

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

In the matter of whether the license of Thor) Docket No. 24-CONS-3001-CSHO
Operating, LLC (Operator) should be revoked.)
) CONSERVATION DIVISION
)
) License No. 36020

In the matter of the failure of Quito, Inc.) Docket No. 24-CONS-3072-CPEN
(Operator) to comply with K.A.R. 82-3-120.)
) CONSERVATION DIVISION
)
) License No. 33594

In the matter of the failure of Quito, Inc. and/or) Docket No. 24-CONS-3086-CMSC
Thor Operating, LLC to comply with K.A.R.)
82-3-120 and K.A.R. 82-3-133.) CONSERVATION DIVISION
)
) License No. 33594 & 36020

PRE-FILED REBUTTAL TESTIMONY OF

TROY RUSSELL

ON BEHALF OF COMMISSION STAFF

JULY 3, 2024

1 **Q. Are you the same Troy Russell who pre-filed direct testimony in this docket on May 17,**
2 **2024?**

3 A. Yes.

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

5 A. The purpose of my testimony is to discuss the assertions contained in the Pre-Filed Direct and
6 Rebuttal Testimony of Mr. Scott Joe Goetz given on behalf of Thor Operating, LLC (Thor)
7 and the assertions contained in the Pre-Filed Direct and Rebuttal Testimony of Mr. Mark W.
8 McCann on behalf of Thor and Quito, Inc. (Quito) in Dockets 24-CONS-3001-CSHO (Docket
9 24-3001), 24-CONS-3072-CPEN (Docket 24-3072), and 24-CONS-3086-CMSC (Docket
10 24-3086). Docket 24-3001 concerns whether Thor should be able to continue to have a license
11 and whether the Request for Change of Operator (T-1) forms should be processed, Docket
12 24-3072 concerns the unplugged wells remaining on Quito's expired license, and Docket
13 24-3086 concerns Quito and/or Thor's operation of wells listed under Quito's expired and
14 revoked license.

15 **Q. Mr. Goetz and Mr. McCann's testimonies appear to indicate that many of the wells that**
16 **they propose to transfer from Quito to Thor are in compliance with the Commission's**
17 **rules and regulations. Have you had a chance to review their testimony?**

18 A. Yes. Based on the testimony that Mr. Goetz and Mr. McCann provided, District #3 Staff
19 revisited each of the wells that they proposed to transfer from Quito to Thor to verify the
20 compliance status. Below is a lease by lease breakdown based upon Staff's visual inspection
21 of the wells.

1 **Q. On page 14, lines 9-13 of Mr. Goetz's testimony, he states that he disagrees with your**
2 **assertion that the Appleby #2, #3, and #4 wells are non-compliant with K.A.R. 82-3-111.**
3 **Do you have a response?**

4 A. On June 12, 2024, District #3 staff performed a visual inspection of the subject wells listed
5 on the Request for Change of Operator (T-1) form on the Tom Appleby lease. Staff found the
6 Tom Appleby #2 to be inactive and not capable of production. Quito had submitted a
7 Temporary Abandonment (TA) application for the well which was denied by Staff on
8 February 20, 2024 for being shut-in more than 10 years. Staff also found the Tom Appleby
9 #4 well was not capable of production. The horse head on the pump jack was disconnected
10 from the pumping string. District #3 Staff sealed the Tom Appleby lease on October 10, 2023.
11 I have attached pictures that District #3 Staff took of the wells during its visual inspection to
12 my testimony as *Exhibit TR-6*.

13 **Q. On page 16, lines 10-13 of Mr. Goetz's testimony, he states that he disagrees with your**
14 **assertion that the Williamson #2 and #M-4 wells are non-compliant with K.A.R. 82-3-**
15 **111. Do you have a response?**

16 A. On June 12, 2024, District #3 Staff performed a visual inspection of the subject wells listed
17 on the T-1 form for the Williamson lease. The Williamson #2 well is a SWD well and is
18 connected at the well head. The Williamson #M-4 appears to be capable of production if the
19 lease has power. District #3 staff sealed the Williamson lease on October 18, 2023.

1 **Q. On page 17, lines 3-7 of Mr. Goetz's testimony, he states that he disagrees with your**
2 **assertion that the DeArmond #24, #37, #39, #40, #M-4, #M-6, #M-8, #M-12, #W-10, and**
3 **#W-12 wells are not in compliance with K.A.R. 82-3-111. Do you have a response?**

4 A. On June 12, 2024, District #3 Staff performed a visual inspection of the subject wells listed
5 on the T-1 form for the DeArmond lease. Staff found the DeArmond #24, #37, #39, #40,
6 #M-4, #M-8, and #M-12 appear to be capable of production if the lease has power. Staff also
7 found the DeArmond #W-10 and #W-12 were hooked up at the well head for injection and
8 disposal purposes. The DeArmond #M-6 is not capable of production. The #M-6 does not
9 have an operational pump jack nor pumping string. The well is shut in with a swedge and
10 valve. Operator has this well listed as producing "PR" on their well inventory. District #3
11 Staff sealed the DeArmond lease on October 18, 2023. I have attached pictures that District
12 #3 Staff took of the wells during its visual inspection to my testimony as *Exhibit TR-7*.

13 **Q. On page 18, lines 7-10 of Mr. Goetz's testimony, he states that he disagrees with your**
14 **assertion that the McFarland-Delong #4 and #9 wells are not in compliance with K.A.R.**
15 **82-3-111. Do you have a response?**

16 A. On June 12, 2024, District #3 Staff performed a visual inspection of the subject wells listed
17 on the T-1 form for the McFarland-Delong lease. Staff found the McFarland-Delong #4
18 appeared to be capable of production if the lease has power, but there appears to be an oil
19 stain from a prior spill which needs to be addressed. The McFarland-Delong #9 was hooked
20 up at the well head for injection purposes. Also, Staff found an open pit at the McFarland-
21 Delong #9. The pit needs to be emptied and filled in by the operator. District #3 Staff sealed
22 the McFarland-Delong lease on October 18, 2023. I have attached pictures that District #3
23 Staff took of the wells during its visual inspection to my testimony as *Exhibit TR-8*.

1 **Q. On page 19, lines 1-4 of Mr. Goetz's testimony, he states that he disagrees with your**
2 **assertion that the Flossie White #14, #19, and #20 wells are not in compliance with**
3 **K.A.R. 82-3-111. Do you have a response?**

4 A. On June 12, 2024, District #3 Staff performed a visual inspection of the subject wells listed
5 on the T-1 form for the Flossie White lease. Staff found the Flossie White #19 and #20
6 appeared to be capable of production if the lease has power. The Flossie White #19 well was
7 leaking at the well head during Staff's visual inspection. Additionally, the Flossie White #14
8 was disconnected at the pump for injection purposes. District #3 Staff sealed the Flossie White
9 lease on October 16, 2023. I have attached pictures that District #3 Staff took of the wells
10 during its visual inspection to my testimony as *Exhibit TR-9*.

11 **Q. On page 19, lines 11-15 of Mr. Goetz's testimony, he states that he disagrees with your**
12 **assertion that the Sears #0, #1, #1-A, #2, #5, #14, #22, #24, #25, #26, #27, #28, #30, #31,**
13 **#32, #33, #35, #36, #37, #40, #KHCA-23, #M-1, #M-2, and #M-3 wells are not in**
14 **compliance with K.A.R. 82-3-111. Do you have a response?**

15 A. On June 13, 2024, District #3 Staff performed a visual inspection of the subject wells listed
16 on the T-1 form for the Sears lease. Staff found the Sears #0 to be shut-in with a swedge and
17 valve. Quito has the well listed as an active injection well. No TA application has been
18 approved. The Sears #1 was not capable of production and casing was shut-in with a swedge
19 and valve. Quito submitted a TA application in December 2022 which was denied by Staff on
20 December 16, 2022 due to an inaccurate shut-in date. The Sears #14 was not capable of
21 production and casing was shut-in with a swedge and valve. Quito submitted a TA application
22 in December 2022 which was denied by Staff on December 16, 2022 due to an inaccurate
23 shut-in date. The Sears #22 was not capable of production and casing was shut-in with a

1 swedge and valve. No TA application has been submitted. The Sears #25 appears to be capable
2 of production if the lease had power. Interestingly, the Sears #22 and Sears #25 wells are
3 actually listed on the license of McCann Petroleum, Inc. (License No. 7638) with a status of
4 “PL” indicating those wells are currently on the state’s plugging list. The Sears #24 was not
5 capable of production as there was no belt from the motor to the pump jack. No TA application
6 has been submitted. The Sears #26 was hooked up for injection purposes. Staff found evidence
7 of a recent spill from the injection line. Remediation will be needed at this location. The Sears
8 #KHCA-23 appeared capable of production if the lease has power. The pumping hose from
9 the pump jack ran directly into the top of a plastic tote at the well site. The following wells
10 located on the Sears lease appeared to be capable of producing if the lease has power. Those
11 wells include the Sears #1-A, #2, #5, #28, #30, #31, #32, #33, #36, #37, #40, #KHCA-23,
12 #M-1, #M-2, and #M-3. The Sears #27 and #35 were hooked up at the well head for injection
13 purposes. I have attached pictures that District #3 Staff took of the wells during its visual
14 inspection to my testimony as *Exhibit TR-10*. District #3 staff sealed the Sears lease on
15 October 10, 2023.

16 **Q. On page 20, lines 7-10 of Mr. Goetz’s testimony, he states that he disagrees with your**
17 **assertion that the Morton #3 and #19 wells are not in compliance with K.A.R. 82-3-111.**
18 **Do you have a response?**

19 A. On June 13, 2024, District #3 Staff performed a visual inspection of the subject wells listed
20 on the T-1 form for the Morton lease. Staff found that the Morton #19 appeared to be capable
21 of production if the lease has power. The Morton #3 was hooked up at the well head for
22 injection purposes. Last production records were in 2022. District #3 Staff sealed the Morton
23 lease on October 18, 2023.

1 **Q. On page 21, lines 1-4 of Mr. Goetz's testimony, he states that he disagrees with your**
2 **assertion that the Wall #1 and #1A wells are not in compliance with K.A.R. 82-3-111. Do**
3 **you have a response?**

4 A. On June 12, 2024, District #3 Staff performed a visual inspection of the subject wells listed
5 on the T-1 form for the John Casement/Wall lease. Staff found the John Casement #1 appeared
6 to be capable of production if the lease has power. The Wall #1A was hooked up at the well
7 head for injection purposes. District #3 Staff sealed the John Casement/Wall lease on October
8 10, 2023.

9 **Q. Mr. Goetz's testimony appears to indicate that the wells he operated should be**
10 **considered compliant based on K.A.R. 82-3-111(e). Do you believe that is accurate?**

11 A. Mr. Ryan Hoffman addresses this issue a little bit in his testimony and I concur with his
12 statements. K.A.R. 82-3-111(e) describes certain wells that are exempted if they meet specific
13 criteria such as being fully equipped, being capable of immediately resuming production of
14 oil or gas or of injection, subject to a valid oil and gas lease, have operated within the past 365
15 days and are otherwise in full compliance with all of the Commission's regulations. While
16 not all of the wells are fully equipped as described in my testimony above, it is a unique stance
17 to claim the wells could meet this requirement while under the revoked and expired license of
18 Quito without Commission authorization.

19 **Q. On page 21 line 10 through page 22 line 13 of Mr. Goetz's testimony, he discusses the**
20 **enhanced oil recovery (EOR) wells listed in Exhibit TR-4 that have K.A.R. 82-3-120**
21 **violations next to them. Do you have a response?**

22 A. Yes. The EOR wells with an Inactive (IN) status listed in Exhibit TR-4 which do not indicate
23 a 82-3-120 or 82-3-111 violation had an approved CP-111. The EOR wells specifically with

1 82-3-120 violations had current U3C forms filed by Thor indicating that they had operated
2 those wells without Commission authorization.

3 **Q. On page 23, lines 1-4 of Mr. Goetz's testimony, he states that the Sears #0 and Sears #26**
4 **wells passed mechanical integrity tests on May 15, 2024. Is that statement accurate?**

5 A. The Sears #0 and #26 were both tested and passed a mechanical integrity test (MIT) on May
6 17, 2024.

7 **Q. On page 9, lines 8-12 of Mr. McCann's testimony, he states that he disagrees with your**
8 **assertion that three spill sites have not been remediated pursuant to K.A.R. 82-3-603.**
9 **Do you have a response?**

10 A. Staff visited each site on June 13, 2024. At the Sears #33 well there remains a large brine
11 impacted area completely devoid of vegetation which roughly has the shape of a 50 foot
12 equilateral triangle. Staff captured a photo with the same approximate orientation as page 8
13 of Exhibit MM-1. At the Sears KHCA-23, the brine impacted soils appear to be responding
14 to the initial treatment but additional treatments are required. At the Sears #M-1, there remains
15 a large, crude oil saturated area approximately 20 feet by 20 feet which runs from the wellhead
16 toward the east-southeast. Further, the brine impacted areas to the west-southwest and west-
17 northwest have responded to initial treatments but still require additional treatments.

18 Additionally, Staff found unreported spills which require remediation at the following sites.
19 At the Sears #26, there is a significant brine impacted area that appears to have been the result
20 of a failure in a brine line to the EOR well. The impacted area is approximately 200 feet in
21 length and varies in width from 10 to 20 feet. In the vicinity of the Sears #14, there is a crude
22 oil saturated area approximately 20 feet by 10 feet which has not been reported. Lastly, at the
23 Sears #32, there are large brine impacted areas to the north and west of the wellhead.

1 Approximately 10 cubic yards of grayish shale material from an unknown source has been
2 dumped to the north of the well partially covering the brine impacted area. There appears to
3 have been no remedial activity to the west of the wellhead and or gypsum amendments utilized
4 on any of the brine impacted soils near this well. Photographs of the spills Staff visually
5 observed at the Sears lease are included with *Exhibit TR-10*.

6 **Q. On page 10, lines 7-10 of Mr. McCann's testimony, he states that he disagrees with your**
7 **assertion that the site of an open pit has not been closed pursuant to K.A.R. 82-3-602.**
8 **Do you have a response?**

9 A. During the visual inspection of the Sears #35 it was determined that the subject pit had been
10 backfilled.

11 **Q. On page 16 line 4 through page 17 line 11 of Mr. McCann's testimony, he discusses the**
12 **status of the Sears #1, #14, and #22 wells. Do you have a response?**

13 A. The TA applications for the Sears #1 and Sears #14 were denied because Quito stated that the
14 shut-in dates were "estimated". Staff has not processed the re-submitted paper TA
15 applications. Additionally, the cement and casing information provided on the TA application
16 for the Sears #1 indicates that the well has ALT I completion, not ALT II. Therefore this well
17 would require a satisfactory casing integrity test prior to approving a TA application. The
18 EOR application for the Sears #22 was administratively dismissed by the Central Office UIC
19 Department.

20 **Q. On page 19 line 10 through page 20 line 8 of Mr. McCann's testimony, he discusses the**
21 **wells referenced in Exhibit TR-5. Do you have a response?**

22 A. When Quito's license was suspended, any IN well within the area of review (AOR) of an EOR
23 or saltwater disposal (SWD) well would need to be brought into compliance before the EOR

1 or SWD wells could be returned to service. There may be wells that could be returned to
2 service and or receive temporary abandonment status through an approved TA application.
3 However, there are wells that would not be approved for TA status or meet the exception
4 requirements outlined by K.A.R. 82-3-111(e) and would need to be addressed within
5 regulatory timelines prior to allowing the EOR or SWD wells to return to service regardless
6 of the operator.

7 **Q. On page 20, lines 1-2 of Mr. McCann's testimony, he states that Quito desires to comply**
8 **with K.A.R. 82-3-111. Do you believe that statement is accurate based upon your**
9 **experience with Quito?**

10 A. I do not. I believe that Quito has demonstrated in the past a willingness to make expedient
11 corrections to shut-in dates, fluid levels, move equipment from well to well for short term
12 operations and fail to report or act on spills unless field staff discovers them or landowners
13 report them.

14 **Q. Given the operating agreement between Mr. McCann's Kansas Production Company**
15 **and Thor, do you think these characteristics will change if the wells are transferred to**
16 **Thor's license?**

17 A. No.

18 **Q. On pages 21 through 23 of Mr. McCann's testimony, he discusses a lack of**
19 **communication between Quito's injection wells and surrounding producing wells. Do**
20 **you have a response?**

21 A. The Appleby #8 well discussed on page 21 was drilled in 1986 and shows no completion
22 record on RBDMS and Mr. McCann provides no such record in his testimony. However, even

1 if Mr. McCann's testimony is accurate, it is within the realm of possibility that there could be
2 a casing failure within this well that would allow it to communicate with the Appleby #3.

3 In response to Mr. McCann's testimony concerning the DeArmond #W-11 SWD well on
4 pages 21 and 22, the Conservation Division's responsibility to protect fresh and usable water
5 dictates the quarter-mile AOR policy. The Conservation Division's proactive stance is based
6 on the fact that any casing failure within an EOR or SWD well may go undiscovered for some
7 time and as a result of this, environmental impacts or losses of fresh and usable water will be
8 greatly mitigated by proactively eliminating any abandoned wells within the prescribed AOR
9 of any EOR or SWD well.

10 **Q. On page 23, lines 9-18 of Mr. McCann's testimony, he states that Quito did not operate**
11 **the Clark-Bever and LDS Church leases after February 9, 2023 and that the oil sold was**
12 **partial loads. Do you have a response?**

13 A. The production records do not definitively prove that oil was produced while the license was
14 suspended. Production data is simply corroborative information of the possibility. I think it
15 would be good to point out that Mr. McCann has not attached any documentation to his
16 testimony such as electric bills, etc. that indicate the leases were not used after February 9,
17 2023.

18 **Q. Has your recommendation changed based upon Mr. Goetz's and Mr. McCann's**
19 **testimony?**

20 A. No.

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

22 A. Yes.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.

Lease: Tom Appleby

County: CQ

Subject: Well #2

FSL: 2250

FEL: 4927

API#: 15-019-23953-00-00

Date: 6-12-2024

Staff: Troy Russell

KLN: 33594

Legal: 30-33-11E

PIC ID#:

PIC Orientation:

Latitude: 37.147896

Longitude: -96.252759

Time: 1:39 pm

Picture taken to show the Tom Appleby #2 is not capable of production. Production casing was shut in with a gate valve.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.

Lease: Tom Appleby

County: CQ

Subject: Well #4

FSL: 4943

FEL: 3629

API#: 15-019-24274-00-00

Date: 6-12-2024

Staff: Troy Russell

KLN: 33594

Legal: 30-33-11E

PIC ID#:

PIC Orientation:

Latitude: 37.155224

Longitude: -96.248315

Time: 1:49 pm

Picture taken to show the Tom Appleby #4 is not capable of production. Bridal cable is not attached to the pumping string.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.

Lease: DeArmond

County: CQ

Subject: Well #38

FSL: 3484

FEL: 4819

API#: 15-019-26349-00-01

Date: 6-12-2024

Staff: Troy Russell

KLN: 33594

Legal: 15-34-12E

PIC ID#:

PIC Orientation:

Latitude: 37.092341

Longitude: -96.089512

Time: 10:56 am

Picture taken to show the DeArmond #38 is not capable of production. Production casing is shut in with a swedge and valve. CP-111 Temporary Abandonment (TA) application was approved for this well on 10/25/2023. After reviewing the CP-111 application, District staff will require a casing integrity test for this well due to high fluid level.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.

Lease: DeArmond

County: CQ

Subject: Well #M-3

FSL: 3797

FEL: 5119

API#: 15-019-27302-00-00

Date: 6-12-2024

Staff: Troy Russell

KLN: 33594

Legal: 15-34-12E

PIC ID#:

PIC Orientation:

Latitude: 37.093204

Longitude: -96.090549

Time: 10:41 am

Picture taken to show the DeArmond #M-3 is not capable of production. Production casing is shut in with a swedge and valve. CP-111 Temporary Abandonment (TA) application was approved for this well on 10/25/2023. After reviewing the CP-111 application, District staff will require a casing integrity test for this well due to high fluid level.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.

Lease: DeArmond

County: CQ

Subject: Well #M-6

FSL: 3772

FEL: 3719

API#: 15-019-27305-00-00

Date: 6-12-2024

Staff: Troy Russell

KLN: 33594

Legal: 15-34-12E

PIC ID#:

PIC Orientation:

Latitude: 37.093122

Longitude: -96.085751

Time: 10:49 am

Picture taken to show the DeArmond #M-6 is not capable of production. Production casing is shut in with a bull plug.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.	KLN: 33594
Lease: McFarlane-DeLong	Legal: 23-34-11E
County: CQ	PIC ID#:
Subject: Well #4	PIC Orientation:
FSL: 2864	Latitude: 37.076839
FEL: 5121	Longitude: -96.180946
API#: 15-019-20486-00-01	
Date: 6-12-2024	Time: 11:37 am
Staff: Troy Russell	

Picture taken to show the McFarlane-Delong #4 that appears to be capable of production if the lease has power. Picture also shows oil stain from a previous spill.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.	KLN: 33594
Lease: McFarlane-DeLong	Legal: 23-34-11E
County: CQ	PIC ID#:
Subject: Well #4	PIC Orientation:
FSL: 2864	Latitude: 37.076839
FEL: 5121	Longitude: -96.180946
API#: 15-019-20486-00-01	
Date: 6-12-2024	Time: 11:36 am
Staff: Troy Russell	

Picture taken to show the McFarlane-DeLong #4 that appears to be capable of production if the lease has power. Picture also shows oil stain from a previous spill.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.

Lease: McFarlane-DeLong

County: CQ

Subject: Well #9

FSL: 3505

FEL: 4859

API#: 15-019-20564-00-01

Date: 6-12-2024

Staff: Troy Russell

KLN: 33594

Legal: 23-34-11E

PIC ID#:

PIC Orientation:

Latitude: 37.078590

Longitude: -96.180046

Time: 11:41 am

Picture taken to show the McFarlane-DeLong #9 hooked up for injection purposes. Picture also shows the open pit just west of the well head. Operator will need to remove the fluids from the pit and fill the pit in with dirt and return to natural level.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.	KLN: 33594
Lease: Flossie-White	Legal: 22-34-11E
County: CQ	PIC ID#:
Subject: Well #14	PIC Orientation:
FSL: 654	Latitude: 37.070802
FEL: 1029	Longitude: -96.185097
API#: 15-019-20902-00-03	
Date: 6-12-2024	Time: 11:25 am
Staff: Troy Russell	

Picture taken to show the Flossie-White #14 that is hooked up at the well head but the injection line coming from the pump is disconnected. Also the hose hooked to well head appears to need replaced.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.

Lease: Flossie-White

County: CQ

Subject: Well #14

FSL: 654

FEL: 1029

API#: 15-019-20902-00-03

Date: 6-12-2024

Staff: Troy Russell

KLN: 33594

Legal: 22-34-11E

PIC ID#:

PIC Orientation:

Latitude: 37.070802

Longitude: -96.185097

Time: 11:27 am

Picture taken to show the Flossie-White #14 that is hooked up at the well head but the injection line coming from the pump is disconnected. Also the hose hooked to well head appears to need replaced.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.

Lease: Flossie-White

County: CQ

Subject: Well #19

FSL: 408

FEL: 2307

API#: 15-019-26399-00-00

Date: 6-12-2024

Staff: Troy Russell

KLN: 33594

Legal: 22-34-11E

PIC ID#:

PIC Orientation:

Latitude: 37.070160

Longitude: -96.189477

Time: 11:16 am

Picture taken to show the Flossie-White #19 that appears to be capable of production if the lease has power. Picture also shows oil stain from an on-going spill. Fluids leaking from the well head. Operator will need to fix the stuffing box to eliminate the leakage and remediate the contaminated soil.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.

Lease: Sears

County: CQ

Subject: Well #0

FSL: 1606

FEL: 4927

API#: 15-019-19607-00-00

Date: 6-13-2024

Staff: Troy Russell

KLN: 33594

Legal: 24-34-10E

PIC ID#:

PIC Orientation:

Latitude: 37.073567

Longitude: -96.271217

Time: 10:48 am

Picture taken to show the Sears #0 that is shut in with a swedge and valve. CP-111 Temporary Abandonment (TA) application will be required.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.	KLN: 33594
Lease: Sears	Legal: 24-34-10E
County: CQ	PIC ID#:
Subject: Well #14	PIC Orientation:
FSL: 3191	Latitude: 37.077908
FEL: 5164	Longitude: -96.272050
API#: 15-019-24640-00-03	
Date: 6-13-2024	Time: 11:20 am
Staff: Troy Russell	

Picture taken to show the Sears #14 is not capable of production and casing was shut in with a swedge and valve. Temporary Abandonment (TA) application was denied on 12/16/2022. Well remains out of compliance with K.A.R. 82-3-111.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.
Lease: Sears
County: CQ
Subject: Well #14
FSL: 3191
FEL: 5164
API#: 15-019-24640-00-03
Date: 6-13-2024
Staff: Troy Russell

KLN: 33594
Legal: 24-34-10E
PIC ID#:
PIC Orientation:
Latitude: 37.077908
Longitude: -96.272050

Time: 11:21 am

Picture taken to show a spill just east of the Sears #14. Spill appears to have occurred from a lead line leak. Operator will need to clean up the spill and remediate the soil.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.	KLN: 33594
Lease: Sears	Legal: 24-34-10E
County: CQ	PIC ID#:
Subject: Well #14	PIC Orientation:
FSL: 3191	Latitude: 37.077908
FEL: 5164	Longitude: -96.272050
API#: 15-019-24640-00-03	
Date: 6-13-2024	Time: 11:21 am
Staff: Troy Russell	

Picture taken to show a spill just east of the Sears #14. Spill appears to have occurred from a lead line leak. Operator will need to clean up the spill and remediate the soil.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.

Lease: Sears

County: CQ

Subject: Well #1

FSL: 3673

FEL: 2539

API#: 15-019-20939-00-00

Date: 6-13-2024

Staff: Troy Russell

KLN: 33594

Legal: 23-34-10E

PIC ID#:

PIC Orientation:

Latitude: 37.079310

Longitude: -96.281118

Time: 9:42 am

Picture taken to show the Sears #1 is not capable of production and casing was shut in with a swedge and valve. Temporary Abandonment (TA) application was denied on 12/16/2022. Well remains out of compliance with K.A.R. 82-3-111.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.	KLN: 33594
Lease: Sears	Legal: 23-34-10E
County: CQ	PIC ID#:
Subject: Well #22	PIC Orientation:
FSL: 2529	Latitude: 37.076144
FEL: 1784	Longitude: -96.278521
API#: 15-019-25580-00-01	
Date: 6-13-2024	Time: 9:49 am
Staff: Troy Russell	

Picture taken to show the Sears #22 is not capable of production. The casing is shut-in with a swedge and valve. This well is listed on McCann Petroleum, Inc. (KLN 7638) well inventory and listed as "PL" status on RBDMS. McCann Petroleum, Inc. license was suspended on 1/26/2016. Operator will need transfer this well to Quito, Inc. and then file a CP-111 Temporary Abandonment (TA) application.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.
Lease: Sears
County: CQ
Subject: Well #24
FSL: 1935
FEL: 527
API#: 15-019-26131-00-00
Date: 6-13-2024
Staff: Troy Russell

KLN: 33594
Legal: 23-34-10E
PIC ID#:
PIC Orientation:
Latitude: 37.074472
Longitude: -96.274206

Time: 10:34 am

Picture taken to show the Sears #24 is not capable of production as pump jack is not fully equipped. Belt is missing.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.	KLN: 33594
Lease: Sears	Legal: 23-34-10E
County: CQ	PIC ID#:
Subject: Well #25	PIC Orientation:
FSL: 1813	Latitude: 37.074157
FEL: 1145	Longitude: -96.276325
API#: 15-019-26132-00-00	
Date: 6-13-2024	Time: 10:42 am
Staff: Troy Russell	

Picture taken to show the Sears #25 appears to be capable of production if lease has power. This well is listed on McCann Petroleum, Inc. (KLN 7638) well inventory and listed as "PL" status on RBDMS. McCann Petroleum, Inc. license was suspended on 1/26/2016. Operator will need transfer this well to Quito, Inc. before operator can produce.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.	KLN: 33594
Lease: Sears	Legal: 24-34-10E
County: CQ	PIC ID#:
Subject: Well #26	PIC Orientation:
FSL: 2539	Latitude: 37.076119
FEL: 5107	Longitude: -96.271846
API#: 15-019-26135-00-01	
Date: 6-13-2024	Time: 11:27 am
Staff: Troy Russell	

Picture taken to show the Sears #26 is hooked up for injection purposes. Staff found a large kill area from a recent spill that will need to be remediated.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.
Lease: Sears
County: CQ
Subject: Well #26
FSL: 2539
FEL: 5107
API#: 15-019-26135-00-01
Date: 6-13-2024
Staff: Troy Russell

KLN: 33594
Legal: 24-34-10E
PIC ID#:
PIC Orientation:
Latitude: 37.076119
Longitude: -96.271846

Time: 11:28 am

Picture taken to show part of the spill area. This picture was taken looking north of the Sears #26 well location. Appears operator had an injection line leak causing spill. No spill report was reported to the District #3 office. Operator will need to remediate the contaminated area.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.

Lease: Sears

County: CQ

Subject: Well #26

FSL: 2539

FEL: 5107

API#: 15-019-26135-00-01

Date: 6-13-2024

Staff: Troy Russell

KLN: 33594

Legal: 24-34-10E

PIC ID#:

PIC Orientation:

Latitude: 37.076119

Longitude: -96.271846

Time: 11:28 am

Picture taken to show part of the spill area. This picture was taken looking north of the Sears #26 well location. Appears operator had an injection line leak causing spill. No spill report was reported to the District #3 office. Operator will need to remediate the contaminated area.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.	KLN: 33594
Lease: Sears	Legal: 24-34-10E
County: CQ	PIC ID#:
Subject: Well #26	PIC Orientation:
FSL: 2539	Latitude: 37.076119
FEL: 5107	Longitude: -96.271846
API#: 15-019-26135-00-01	
Date: 6-13-2024	Time: 11:28 am
Staff: Troy Russell	

Picture taken to show part of the spill area. This picture was taken looking west to southwest of the Sears #26 well location. Appears operator had an injection line leak causing spill. No spill report was reported to the District #3 office. Operator will need to remediate the contaminated area.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.	KLN: 33594
Lease: Sears	Legal: 24-34-10E
County: CQ	PIC ID#:
Subject: Well #26	PIC Orientation:
FSL: 2539	Latitude: 37.076119
FEL: 5107	Longitude: -96.271846
API#: 15-019-26135-00-01	
Date: 6-13-2024	Time: 11:29 am
Staff: Troy Russell	

Picture taken to show part of the spill area. This picture was taken looking south to southeast of the Sears #26 well location. Well can actually be seen in top left portion of the picture. Appears operator had an injection line leak causing spill. No spill report was reported to the District #3 office. Operator will need to remediate the contaminated area.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.	KLN: 33594
Lease: Sears	Legal: 24-34-10E
County: CQ	PIC ID#:
Subject: Well #32	PIC Orientation:
FSL: 3104	Latitude: 37.077742
FEL: 3241	Longitude: -96.265458
API#: 15-019-26182-00-00	
Date: 6-13-2024	Time: 12:41 pm
Staff: Troy Russell	

Picture taken to show the Sears #32 that appears to be capable of production if the lease has power. Picture also shows scar area from a previous spill. There appears to be no remedial activity at this location.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.

Lease: Sears

County: CQ

Subject: Well #32

FSL: 3104

FEL: 3241

API#: 15-019-26182-00-00

Date: 6-13-2024

Staff: Troy Russell

KLN: 33594

Legal: 24-34-10E

PIC ID#:

PIC Orientation:

Latitude: 37.077742

Longitude: -96.265458

Time: 12:41 pm

Picture taken to show the brine impacted area to the north and west of the Sears #32. There appears to have been no remedial activity at this location.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.

Lease: Sears

County: CQ

Subject: Well #33

FSL: 984

FEL: 4471

API#: 15-019-26211-00-00

Date: 6-13-2024

Staff: Troy Russell

KLN: 33594

Legal: 24-34-10E

PIC ID#:

PIC Orientation:

Latitude: 37.071875

Longitude: -96.269645

Time: 10:56 am

Picture taken to show the Sears #33 appears to be capable of production. An old spill occurred here in the past and operator states he remediated the site.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.

Lease: Sears

County: CQ

Subject: Well #33

FSL: 984

FEL: 4471

API#: 15-019-26211-00-00

Date: 6-13-2024

Staff: Troy Russell

KLN: 33594

Legal: 24-34-10E

PIC ID#:

PIC Orientation:

Latitude: 37.071875

Longitude: -96.269645

Time: 10:55 am

Picture taken to show the spill path that runs east of the Sears #33.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.
Lease: Sears
County: CQ
Subject: Well #33
FSL: 984
FEL: 4471
API#: 15-019-26211-00-00
Date: 6-13-2024
Staff: Troy Russell

KLN: 33594
Legal: 24-34-10E
PIC ID#:
PIC Orientation:
Latitude: 37.071875
Longitude: -96.269645

Time: 10:55 am

Picture taken to show the spill path that runs south down a slough just east of the Sears #33.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.	KLN: 33594
Lease: Sears	Legal: 24-34-10E
County: CQ	PIC ID#:
Subject: Well #33	PIC Orientation:
FSL: 984	Latitude: 37.071875
FEL: 4471	Longitude: -96.269645
API#: 15-019-26211-00-00	
Date: 6-13-2024	Time: 10:55 am
Staff: Troy Russell	

Picture taken to show the spill path that runs northeast of the Sears #33.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.	KLN: 33594
Lease: Sears	Legal: 24-34-10E
County: CQ	PIC ID#:
Subject: Well #33	PIC Orientation:
FSL: 984	Latitude: 37.071875
FEL: 4471	Longitude: -96.269645
API#: 15-019-26211-00-00	
Date: 6-13-2024	Time: 10:55 am
Staff: Troy Russell	

Picture taken looking South towards the Sears #33. Operator will need to remediate affected soil.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.	KLN: 33594
Lease: Sears	Legal: 23-34-10E
County: CQ	PIC ID#:
Subject: Well #KHCA-23	PIC Orientation:
FSL: 2517	Latitude: 37.076071
FEL: 501	Longitude: -96.274124
API#: 15-019-25571-00-00	
Date: 6-13-2024	Time: 10:30 am
Staff: Troy Russell	

Picture taken to show the Sears #KHCA-23 appears to be capable of production. Appears operator was trying to produce this well into a plastic tote. You can see the pumping hose running was the pumping string into the top of the plastic tote.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.	KLN: 33594
Lease: Sears	Legal: 25-34-10E
County: CQ	PIC ID#:
Subject: Well #M-1	PIC Orientation:
FSL: 4967	Latitude: 37.068448
FEL: 4669	Longitude: -96.270306
API#: 15-019-27013-00-00	
Date: 6-13-2024	Time: 11:54 am
Staff: Troy Russell	

Picture taken to show the Sears #M-1 that appears to be capable of production if the lease has power. Picture also shows scar area from a previous spill. Operator will need to apply additional remedial treatments.

KCC DISTRICT III OFFICE FIELD REPORT PHOTO ID FORM



Operator: Quito, Inc.	KLN: 33594
Lease: Sears	Legal: 25-34-10E
County: CQ	PIC ID#:
Subject: Well #M-1	PIC Orientation:
FSL: 4967	Latitude: 37.068448
FEL: 4669	Longitude: -96.270306
API#: 15-019-27013-00-00	
Date: 6-13-2024	Time: 11:53 am
Staff: Troy Russell	

Picture taken to show the Sears #M-1 that appears to be capable of production if the lease has power. Picture also shows crude oil saturated soil from a previous spill. Operator will need to apply additional remedial treatments.

CERTIFICATE OF SERVICE

24-CONS-3001-CSHO, 24-CONS-3072-CPEN, 24-CONS-3086-CMSC

I, the undersigned, certify that a true and correct copy of the attached Prefiled Rebuttal Testimony of Troy Russell has been served to the following by means of electronic service on July 3, 2024.

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