

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

In the matter of the failure of Little Chief) Docket No. 21-CONS-3200-CPEN
Energy Corporation (Operator) to comply with)
K.A.R. 82-3-120 and K.A.R. 82-3-133 by) CONSERVATION DIVISION
operating under a suspended license.)
_____) License No. 35588

PRE-FILED TESTIMONY

OF

KEITH KARLIN

ON BEHALF OF COMMISSION STAFF

SEPTEMBER 27, 2021

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

2 A. Keith Karlin, 3450 N. Rock Road, Suite 601, Wichita, Kansas 67226.

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

4 A. I am employed by the Kansas Corporation Commission (KCC), Conservation Division, as
5 an Environmental Compliance and Regulatory Specialist (ECRS) for District #2.

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

7 A. I have been actively involved in the oil industry for 37 years. I started out employed as a field
8 hand and operated service units. This consisted of pulling rods and tubing and repairing wells
9 down hole as needed. Additionally, I completed new wells after drilling operations. As a
10 pulling unit operator, I oversaw the field hands and maintenance and repair of the equipment
11 along with record keeping. Then, I worked as a pumper for 15 years. As a pumper, I would
12 make daily checks of all producing wells and disposal wells. This consisted of gauging and
13 recording all fluid for producing wells and disposals, maintaining equipment, and reporting
14 problems to the Operations Manager. During this time, I also began work as a pumper for
15 Tengasco, Inc. In 2012, I was promoted to drilling supervisor for Tengasco, Inc. As a Drilling
16 Supervisor, my duties consisted of preparing new well sites, organizing and ordering
17 equipment and vendors, overseeing the daily rig operations, setting pipe strings, and land
18 owner/tenant relations. In 2018, I was promoted to Operations Manager for Tengasco, Inc..
19 As the Operations Manager, I oversaw all aspects of the Kansas production. I was responsible
20 for the care of 200 plus wells, which consisted of oil producers and disposals, five pumpers,
21 office manager, and multiple contract pumpers. In April 2020, I began my work with the KCC
22 as an ECRS.

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

2 A. No.

3 **Q. What duties does your position with the Conservation Division involve?**

4 A. As an ECRS, I am responsible for witnessing and monitoring oil and gas related activities in
5 Ellsworth, McPherson, Rice, and Saline Counties, Kansas. My job involves inspections,
6 documentation, investigation, and consultation with lease operators, landowners, and
7 Commission Staff on compliance issues related to oil and gas production in Kansas.
8 Additionally, I witness and monitor mechanical integrity tests, the plugging of wells, and the
9 drilling and completion of oil, gas, injection, and disposal wells. I also investigate spills and
10 complaints. In addition, I conduct inspections on new and abandoned wells to verify the exact
11 location and the status of wells. I work with District Staff and Central Office Staff when
12 required to complete various projects and requests.

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

14 A. The purpose of my testimony is to discuss the evidence supporting the Commission's findings
15 relating to the Penalty Order issued by the Commission against Little Chief Energy
16 Corporation (Operator) in this docket - Docket 21-CONS-3200-CPEN (Docket 21-3200).
17 Specifically, my testimony is to discuss my investigation report which shows Operator
18 conducting oil and gas operations under a suspended license.

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

20 A. Operator was penalized for violations of K.A.R. 82-3-120 and K.A.R. 82-3-133 by conducting
21 oil and gas operations while its license was suspended.

1 **Q. On what dates was Operator's license suspended?**

2 A. Operator's license was suspended from January 5, 2021, to February 8, 2021, for non-
3 compliance with Docket 21-CONS-3103-CPEN (Docket 21-3103). Additionally, Operator's
4 license was suspended from February 12, 2021, to March 12, 2021, for non-compliance with
5 Docket 21-CONS-3131-CPEN (Docket 21-3131).

6 **Q. Did you witness Operator conducting oil and gas operations during those time periods?**

7 A. Yes. On January 25, 2021, while Operator was suspended for non-compliance with Docket
8 21-3103, I conducted an inspection at Operator's Morehouse lease in McPherson County.
9 While Operator's production wells were shut-in at the time of my visit, Operator's saltwater
10 disposal well, the Morehouse #12 SWD, was actively taking water and not shut-in. This
11 information is documented in my field report, which was attached in Exhibit G of the Docket
12 21-3200 Penalty Order. I contacted Mr. Jeff Klock, the District #2 Supervisor, by phone and
13 informed him of my findings and sent my field report via email to Mr. Klock and Mr. Dan
14 Fox, the District #2 Compliance Officer in the Wichita Office.

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

16 A. Yes.

CERTIFICATE OF SERVICE

21-CONS-3200-CPEN

I, the undersigned, certify that a true and correct copy of the attached Prefiled Testimony of Keith Karlin has been served to the following by means of electronic service on September 27, 2021.

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/s/ Paula J. Murray
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