

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

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

In the matter of whether Somerset Energy, Inc.'s) Docket No: 25-CONS-3193-CUIC
injection authority at eight wells subject to permit E-)
31,866 should be revoked.) CONSERVATION DIVISION
)
_____) License Nos: 6143

In the matter of the petition of Somerset Energy, Inc.) Docket No: 25-CONS-3195-CMSC
to open a docket pursuant to K.S.A. 55-605(a).)
) CONSERVATION DIVISION
)
_____) License Nos: 6143

ORDER ON MOTION FOR A PRELIMINARY ORDER

The Commission rules as follows:

I. Background

1. On December 31, 2024, the Commission consolidated the captioned dockets, stating the purpose of such dockets shall be to determine what obligations Somerset may have as it pertains to the Nevius #OW-6 well, and how the status of the Nevius #OW-6 well should impact Somerset's use of the eight wells within a quarter mile of that well. The Commission held Somerset's December 13, 2024, motion for a preliminary order in abeyance, stating it wished to take the motion under advisement. The Commission now takes up that motion.

2. In its motion, Somerset asks for an order authorizing Somerset to continue operating the eight wells during the pendency of this proceeding. On December 26, 2024, Commission Staff filed a motion in opposition. The following does not appear to be in substantial dispute:

- a. In 2014 and 2015, Somerset or its predecessors were granted authority to operate the eight wells as injection wells, and they have been operated in such manner since then.
- b. In October 2023, Staff found an abandoned well (the Nevius #OW-6) within a quarter mile of the eight wells, which was not reported or found during the injection-well

permitting process for the eight wells. The Commission finds it likely that the existence of the Nevius #OW-6 in its abandoned state would have negatively impacted the issuance of the injection permit in 2015.¹

- c. The current injection permits, issued in 2015, state the authorized rates and pressures for the eight wells are subject to temporary or permanent modification, during or as the result of any investigation conducted by Commission Staff.²
- d. Staff has conducted an investigation regarding the Nevius #OW-6 and has directed Somerset to shut-in the eight wells. In other words, Staff has temporarily modified the authorized rates and pressures to zero.

3. Operator argues that it is not legally responsible for the Nevius #OW-6, that shutting in the eight wells would cause permanent underground waste, and that it would violate Somerset's correlative rights if forced to shut down the eight wells during the pendency of this proceeding. Staff argues damage or pollution may be occurring in the subsurface due to Somerset operating the eight wells while the Nevius #OW-6 exists in its current state.

4. Based upon the pleadings, the Commission has competing interests to weigh: the prevention of pollution of the soils and waters of the state from oil and gas activities (K.S.A. 74-623), and the prevention of various types of waste (K.S.A. 55-602). The Commission does not find the evidentiary record in its present state supports the issuance of a preliminary order authorizing continued operations of the eight wells. Staff's temporary reduction in authorized rates and pressures appears to comport with the terms of the permit. The Commission, however, also finds it in the public interest to quickly develop the evidentiary record and move this docket to hearing.

¹ See, e.g., K.A.R. 82-3-403(a)(5).

² The Commission takes administrative notice of its records. See K.A.R. 82-1-230(h).

THEREFORE, THE COMMISSION ORDERS:

A. Operator’s December 13, 2024, motion for a preliminary order is denied. Operator shall shut-in the eight wells within a quarter mile of the Nevius #OW-6 well during the pendency of this proceeding. Alternatively, Somerset may plug the Nevius #OW-6 within two weeks and continue to operate the eight wells in the interim, or reach any other agreement with Commission Staff.

B. The Commission sets the following procedural schedule:

Commission Staff Pre-Filed Direct Testimony	Due: February 28, 2025
Operator Pre-Filed Direct & Rebuttal Testimony	Due: March 21, 2025
Commission Staff Pre-Filed Rebuttal Testimony	Due: April 4, 2025

C. The evidentiary hearing in these matters shall occur on **Thursday, April 17, 2025, beginning at 9:00 a.m.** The evidentiary hearing shall take place via the Zoom videoconferencing platform. Log-in instructions shall be provided to parties as the hearing date approaches. The hearing shall be video-streamed on the Commission’s YouTube channel.

D. Parties may file motions regarding the procedural schedule if circumstances so warrant. Failure to submit pre-filed testimony may result in the Commission restricting the right to testify and present evidence at the evidentiary hearing. At the hearing, the Commission may limit the parties’ direct and rebuttal testimony to the pre-filed testimony.


E. Any person requiring special accommodations under the Americans with Disabilities Act should notify the Commission at least 10 days before the scheduled hearing date.

F. Any party who fails to attend or participate in the evidentiary hearing or any other stage of this proceeding may be held in default under the Kansas Administrative Procedure Act.

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 02/06/2025



Abigail D. Emery
Acting Secretary to the Commission

Mailed Date: 02/06/2025

JRM

CERTIFICATE OF SERVICE

25-CONS-3193-CUIC; 25-CONS-3195-CMSC

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 02/06/2025.

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/S/ KCC Docket Room

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