

well is shut in or idle. K.A.R. 82-3-120(a)(2) provides that each licensee shall annually submit a completed license renewal form on or before the expiration date of the current license.

4. K.A.R. 82-3-120(k) provides that failure to obtain or renew an operator license before operating shall be punishable by a \$500 penalty.

II. FINDINGS OF FACT

5. On March 30, 2020, Operator's license expired. Operator is responsible for the well(s) (Subject Wells(s)) identified in Exhibit A.

6. On June 10, 2021, Commission Staff sent a letter to Operator, requiring Operator to renew the license, transfer the Subject Well(s) to another operator, or plug the Subject Well(s), by June 24, 2021.¹ To date, Operator has not complied with Staff's letter.

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 one violation of K.A.R. 82-3-120(a) because Operator remains responsible for the Subject Well(s), and Operator's license is expired.

THEREFORE, THE COMMISSION ORDERS:

- A. Operator shall pay a \$500 penalty.
- B. Operator shall immediately shut-in all unplugged wells on its license, and cease oil and gas operations, until Operator is in compliance with this Order.
- C. Operator has 30 days from the date of this Order to:
 - a. Renew its license or obtain a new license and transfer the Subject Well(s) to that license; or

¹ Exhibit A.

- b. Transfer the Subject Well(s) to another operator by filing the appropriate form(s) with the Commission; or
- c. Plug the Subject Well(s).

D. If any unplugged wells remain on Operator's expired license after 60 days from the date of this Order, then:

- a. Operator shall pay an additional \$5,000 penalty;
- b. Staff shall revoke any injection authorizations applicable to the operator; and
- c. Staff is directed to place the well(s) on the appropriate state plugging list, to plug according to priority and as funds allow, and to assess the plugging costs to Operator. This shall not preclude Staff from investigating additional potentially responsible parties.

E. 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. A request for hearing must comply with K.A.R. 82-1-219.

F. 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. If Operator is not in compliance with this Order and the Order is final, then Operator's license shall be suspended without further notice, shall remain suspended until Operator complies, and Staff may seal the wells on Operator's license until Operator is in compliance. The notice and opportunity for a hearing on this Order shall constitute the notice required by K.S.A. 77-512 regarding

license suspension. 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).²

G. 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.

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Duffy, Commissioner

Dated: 08/05/2021



Lynn M. Retz
Executive Director

Mailed Date: 08/05/2021

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² 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).

NOTICE OF VIOLATION

June 10, 2021

David Farthing
Three Rivers Exploration, LLC
538 ROAD 20
OLPE, KS 66865-9350

Re: Unplugged Well(s) on Expired License #33217

Operator:

Unplugged well(s) are on your expired license, **which violates K.A.R. 82-3-120**. Attached is a list of the unplugged well(s). Please do one of the following:

- Renew your license, or obtain a new license and transfer the well(s) to that license,
- Transfer the well(s) to another operator by filing T-1 forms with the Commission, or
- File Well Plugging Application (CP-1) form(s) and plug the well(s).

Your deadline is June 24, 2021.

If you do not correct this violation, I will recommend a Commission Order with a \$500 penalty. The Order would also require you to plug the well(s) within 60 days. Failure to comply with the Order would automatically result in the Commission levying additional penalties against you, directing Staff to plug the wells, and assessing plugging costs to you.

You must immediately shut-in all wells and cease oil and gas operations until compliance is achieved.

For help renewing or obtaining a license, contact Nancy Borst at 316-337-6194.

For help transferring wells, contact Deanna Garrison at 316-337-6209.

For help with CP-1 forms, contact Rick Hestermann at 316-337-6193.

If you have further questions, you may contact me by calling our main number at the top of this letter.

Sincerely,

Nancy Borst
Administrative Specialist

Exhibit A

Three Rivers Exploration, LLC License: 33217

<u>Unplugged Wells on Operator's License</u>				
API Well #	Lease Name / Well #	Well Location	County	
15-017-19018-00-00	WEST LEEDY 9	25-22S-9E, N2NESW	CHASE	
15-017-19019-00-00	NW LEEDY 2	25-22S-9E, SESENE	CHASE	
15-017-19020-00-01	LEEDY 5	25-22S-9E, W2SESW	CHASE	
15-017-20213-00-00	BIG SPRING 1	25-22S-9E, SWSENE	CHASE	
15-017-20229-00-00	BIG SPRINGS 2	25-22S-9E, SESENE	CHASE	
15-017-20408-00-00	BIG SPRING 3	36-22S-9E, SWNENW	CHASE	
15-017-20927-00-00	BIG SPRINGS 21	36-22S-9E, NWNWNENE	CHASE	
15-073-22653-00-02	WADDELL (BLEDSE) 4	15-23S-10E, SWSWNW	GREENWOOD	
15-073-22841-00-00	WADDELL (BLEDSE) 5	15-23S-10E, SWNENWSW	GREENWOOD	
15-073-22988-00-00	WADDELL (BLEDSE) 6	15-23S-10E, NWNESWSW	GREENWOOD	
15-073-24109-00-00	WADDELL 1-A	15-23S-10E, NESENSW	GREENWOOD	
15-073-24129-00-00	WADDELL 2-A	15-23S-10E, NENWNWSW	GREENWOOD	
15-073-24226-00-00	WADDELL 3A	15-23S-10E, SWNWNWNW	GREENWOOD	

CERTIFICATE OF SERVICE

22-CONS-3045-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 08/05/2021.

NANCY BORST
KANSAS CORPORATION COMMISSION
CENTRAL OFFICE
266 N. MAIN ST, STE 220
WICHITA, KS 67202-1513
n.borst@kcc.ks.gov

DAVID FARTHING
THREE RIVERS EXPLORATION LLC
538 ROAD 20
OLPE, KS 66865-9350

KELCEY MARSH, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
CENTRAL OFFICE
266 N. MAIN ST, STE 220
WICHITA, KS 67202-1513
k.marsh@kcc.ks.gov

/S/ DeeAnn Shupe

DeeAnn Shupe