# 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 Russell ) Docket No.: 26-CONS-3090-CPEN Nightingale dba RJ Operating Co. (Operator) ) to comply with K.A.R. 82-3-111 at the Knight ) CONSERVATION DIVISION #2 and Nina Joy #1 in Rice County, Kansas. ) License No.: 30979

### **PENALTY ORDER**

The Commission finds Operator has violated K.A.R. 82-3-111 regarding the captioned wells, assesses a \$200 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 under 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. 82-3-111 provides that within 90 days after operations cease on any well, the operator of that well shall plug the well, return the well to service, or file an application with

the Conservation Division requesting temporary abandonment (TA) status. If not plugged or returned to service, the operator must obtain TA approval; TA status may be denied by the Conservation Division if necessary to prevent pollution. A well shut-in for 10 years or more cannot be granted TA status without the operator filing an application for an exception pursuant to K.A.R. 82-3-100 and approval from the Commission. K.A.R. 82-3-111(e) provides a TA exemption for certain wells fully equipped and capable of production.

### II. FINDINGS OF FACT

- 4. Operator is licensed to conduct oil and gas activities in Kansas and is responsible for the following wells (Subject Wells):
  - Knight #2, API #15-159-20988-00-00, located in Section 25, Township 20 a. South, Range 6 West, Rice County, Kansas; and
  - Nina Joy #1, API #15-159-20578, located in Section 11, Township 20 South b. Range 6 West, Rice County, Kansas;
- 5. Between July 15 and July 18, 2025, Commission records indicated the Subject Wells had been inactive and unplugged for longer than the 90 days allowed by K.A.R. 82-3-111, that the wells were not exempt pursuant to K.A.R. 82-3-111(e), and that the wells were not approved for TA status. Thus, Commission Staff sent letters to Operator, requiring Operator to bring the Subject Wells into compliance with K.A.R. 82-3-111 between August 12 and August 15, 2025.<sup>1</sup>
- 6. On August 21, 2025, Commission Staff inspected the Subject Wells, because the deadline in the letters had passed and the violations had not been resolved, verifying that the wells continued to be inactive and unplugged.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> Exhibit A.

<sup>&</sup>lt;sup>2</sup> Exhibit B.

#### III. CONCLUSIONS OF LAW

- 7. The Commission has jurisdiction over Operator and this matter under K.S.A. 74-623 and K.S.A. 55-152.
- 8. Operator has committed two violations of K.A.R. 82-3-111 because the Subject Wells have been inactive in excess of the time allowed by regulation without being plugged, returned to service, or approved for TA status.<sup>3</sup>

### THEREFORE, THE COMMISSION ORDERS:

- A. Operator shall pay a \$200 penalty.
- B. Operator shall plug the Subject Wells, or return the wells to service, or obtain TA status for the wells if eligible.
- C. Commission Staff may require Staff-witnessed static fluid level measurements before a Subject Well is returned to service. A Subject Well may not be returned to service if (1) any measurement has shown fluid in the wellbore at or above the appropriate minimum surface casing requirement described in Table I of the Commission's August 1, 1991, Order in Docket 34,780, (2) any measurement has shown fluid in the wellbore at or above any salt formation or other corrosive formation, or (3) in the opinion of Staff, variation in measurements indicates the possibility of a casing leak. Provided, however, a Subject Well may be returned to service upon (a) passing a casing integrity test after issuance of this Penalty Order to the satisfaction of Staff, or (b) Staff providing written, well-specific authorization after issuance of this Penalty Order.
- D. 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. <u>A request for hearing must comply with K.A.R. 82-1-219.</u>

3

<sup>&</sup>lt;sup>3</sup> K.S.A. 55-164; K.A.R. 82-3-111(b).

E. 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.

F. 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. If a Subject Well has been inactive for more than 10 years and Operator applies for an exception to the 10-year limit on TA status for the Subject Well prior to this Order becoming final, and Operator would be in compliance with this Order if the application were approved, then suspension shall not be enforced unless: (1) the application is denied, and (2) 30 days have elapsed since the denial. The notice and opportunity for a hearing on this Order shall constitute the notice required by K.S.A. 77-512 regarding license suspension.

G. 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).<sup>4</sup>

H. 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.

1.00

#### BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 09/30/2025	( What I)
	Celeste Chaney-Tucker Executive Director
Mailed Date: 09/30/2025	
KAM	

<sup>&</sup>lt;sup>4</sup> See K.S.A. 55-162; K.S.A. 55-164; K.S.A. 55-606; K.S.A. 55-707; K.S.A. 77-503(c); K.S.A. 77-531(b).



Andrew J. French, Chairperson Dwight D. Keen, Commissioner Annie Kuether, Commissioner Laura Kelly, Governor

## **NOTICE OF VIOLATION**

July 15, 2025 KCC Lic.-30979

NIGHTINGALE, RUSSELL DBA R J OPERATING CO. 1044 24TH AVE GALVA KS 67443-8852

RE: TEMPORARY ABANDONMENT
API Well No. 15-159-20578-00-00
NINA JOY 1
11-20S-6W, SESENW
RICE County, Kansas

Operator:

On July 15, 2025, a lease inspection documented a probable violation of the following regulation at the referenced well:

• K.A.R. 82-3-111. Within 90 days after operations cease on a well, the operator must return the well to service, plug the well, or obtain approval for temporary abandonment status.

Failure to remedy this violation by AUGUST 12, 2025 shall be punishable by a \$100 penalty.

You may contact me if you have any questions. Sincerely,

VIRGIL CLOTHIER KCC District # 2



Andrew J. French, Chairperson Dwight D. Keen, Commissioner Annie Kuether, Commissioner Laura Kelly, Governor

## **NOTICE OF VIOLATION**

July 18, 2025 KCC Lic.-30979

NIGHTINGALE, RUSSELL DBA R J OPERATING CO. 1044 24TH AVE GALVA KS 67443-8852

RE: TEMPORARY ABANDONMENT
API Well No. 15-159-20988-00-00
KNIGHT 2
25-20S-6W, NENWNE
RICE County, Kansas

Operator:

On July 18, 2025, a file review documented a probable violation of the following regulation at the referenced well:

• K.A.R. 82-3-111. Within 90 days after operations cease on a well, the operator must return the well to service, plug the well, or obtain approval for temporary abandonment status.

Failure to remedy this violation by AUGUST 15, 2025 shall be punishable by a \$100 penalty.

You may contact me if you have any questions. Sincerely,

VIRGIL CLOTHIER KCC District # 2

# KCC OIL/GAS REGULATORY OFFICES

Date: <u>08/21/25</u>	District: 2			Case #:		
	New S	Situation	<b>√</b> L	ease Inspection		
	Respo	nse to Request		Complaint		
	Follow	v-Up	F	ield Report		
	<u>—</u>					
Operator License No: 30979		umber: <u>15-159-2(</u>				
Op Name: Nightingale, Russell dba R J Operating CO.				$\operatorname{vp} \underline{20} \operatorname{S} \operatorname{Rng} \underline{6} = \operatorname{E} / \sqrt{W}$		
Address 1: 1044 24th Ave				eet from N/S Line of Section		
Address 2:				eet from E / W Line of Section		
City: Galva		38.28870 Loi				
State: KS Zip Code: 67443 -8852		_		Well #: <u>2</u>		
Operator Phone #: (620) 245-8914	County: R	.C				
Reason for Investigation:						
Follow-up compliance investigation.						
Problem:						
Well still INACTIVE - this well has EXPIRED TA.						
Persons Contacted:						
Findings:						
INACTIVE well.						
Action/Recommendations: Follow	v Up Required	Yes No	Ю	Date:		
Well has EXPIRED TA - OVER 10 years Shut-in. A TA - N.O.V. was sent giving deadline of 8-15-2025. Re-ck'd today 8-21-2025, well still INACTIVE. I recommend monetary penalty of \$100 per K.A.R.						
82-3-111, for failure to comply.	. i lecomi	nend monetary	penalty	or \$100 per K.A.K.		
62-3-111, for failure to compry.						
Verification Sources:				Photos Taken: 1		
	ΓA Program			· <u>·</u>		
	Courthouse	By: Virgil Cl	othier			
Other:	Sour mouse	ECRS				
Potein 1 Conv. Diotaiot Office						

Retain 1 Copy District Office Send 1 Copy to Conservation Division

Form: \_\_\_\_\_ Exhibit B Page 1 of 4



Knight #2, inactive well located in the NE/4 of 25-20S-6W, Rice County. API#15-159-20988-00-00.

Operated by Nightingale, Russell dba R J Operating CO. Lic.#30979.

Photo taken on August 21, 2025 by Virgil Clothier-ECRS/UIC Officer.

# KCC OIL/GAS REGULATORY OFFICES

Date: <u>07/15/25</u>	District: 2	<u></u>	Case #:			
	New Situati	ion ,	Lease Inspection			
	Response to	Request	Complaint			
	Follow-Up	ř	Field Report			
		L				
Operator License No: 30979	API Well Numbe	r: <u>15-159-20578-</u>	0000			
Op Name: Nightingale, Russell dba R J Operating CO	Spot: NE-NE-S	Sec <u>11</u>	Twp20S Rng _6E / \sqrt{W}			
Address 1: 1044 24th Ave.	2311		Feet from N/ S Line of Section			
Address 2:	3029		Feet from E/W Line of Section			
City: Galva	GPS: Lat: <u>38.3</u>	2510 Long: <u>97</u>	.95366 Date: 7/15/25			
State: KS Zip Code: <u>67443 -8852</u>	Lease Name: Ni	na Joy	Well #: <u>1</u>			
Operator Phone #: (620) 245-8914	County: RC					
Reason for Investigation:						
Routine lease inspection.						
Problem:						
INACTIVE oil well, NO CP-111 on file.						
THE CIT WELL, INC.						
Persons Contacted:						
Findings:						
	cated Last rec	orded KGS oil pr	oduction in 6 2016 Weeds &			
INACTIVE oil well - NO Lease activity indicated. Last recorded KGS oil production in 6-2016. Weeds & grass all grown up at well & tank battery.						
grass an grown up at wen a tank battery.						
Action/Recommendations: Follow	v Up Required	Yes No	Dotos			
			Date:			
Will send the TA - N.O.V. letter. TA - N.O.V. letter was sent giving Deadline to File CP-111 by 8-12-2025. Operator did NOT submit CP-111 & well is still INACTIVE - TODAY 8-21-2025. I recommend monetary of \$100 per K.A.R. 82-3-111 for Failure to Comply.						
	. ,					
Verification Sources:			Photos Taken: 1			
<b>✓</b> RBDMS <b>✓</b> KGS	ΓA Program					
T-I Database District Files	Courthouse	•				
Other:		ECRS				
Potoin 1 Conv. District Office						

Retain 1 Copy District Office Send 1 Copy to Conservation Division

Form: \_\_\_\_\_ Exhibit B Page 3 of 4



Nina Joy #1, inactive well located in the SW/4 of 11-20S-6W, RC. Co. API#15-159-20578-00-00. Operated by Nightingale, Russell dba R J Operating. Lic. #30979. Photo taken by Virgil Clothier-ECRS/UIC Officer on August 21, 2025.

### **CERTIFICATE OF SERVICE**

#### 26-CONS-3090-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 \_\_\_\_\_\_.

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

RUSSELL NIGHTINGALE D/B/A R J OPERATING CO. 1044 24th AVE GALVA, KS 67443 KELCEY MARSH, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION CENTRAL OFFICE 266 N. MAIN ST, STE 220 WICHITA, KS 67202-1513 kelcey.marsh@ks.gov

/S/ KCC Docket Room

KCC Docket Room