

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

Before Commissioners: Andrew J. French, Chairperson
 Dwight D. Keen
 Annie Kuether

In the matter of the failure of Clinton) Docket No.: 26-CONS-3048-CPEN
Production, Inc. (Operator) to comply with)
K.A.R. 82-3-603 at the D J Moore tank) CONSERVATION DIVISION
battery in Reno County, Kansas.)
_____) License No.: 5585

PENALTY ORDER

The Commission finds Operator has violated K.A.R. 82-3-603 at the captioned lease, assesses a \$1,250 penalty, directs Operator to come into compliance, and further rules as more fully described below.

I. JURISDICTION

1. K.S.A. 74-623 provides the Commission exclusive jurisdiction and authority to regulate oil and gas activities in Kansas. K.S.A. 55-152 provides the Commission with jurisdiction to regulate the construction, operation, and abandonment of any well, and also the protection of the usable water of this state from any actual or potential pollution from any well. The Commission has licensing authority pursuant to K.S.A. 55-155.

2. K.S.A. 55-162 and K.S.A. 55-164 provide the Commission authority to issue penalty orders for violations of Chapter 55 of the Kansas Statutes Annotated, or of any rule, regulation, or order of the Commission. Under K.S.A. 55-164, a penalty order may include a monetary penalty of up to \$10,000, the penalty must constitute a substantial and actual economic deterrent to the violation, and each day of a continuing violation constitutes a separate violation.

3. K.A.R. 82-3-101(a)(69) defines “spill” as any escape of saltwater, oil, or refuse by overflow, seepage, or other means from the vicinity of oil, gas, injection, service, or gas storage wells, or from tanks, pipelines, dikes, or pits, if the wells, tanks, pipelines, dikes, or pits are involved in or related to the exploration or drilling for oil or gas; the lease storage, treatment,

or gathering of oil or gas; or the drilling, operating, abandonment, or post-abandonment of wells. For purposes of the regulation, “vicinity” means the area within six feet of the wellhead.

4. K.A.R. 82-3-603(a) provides that each operator shall act with reasonable diligence to prevent spills and safely confine saltwater, oil, and refuse in tanks, pipelines, pits, or dikes.

5. K.A.R. 82-3-603(b)(2) provides that, except as otherwise specified in the regulation, each operator shall notify the appropriate District Office of any spill as defined in K.A.R. 82-3-101. This notification shall meet the requirements of subsection (c) of the regulation, and shall be made not later than the next business day following the date of discovery or knowledge of the spill.

6. K.A.R. 82-3-603(d) provides that the failure to comply with subsection (b) of the regulation shall be punishable by a \$250 penalty for the first violation, a \$500 penalty for the second violation, and a \$1,000 penalty and operator license review for the third violation.

7. K.A.R. 82-3-603(e)(1) provides that each operator shall clean up any spill that requires notification under this regulation in accordance with the cleanup method approved by the appropriate district office. The cleanup techniques deemed appropriate and acceptable to the appropriate district office shall be physical removal, dilution, treatment, and bioremediation. Except as otherwise required by law or regulation, each operator shall complete the cleanup of the spill within 10 days after discovery or knowledge, or by the deadline prescribed in writing by the district office.

8. K.A.R. 82-3-603(f) provides that failure to contain and clean up the spill in accordance with this regulation shall be punishable by a \$1,000 penalty for the first violation, a \$2,500 penalty for the second violation, and a \$5,000 and an operator license review for the third violation.

II. FINDINGS OF FACT

9. Operator is licensed to conduct oil and gas activities in Kansas and is responsible for the D J Moore tank battery, located in Section 36, Township 24 South, Range 9 West, Reno County, Kansas.

10. On June 25, 2025, Commission Staff discovered an unreported spill at the D J Moore tank battery.¹ Based on Staff's finding, Staff mailed an unreported spill data form to Operator to be completed and returned within 5 days, but Operator failed to complete and return the unreported spill form.² On July 16, 2025, Staff sent a spill remediation letter to Operator which gave Operator remediation recommendations and a deadline to remediate the spill by August 8, 2025.³ On August 11, 2025, District Staff conducted a follow-up inspection of the spill at the D J Moore tank battery documenting that the spill has not been remediated.⁴ To date, the spill has not been remediated.

III. CONCLUSIONS OF LAW

11. The Commission concludes that it has jurisdiction over Operator and this matter under K.S.A. 55-152 and K.S.A. 74-623.

12. Operator committed one violation of K.A.R. 82-3-603(b)(2) because Operator did not notify the appropriate District Office by the next business day following the date of discovery or knowledge of the spill at the D J Moore tank battery. Under K.A.R. 82-3-603(d), a first violation of this regulation carries a \$250 penalty. Accordingly, the Commission concludes Operator should be assessed a \$250 penalty for this violation.

13. Operator committed one violation of K.A.R. 82-3-603(e)(1) because Operator failed to timely clean up and remediate the spill at the D J Moore tank battery. Under K.A.R. 82-3-603(f), a first violation of this regulation carries a \$1,000 penalty. Accordingly, the Commission concludes Operator should be assessed a \$1,000 penalty for this violation.

¹ Exhibit A.

² Exhibit B.

³ Exhibit C.

⁴ Exhibit B.

THEREFORE, THE COMMISSION ORDERS:

- A. Operator shall pay a \$1,250 penalty.
- B. Operator shall fully remediate the spill within 30 days. If Operator fails to comply, then Operator shall pay an additional \$5,000 penalty, and Commission Staff is directed to remediate the spill and assess the costs to Operator.
- C. Operator may request a hearing on the above issues by submitting a written request, pursuant to K.S.A. 55-164, K.S.A. 77-537, and K.S.A. 77-542, to the Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202, within 30 days from the date of service of this Order. A request for hearing must comply with K.A.R. 82-1-219.
- D. Failure to timely request a hearing will result in a waiver of Operator's right to a hearing. If no party timely requests a hearing, then this Order shall become final. If Operator is not in compliance with this Order and the Order is final, then Operator's license shall be suspended without further notice and shall remain suspended until Operator complies. The notice and opportunity for a hearing on this Order shall constitute the notice required by K.S.A. 77-512 regarding license suspension. A party may petition for reconsideration of a final order pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).
- E. Credit card payments may be made by calling the Conservation Division at 316-337-6200. Checks and money orders shall be payable to the Kansas Corporation Commission. Payments shall be mailed to the Kansas Corporation Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202. Payments must reference the docket number of this proceeding.

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 08/28/2025



Celeste Chaney-Tucker
Executive Director

Mailed Date: 08/28/2025

KAM

KCC OIL/GAS REGULATORY OFFICES

Date: 05/27/25

District: 2

Case #: _____

☐ New Situation

☒ Lease Inspection

☐ Response to Request

☐ Complaint

☐ Follow-Up

☒ Field Report

Operator License No: 5585

API Well Number: 15-155-21202-00-00

Op Name: Clinton Production, Inc.

Spot: S/2-SW-NW Sec 36 Twp 24 S Rng 9 ☐ E / ☒ W

Address 1: 7700 E Dublin

3050 Feet from ☐ N / ☒ S Line of Section

Address 2: _____

4592 Feet from ☒ E / ☐ W Line of Section

City: Wichita

GPS: Lat: 37.92052 Long: 98.26792 Date: 5/20/25

State: KS Zip Code: 67206 -2031

Lease Name: D.J. Moore Well #: 1

Operator Phone #: (316) 655-4734

County: Reno

Reason for Investigation:

Routine lease inspection.

Problem:

INACTIVE well, NO CP-111 on file.

Persons Contacted:

Findings:

INACTIVE well, NO lease activity indicated - lease road from tank battery to well is overgrown with grass. NO current gas sales chart on Barton fixture. Last recorded KGS gas produced in 8-2023 of 88 MCF.

Action/Recommendations:

Follow Up Required ☐ Yes ☐ No ☒

Date: _____

Will send the TA - N.O.V. letter. RE-CK'D ON 6-25-2025, WELL STILL INACTIVE - OPERATOR WAS SENT THE TA - N.O.V. LETTER GIVING UNTIL 6-24-2025 TO SUBMIT A CP-111. I RECOMMEND MONETARY PENALTY OF \$100 FOR FAILURE TO COMPLY WITH K.A. R. 82-3-111. ALSO, ON 6-25-2025, DISCOVERED WHAT APPEARS TO BE BRINE SPILL FROM BRINE TANK AT TANK BATTERY. BRINE TANK IS EMPTY. BRINE HAS RAN OUT TO THE EAST IN WHEAT FIELD FOR APPROX. 105' IN VARYING WIDTHS. SOIL SAMPLE MAXED OUT CONDUCTIVITY PEN. WILL SEND OPERATOR THE UNREPORTED SPILL LETTER.

Verification Sources:

Photos Taken: 2

<input checked="" type="checkbox"/> RBDMS	<input checked="" type="checkbox"/> KGS	<input type="checkbox"/> TA Program
<input type="checkbox"/> T-I Database	<input type="checkbox"/> District Files	<input type="checkbox"/> Courthouse
<input type="checkbox"/> Other: _____		

By: Virgil Clothier

ECRS/UIC Officer

Retain 1 Copy District Office
Send 1 Copy to Conservation Division

Form: _____



Clinton Production, Inc. #5585
D J Moore Tank Battery
Sec. 36-24-9W, Reno Co.
Photo showing leak from saltwater tank.
Date: 6-25-2025



Clinton Production, Inc. #5585
D J Moore Tank Battery
Sec. 36-24-9W, Reno Co.

KCC OIL/GAS REGULATORY OFFICES

Date: 08/11/25

District: 2

Case #: _____

☐ New Situation

☐ Lease Inspection

☐ Response to Request

☐ Complaint

☒ Follow-Up

☐ Field Report

Operator License No: 5585

API Well Number: _____

Op Name: Clinton Production, Inc.

Spot: NE Sec 36 Twp 24 S Rng 9 ☐ E / ☒ W

Address 1: 7700 E. Dublin

Feet from ☐ N / ☒ S Line of Section

Address 2: _____

Feet from ☒ E / ☐ W Line of Section

City: Wichita

GPS: Lat: _____ Long: _____ Date: _____

State: KS Zip Code: 67206 -2031

Lease Name: D.J. Moore Well #: _____

Operator Phone #: (316) 655-4734

County: RN

Reason for Investigation:

Follow-up spill remediation/clean up investigation.

Problem:

Leaking brine tank that allowed brine out into nearby field/farmland.

Persons Contacted:

Findings:

Brine tank at tank battery that has been leaking from connections on backside of tank. NO spill remediation/clean up has taken place out in nearby field. The Unreported spill data form/letter was mailed to Operator on June 25th to be completed by the Operator & returned within 5 days. This letter is believed to have never been returned. On July 16, 2025 the operator was sent a spill remediation/clean up letter with the soil sample CL readings from top 4" of soil that indicated over 6,000 PPM Chlorides. This letter gave the Operator remediation recommendations with a remediation deadline of August 8, 2025.

August 11, 2025, a follow up inspection was conducted where a water sample taken from the dripping, leaky connections on the backside of tank today maxed out a conductivity pen. Overnight rain did occur and this morning water was pooled over the brine scar. Conductivity of the standing water was 11.89mS indicating the pooled water was over 3,500 ppm CL-

Action/Recommendations:

Follow Up Required ☐ Yes ☐ No ☒

Date: _____

Soil remediation letter sent on July 16, 2025 with a compliance deadline of August 8, 2025.
I recommend monetary penalty of \$1000 - per K.A. R. 82-3-603(f) for Failure to clean up spill.

Verification Sources:

Photos Taken: Yes



RBDMS



KGS



TA Program



T-I Database



District Files



Courthouse



Other: _____

By: Virgil Clothier

ECRS

Retain 1 Copy District Office
Send 1 Copy to Conservation Division

Form: _____

Clinton Production, Inc. #5585
D J Moore Tank Battery
Sec. 36-24-9W, Reno Co.
Standing water behind salt water tank at
11.89mS conductivity which indicates
salinity to be over 3,500 ppm CL-.
This is after heavy rain on 8/11/2025.
Date of photo: 8/11/2025



July 16, 2025

Clinton Production, Inc.
7700 E. Dublin
Wichita, KS 67206

KCC #5585

RE: Unreported Spill at the D J Moore Tank Battery, Sec. 36-24-9W, Reno Co.

Dear Mr. Clinton:

Soil samples were collected on July 2, 2025, from behind the water tank that leaked and on the scar in the wheat field. Soil samples from the top 4 inches of soil tested above 6,000 ppm CL-, clearly indicating that the soil will no longer support any growth.

Your options are to either dig the soil out and replace it with fresh soil or remediate it in place. If you remediate the soil in place, staff recommend that 3 to 4 inches of manure be spread across the entire spill and deep ripped to a minimum of 12 inches. It is also recommended to incorporate any old silage, hay or straw in with the manure to provide bulking material back to the soil. Given the size of the spill, 500-800 lbs. of gypsum must also be incorporated along with the other organic amendments. Amendments only work as deep as they are incorporated so it is imperative to deep rip and incorporate amendments into a 12-inch minimum. Keep in mind that this may not be a one-time application, and this procedure may have to be repeated

Per K.A.R. 82-3-603(e), the operator shall complete the cleanup of the spill or escape within 10 days after discovery or knowledge of the spill or escape, or by the deadline prescribed in writing by the District Office. The remediation / clean up must be completed by **August 8, 2025**. There will be no further deadlines or extensions granted.

You must contact our office prior to starting any remediation so staff can be onsite. If you choose to dig the contaminated soil out and dispose of it, staff must be onsite to perform field sampling to ensure all contaminated soil is removed.

Sincerely,
Virgil Clothier
ECRS

Cc: Jeff Klock – District Supervisor
Dan Fox – Compliance Officer
file

CERTIFICATE OF SERVICE

26-CONS-3048-CPEN

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of first class mail and electronic service on 08/28/2025.

CHRIS CLINTON
CLINTON PRODUCTION, INC.
7700 E. DUBLIN
WICHITA, KS 67206-2031
cpmjs2@netscape.net

DANIEL FOX, COMPLIANCE OFFICER, KCC DISTRICT 2
KANSAS CORPORATION COMMISSION
DISTRICT OFFICE NO. 2
3450 N. ROCK RD BLDG 600 STE 601
WICHITA, KS 67226
dan.fox@ks.gov

KELCEY MARSH, LITIGATION COUNSEL
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kelcey.marsh@ks.gov

KRAIG STOLL, EP&R SUPERVISOR
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/S/ KCC Docket Room

KCC Docket Room