Received KANSAS CORPORATION COMMISSION

APR 0 6 2020

CONSERVATION DIVISION WICHITA, KS THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Susan K. Duffy, Chair Shari Feist Albrecht Dwight D. Keen

In the matter of the failure of Tailwater, Inc. ("Operator") to comply with K.A.R. 82-3-407 at the Finkenbinder #6-IW well in Anderson County, Kansas

Docket 20-CONS-3234-CPEN CONSERVATION DIVISION License No.: 32461

## **REQUEST FOR HEARING**

Respondent, Tailwater, Inc., by and through counsel, requests a hearing in this matter in regard to the alleged violation of K.A.R. 82-3-407 and imposition of fine. In support hereof, Respondent alleges and states:

1. Respondent admits that the Finkenbinder Well #6-IW failed its mechanical integrity

test.

2. Respondent admits that the KCC District Office in Chanute, Kansas notified Respondent by letter to bring the well into compliance by February 6, 2020.

3. Following the failure of the MIT, Respondent determined that the well should be plugged.

4. From October, 2019 through the present the field in which the well is located has been saturated with water as the result of unusually frequent and heavy snows and rains. As a result, equipment necessary to plug the well could not be brought to the location except by dragging it through the mud with a bulldozer. Doing so would not only cause substantial damage to the surface of the field but would damage Respondent's relationship with the surface owner who asked that Respondent not tear up his field by dragging rigs with bulldozers. Given the condition of the surface, the costs for extra equipment and for repairs to the surface would substantially exceed normal plugging costs for such a well.

2020-04-09 14:49:12 Kansas Corporation Commission /s/ Lynn M. Retz

1

5. Although the well failed the MIT, it was been shut in since prior to the February 6, 2020 deadline and there is no evidence that it is leaking fluids into any underground formations or otherwise causing pollution or waste.

6. Given the condition of the field, the substantial additional costs of plugging the well, the substantial additional costs of repairing the field, and the damage to relationship with the surface owner, a reasonable and prudent operator would not undertake such a plugging operation under the circumstances.

7. Respondent has made requests to the KCC Field Office in Chanute to extend the February 6, 2020 deadline to plug the well in view of the circumstances described above. Notwithstanding Respondent's request for an extension of time to enable Respondent to access the well with the necessary equipment without causing substantial and unnecessary damage and without incurring substantial and unnecessary costs, and without damaging landowner relations, no extension was granted.

8. Respondent respectfully suggests that he substantially complied with the spirit and purpose of the applicable regulations by shutting in the well following the MIT failure, and that the failure to plug the well by the February 6, 2020 deadline was due to circumstances beyond his control as a reasonable and prudent operator.

9. Respondent further respectfully suggests that the imposition of a fine under the circumstances penalizes him for acting as a reasonable and prudent operator.

WHEREFORE, Respondent requests a hearing and requests that the finding of violation be set aside and that no fine be imposed, and that Respondent be allowed such extension beyond February 6, 2020 as will allow the Finkenbinder field to achieve a reasonable level of solidity so that Respondent can plug the well without necessity of dragging a rig through mud and causing damages to the field.

2

John C. Chappell #08961 P.O. Box 602 Lawrence, KS 66044 Phone: (785) 841-2110 Fax: (785) 841-0483 Email: jchappell@jchap.com Attorney for Respondent

## **CERTIFICATE OF SERVICE**

I certify that on 33120 a copy of the foregoing or annexed pleading was

i mailed first class postage prepaid to Lynn M. Retz and Michael Glamann and i emailed to Michel Glamann, as follows:

Michael Glamann Litigation Counsel Conservation Division 266 N. Main St., Ste. 220 Wichita, KS 67202-1513 (316) 337-6200 <u>m.glamann@kcc.ks.gov</u> Lynn M. Retz Executive Director KCC, Conservation Division 266 N. Main St., Ste. 220 Wichita, KS 67202-1513 (316) 337-6200

John C. Chappell