

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

In the matter of a general investigation to) Docket No.: 25-CONS-3194-CINV
propose a regulation implementing K.S.A.)
55-180(f).) CONSERVATION DIVISION
)
_____) License No.: N/A

**MOTION TO OPEN DOCKET AND AUTHORIZE SUBMISSION OF A PROPOSED
REGULATION FOR APPROVAL PURSUANT TO THE RULES AND REGULATIONS
FILING ACT**

Staff of the State Corporation Commission of the State of Kansas (Staff and Commission, respectively) moves the Commission to open a docket for the purpose of promulgating a new regulation, and for an order authorizing submission of the proposed regulation for approval pursuant to the Rules and Regulations Filing Act. In support of its motion, Staff states as follows:

1. K.S.A. 55-152(a) provides that “The commission shall adopt such rules and regulations necessary for the implementation of this act including provisions for the construction, operation and abandonment of any well and the protection of the usable water of this state from any actual or potential pollution from any well.” Additionally, K.S.A. 55-183(a) states that “Whenever the corporation commission is authorized or directed by this act, or by any of the acts contained in chapter 55 of the Kansas Statutes Annotated, to adopt rules and regulations, any rules and regulations so adopted shall be published by the commission and made available to the public without charge. . . . In addition, the commission is hereby directed to comply with the provisions of K.S.A. 77-415 *et seq.*, and amendments thereto, with respect to any such rule and regulation.”

2. Staff seeks to open a docket to begin the process of promulgating a regulation to implement K.S.A. 55-180(f). Under K.S.A. 55-180(f), persons with no obligation to do so who cause an abandoned well to be plugged may seek reimbursement from the Abandoned Oil and

Gas Well Fund created pursuant to K.S.A. 55-192. Staff's proposed regulation would provide the process such persons must follow in seeking reimbursement from the fund.

3. The initial draft of the proposed regulation is attached as Attachment A and made a part of this motion.

4. This general investigation docket would not be opened pursuant to the Kansas Administrative Procedure Act¹ but instead would be opened under the Rules and Regulations Filing Act,² which governs the procedure for any amendments to existing regulations or the promulgation of a new regulation or regulations.

5. Opening a docket would be the first of a multi-part process for seeking the eventual approval and enactment of the aforementioned regulation. This process includes, among other things, obtaining approval of the regulation from the Secretary of Administration and Attorney General, and review by the Director of the Budget. The process also includes a period of public notice and comment, a review by the Joint Committee on Administrative Rules and Regulations, a public hearing, and the Commission's approval by roll call vote.

6. Opening this docket serves as a Commission record of the process of promulgating the regulation where Staff can apprise the Commission of its progress, as a repository for documents filed related to the promulgation process, and to keep the general public informed of the progress of the promulgation process.

7. Staff further requests authorization to submit the proposed regulation, as attached to this motion, for approval in accordance with the Rules and Regulations Filing Act.

WHEREFORE, for the reasons described above, Staff respectfully requests the Commission issue an order opening a docket in the above matter, authorizing Staff to submit the

¹ K.S.A. 77-501 *et seq.*

² K.S.A. 77-415 *et seq.*

proposed regulation for approval pursuant to the Rules and Regulations Filing Act, and authorizing Staff to take all other actions necessary as part of the regulation approval process.

Respectfully Submitted,

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82-3-XXX. ABANDONED WELL PLUGGING REIMBURSEMENT.

- (a) Reimbursement process. Each person seeking reimbursement under K.S.A. 55-180(f) must do the following to obtain reimbursement:
1. Submit a complete plugging reimbursement application;
 2. Obtain plugging reimbursement approval from the director;
 3. Plug the well or wells in accordance with all applicable laws; and
 4. Submit a complete post-plugging certification of completion.
- (b) Plugging reimbursement application. Each plugging reimbursement application shall be submitted on a form prescribed by the commission and shall include:
1. The applicant's name and contact information;
 2. The surface owner's name and contact information (if different);
 3. The location of the well(s), and any known well names and/or API numbers;
 4. The estimated reimbursement for each well and the total plugging estimate; and
 5. Any other information required by the conservation division.
- (c) Director plugging reimbursement approval. The following nonexclusive factors shall be considered by the director as part of a decision to grant or deny plugging reimbursement approval:
1. Funds available to the commission;
 2. Whether the well or wells are eligible for reimbursement under K.S.A 55-180(f)(1); and
 3. Whether the estimated total plugging reimbursement amount is reasonable.
- (d) Well plugging requirements. To obtain reimbursement, each well must be plugged according to all statutory and regulatory requirements, and all written directives of the director and staff. Provided, however, that no person shall be required to submit any form pursuant to K.A.R. 82-3-133 or K.A.R. 82-3-117.
- (e) Post-plugging certification of completion. Each post-plugging certification of completion shall be submitted on a form prescribed by the commission and shall include:
1. The applicant's name and contact information;
 2. The surface owner's name and contact information (if different);
 3. The location of the well(s), and any known well names and/or API numbers;
 4. All plugging invoices for each well that was plugged, including copies of all cement tickets or cement receipts;
 5. The reimbursement requested for each well and the total requested reimbursement; and
 6. Any other information required by the conservation division.
- (f) Plugging reimbursement. If the director has granted a plugging reimbursement application for the well(s), the following exclusive factors shall be considered by the director as part of a decision to grant or deny post-plugging reimbursement:
1. Compliance with all well-plugging requirements and directives; and
 2. Sufficiency of the post-plugging certification of completion including all invoices.

- (g) If any well is plugged within six months after a plugging reimbursement application is approved by the director, reimbursement for the actual amount spent not to exceed the amount requested in the initial plugging reimbursement application shall be granted once the criteria set forth in subsection (f) are met. At the discretion of the director, the director may grant reimbursement of any amount in excess of the total requested reimbursement as stated in the initial plugging reimbursement application, but only upon a showing by the applicant of unforeseen circumstances during the plugging process that directly caused an excess in plugging costs.

Authorizing Statute

K.S.A. 55-180, Section (f)(1). For any well that has been abandoned for five years or more, any person who has no obligation to plug, replug or repair the well, that causes such well to be plugged may seek reimbursement from the abandoned oil and gas well fund created pursuant to K.S.A. 55-192, and amendments thereto. The commission shall adopt rules and regulations for determining, whether, how and to what extent a request for reimbursement shall be granted.

KS.A. 55-180, Section (f)(2). The provisions of this subsection shall not entitle any person to receive reimbursement for the plugging of any abandoned well that has been abandoned for five years or more unless such reimbursement is approved pursuant to the rules and regulations established by the commission for such purpose.

CERTIFICATE OF SERVICE

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I, the undersigned, certify that a true and correct copy of the attached Motion has been served to the following by means of first class mail and electronic service on December 12, 2024.

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