

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

In the Matter of the Application of KanOK	)	Docket No.: 22-CONS-3473-CMSC
Energy, LLC (Operator) for an Operator's	)	
License Renewal.	)	CONSERVATION DIVISION
	)	
	)	License No.: 35428

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**PREFILED TESTIMONY**

**OF**

**AUSTIN COBLE**

**APPEARING ON BEHALF OF PROTESTANT,**

**KANOK ENERGY LLC**

Q: Please state your name and address.

A: My name is Austin Coble. My business address is 307 W. Main St., Henryetta, OK 74437-4249.

Q: By whom are you employed and in what capacity?

A: I am the President and majority owner of KanOK Energy LLC.

Q: How long have you been with KanOK?

A: I formed KanOK in late February 2021.

Q: What is your relationship with Vince Coble?

A: Vince is my father.

Q: What do you know about the entity structure of Derrick Resources Inc.?

A: My father formed Derrick Resources in 1990, but the company was forfeited for failing to file. I believe he was the only owner of that company. My father's operator license was connected to him personally rather than the company, so I think he kept working as a sole proprietor.

Q: Did you or KanOK have any relationship with Derrick Resources?

A: No, beyond that Vince is my father and Derrick Resources was a sole proprietorship. KanOK had not been formed yet, and I was not an investor on any of his wells. The only relevant business connection is that my father assigned his Kansas leases to KanOK.

Q: Why was KanOK formed and why did Vince Coble assign his leases to KanOK?

A: My father was in a terrible accident on April 10, 2012. He was in a coma for weeks and survived with permanent brain damage. While his ability to talk survived, he permanently lost the ability to read and most of his ability to write. It also had significant impacts to his short-term memory. Since my father was a sole proprietor and had no staff, this created obvious compliance issues for his leases. With his long-term memory, my father could still do a lot of the physical work of running the wells, but struggled with the paperwork involved with compliance. During this time, he bought some leases in Kansas. I think that his wife helped him with his license application.

Unfortunately, my father's disability got worse over time, as did his oil and gas business. I finally stepped in to help in 2021. I formed a new company where he could be a minority owner, but I would have full control over the company. My father assigned over his Kansas leases to the new entity. Many of them had good prospects, but they needed a lot of work.

Q: Can you expand on that?

A: My father had about thirty wells on his license, but only five were producing. We spent 2021 working to bring the leases back online and into compliance. As another complicating issue, my father bought wells after his accident without the well files. For

example, we were missing the well file for the Amigo lease which was the lease at issue in the license renewal. This meant that we were unaware of the expiration of the Temporary Abandonment until notified by the KCC.

Q: Why do you oppose the KCC's denial of KanOK's license renewal?

A: Because it does not make sense. KanOK was created to help clean up the leases of a defunct operating company and to salvage wells that still have viable production. In doing so, KanOK kept over thirty wells from becoming the responsibility of the Abandoned and Unplugged Well Fund. As far as I can tell, the KCC is mainly denying our license renewal based on my father's violations. I don't think a brand new company owned and controlled specifically to avoid waste and help a disabled person bring their operations into compliance should be penalized for someone else's disability. This will create waste because oil and gas production will be lost forever. I don't understand why the KCC decided to transfer the operator license from my father to my new company. We were told it would make it easier. Now, that is being used as a weapon to penalize me and my company. I don't believe that my new company should be held responsible for violations of my father who was severely disabled.

Q: You have had several delays on getting much done. Why has that happened?

A: The KOLAR system has locked us out, so everything had to be done by mail. This causes delay while we sort that out. We have been in constant communication with the KCC staff, but that has apparently not been helpful. With the combination of the pandemic and now the extremely tight market, we have had a lot of trouble getting service companies scheduled. Delays caused by being locked out of KOLAR make this worse because we are prevented from moving forward when help is available.

Q: Thank you for your testimony, Mr. Coble.

A: You are welcome.

# VERIFICATION

STATE OF )  
 ) ss:  
COUNTY OF )

Austin Coble, of lawful age, being first duly sworn upon my oath, state that I am authorized to provide this testimony on behalf of KanOK Energy, LLC; that I have read the above prefiled testimony; that I know the contents thereof and declare that the statements made therein are true and correct to the best of my knowledge and belief.

  
Austin Coble

Subscribed and sworn to before me this 28<sup>th</sup> day of October, 2022.

  
Notary Public

My appointment expires: 04/26/2026

