BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the matter of the failure of Ace Energy,) LLC (Operator) to comply with K.A.R.) 82-3-407 at the Grundy B #5 SWD well in) Greenwood County, Kansas.)

In the matter of the failure of Ace Energy,) LLC (Operator) to comply with K.A.R.) 82-3-407 at the Grundy B #5 SWD well in) Greenwood County, Kansas.)

Docket No. 23-CONS-3195-CPEN

CONSERVATION DIVISION

License No. 34998

Docket No. 23-CONS-3268-CPEN

CONSERVATION DIVISION

License No. 34998

PRE-FILED TESTIMONY OF

JONATHAN FREIDEN

ACE ENERGY, LLC

1 Q. Please state your name and business address for the record.

2 A. Jonathan Freiden. 11704 Aberdeen Road Leawood, Kansas 66211

3 Q. Please summarize your educational background and work experience.

- 4 A. Washington University in St. Louis - 1998 Bachelor of Science Political Science Minor 5 Business and Legal Studies. Northwestern University - 2001 - Master's Degree Business 6 and Data Mining Science. U.S. Toy Company / Constructive Playthings - Third 7 generation family owned multi-channel international business. I purchased a controlling interest with brother in 2008 and became Chairman and CEO. I founded Ace Energy 8 9 LLC in 2010 as the sole owner of an energy investment company. In 2013, Ace Energy 10 LLC became a licensed Kansas Oil Operator. In 2015, I decided to focus my full 11 attention on leading and building my oil business while still maintaining my silent 12 ownership role in my family business.
- 13 Q. Please describe your role and involvement with Ace Energy, LLC ("Ace" or
 14 "Operator").
- 15 A. I am the owner of Ace Energy LLC.
- Q. The subject of this proceeding is the Grundy B #5 SWD Well (the "Subject Well"),
 API #15-073-22198-00-00, permitted via Underground Injection Control Permit #D24701, and located in Section 7, Township 27 South, Range 11 East, Greenwood
 County, Kansas who operates that well?

20 A. Ace Energy LLC.

21 Q. Had the Subject Well previously demonstrated mechanical integrity?

- A. The Subject Well demonstrated mechanical integrity at all relevant times prior to failing
 its MIT in September 2022. This came as a surprise to me, as Ace never had any
 previous issues with mechanical integrity at the Subject Well.
- Q. After the September 2022 failed MIT, did Staff communicate with you about a
 deadline on getting the Subject Well brought into compliance?
- A. Staff was in contact about the re-test deadline for the Subject Well, including by a letter
 Staff sent. Ace requested a much needed deadline extension to identify the cause of the
 failure, develop a strategy to address the issues and schedule a third party re-test date.
 Ace needed the extension due to the fact that KCC Staff had subjected Ace to
 approximately six weeks of an unjustified license suspension. That license suspension

prohibited Ace from conducting any oil and gas operations during significant portions of the 90-day period prescribed by Commission regulation and Staff's own correspondence to repair and retest the Subject Well. During this time period, our small team was entirely focused on disputed compliance issues. District 3 Staff summarily refused our MIT extension request without basis. When the Commission reinstated Ace's license over Staff's objections, Ace again asked for a deadline extension given the circumstances. Once again, Ace's request was denied without basis.

8 Q. Shortly after you received that letter did anything happen which hindered your 9 efforts to bring the Subject Well into compliance?

A. As stated above, from October 3, 2022 to November 21, 2022, we were burdened by an
unjustified license suspension. Due to the fact our license was suspended and operations
were shut down, we had no ability or resources to dedicate to fixing a complicated MIT
failure. Furthermore, to complicate matters, District 3 Staff forced us to plug a well
(voluntary agreement) with a 30-day deadline during this same time period.

15 Q. When was your license ultimately unsuspended?

A. The Commission reinstated Ace Energy's license on November 17, 2022 over Staff's
objection. Staff finally got around to formally reinstating Ace Energy's license four days
later, on November 21, 2022.

19 Q. Did that leave you with sufficient time to bring the Subject Well into compliance 20 before the December 18, 2022 deadline?

A. No, due to the complexity of the situation, this did not give us enough time to bring the
subject well into compliance by the December 18, 2023 deadline.

23 Q. What did you do to try to bring the Subject Well into compliance?

24 A. The subject well is one of the deepest and most complex wells in my inventory. We were 25 having a difficult time identifying a service provider with the equipment, expertise, and 26 availability to address the issues with this well within the time period. We initially hired 27 one vendor to do the work in December and we conducted an MIT on December 28, 28 2022. Unfortunately the well still did not pass at that time. I understood the regulations 29 to mean that after that failed MIT on December 28, 2022 that I had another 90 days to try 30 to keep working on the well. During our work to fix the well and the MIT process we 31 had to switch to a different vendor and that created more delays because there was a lot

of work needed to be done to fix the Subject Well. We were communicating with 1 2 District 3 Staff, specifically Thad Tribulet, about the work we were doing to fix the well 3 and Thad was on-site several times to witness some of the work and testing. In March of 2022 our team was working on pressure pre-testing with our own equipment prior to 4 scheduling a MIT with Thad from District 3. My understanding of the communication 5 6 with Thad at that time was that we were to keep working and pre-testing the well and that Thad was aware of our activities and that he would come out again when we were ready 7 8 to do another formal MIT. Our wells were disconnected and the lease was not producing 9 when Staff inspected in January. Duane Sims inspected our lease during the same week 10 we had just restarted some production and hooked up some wells. We were working on pre-testing and making final fixes to the Subject Well prior to scheduling the test with 11 12 Thad, but I guess Thad and Duane didn't communicate with each other about that. The 13 attached invoices from the original vendor show the work they were doing in December 14 (a true and correct copy is attached hereto as "Exhibit JF-A"). Also attached are invoices 15 from the replacement vendor which show the work they were doing in March and April 16 (a true and correct copy is attached hereto as "Exhibit JF-B"). Some of those invoices 17 show some work for other wells but most of that was for the Subject Well.

18 Q. Are you aware of Staff conducting any inspections of the Subject Well since the 19 initial failed MIT in September 2022?

A. As I mentioned above, Staff inspected on January 17, 2023 and again around March 22,
2023. (A true and correct copy of the 1/17/2023 Lease Inspection/Field Report is
attached hereto as "Exhibit JF-C". The 3/22/2023 Lease Inspection/Field Report is
attached to the Penalty Order in Docket 23-CONS-3268-CPEN.)

Q. What did Staff find at the Subject Well when it inspected it on January 17, 2023?

- A. The Subject Well was disconnected and not injecting. Furthermore, this lease was not
 actively in production.
- 27 Q. What did Staff find at the Subject Well when it inspected it on March, 22 2023?
- A. Staff claimed that the well was injecting water despite it not passing an MIT.
- Q. Do you know whether or not the well in the picture in the field report for the March
 22, 2023 lease inspection is the Subject Well?

4

It says it is the Grundy B#5 SWD well. However, this picture looks nothing like the well 1 A. 2 shown in field report from the 1/17/2023 lease inspection. 3 **Q**. Did the March 22, 2023 lease inspection discover anything else? 4 The Grundy B #1 SWD well (API #15-073-22073) had passed MIT and was lawfully Α. 5 permitted but was not hooked up to inject. 6 **Q**. Why was the Grundy B #1 SWD well not injecting when it was lawfully permitted to 7 while the Subject Well was injecting when it was not lawfully permitted to? 8 A. That was obviously a mistake. I knew the Grundy B #1 SWD well was allowed to inject 9 and the Subject Well was not. I specifically told my team that they were not supposed to 10 hook up the Subject Well. I can only guess that at some point while we were working on 11 fixing the Subject Well that somebody hooked up the Subject Well instead of the Grundy 12 B #1 SWD well by mistake. Whether that was the vendor, or my staff, or somebody else, 13 I don't know. We were constantly hooking up and taking apart the Subject Well as a part 14 of the work we were doing so I assume that it happened during that time period, but as I 15 said, I don't know and it was never supposed to be injecting. 16 Q. Did you ever instruct a member of your staff to inject into the Subject Well after it 17 failed the September 2022 MIT? 18 A. No, I never instructed a member of my staff, or the vendors, to inject any fluid into the 19 Subject Well after a failed MIT. In fact I specifically told them not to do that. 20 Q. How did you find out the Subject Well was injecting when it was not permitted to? 21 A. Duane Sims called me and told me on March 24, 2023. I didn't believe him at first 22 because I had specifically told my staff not to hook up the Subject Well so I thought there 23 was no way that could be true 24 **Q**. What happened after you found out the Subject Well was injecting when it 25 shouldn't have been? 26 A. After my phone call with Duane Sims, I contacted Burt Carson on my team immediately. 27 We discussed the situation and I asked him to meet Mr. Sims that afternoon at the 28 Grundy to disconnect the Subject Well. It should have never been hooked up in the first 29 place. Obviously that was a mistake because the Grundy B #1 SWD was not hooked up 30 and was close by. My staff fixed that error and then we went back to focusing on fixing 31 the Subject Well.

5

1 Q. At this date, has the Subject Well been brought into compliance?

2 A. In March and April we made a lot of progress on fixing the well, we were about to 3 perform our final pressure pre-testing on the newly installed pipe and packer on the 4 Subject Well and we anticipated that to pass and then we would schedule the formal MIT 5 with Thad. Unfortunately the formal MIT test for the Subject Well was never scheduled due to my entire team being laid off at the end of April due to settlement negotiations 6 7 with Staff to keep my license active falling apart. When my entire team was laid off I 8 couldn't finish the final pre-testing or schedule the formal MIT. Our formal MIT would 9 have taken place the next day following a successful set pre-test and we were so close. 10 The Subject Well should pass now due to the extensive rework we did and if Ace's license gets unsuspended we can schedule that formal MIT. 11

Q. To your knowledge, was there ever any pollution of fresh and usable water as the
result of the incident with the Subject Well?

- A. Absolutely none. The packer remained installed in the Subject Well and the wellhead
 closed, so any fluids in the disposal zone would have remained confined to that formation
 and not within the annulus between the packer and the casing where the leak existed.
- Q. In the Penalty Order in Docket 23-CONS-3268-CPEN, paragraph 13 stated that Ace
 did not shut-in the Subject Well after it failed an MIT and that Ace continued to
 operate the Subject Well as an injection well is this true?
- A. Ace Energy LLC effectively shut-in the Subject Well including the entire lease soon after
 the September MIT failure. Thus, we were not actively injecting or disposing of any
 fluid for a long period of time. When we were doing work on the lease none of the
 production wells were able to produce any fluid due to needed well pulling and electrical
 work. Staff's own field report from January 17, 2023 shows the Subject Well
 disconnected and the lease was completely inactive.

Q. Do you have any further information you would like to provide to the Commission as part of your testimony?

- 28 A. No.
- 29 Q. Does this conclude your testimony?
- 30 A. Yes

VERIFICATION

NSAS STATE OF)) ss: OHNSON COUNTY OF)

Jonathan Freiden, being first duly sworn, deposes and says that he is the Jonathan Freiden referred to in the foregoing "PRE-FILED TESTIMONY OF JONATHAN FREIDEN" to be filed before the State Corporation Commission of the State of Kansas in Docket No. 23-CONS-3195-CPEN and in Docket No. 23-CONS-3268-CPEN, and that the contents thereof are true and correct to the best of his information, knowledge, and belief.

John Freiden

SIGNED AND SWORN to before me on this $\[\] Star day of \[\] DECEMBER. 2023. \]$

52

Notary Public

04/23 My Commission expires: \ 6

OTARY PUBLIC State of Kansas
KEVIN SNOW 23
My Appt Eq. [104]

EXHIBIT JF-A to Pre-Filed Testimony of Jonathan Freidman

Docket No. 23-CONS-3195-CPEN

AJ's Services, LLC

PO Box 1118 El Dorado, KS 67042 316-322-0000 contact@ajsservices.net www.AJsServices.net

INVOICE

BILL TO

Ace Energy LLC 11704 Aberdeen Rd Leawood, KS 66211

LOCATION

Grundy B5 SWD

DATE	ACTIVITY	WORK PERFORMED	QTY	RATE	AMOUNT
12/28/2022	Pulling Unit	DTL, rigged up, tightened up packer, did not pass MIT, rigged down, DTS	3	225.00	675.00T
12/28/2022	Pipe Dope/Cleaning Fluid		1	40.00	40.00
Pulling Unit Crev Op: Todd H: Carson H: Galan	N	SUBTOTAL TAX TOTAL BALANCE DUE		\$	715.00 0.00 715.00 715.00



INVOICE # 23906

DATE 12/29/2022

TERMS Due on receipt

DUE DATE 12/29/2022

EXHIBIT JF-A

AJ's Services, LLC

PO Box 1118 El Dorado, KS 67042 316-322-0000 contact@ajsservices.net www.AJsServices.net

INVOICE

BILL TO

Ace Energy LLC 11704 Aberdeen Rd Leawood, KS 66211

LOCATION

Grundy B5 SWD

AJ.
AJ: SERVICES

INVOICE # 23907 DATE 12/29/2022 DUE DATE 12/29/2022 TERMS Due on receipt

DATE	ACTIVITY	WORK PERFORMED	QTY	RATE	AMOUNT
12/28/2022	VAC Truck	DTL, loaded casing, pressured up casing, casing did not hold pressure, DTS	3	110.00	330.00
12/28/2022	MIT	Nitrogen, Connection, Hoses	1	250.00	250.00
12/28/2022	Mileage VT	Round Trip	92	2.00	184.00
Driver: Dan J		SUBTOTAL			764.00
Driver. Dan J		TAX			0.00
		TOTAL			764.00
		BALANCE DUE		\$	764.00

EXHIBIT JF-B to Pre-Filed Testimony of Jonathan Freidman

Docket No. 23-CONS-3195-CPEN

Speedy Well Service LLC

402 W. Elm Sedan, KS 67361

Invoice

Date	Invoice #
4/2/2023	3284

Ship To

Bill To		
Ace Energy		
11704 Aberdeen RD		
Leawood, KS 66211		

P.O. Number	- Terms	7	Rep	Ship	Via	F.C	D.B.	Project
	Due on recei	pt		4/2/2023				
Quantity	Item Code			Descript	ion	·	Price Each	Amount
9 8	big rig big rig big rig big rig Misc.	Climax # to run in Climax # changed o Climax # 1-8rd stut rubbers, 1	 ‡5 1679 ‡? 1800 out 20 ‡? layou iffing b 1-1 in n ft of tub 	stretched packer an ift run well in ran an ft fishing job check rod boxes it well painted had ox, 1 set well head ipple, 1 female pun- bing off the 2000ft 5 joints EXHIBIT	round hauling pipe red pump broken b packer had to dead packing, 2 stuffing nping T 8rd to 8rd, load they hauled it	and rods ox at 850ft man off box 1-1in ball	175.00 175.00 175.00 370.00	875.0 1,575.0 1,400.0 875.0 370.0
been a pleasur	re working with you!						Total	USD 5,095.0

Speedy Well Service LLC

402 W. Elm Sedan, KS 67361

Invoice

Date	Invoice #
4/12/2023	3295

Ship To

Bill To		
Ace Energy		
11704 Aberdeen RD		
Leawood, KS 66211		

P.O. Number	Terms	Rep	Ship	Via	F.O	.O.B. Project	
	Due on receip	t	4/12/2023				
Quantity	Item Code		Descript	ion		Price Each	Amount
	big rig big rig Misc.	out first time w actually had 25 out #10 stripped w	ayed injection well rouldnt hold layed b ihrs on this well but ell out and ran back ple, 4.5 male well h	ack out to be tested i took some off to l in	we help you	175.00 175.00 400.00	3,500.00 2,100.00 400.00
Ve appreciate you	ur prompt payment.					Total	USD 6,000.00

EXHIBIT JF-C to Pre-Filed Testimony of Jonathan Freidman

Docket No. 23-CONS-3195-CPEN

KCC OIL/GAS REGULATORY OFFICES

Inspection Date:	01/17/2023	District:	3		8	8271		
	🗆 Ne	w Situation		🗹 Lea	ase Inspectio	on		
	√ Re	sponse to Re	equest		mplaint			
	low-up		🗹 Fie	ld Report				
Operator License N	o: 34998	API:			Q3:	Q2:	Q1:	
Operator Name: Ad	e Energy LLC		S	EC 7	TWP 27	RGE 11	RGEDIR:	Е
Address: 11704 Ab	erdeen Rd					FSL:		
City: Leawood						FEL:		
State: KS Zip	Code: 66211-2	921 Lea	ase:	Grundy E	з 1	Vell No.:		
Phone contact:	773-208-8602				Coun	ty: GW		
Reason for Investig	ation:							

Request from Wichita Legal Staff pertaining Docket # 23-Cons-3143-CMSC.

Problem:

To Confirm location, well status, and number of wells on operator well inventory.

Persons contacted:

KCC Staff

Findings:

Research of the Grundy B lease located in 7-27-11E in Greenwood county found Ace Energy license #34998 to be the operator. Operator well inventory shows two (2) Authorized SWD wells, permit #D-2470 and #D-2050 and (9) nine inactive oil wells. I performed a lease inspection on 1/17/2023 and referenced twelve (12) wells with GPS and took a photo of each well while on location. I located two (2) inactive SWD wells and eight (8) inactive oil wells and two (2) wells capable of production. While doing my lease inspection on the Grundy B lease, the landowner approached me and said he had filed a affidavit of non production on the lease. The landowner was able to get me a copy of the affidavit of non-production, and it is included in this report. Please see more information on this in the action and recommendations section of this report.

Actions / Recommendations

Follow-up Required

Deadline Date:

It is my recommendation that Ace Energy license # 34998 be sent a Notice of Violation letter with a 30 day dead line to plug, produce or obtain an approved CP111 on the ten (10) inactive wells located on the Grundy B lease. The Grundy B #5 SWD is in failed status and needs to be brought into compliance. Grundy RAS #5 needs to be added to operator well inventory and brought into compliance or authorization for both SWD permits should be revoked. The landowner filed a affidavit of non-production on 6/18/2021 and the Grundy B lease was broken. I recommend that Ace Energy license # 34998 be sent a Notice of Violation letter with a 30 day deadline to plug all wells.

					Photo's Taken:	12
KGS		KOLAR	Report Prepared B	By:	Thad Triboulet	
🗆 Distr	ict File	es 🗆 Co	ourthouse Posit	tion:	<u>ECRS</u>	

EXHIBIT JF-C

KCC OIL/GAS REGULATORY OFFICES

Additional Findings:

Grundy B #1 API # 15-073-21853-00-00, Sec 7 - T27S - R11E, 2737 FSL, 3293 FEL, Lat. 37.71529, Long. - 96.24584, SW SE NW, Grundy B #1 is an inactive oil well constructed with 4.5" casing that is open with no surface control. Operator filed a Temporary Abandonment (TA) application and the application was approved on 9/2/2022. This well is not properly shut in with a swedge and valve and the TA needs to be revoked. See attached photo numbered (2).

Grundy B #2 API # 15-073-21854-00-00, Sec 7 - T27S - R11E, 2738 FSL, 3265 FEL, Lat. 37.71529, Long. - 96.24816, SE SW NW, Grundy B #2 is an inactive oil well constructed with 4.5" casing that is open with no surface control. Operator filed a Temporary Abandonment (TA) application and the application was approved on 9/2/2022. This well is not properly shut in with a swedge and valve and the TA needs to be revoked. See attached photo numbered (1).

Grundy B #3 API # 15-073-21859-00-00, Sec 7 - T27S - R11E, 3283 FSL, 3290 FEL, Lat. 37.71679, Long. - 96.24584, SW SE NW, Grundy B #2 is an inactive oil well constructed with 4.5" casing that is open with no surface control. Operator filed a Temporary Abandonment (TA) application and the application was approved on 9/2/2022. This well is not properly shut in with a swedge and valve and the TA needs to be revoked. See attached photo numbered (3).

Grundy B #4 API # 15-073-21860-00-00, Sec 7 - T27S - R11E, 3939 FSL, 3306 FEL, Lat. 37.71859, Long. - 96.24591, NW SE NW, Grundy B #4 is an inactive oil well constructed with 4.5" casing that is open with no surface control. Operator filed a Temporary Abandonment (TA) application and the application was approved on 9/2/2022. This well is not properly shut in with a swedge and valve and the TA needs to be revoked. See attached photo numbered (4).

Grundy B #5 API # 15-073-23276-00-00, Sec 7 - T27S - R11E, 4329 FSL, 3624 FEL, Lat. 37.71966, Long. - 96.24702, SW NE NW, Grundy B #5 is an inactive oil well constructed with 4.5" casing, 2.5" tubing and pump jack. The pump jack is equipped with an electric motor but is not equipped with a belt. Well does not have rods inside the tubing and has no surface control. No Temporary Abandonment (TA) application has been filed and well would need to be properly shut-in before application could be approved. See attached photo numbered (5).

Grundy B #6 API # 15-073-23359-00-00, Sec 7 - T27S - R11E, 4995 FSL, 2960 FEL, Lat. 37.72149, Long. - 96.24474, NE NE NW,

Grundy B #6 is an inactive oil well constructed with 4.5" casing, 2" tubing, rods and a pump jack. The pump jack is equipped with an electric motor but is not equipped with a belt, bridal cable, horse head nor has no surface control. No Temporary Abandonment (TA) application has been filed and well would need to be properly shut-in before application could be approved. See attached photo numbered (9).

Grundy B #8 API # 15-073-23385-00-00, Sec 7 - T27S - R11E, 4365 FSL, 4816 FEL, Lat. 37.71975, Long. - 96.25114, SW NW NW, Grundy B #8 is an inactive oil well constructed with 4.5" casing, 2" tubing, rods and a pump jack. Well is totally equipped for production. This well does not have surface control. No Temporary Abandonment (TA) application has been filed and well would need to be properly shut-in before application could be approved. See attached photo numbered (8).

Grundy B #9 API # 15-073-23411-00-00, Sec 7 - T27S - R11E, 3691 FSL, 4815 FEL, Lat. 37.71790, Long. - 96.25112, SW NW NW, Grundy B #9 is an inactive oil well constructed with 4.5" casing, 2" tubing, rods and a pumpjack. Well is totally equipped for production. This well does not have surface control. No Temporary Abandonment (TA) application has been filed and well would need to be properly shut-in before application could be approved. See attached photo numbered (7).

Grundy B #10 API # 15-073-23435-00-00, Sec 7 - T27S - R11E, 4345 FSL, 4278 FEL, Lat. 37.71970, Long. - 96.24928, SE NW NW, Grundy B #10 is an inactive oil well constructed with 4.5" casing that is open with no surface control. No Temporary Abandonment (TA) application has been filed and well would need to be properly shut-in before application could be approved. See attached photo numbered (6).

Grundy RAS #5 API # 15-073-22866-00-00, Sec 7 - T27S - R11E, 4342 FSL, 2947 FEL, Lat. 37.71970, Long. -96.244680 SE NW NW, Grundy RAS #5 is an inactive oil well constructed with 4.5" casing that is open with no surface control. This well is listed as a permitted well (PW) on RBDMS and Kansas Geological Survey (KGS) shows a drilling intent. This well is not listed on the operators well inventory, however, this well falls within a quarter mile Area of Review (AOR) of Grundy B #(RA) 1 SWD and Grundy B #5 SWD salt water disposal (SWD) wells. Operator will need to transfer this well to their well inventory and bring the well interval Page 250 of 667

KCC OIL/GAS REGULATORY OFFICES

compliance or the Commission should revoke the authorization permits for both SWD wells. See attached photo numbered (10).

Grundy B # (RA) 1SWD API # 15-073-22073-00-00, Sec 7 - T27S - R11E, 4021 FSL, 2715 FEL, Lat. 37.71882, Long. -96.24387, SE NE NW, Grundy B # (RA) 1SWD is an authorized SWD well, permit #D-20506, that is constructed with 8" surface, 5.5" casing, and 2" tubing that is inactive with no surface control. This well passed a Mechanical Integrity Test (MIT) on 9/18/2022. No Temporary Abandonment (TA) application has been filed and well would need to be properly shut-in before application could be approved.. See attached photo numbered (12).

Grundy B # 5 SWD API # 15-073-22198-00-00, Sec 7 - T27S - R11E, 4062 FSL, 2955 FEL, Lat. 37.71893, Long. -96.24470, SE NE NW, Grundy B # 5 SWD is an authorized disposal well, permit #D-24701, that is constructed with 5.5" casing and 2.5" tubing that is inactive with no surface control. This well failed a Mechanical Integrity Test (MIT) on 9/18/2022 and remains out of compliance. Operator need to repair the well and pass a witnessed MIT or well needs to be plugged. See attached photo numbered (11).

In conclusion, while performing a lease inspection on the Grundy B lease I referenced ten (10) wells that were out of compliance. Those ten (10) wells consisted of two (2) inactive SWD wells and eight (8) inactive oil wells. Four (4) oil wells have an approved TA application that needs to be revoked due to the wells not having surface control. The remaining five (5) oil wells and one (1) authorized SWD wells need to have surface control installed and the operator needs to file a TA application for each of those inactive wells. The Grundy B #5 SWD well needs to be repaired and pass a witnessed MIT test or plugged as it remains out of compliance. The Grundy RAS #5 needs to be transferred to operator well inventory and brought into compliance or Commission should revoke authorization for both SWD permits. A photo of each well and a google map Is attached to this report. According to KGS the last oil sold was on December of 2019.



Operator: Ace Energy

Lease: Grundy B County: GW

Subject: (RA) 1 SWD

FSL: 3939'

FEL: 3306'

API#: 15-073-21860

Date: 01/17/2023

Staff: Triboulet

KLN: 34998

Legal: Sec 7 T27S R 11E SE NE NW

PIC ID#: 12

PIC Orientation: pic taken towards the West

Latitude: 37.71882

Longitude: -96.24387

Time: 1:26

Additional Information: Grundy B # (RA) 1SWD is an authorized disposal well, permit #D-20506 constructed with 8" surface, 5.5" casing, and 2" tubing that is inactive. This well passed a Mechanical Integrity Test (MIT) on 9/18/2022. This well has no surface control, No Temporary Abandonment (TA) application has been filed. See attached photo numbered (12).



Operator: Ace Energy

Lease: Grundy B

County: GW

Subject: #1

FSL: 2737'

FEL: 3293'

API#: 15-073-21853

Date: 01/17/2023

Staff: Triboulet

KLN: 34998

Legal: Sec 7 T27S R 11E SW SE NW

PIC ID#: 2

PIC Orientation: pic taken towards the North

Latitude: 37.71529

Longitude: -96.24584

Time: 12:23

Additional Information: Grundy B #1 is an inactive oil well constructed with 4.5" casing only. This well has no surface control, An Approved Temporary Abandonment (TA) application has been filed on 2/9/2022. See attached photo numbered (2).



Operator: Ace Energy

Lease: Grundy B

County: GW

Subject: # 2

FSL: 2738'

FEL: 3965'

API#: 15-073-21854-00-00

Date: 01/17/2023

KLN: 34998

Legal: Sec 7 T27S R 11E SE SW NW

PIC ID#: 2

PIC Orientation: pic taken towards the South

Latitude: 37.71529

Longitude: -96.24816

Time: 12:19

Staff: Triboulet

Additional Information: Grundy B #2 is an inactive oil well constructed with 4.5" casing only. This well has no surface control, An Approved Temporary Abandonment (TA) application has been filed on 9/2/2022. See attached photo numbered (1).



Operator: Ace Energy

Lease: Grundy B

County: GW

Subject: # 3

FSL: 3285'

FEL: 3290'

API#: 15-073-21859-00-00

Date: 01/17/2023

KLN: 34998

Legal: Sec 7 T27S R 11E SW SE NW

PIC ID#: 3

PIC Orientation: pic taken towards the North

Latitude: 37.71679

Longitude: -96.24584

Time: 12:25

Staff: Triboulet

Additional Information: Grundy B #3 is an inactive oil well constructed with 4.5" casing only. This well has no surface control, No Temporary Abandonment (TA) application has been filed. See attached photo numbered (3).



Operator: Ace Energy

Lease: Grundy B

County: GW

Subject: # 4

FSL: 3939'

FEL: 3306'

API#: 15-073-21860-00-00

Date: 01/17/2023

KLN: 34998

Legal: Sec 7 T27S R 11E NW SE NW

PIC ID#: 4

PIC Orientation: pic taken towards the West

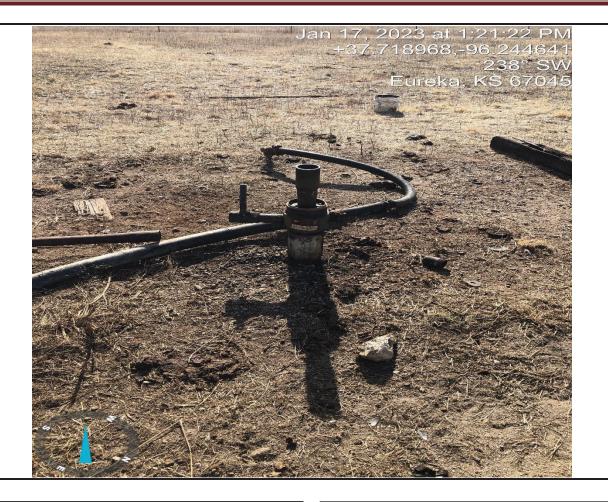
Latitude: 37.71859

Longitude: -96.24591

Time: 12:28

Staff: Triboulet

Additional Information: Grundy B #4 is an inactive oil well constructed with 4.5" casing only. This well has no surface control, An Temporary Abandonment (TA) application has been filed on 9/2/2022. See attached photo numbered (4).



Operator: Ace Energy

Lease: Grundy B

County: GW

Subject: # 5 SWD

FSL: 4062'

FEL: 2715'

API#: 15-073-22198-00-00

Date: 01/17/2023

KLN: 34998

Legal: Sec 7 T27S R 11E SE NE NW

PIC ID#: 11

PIC Orientation: pic taken towards the South

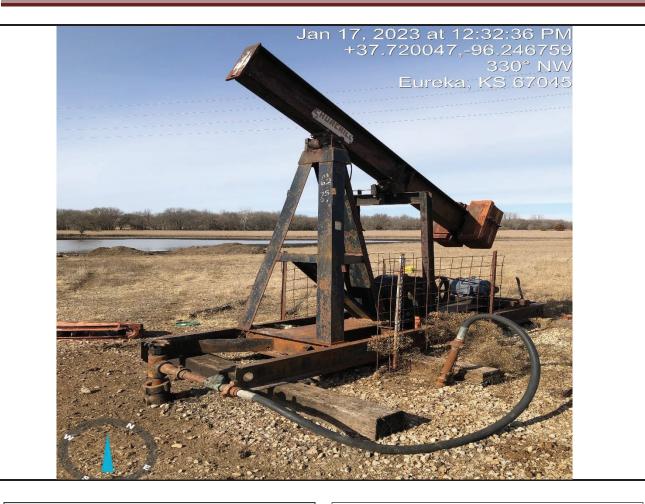
Latitude: 37.71893

Longitude: -96.2447

Time: 1:21

Staff: Triboulet

Additional Information: Grundy B # 5 SWD is an unauthorized disposal well, permit #D-24701 constructed with 5.5" casing, and 2.5" tubing that is inactive. This well failed a Mechanical Integrity Test (MIT) on 9/18/2022. This well has no surface control, No Temporary Abandonment (TA) application has been filed. See attached photo numbered (11).



Operator: Ace Energy

Lease: Grundy B

County: GW

Subject: # 5

FSL: 4329'

FEL: 3624'

API#: 15-073-23276-00-00

Date: 01/17/2023

KLN: 34998

Legal: Sec 7 T27S R 11E SW NE NW

PIC ID#: 5

PIC Orientation: pic taken towards the West

Latitude: 37.71966

Longitude: -96.24702

Time: 12:32

Staff: Triboulet

Additional Information: Grundy B #5 is an inactive oil well constructed with 4.5" casing, 2.5" tubing, pump jack, electric motor with no belt, and no sucker rods. This well has no surface control, No Temporary Abandonment (TA) application has been filed. See attached photo numbered (5).



Operator: Ace Energy

Lease: Grundy B

County: GW

Subject: # 6

FSL: 4995'

FEL: 2960'

API#: 15-073-23359-00-00

Date: 01/17/2023

KLN: 34998

Legal: Sec 7 T27S R 11E NE NE NW

PIC ID#: 9

PIC Orientation: pic taken towards the NW

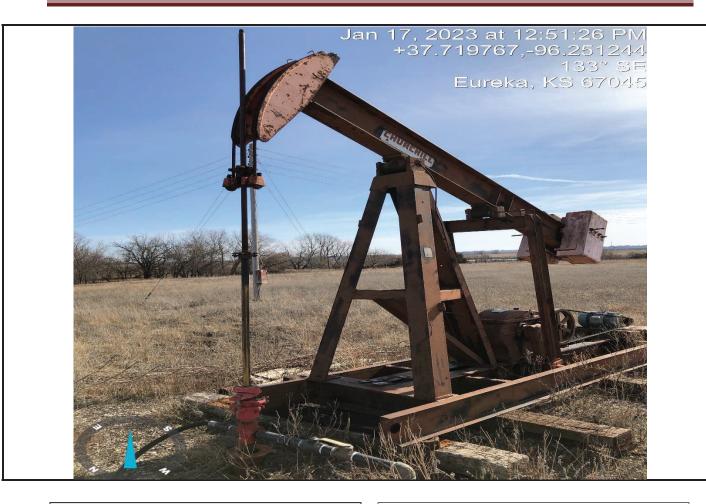
Latitude: 37.72149

Longitude: -96.24474

Time: 1:03

Staff: Triboulet

Additional Information: Grundy B #6 is an inactive oil well constructed with 4.5" casing, 2" tubing,rods,pumpjack, electric motor with belt, no bridal or horse head. This well has no surface control, No Temporary Abandonment (TA) application has been filed. See attached photo numbered (9).



Operator: Ace Energy

Lease: Grundy B

County: GW

Subject: # 8

FSL: 4365'

FEL: 4816'

API#: 15-073-23385-00-00

Date: 01/17/2023

KLN: 34998

Legal: Sec 7 T27S R 11E SW NW NW

PIC ID#: 8

PIC Orientation: pic taken towards the SE

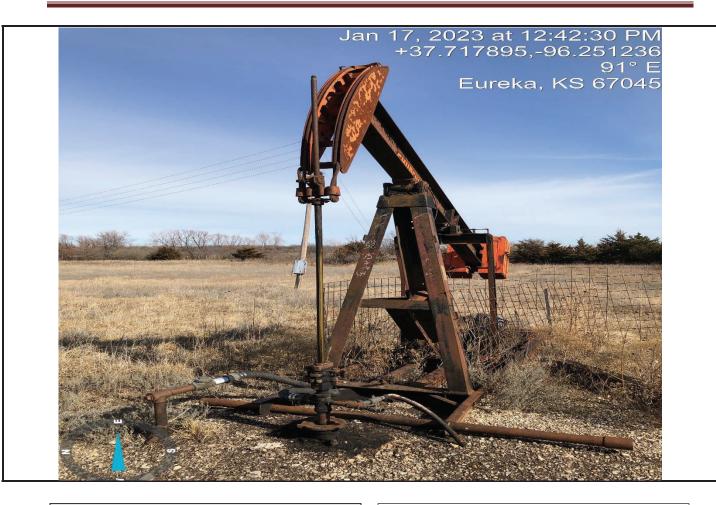
Latitude: 37.71975

Longitude: -96.25114

Time: 12:51

Staff: Triboulet

Additional Information: Grundy B #8 is an inactive oil well constructed with 4.5" casing, 2" tubing, rods, pumpjack, electric motor with belt, all hooked up electric box shut off. No surface control, No Temporary Abandonment (TA) application has been filed. See attached photo numbered (8).



Operator:	Ace	Energy
-----------	-----	--------

Lease: Grundy B

County: GW

Subject: # 9

FSL: 3691'

FEL: 4815'

API#: 15-073-23411-00-00

Date: 01/17/2023

KLN: 34998

Legal: Sec 7 T27S R 11E NW SW NW

PIC ID#: 7

PIC Orientation: pic taken towards the East

Latitude: 37.71790

Longitude: -96.25112

Time: 12:42

Staff: Triboulet

Additional Information: Grundy B #9 is an inactive oil well constructed with 4.5" casing, 2" tubing,rods,pumpjack, electric motor with belt, all hooked up electric box shut off. No surface control. No Temporary Abandonment (TA) application has been filed. See attached photo numbered (7).



Operator: Ace Energy

Lease: Grundy B

County: GW

Subject: # 10

FSL: 4345'

FEL: 4278'

API#: 15-073-23435-00-00

Date: 01/17/2023

KLN: 34998

Legal: Sec 7 T27S R 11E SE NW NW

PIC ID#: 6

PIC Orientation: pic taken towards the South

Latitude: 37.7197

Longitude: -96.24928

Time: 12:36

Staff: Triboulet

Additional Information: Grundy B #10 is an inactive oil well constructed with 4.5" casing only. This well has no surface control, No Temporary Abandonment (TA) application has been filed. See attached photo numbered (6).



Operator: Ace Energy

Lease: Grundy B

County: GW

Subject: RAS # 5

FSL: 4342'

FEL: 2947'

API#: 15-073-22866-00-00

Date: 01/17/2023

KLN: 34998 Legal: Sec 7 T27S R 11E SE NE NW

PIC ID#: 10

PIC Orientation: pic taken towards the West

Latitude: 37.719700

Longitude: -96.244680

Time: 1:19

Staff: Triboulet

Additional Information: Grundy RAS #5 is an inactive oil well constructed with 4.5" casing only. This well is not on operator's well inventory. This is a permitted well on RBDMS and shows a drilling intent on KGS. This well has no surface control, No Temporary Abandonment (TA) application has been filed. See attached photo numbered (6).

CERTIFICATE OF SERVICE

I, Jackson C. Ely, hereby certify that on this 1st day of December, 2023, I caused the original of the foregoing **Pre-Filed Testimony of Jonathan Freidman** to be electronically filed with the Conservation Division of the State Corporation Commission of the State of Kansas, and served to the following by means of electronic service:

Jonathan A. Myers, Assistant General Counsel Kansas Corporation Commission 266 N. Main St., Ste 220 Wichita, KS 67202-1513 j.myers@kcc.ks.gov

Tristan Kimbrell, Litigation Counsel Kansas Corporation Commission Central Office 266 N. Main St., Ste 220 Wichita, KS 67202-1513 <u>t.kimbrell@kcc.ks.gov</u>

> /s/ Jackson C. Ely Jackson C. Ely, #29037