

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

In the matter of the failure of Clark Energy,)	Docket No.: 22-CONS-3033-CPEN
LLC (Operator) to comply with K.A.R.)	
82-3-111 at seventy-three wells in Chautauqua)	CONSERVATION DIVISION
and Montgomery Counties, Kansas.)	
_____)	License No.: 33712

PRE-FILED DIRECT TESTIMONY

OF

TROY RUSSELL

ON BEHALF OF COMMISSION STAFF

OCTOBER 29, 2021

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

2 A. Troy Russell, 137 West 21st Street, Chanute, Kansas 66720.

3 **Q. By whom are you employed and in what capacity?**

4 A. I am employed by the Conservation Division of the Kansas Corporation Commission
5 (Commission), District #3 Office, as the District #3 Professional Geologist Supervisor.

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

7 A. I received my Bachelor of Science degree from Kansas State University in 1989. I began work
8 with the State of Kansas as a Geologist in 1991. I then received my professional geologist
9 (P.G.) license in 1992. I came to work in the Chanute District #3 Office within the
10 Conservation Division of the KCC in 1997 as a P.G., primarily overseeing site remediation
11 of environmental impacts to soils and water resources resulting from oil and gas producing
12 activities. I became the District #3 Professional Geologist Supervisor in 2017.

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

14 A. Yes.

15 **Q. What are your duties with the Conservation Division?**

16 A. I oversee the daily operations in District #3 as related to oil and gas activities. I supervise two
17 Public Service Administrators, eleven Environmental Compliance and Regulatory Specialists
18 (ECRS), and the District Geologist, P.G.

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

20 A. The purpose of my testimony is to discuss the evidence supporting the Commission's finding
21 in regard to the Penalty Order issued against Clark Energy, LLC (Operator) in Docket
22 22-CONS-3033-CPEN (Docket 22-3033).

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

2 A. The Commission penalized Operator for seventy-three violations of K.A.R. 82-3-111 for
3 possessing inactive wells in excess of the time allowed by regulation without being plugged,
4 returned to service, or approved for temporary abandonment (TA) status.

5 **Q. What are the requirements of K.A.R. 82-3-111?**

6 A. K.A.R. 82-3-111 provides that within 90 days after operations cease on any well, the operator
7 of that well shall: (1) plug the well; (2) return the well to service; or (3) file an application
8 with the Conservation Division requesting TA status, on a form prescribed in writing by the
9 Conservation Division. K.A.R. 82-3-111 also states that no well shall be temporarily
10 abandoned unless first approved by the Conservation Division, and a well shall not be eligible
11 for TA status if the well has been shut-in for 10 years or more without an operator first filing
12 an application for an exception pursuant to K.A.R. 82-3-100 and receiving approval by the
13 Commission. Finally, K.A.R. 82-3-111 provides that failure by an operator to file a notice of
14 TA status for a well shall be punishable by a \$100 penalty.

15 **Q. Please provide some background information regarding temporarily abandoned wells**
16 **in District #3.**

17 A. A priority for the Conservation Division has been to address inactive wells without approved
18 TA status on active operators' licenses. District #3 in particular has a large number of wells
19 that fall into this category. To tackle this problem, District #3 Staff has been reviewing
20 Commission records and sending Notice of Violation (NOV) letters to operators who have
21 inactive wells without approved TA status. The NOV letters give operators a deadline, and
22 indicate that if they do not address their inactive wells by that deadline, Staff will recommend
23 that the Commission issue a penalty order.

1 **Q. Did you send any letters to Operator?**

2 A. Yes. On May 6, 2021, District #3 Staff sent an NOV letter to Operator, with a deadline of
3 June 6, 2021, to bring seventy-three of Operator's wells into compliance with Commission
4 regulations.

5 **Q. Did Operator respond to the letter?**

6 A. Yes. Randy Clark, Operator's owner, contacted District #3 Staff by telephone. Staff advised
7 Mr. Clark to file applications requesting TA status for Operator's inactive wells.

8 **Q. Did Operator file applications requesting TA status for any of the seventy-three wells?**

9 A. No.

10 **Q. As of the date of this testimony, has Operator plugged, returned to service, or obtained**
11 **TA status for any of the seventy-three wells listed in the Docket 22-3033 Penalty Order?**

12 A. No.

13 **Q. Please summarize your recommendations.**

14 A. I believe the information gathered by District #3 Staff is sufficient to affirm the Commission's
15 Penalty Order in this docket. Operator has a large number of wells on its license that have
16 been inactive and unplugged without TA status for longer than allowed by Commission
17 regulations.

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

19 A. Yes.

CERTIFICATE OF SERVICE

22-CONS-3033-CPEN

I, the undersigned, certify that a true and correct copy of the attached Prefiled Testimony of Troy Russell has been served to the following by means of electronic service on October 29, 2021.

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/s/ Paula J. Murray

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