

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

In the matter of the failure of Kiowa Gas ) Docket No.: 21-CONS-3318-CPEN  
Company (Operator) to comply with K.A.R. )  
82-3-103 and K.A.R. 82-3-106 at the DMilleret ) CONSERVATION DIVISION  
#2 well in Leavenworth County, Kansas. )  
\_\_\_\_\_ ) License No.: 33995

**PRE-FILED DIRECT TESTIMONY  
OF  
TAYLOR HERMAN  
ON BEHALF OF COMMISSION STAFF  
SEPTEMBER 20, 2021**

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

2 A. Taylor Herman, 137 E. 21<sup>st</sup> 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 District #3 Office, as a District Geologist.

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

7 A. In 2002, I graduated from Fort Hays State University with a Bachelor of Science Degree in  
8 Geology. After graduation, I worked for Osborn Energy where I assisted with administrative  
9 matters and created maps. I began working for the Kansas Corporation Commission in April  
10 2005, as an Environmental Compliance and Regulatory Specialist (ECRS). In May 2017, I  
11 began working in my current position as District Geologist. On November 20, 2020, I  
12 obtained my licensure as a Kansas Professional Geologist.

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

14 A. Yes.

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

16 A. As a District Geologist, I am responsible for the monitoring, investigation, and remediation  
17 of contamination sites throughout KCC District #3. I compose legislative reports for these  
18 contamination sites along with the Professional Geologist Supervisor. My job also involves  
19 performing inspections, documentation, investigations, and consultation with lease operators,  
20 landowners, and Commission Staff on compliance issues related to oil and gas production in  
21 Kansas. I witness and monitor the drilling and completion of oil, gas, injection and disposal  
22 wells. My duties also include providing guidance to the District #3 ECRSs on spill cleanup  
23 and the protection of fresh and usable water zones during plugging and completion of wells.

1 Finally, I propose remediation recommendations for soils that have been impacted by brine  
2 or hydrocarbons.

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 violation issued against Kiowa Gas Company (Operator) in Docket 21-CONS-  
6 3318-CPEN (Docket 21-3318).

7 **Q. Please provide a brief overview of the facts in this docket.**

8 A. The Commission penalized Operator for one violation of K.A.R. 82-3-103(c) and K.A.R.  
9 82-3-106(c)(2)(C)(ii) because Operator did not complete Alternate II cementing within 30  
10 days of the spud date of Operator's DMilleret #2 well (Subject Well), API #15-103-21470-  
11 00-00, in Leavenworth County, Kansas. The Commission ordered Operator to pay a \$1,000  
12 penalty, and to plug the Subject Well or complete the well using Alternate II cementing  
13 methods.

14 **Q. What are the requirements of K.A.R. 82-3-103(c)?**

15 A. K.A.R. 82-3-103(c) provides that the Conservation Division shall give surface casing and  
16 cementing requirements to an operator along with approval of the operator's notice to drill.  
17 Additionally, the regulation states that operator's failure to complete Alternate II cementing  
18 pursuant to K.A.R. 82-3-106 shall be punishable by a penalty.

19 **Q. What are the requirements of K.A.R. 82-3-106(c)(2)(C)(ii)?**

20 A. K.A.R. 82-3-106(c)(2)(C)(ii) provides that additional cementing shall be completed within  
21 120 days after the spud date of a well unless otherwise provided in the documents adopted in  
22 K.A.R. 82-3-106(b), namely Table I and Appendix A of the Commission Order dated August

1 1, 1991, in KCC Docket No. 34,780-C, and Appendix B of the Commission Order dated June  
2 29, 1994, in KCC Docket No. 133,891-C.

3 **Q. Do Appendices A or B adopted in K.A.R. 82-3-106(b) apply in this docket?**

4 A. Yes, Appendix B of the Commission's June 29, 1994, Order in Docket No. 133,891-C  
5 provides that in Leavenworth County, wells completed under Alternate II rules must be  
6 completed or plugged within 30 days of the spud date. The Subject Well in Docket 21-3318  
7 is located in Leavenworth County, and therefore should have been completed or plugged  
8 within 30 days of the spud date.

9 **Q. How did Operator's violation of Commission regulations come to your attention?**

10 A. On October 20, 2020, Operator filed a Notice of Intent to Drill (C-1 Form), seeking approval  
11 to drill the Subject Well using Alternate II completion methods. On October 21, 2021, Staff  
12 approved the C-1 Form and specified the use of Alternate II completion methods. Operator  
13 spudded the Subject Well on December 15, 2020, and completed drilling the well to its total  
14 depth on December 16, 2020. The 30-day deadline for Alternate II cementing was therefore  
15 January 15, 2021. After a review of Commission records indicated the Subject Well had not  
16 been plugged or completed using Alternate II cementing, Staff sent a Notice of Violation  
17 (NOV) letter to Operator on April 6, 2021, requiring Operator to bring the Subject Well into  
18 compliance with K.A.R. 82-3-106(c)(2)(C)(ii) by April 21, 2021. On May 25, 2021, Operator  
19 filed a Well Completion Form (ACO-1 Form), indicating that the Subject Well was a dry hole,  
20 and only had surface casing. A copy of the ACO-1 Form is attached as *Exhibit TH-1*.

1 **Q. Did you speak with Operator after Staff sent the NOV letter?**

2 A. Yes, Todd Moore, the President of Kiowa Gas Company, called the District #3 office on April  
3 16, 2021. I spoke with him at that time, and Mr. Moore stated he would plug the Subject Well  
4 the week of May 5, 2021.

5 **Q. To your knowledge, has Operator plugged the Subject Well or completed the well**  
6 **using Alternate II cementing as of the date of this testimony?**

7 A. I have seen no evidence that the Subject Well has been plugged or completed using Alternate  
8 II cementing.

9 **Q. If Alternate II completion methods or plugging of the Subject Well is not performed,**  
10 **what are the potential environmental dangers?**

11 A. If a spudded well is not plugged or completed using Alternate II methods, there may be  
12 commingling of fluids throughout the wellbore. Such commingling may allow pollution to  
13 enter fresh and usable waters. This may occur even if the well is a dry hole. A dry hole well  
14 does not produce enough oil or gas to be profitable, but may still allow the commingling of  
15 fluids throughout the wellbore.

16 **Q. Why did Staff recommend a \$1,000 penalty for Docket 21-3318?**

17 A. K.A.R. 82-3-106(c) provides that failure to complete Alternate II cementing shall be  
18 punishable by a \$5,000 penalty. The NOV letter that Staff sent to Operator on April 6, 2021,  
19 indicated that the penalty for violating K.A.R. 82-3-106 was up to \$1,000. Because the letter  
20 inadvertently stated a lower penalty amount, Staff recommended Operator be fined at that  
21 lower amount.

1 **Q. Please summarize your recommendations.**

2 A. The Penalty Order should be affirmed. Operator failed to complete Alternate II cementing or  
3 plug the Subject Well before the deadline prescribed by K.A.R. 82-3-106. Additionally,  
4 because of the possibility of commingling of fluids in the wellbore of the Subject Well, if the  
5 Commission does affirm the Penalty Order and the Operator fails to complete or plug the  
6 Subject Well within 30 days, then I recommend that Operator be assessed an additional \$5,000  
7 penalty, and Staff be authorized to plug the Subject Well and assess the cost to Operator.

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

9 A. Yes.

Confidentiality Requested:

Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form ACO-1

January 2018

Form must be Typed

Form must be Signed

All blanks must be Filled

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # \_\_\_\_\_

Name: \_\_\_\_\_

Address 1: \_\_\_\_\_

Address 2: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_

Contact Person: \_\_\_\_\_

Phone: ( \_\_\_\_\_ ) \_\_\_\_\_

CONTRACTOR: License # \_\_\_\_\_

Name: \_\_\_\_\_

Wellsite Geologist: \_\_\_\_\_

Purchaser: \_\_\_\_\_

Designate Type of Completion:

New Well  Re-Entry  Workover

Oil  WSW  SWD

Gas  DH  EOR

OG  GSW

CM (Coal Bed Methane)

Cathodic  Other (Core, Expl., etc.): \_\_\_\_\_

If Workover/Re-entry: Old Well Info as follows:

Operator: \_\_\_\_\_

Well Name: \_\_\_\_\_

Original Comp. Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Deepening  Re-perf.  Conv. to EOR  Conv. to SWD

Plug Back  Liner  Conv. to GSW  Conv. to Producer

Commingled Permit #: \_\_\_\_\_

Dual Completion Permit #: \_\_\_\_\_

SWD Permit #: \_\_\_\_\_

EOR Permit #: \_\_\_\_\_

GSW Permit #: \_\_\_\_\_

Spud Date or Date Reached TD Completion Date or Recompletion Date

API No.: \_\_\_\_\_

Spot Description: \_\_\_\_\_

\_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West

\_\_\_\_\_ Feet from  North /  South Line of Section

\_\_\_\_\_ Feet from  East /  West Line of Section

Footages Calculated from Nearest Outside Section Corner:

NE  NW  SE  SW

GPS Location: Lat: \_\_\_\_\_, Long: \_\_\_\_\_  
(e.g. xx.xxxxx) (e.g. -xxx.xxxxx)

Datum:  NAD27  NAD83  WGS84

County: \_\_\_\_\_

Lease Name: \_\_\_\_\_ Well #: \_\_\_\_\_

Field Name: \_\_\_\_\_

Producing Formation: \_\_\_\_\_

Elevation: Ground: \_\_\_\_\_ Kelly Bushing: \_\_\_\_\_

Total Vertical Depth: \_\_\_\_\_ Plug Back Total Depth: \_\_\_\_\_

Amount of Surface Pipe Set and Cemented at: \_\_\_\_\_ Feet

Multiple Stage Cementing Collar Used?  Yes  No

If yes, show depth set: \_\_\_\_\_ Feet

If Alternate II completion, cement circulated from: \_\_\_\_\_

feet depth to: \_\_\_\_\_ w/ \_\_\_\_\_ sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: \_\_\_\_\_ ppm Fluid volume: \_\_\_\_\_ bbls

Dewatering method used: \_\_\_\_\_

Location of fluid disposal if hauled offsite:

Operator Name: \_\_\_\_\_

Lease Name: \_\_\_\_\_ License #: \_\_\_\_\_

Quarter \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West

County: \_\_\_\_\_ Permit #: \_\_\_\_\_

AFFIDAVIT

I am the affiant and I hereby certify that all requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Submitted Electronically

KCC Office Use ONLY

Confidentiality Requested

Date: \_\_\_\_\_

Confidential Release Date: \_\_\_\_\_

Wireline Log Received  Drill Stem Tests Received

Geologist Report / Mud Logs Received

UIC Distribution

ALT  I  II  III Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

Exhibit TH-1

Operator Name: \_\_\_\_\_ Lease Name: \_\_\_\_\_ Well #: \_\_\_\_\_

Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West County: \_\_\_\_\_

**INSTRUCTIONS:** Show important tops of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed.

Final Radioactivity Log, Final Logs run to obtain Geophysical Data and Final Electric Logs must be emailed to kcc-well-logs@kcc.ks.gov. Digital electronic log files must be submitted in LAS version 2.0 or newer AND an image file (TIFF or PDF).

Drill Stem Tests Taken <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i>  Samples Sent to Geological Survey <input type="checkbox"/> Yes <input type="checkbox"/> No  Cores Taken <input type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Run <input type="checkbox"/> Yes <input type="checkbox"/> No Geologist Report / Mud Logs <input type="checkbox"/> Yes <input type="checkbox"/> No  List All E. Logs Run:	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  Name Top Datum
--	---

CASING RECORD <input type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

1. Did you perform a hydraulic fracturing treatment on this well?  Yes  No *(If No, skip questions 2 and 3)*
2. Does the volume of the total base fluid of the hydraulic fracturing treatment exceed 350,000 gallons?  Yes  No *(If No, skip question 3)*
3. Was the hydraulic fracturing treatment information submitted to the chemical disclosure registry?  Yes  No *(If No, fill out Page Three of the ACO-1)*

Date of first Production/Injection or Resumed Production/Injection:	Producing Method: <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other <i>(Explain)</i> _____			
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio Gravity

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5) (Submit ACO-4)</i>	PRODUCTION INTERVAL: Top Bottom
---	--	------------------------------------

Shots Per Foot	Perforation Top	Perforation Bottom	Bridge Plug Type	Bridge Plug Set At	Acid, Fracture, Shot, Cementing Squeeze Record <i>(Amount and Kind of Material Used)</i>

TUBING RECORD:	Size:	Set At:	Packer At:	
----------------	-------	---------	------------	--



Form	ACO1 - Well Completion
Operator	Kiowa Gas Company
Well Name	DMILLERET 2
Doc ID	1574586

Casing

Purpose Of String	Size Hole Drilled	Size Casing Set	Weight	Setting Depth	Type Of Cement	Number of Sacks Used	Type and Percent Additives
Surface	12.25	8.625	13.5	44	H854 Thixo	25	NA



Leavenworth County, KS  
 Well: Dmilleret 2  
 Lease Owner: Kiowa Gas Co.

TDR Construction, Inc.  
 (913) 710-5400

Commenced Spudding:12/15/20

WELL LOG

Thickness of Strata	Formation	Total Depth
0-15	Soil-Clay	15
15	Sand	30 Water
78	Sandy Shale	108
13	Lime	121
5	Shale	126
8	Lime	134
13	Shale	147
17	Lime	164
16	Shale	180 Redbed
4	Sandy Shale	184
13	Shale	197
56	Lime	253
30	Shale	283
5	Lime	288
3	Shale	291
2	Lime	293
9	Shale	302
15	Lime	317
16	Shale	333
54	Lime	387
7	Shale	394
23	Lime	417
3	Shale	420
5	Lime	425
3	Shale	428
10	Lime	438 Hertha
13	Shale	451
5	Sand	456 Grey-no oil
4	Sandy Shale	460
10	Shale	470
5	Sandy Shale	475
5	Shale	480
5	Limey Sand	485 Dark grey-no oil
10	Sandy Shale	495
97	Shale	592
9	Lime	601
6	Shale	607
1	Lime	608
5	Shale	613
6	Lime	619

TDR Construction, Inc.  
 (913) 710-5400

Leavenworth County, KS  
 Well: Dmilleret 2  
 Lease Owner: Kiowa Gas Co.

Commenced Spudding:12/15/20

4	Shale	623
3	Sand	626 Odor - No show
11	Shale	637
3	Lime	640
10	Shale	650
6	Lime	656
33	Shale	689
2	Sand	691 Broken-Slight oil show
9	Sandy Shale	700
14	Sand	714 Broken Brown-Gas Odor
6	Shale	720
14	Sandy Shale	734
32	Sand	766 Gas
21	Sand	787 dead oil
17	Shale	804
10	Sand	814 Water
20	Shale	834
9	Sand	843 Water
4	Shale & Lime	847
29	Shale	876
1	Lime	877
128	Shale	1005
5	Sand	1010 Water
103	Shale	1113
4	Lime	1117
23	Shale & Lime	1140
22	Lime	1162
8	Shale & Lime	1170
30	Lime	1200 T.D.

## **CERTIFICATE OF SERVICE**

21-CONS-3318-CPEN

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

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

ROBERT R. EISENHAUER  
JOHNSTON & EISENHAUER  
113 E THIRD  
PO BOX 825  
PRATT, KS 67124  
johnston.eisenhauer@gmail.com

TRISTAN KIMBRELL, LITIGATION COUNSEL  
KANSAS CORPORATION COMMISSION  
CENTRAL OFFICE  
266 N. MAIN ST, STE 220  
WICHITA, KS 67202-1513  
t.kimbrell@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

TROY RUSSELL  
KANSAS CORPORATION COMMISSION  
DISTRICT OFFICE NO. 3  
137 E. 21ST STREET  
CHANUTE, KS 66720  
t.russell@kcc.ks.gov

/s/ Paula J. Murray  
Paula J. Murray

---