactive. It has a stuffing box but it also has a rag and clamp above the stuffing box. The 1 inch is unhooked from the pump jack and the pump jack is missing the belt from the electric motor to the pump jack. This well was not leaking at the time of inspection. This well does not have proper surface control as its my opinion the stuffing box is wore out which is why they put a rag and clamp above the stuffing box. This well doesn't have a CP-111 filed on it

15-003-25165-00-00 #30-T This well is inactive. The one inch is hanging on a rag and clamp trying to seal this well in. The well is leaking through the rag and through the 1 inch pipe but is contained in the berm pushed up around. This well doesn't have proper surface control. This well doesn't have a CP-111 filed on it.

15-003-25166-00-00 #31-T This well is inactive there is no 1 inch in the casing, and the pump jack is missing the belt. This well shows signs of salt water leaking. It appears to all have stayed within the berm that is pushed up around the well. The berm is full of fluid. This well is hooked into the flow line with a "T" on top

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of the well with a 2 inch screw in plug in the top of the "T". We revoked a an approved CP-111 on 6/17/2020 because the well was leaking at the time of my last inspection.

15-003-25167-00-00 #32-T This well is active and producing at the time of inspection. This well wasn't leaking at the time of inspection. This well doesn't have proper surface control.

15-003-25168-00-00 #33-T This well is active and producing at the time of inspection. This well wasn't leaking at the time of inspection. This well is equipped with a stuffing box.

15-003-26280-00-00 #14-IWL This well was hooked up for injection purposes at the time of the lease inspection. No new spills around this well.

15-003-25162-00-00 #26-IW This well is not leaking at time of the lease inspection. This well is hooked up for injection purposes.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 2-T
Subject: 2-T	PIC Orientation:
FSL: 2375	Latitude: 38.294633
FEL: 4863	Longitude: -95.192783
API#: 15-003-24646-00-00	
Date: 10/09/2020	Time: 11:19 AM
Staff: Keith Carswell	

Additional Information: This picture is of well location 2-T. The well is not equipped with a stuffing box. It has a rag and clamp trying to seal the well in. At the time of inspection the well was not equipped for production. The 1 inch was hanging on a rag and clamp.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 3-T
Subject: 3-T	PIC Orientation:
FSL: 2488	Latitude: 38.294933
FEL: 4528	Longitude: -95.191616
API#: 15-003-24647-00-00	
Date: 10/09/2020	Time: 11:22 AM
Staff: Keith Carswell	

Additional Information: This picture is of well location 3-T. This well is trying to be sealed in with a rag and clamp. At the time of inspection well was not equipped for production. The pump jack was disconnected from the 1 inch and the pump jack is missing a belt.



Operator:	Tailwater, Inc.
Lease:	South Kempnich
County:	Anderson
Subject:	4-T
FSL:	2498
FEL:	4193
API#:	15-003-24648-00-00
Date:	10/09/2020
Staff:	Keith Carswell

KLN:	32461
Legal:	22-20-20E
PIC ID#:	4-T
PIC Orientation:	
Latitude:	38.294950
Longitude:	-95.190450

Time:	11:24 AM
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Additional Information: This picture is of well location 4-T. This well is trying to be sealed in with a rag and clamp. The well was leaking at the time of inspection. The spill is being contained in the berm but shows signs of where it has ran over the berm. This well is inactive due to the rag and clamp.



Operator:	Tailwater, Inc.
Lease:	South Kempnich
County:	Anderson
Subject:	5-T
FSL:	2356
FEL:	3873
API#:	15-003-24649-00-00
Date:	10/09/2020
Staff:	Keith Carswell

KLN:	32461
Legal:	22-20-20E
PIC ID#:	5-T
PIC Orientation:	
Latitude:	38.294550
Longitude:	-95.189333

Time:	11:26 AM
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Additional Information: This picture is of well location 5-T. The well is leaking up the production string and is not equipped with a stuffing box it is trying to be sealed in with a rag and clamp. This is one spot that Dan and his helper tried covering up the spill that escaped the berm that's pushed up around the well with fresh dirt. At the time of inspection well was not equipped for production. The 1 inch is unhooked from the pump jack and the pump jack is missing the belt.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 7-T
Subject: 7-T	PIC Orientation:
FSL: 2056	Latitude: 38.293766
FEL: 5160	Longitude: -95.193816
API#:15-003-24651-00-00	
Date: 10/09/2020	Time: 12:11 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 7-T. This location has a new spill area that has tried to be covered up by throwing fresh dirt on it with a shovel. The well is leaking up the production string and is not equipped with a stuffing box. They have tried to seal the well in with a rag and a clamp. The well is inactive. The 1 inch is unhooked from the pump jack and the pump jack is missing the belt.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 8-T
Subject: 8-T	PIC Orientation:
FSL: 2036	Latitude: 38.293700
FEL: 4849	Longitude: -95.192733
API#: 15-003-24652-00-00	
Date: 10/09/2020	Time: 12:09 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 8-T. This location has berm pushed up around the well and the oil is being contained in the berm. The well is leaking up the production string and is not equipped with a stuffing box. The well is trying to be sealed in by a rag and a clamp on the 1 inch. At the time of inspection well was not equipped for production. The pump jack was broke.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 9-T Pic 1
Subject: 9-T	PIC Orientation:
FSL: 2173	Latitude: 38.294066
FEL: 4538	Longitude: -95.191650
API#: 15-003-24653-00-00	
Date: 10/09/2020	Time: 12:03 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 9-T. This location has spill but is contained in the berm pushed up around the well. The well is leaking up the production string and is equipped with a stuffing box but it is unscrewed and is above the rag and clamp. They have tried to seal the well in with a rag and a clamp. At the time of inspection well was not equipped for production. The pump jack is missing the electric motor and the drive belt.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 11-T
Subject: 11-T	PIC Orientation:
FSL: 2047	Latitude: 38.293700
FEL: 3869	Longitude: -95.189316
API#: 15-003-24655-00-00	
Date: 10/09/2020	Time: 11:58 AM
Staff: Keith Carswell	

Additional Information: This picture is of well location 11-T. The well is shut in with a valve and swedge.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 13-T
Subject: 13-T	PIC Orientation:
FSL: 1923	Latitude: 38.293350
FEL: 3591	Longitude: -95.188350
API#: 15-003-24687-00-00	
Date: 10/09/2020	Time: 11:52 AM
Staff: Keith Carswell	

Additional Information: This picture is of well location 13-T. This well is hooked into the flow line but is still leaking from the threads on the swedge. The oil is being contained in the series of berms around this well.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 14-IWL PIC 1
Subject: 14-IWL	PIC Orientation:
FSL: 1693	Latitude: 38.292701
FEL: 3013	Longitude: -95.186332
API#: 15-003-26280-00-00	
Date: 10/09/2020	Time: 1:12 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 14-IWL. This well is hooked up for injection purposes.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 14-T
Subject: 14-T	PIC Orientation:
FSL: 2446	Latitude: 38.294775
FEL: 3206	Longitude: -95.187011
API#: 15-003-25017-00-00	
Date: 10/09/2020	Time: 11:47 AM
Staff: Keith Carswell	

Additional Information: This picture is of well location 14-T. The well is shut in but is leaking through the 2 inch plug in the top of the "T" on top of the well head. This well is leaking saltwater but has stayed in the berm. This well is not equipped for production. There is no 1 inch in the casing and the pump jack is missing the belt.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 15-T
Subject: 15-T	PIC Orientation:
FSL: 2110	Latitude: 38.293852
FEL: 3256	Longitude: -95.187184
API#: 15-003-25018-00-00	
Date: 10/09/2020	Time: 11:44 AM
Staff: Keith Carswell	

Additional Information: This picture is of well location 15-T. This well is leaking but the oil has stayed in the berm pushed up around the well. This well is hooked into the flow line. This well is not equipped for production as the well doesn't have 1 inch in the casing and the pump jack is missing the drive belt.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 16-T
Subject: 16-T	PIC Orientation:
FSL: 1705	Latitude: 38.292802
FEL: 5136	Longitude: -95.193730
API#: 15-003-25019-00-00	
Date: 10/09/2020	Time: 12:23 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 16-T. This well is inactive. The well doesn't have 1 inch in the casing and the pump jack is missing the belt. There is oil in the berm pushed up around the well where the well has leaked in the past. At the time of the inspection I didn't see the well leaking.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 17-T Pic 1
Subject: 17-T	PIC Orientation:
FSL: 1741	Latitude: 38.292890
FEL: 4812	Longitude: -95.192602
API#: 15-003-25020-00-00	
Date: 10/09/2020	Time: 12:27 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 17-T. The well is leaking up the production string and is not equipped with a stuffing box the well is trying to be sealed in with a rag and clamp. The spill is being contained inside the berm pushed up around the well for now. At the time of inspection well was not equipped for production. The pump jack did not have a motor or a belt.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 18-T
Subject: 18-T	PIC Orientation:
FSL: 1807	Latitude: 38.293060
FEL: 4492	Longitude: -95.191486
API#: 15-003-25021-00-00	
Date: 10/09/2020	Time: 12:32 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 18-T. This well is hooked into the flow line. This well is inactive because there is no 1 inch in the casing. This well wasn't leaking at the time of the inspection but has leaked in the past because of the oil residue on the ground in the berm.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 20-T
Subject: 20-T	PIC Orientation:
FSL: 1607	Latitude: 38.292492
FEL: 3832	Longitude: -95.189185
API#: 15-003-25023-00-00	
Date: 10/09/2020	Time: 12:39 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 20-T. This well is inactive as the 1 inch is unhooked from the pump jack. The well is leaking up the production string and is not equipped with a stuffing box. The well is trying to be sealed in with a rag and clamp. This well is seeping but the spill is being contained inside the berm pushed up around the well.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 22-T PIC 1
Subject: 22-T	PIC Orientation:
FSL: 1792	Latitude: 38.292983
FEL: 3318	Longitude: -95.187395
API#: 15-003-25025-00-00	
Date: 10/09/2020	Time: 12:47 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 22-T. The well is in active as it has no 1 inch in the casing and the pump jack is missing a belt. The well is hooked into the flow line but appears to be leaking at the time of the inspection through the threads in the "T" on top of the well. This spillage has ran over the berm sometime in the past. Dan and his helper tried to throw fresh dirt on it to cover it up.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 22-T PIC 2
Subject: 22-T	PIC Orientation:
FSL: 1792	Latitude: 38.292983
FEL: 3318	Longitude: -95.187395
API#: 15-003-25025-00-00	
Date: 10/09/2020	Time: 12:47 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 22-T. The well is in active as it has no 1 inch in the casing and the pump jack is missing a belt. The well is hooked into the flow line but appears to be leaking at the time of the inspection through the threads in the "T" on top of the well. This well has also ran over the berm sometime in the past. Dan and his helper tried to throw fresh dirt on it to cover it up.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 23-T
Subject: 23-T	PIC Orientation:
FSL: 1475	Latitude: 38.292160
FEL: 4830	Longitude: -95.192661
API#: 15-003-25026-00-00	
Date: 10/09/2020	Time: 12:16 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 23-T. The well is seeping up the production string and is not equipped with a stuffing box so it's leaking through the rag. The well is trying to be sealed in with a rag and clamp. This well is inactive as the 1 inch is unhooked from the pump jack. The spillage has stayed inside the berm pushed up around the well.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 24-T
Subject: 24-T	PIC Orientation:
FSL: 1478	Latitude: 38.292158
FEL: 4500	Longitude: -95.191511
API#: 15-003-25027-00-00	
Date: 10/09/2020	Time: 12:18 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 24-T. This well is inactive because the 1 inch is hanging on a rag and clamp. They have unscrewed the stuffing box and placed a rag and clamp underneath of it to try to seal the well in. This well has a small leak right around the well head where it is seeping.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 25-T
Subject: 25-T	PIC Orientation:
FSL: 1506	Latitude: 38.292224
FEL: 4147	Longitude: -95.190282
API#: 15-003-25028-00-00	
Date: 10/09/2020	Time: 12:20 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 25-T. This well is shut in with a swedge and a valve.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 26-IW
Subject: 26-IW	PIC Orientation:
FSL: 2276	Latitude: 38.294303
FEL: 3036	Longitude: -95.186417
API#: 15-003-25162-00-00	
Date: 10/09/2020	Time: 11:39 AM
Staff: Keith Carswell	

Additional Information: This picture is of well location 26-IW. This well was hooked up for the use of injection purposes at the time of the lease inspection.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 26-T Pic 1
Subject: 26-T	PIC Orientation:
FSL: 1485	Latitude: 38.292139
FEL: 3372	Longitude: -95.187582
API#: 15-003-25029-00-00	
Date: 10/09/2020	Time: 1:25 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 26-T. This well is active at the time of inspection. This well wasn't leaking at the time of inspection but has in the past because of the oil residue inside and outside of the berm.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 27-T
Subject: 27-T	PIC Orientation:
FSL: 1832	Latitude: 38.293082
FEL: 3000	Longitude: -95.186288
API#: 15-003-25030-00-00	
Date: 10/09/2020	Time: 12:53 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 27-T. This well is leaking up the production string and is missing the stuffing box. The well is trying to be sealed in with a rag and clamp but the well is leaking. The spill is being contained inside the berm pushed up around the well but the berm does show signs the oil has escaped the berm in the past. This well doesn't have proper surface control.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 28-T
Subject: 28-T	PIC Orientation:
FSL: 1473	Latitude: 38.292164
FEL: 5137	Longitude: -95.193730
API#: 15-003-25163-00-00	
Date: 10/09/2020	Time: 12:14 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 28-T. This well is shut in with a valve and swedge. The well did not appear to be leaking at the time of inspection but it has leaked in the past as there is oil inside the berm pushed up around the well.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 29-T
Subject: 29-T	PIC Orientation:
FSL: 2627	Latitude: 38.295265
FEL: 2954	Longitude: -95.186136
API#: 15-003-25164-00-00	
Date: 10/09/2020	Time: 11:33 AM
Staff: Keith Carswell	

Additional Information: This picture is of well location 29-T. The well is equipped with a stuffing box. At the time of inspection this well was inactive. This well has a rag and clamp above the stuffing box trying to seal the well in. The 1 inch is disconnected from the pump jack and the pump jack is missing a belt. This well is missing proper surface control.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 30-T
Subject: 30-T	PIC Orientation:
FSL: 2072	Latitude: 38.293734
FEL: 2818	Longitude: -95.185658
API#: 15-003-25165-00-00	
Date: 10/09/2020	Time: 1:00 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 30-T. The well is leaking up the production string and is not equipped with a stuffing box. The well is trying to be sealed in with a rag and clamp. The well is leaking through the rag and thru the 1 inch pipe above the rag. The spill is being contained in the berm pushed up around the well. The well is inactive as the pump jack is missing the belt. This well doesn't have proper surface control.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 31-T
Subject: 31-T	PIC Orientation:
FSL: 2378	Latitude: 38.294575
FEL: 2821	Longitude: -95.185669
API#: 15-003-25166-00-00	
Date: 10/09/2020	Time: 11:37 AM
Staff: Keith Carswell	

Additional Information: This picture is of well location 31-T. This well is hooked into the flow line with a "T" on top of the well. There is a 2 inch plug screwed into the top of the "T" and the production water is leaking through the threads of the 2 inch plug in the top of the "T". The spill is being contained in the berm pushed up around the well. This well is not equipped for production as the well doesn't have 1 inch in the casing and the pump jack is missing the belt.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 32 T
Subject: 32-T	PIC Orientation:
FSL: 1740	Latitude: 38.292822
FEL: 2820	Longitude: -95.185660
API#: 15-003-25167-00-00	
Date: 10/09/2020	Time: 1:08 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 32-T. This well was active at the time of the inspection. The well is not equipped with a stuffing box to prevent spills if the well was to go down. The well was not leaking at the time of inspection but has leaked in the past with the oil residue on the ground around the well. This well is missing proper surface control.



Operator: Tailwater, Inc.	KLN: 32461
Lease: South Kempnich	Legal: 22-20-20E
County: Anderson	PIC ID#: 33-T
Subject: 33-T	PIC Orientation:
FSL: 1489	Latitude: 38.292141
FEL: 3063	Longitude: -95.186503
API#: 15-003-25168-00-00	
Date: 10/09/2020	Time: 1:22 PM
Staff: Keith Carswell	

Additional Information: This picture is of well location 33-T. This well is equipped with a stuffing box and was active at the time of the lease inspection. The well doesn't appear to be leaking at the time of the inspection.

CERTIFICATE OF SERVICE

21-CONS-3032-CPEN

I, the undersigned, certify that a true copy of the attached Prefiled Testimony of Keith Carswell has been served to the following by means of electronic service on November 25, 2020.

JOHN ALMOND
KANSAS CORPORATION COMMISSION
DISTRICT OFFICE NO. 3
137 E. 21ST STREET
CHANUTE, KS 66720
Fax: 785-271-3354
j.almond@kcc.ks.gov

JOHN C. CHAPPELL, ATTORNEY AT LAW
JOHN CHAPPELL
PO BOX 602
LAWRENCE, KS 66044
jchappell@jchap.com

RICHARD HESTERMANN
KANSAS CORPORATION COMMISSION
266 N. Main St., Ste. 220
WICHITA, KS 67202-1513
Fax: 785-271-3354
r.hestermann@kcc.ks.gov

KELCEY MARSH, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
CENTRAL OFFICE
266 N. MAIN ST, STE 220
WICHITA, KS 67202-1513
Fax: 785-271-3354
k.marsh@kcc.ks.gov

JONATHAN R. MYERS, ASSISTANT GENERAL COUNSEL
KANSAS CORPORATION COMMISSION
266 N. Main St., Ste. 220
WICHITA, KS 67202-1513
Fax: 316-337-6211
j.myers@kcc.ks.gov

/S/ Paula J. Murray

Paula J. Murray