20250822141645 Filed Date: 08/22/2025 State Corporation Commission of Kansas

# BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the matter of the failure of Barracuda	)	Docket No.: 25-CONS-3360-CPEN
Operating Company (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.: 33593

### PRE-FILED DIRECT TESTIMONY

**OF** 

**CASE MORRIS** 

ON BEHALF OF COMMISSION STAFF

**AUGUST 22, 2025** 

- 1 Q. What is your name and business address?
- 2 A. Case Morris, 2301 E 13<sup>th</sup> Street, Hays, Kansas 67601.
- 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 (KCC
- or Commission), District #4 Office, as the District #4 Professional Geologist Supervisor.
- 6 Q. Would you please briefly describe your background and work experience.
- 7 A. I received a Bachelor of Science Degree in Geology from Fort Hays State University (FHSU)
- 8 in 1986 and a Master of Science Degree in Geology from FHSU in 1989. Prior to working for
- 9 the KCC, I was an independent oil producer. I have been employed by the KCC for the past
- thirty-five years. I was employed for eleven of those years as an environmental geologist, and
- ten as a Petroleum Industry Regulatory Technician. In April 2008, I became the District #4
- 12 Supervisor.
- 13 Q. What are your duties with the Conservation Division?
- 14 A. As the District Supervisor, I supervise daily activities within the District, as well as the District
- Office. I also ensure that District Staff are using every resource available to enforce the rules
- and regulations of the Commission on a daily basis by the most efficient methods possible.
- Additionally, I talk to industry representatives and the general public on a regular basis to
- answer questions pertaining to the rules and regulations.
- 19 Q. Have you previously testified before this Commission?
- 20 A. Yes.
- 21 Q. What is the purpose of your testimony in this matter?
- A. The purpose of my testimony is to discuss the evidence supporting the Commission's findings
- in regard to the Shut-In Order issued against Barracuda Operating Company (Operator) in

- Docket 25-CONS-3360-CPEN (Docket 25-3360). Specifically, my testimony concerns the
- 2 heightened penalty assessed in this docket.
- 3 Q. Can you please describe Operator's compliance history with the KCC.
- 4 A. Operator first received a license on May 2, 2005. As *Exhibit CM-1* shows, in the last twenty
- 5 years, the Commission has issued eighteen penalty or shut-in orders against Operator. In those
- orders, the Commission found that Operator committed twenty-three violations of
- 7 Commission regulations. Additionally, as *Exhibit CM-2* shows, Operator's license has been
- 8 suspended sixteen times.
- 9 Q. You mentioned a shut-in order. Has the Commission issued a previous shut-in order
- 10 against operator?
- 11 A. Yes, on January 28, 2025, the Commission issued a Shut-In Order against Operator in Docket
- 12 25-CONS-3246-CPEN. The Commission found that Operator continued to actively operate
- three wells while its license was suspended. The Commission assessed a \$10,000 penalty
- against Operator in that docket.
- I would also note that in the Shut-In Order issued on January 28, Staff found Operator
- actively operating the Chapman A #2, Horchem #1-A, and Horchem #2-A wells under a
- suspended license. In the present docket, Staff found Operator actively operating the
- 18 Chapman A #2, Horchem #2-A, and Robertson #1-24 wells under a suspended license.
- Operator was actively operating two of the same wells in both Shut-In Orders.
- 20 Q. Has the Commission assessed a heightened penalty against Operator in the past?
- A. Yes, in Docket 25-CONS-3050-CPEN (25-3050), the Commission assessed a heightened
- 22 penalty against Operator.

- 1 Q. Why did the Commission assess a heightened penalty in that docket?
- 2 A. Docket 25-3050 concerned two spills at the Chapman A lease in Gove County, Kansas. The
- 3 Commission found that Operator appeared to have purposefully caused the spills at the lease,
- 4 and assessed a heightened penalty of \$10,000 (resulting in a total penalty of \$10,500).
- 5 Q. Returning to the present docket, the license suspension letter Staff sent to Operator on
- 6 March 11, 2025, stated that if Staff discovered Operator performing oil and gas
- 7 operations on a suspended license, Staff would recommend a \$10,000 penalty. Do you
- 8 believe a heightened penalty is appropriate in this docket?
- 9 A. Yes, I do. Given Operator's history of non-compliance with Commission orders and
- regulations, and given that the Commission issued another Shut-In Order against Operator
- earlier this year, I believe a heightened penalty is appropriate.
- 12 Q. Please summarize your recommendations.
- 13 A. The \$25,000 penalty in this docket should be affirmed. Operator was clearly performing oil
- and gas operations on a suspended license. Additionally, Operator has a history of ignoring
- 15 Commission orders and of continuing to perform oil and gas operations under a suspended
- license; consequently, a heightened penalty is appropriate.
- 17 Q. Does this conclude your testimony?
- 18 A. Yes.

## Barracuda Operating Company Violations Since May 2, 2005

Docket	Date Issued	Type of Violation	Number of Violations	Penalty Amount
12-227	3/7/2012	Failure to timely clean up spill and notify District Office.	2	\$1,250
14-408	1/8/2014	Failure to perform successful mechanical integrity test (MIT).	1	\$1,000
15-765	3/19/2015	Failure to perform successful MIT.	1	\$1,000
16-150	8/6/2015	Failure to perform successful MIT.	1	\$1,000
16-3849	2/25/2016	Temporary abandonment (TA) violation.	2	\$200
21-3119	12/17/2020	Failure to perform successful MIT.	1	\$1,000
21-3152	1/28/2021	TA violation.	1	\$100
24-3061	9/7/2023	Failure to submit well plugging record (CP-4).	1	\$100
24-3096	10/12/2023	TA violation.	2	\$200
25-3027	7/30/2024	Failure to perform successful MIT.	1	\$1,000
25-3037	8/1/2024	Failure to post identification sign.	1	\$100
25-3050	9/19/2024	Failure to timely clean up spill and notify District Office.	2	\$10,500
25-3156	10/31/2024	Failure to timely remove fluids from a pit or diked area and notify District Office.	2	\$500
25-3169	11/19/2024	Failure to post identification sign.	1	\$100
25-3223	1/14/2025	Failure to perform successful MIT.	1	\$1,000
25-3242	1/28/2025	TA violation.	1	\$100

25-3246	3/6/2025	Unlawful production under a suspended license.	1	\$10,000
25-3276	3/4/2025	Failure to remit well plugging costs.	1	\$100
Total			23	\$29,250

## **Barracuda Operating Company License Suspensions**

icense Suspended
14
6
16
1
21
023
4
4
024
24
024
25
25
25
2.5
2.5
024 025 025 025 025

#### **CERTIFICATE OF SERVICE**

#### 25-CONS-3360-CPEN

I, the undersigned, certify that a true and correct copy of the attached Testimony has been served to the following by means of electronic service on August 22, 2025.

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/s/ Sara Graves

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