

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

In the matter of concerns raised by Somerset Energy,) Docket No. 25-CONS-3283-CMSC
Inc. and the Eastern Kansas Oil and Gas Association)
(EKOGA) regarding Staff's enforcement of) CONSERVATION DIVISION
Commission rules and regulations under K.A.R. 82-)
3-100 et seq. and K.A.R. 82-3-400 et seq.) License No: N/A

PRE-FILED DIRECT TESTIMONY OF

RYAN A. HOFFMAN

ON BEHALF OF COMMISSION STAFF

OCTOBER 31, 2025

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

2 A. Ryan A. Hoffman, 266 N. Main St., Ste. 220, Wichita, Kansas 67202.

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

4 A. I am employed by the Kansas Corporation Commission (KCC) as Director of the
5 Conservation Division.

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

7 A. I received my Bachelor of Arts degree in Political Science from the University of Kansas in
8 2004 and my Juris Doctorate from Washburn University School of Law in December of 2007
9 where I also achieved a Certificate in Natural Resources Law. I was a Legislative Fellow for
10 the Kansas Legislative Research Department during the 2008 legislative session where I
11 helped staff various legislative committees. I began as a Litigation Counsel with the KCC
12 Conservation Division in August of 2008. As Litigation Counsel, my duties included drafting
13 and reviewing Penalty Orders and various Applications, attending Oil and Gas Advisory
14 Committee meetings and legislative hearings, and providing advice on regulatory matters to
15 Conservation Division staff.

16 I was later promoted to Director in June of 2013. As Director, I chair the Oil and Gas
17 Advisory Committee established by K.S.A. 55-153. I also represent the KCC as a member
18 of the Executive Committee on the Board of Directors for the Groundwater Protection
19 Council, and I was appointed as the Associate Representative for Kansas on the Interstate
20 Oil and Gas Compact Commission (IOGCC) by Governor Brownback in 2014. I have served
21 as the Chair of the Legal and Regulatory Affairs Committee and as the Chair of the Council
22 of Oil and Gas Attorneys for the IOGCC. Further, I'm currently serving my second term as
23 President of the Oil, Gas, and Mineral Law Section of the Kansas Bar Association.

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

2 A. Generally speaking, I oversee the daily operations of the Division. I directly supervise the
3 four Professional Geologist Supervisors who oversee District Office operations, as well as
4 three Central Office Supervisors who are responsible for the Environmental Remediation
5 Department, Underground Injection Control and Production Departments, and the
6 Administrative Department. I also share oversight of the two Litigation Counsels housed
7 within the Conservation Division. When necessary, I brief the Commissioners on emerging
8 issues and provide testimony to the Legislature on matters related to the regulation of the oil
9 and gas industry in Kansas.

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

11 A. Yes.

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

13 A. The purpose of my testimony is to address the concerns of the Eastern Kansas Oil and Gas
14 Association (EKOGA) and Somerset Energy, Inc. (Somerset) that Staff is using a widespread
15 Staff practice of leveraging injection authority and other approvals or authorizations, such as
16 approval of T-1 forms, in order to require operators to accept responsibility for abandoned
17 wells under K.S.A. 55-179.

18 **Q. Are you aware of Staff leveraging injection authority and other approvals or**
19 **authorizations, such as approval of T-1 forms, in order to compel operators to accept**
20 **responsibility for abandoned wells under K.S.A. 55-179?**

21 A. Staff does not compel operators to accept abandoned wells, and I am unaware of any instance
22 or widespread practice in which Staff has required operators to accept wells for which they
23 do not appear to be a responsible party as defined under K.S.A. 55-179. My understanding

1 is that Staff works with operators to address issues such as abandoned wells that fall within
2 the area of review of permitted injection wells as part of performing their duties to protect
3 usable water, prevent waste, and protect correlative rights. Staff works with operators by
4 notifying the operators of issues that have come to Staff's attention regarding permitted
5 injection wells and allow operators to make a business decision in how they would like to
6 address those issues.

7 **Q. When did the KCC obtain primacy over administering permits for Class II injection**
8 **wells in the State of Kansas?**

9 A. The KCC's UIC Program was granted primacy over the implementation of the Class II well
10 program in Kansas under Section 1425 of the Safe Drinking Water Act in February 1984.
11 The KCC holds primary enforcement authority over Class II wells, except for Class II wells
12 used for the underground storage of liquid hydrocarbons, for which the Kansas Department
13 of Health and Environment (KDHE) was granted primary enforcement authority.

14 **Q. Where can someone find the Commission's rules regarding injection wells?**

15 A. The Commission's rules and regulations for injection wells can be found under K.A.R. 82-
16 3-400 et. seq. Mr. Todd Bryant discusses some of the injection well regulations applicable
17 to this matter in more detail in his testimony.

18 **Q. Are the Commission's regulations subject to audit from the Environmental Protection**
19 **Agency (EPA)?**

20 A. Yes. The EPA's stated goal is to perform a comprehensive program review every four years.
21 A comprehensive program review is a periodic, formal evaluation of the KCC's
22 administration of Class II wells within the State of Kansas to assess its effectiveness and
23 deficiencies, and to provide recommendations for improvement. The review begins with the

1 submission of an in-depth questionnaire covering the state's UIC program. Upon the
2 completion of the EPA's review of the responses, additional follow-up questions are
3 developed and presented to the KCC during the onsite review meeting that is held with the
4 Conservation Division Director and UIC Director. During the onsite program review,
5 members from the EPA's Region VII office in Kansas City will travel to the KCC Central
6 Office in Wichita to interview the KCC UIC program representatives and audit the state UIC
7 program files.

8 **Q. When is the last time the EPA performed an audit of the KCC's UIC department?**

9 A. The last audit was performed by EPA Region VII on April 2, 2025. The Comprehensive
10 Underground Injection Control Program Evaluation Report that we received after the audit
11 was conducted indicates that the KCC is operating its UIC program consistent with its
12 primacy approval.

13 **Q. Did Staff request that the EPA look at this specific issue as part of their audit?**

14 A. Yes. During the audit, Staff requested that the EPA look at issues pertaining to the present
15 matter. Specifically, Staff asked the EPA to look at a situation where a previously unknown
16 abandoned well is identified and falls within the Area of Review (AOR) of a nearby injection
17 well. Once KCC Staff makes that determination, Staff notifies the injection well operators
18 with potential AOR conflicts to cease injection until the well of concern has been brought
19 into compliance with the KCC's rules and regulations. Staff only requires an operator to
20 bring the abandoned well into compliance with the Commission's rules and regulations or in
21 the alternative, to stop their injection operations if the abandoned well penetrates the zone of
22 injection. If the depth of the abandoned well at issue is unknown, then Staff acts under the
23 assumption that the well penetrates the injection zone. Essentially, Staff is not forcing

1 operators to plug a well they are not responsible for. Staff is requiring operators to make a
2 business decision by choosing to bring the abandoned well into compliance or choosing to
3 stop their injection. An operator can bring the well into compliance by adding the well to its
4 license and returning the well to service or obtaining temporary abandonment (TA) status for
5 the well, by plugging the well, or giving up its injection permit.

6 **Q. What were the EPA's findings regarding Staff's interpretation and enforcement?**

7 A. The EPA determined that the quarter mile radius analysis conducted by the KCC on newly
8 identified abandoned wells to assess the potential impact of nearby injection activities on the
9 waters of the State is a notable operational strength. The report further states that this analysis
10 helps prevent waste and protects underground sources of drinking water from nearby
11 injection activities. I have attached copies of the relevant pages from the EPA's report to my
12 testimony as *Exhibit RH-1*.

13 **Q. What are some of the potential repercussions if KCC Staff is not properly implementing**
14 **the regulations where it took over primacy from the EPA?**

15 A. If the EPA determined that KCC Staff was not properly implementing the regulations it took
16 over through primacy, then it could lead to a range of actions from a decrease in federal
17 funding to the EPA taking primacy for the program back from the KCC.

18 **Q. Is there any validity to the argument that Staff is compelling operators to accept**
19 **responsibility for abandoned wells they are not legally responsible for under K.S.A. 55-**
20 **179?**

21 A. No. Staff is not requiring or taking the position that operators are responsible for wells under
22 K.S.A. 55-179. Mr. Bryant's testimony discusses this matter in more detail, but nowhere in
23 Staff's letters to operators does Staff allege that the operator is responsible for the well under

1 K.S.A. 55-179. However, just because an operator is not responsible for an abandoned well
2 does not mean that the abandoned well does not impact the factors under which an injection
3 well was initially permitted. At that point, it is up to the operator to make a business decision
4 on how it wishes to proceed. The operator can either make the business decision to address
5 the abandoned well and maintain its injection authority, or the operator can make the business
6 decision to not address the abandoned well. In that case Staff will administratively revoke
7 the injection authorization for the impacted injection wells.

8 It appears that EKOGA and Somerset are advocating for a situation where they are able to
9 continue using their injection wells without mitigating potential abandoned wells, which
10 alters the factors under which injection wells were initially permitted. While there may not
11 be an impact visible at the surface, there is still the potential that pollution is happening
12 beneath the surface. This creates a broader policy issue that Staff's inability to enforce its
13 regulations could lead to pollution of fresh and usable water. Since the abandoned wells at
14 issue would still need to be addressed, the abandoned wells would likely have to be plugged
15 with fee funds. The current abandoned well plugging fund does not contain sufficient funds
16 to handle this increase in plugging so it could also lead to a greater need to raise the mill rate,
17 operator licensing fees, and financial assurance to offset the increased plugging costs.

18 **Q. EKOGA and Somerset have also alleged that Staff is leveraging the approval of T-1**
19 **forms in order to require operators to accept responsibility for abandoned wells under**
20 **K.S.A. 55-179. Do you believe such a statement is accurate?**

21 A. No. I am unaware of Staff requiring operators to accept responsibility for abandoned wells
22 under K.S.A. 55-179. I am aware of a docketed matter where Staff initially was opposed to
23 processing T-1 forms based on outstanding issues but ultimately determined that the T-1

1 forms could be processed and the wells transferred to the new operator. However, UIC Staff
2 determined whether it was appropriate for the injection authority of each injection well to be
3 processed. I believe that is how Staff intends to handle issues with T-1 forms moving forward.
4 Mr. Bryant goes into more detail in his testimony, but the Commission's rules and regulations,
5 specifically K.A.R. 82-3-410, provides that injection authority for injection wells shall not be
6 transferred without the approval of Staff. I believe that Staff has the ability and authority to
7 operate within the Commission's regulations.

8 **Q. Does Staff enforce the UIC and well transfer regulations uniformly across the state?**

9 A. Yes. While there are certain regulations, like well spacing or surface casing cementing, that
10 are regionally specific, the UIC regulations and well transfer regulations are uniform across
11 the state.

12 **Q. What is your recommendation in this matter?**

13 A. I believe the evidence provided in this matter provides the Commission with sufficient basis
14 to find Staff is adequately enforcing the rules and regulations pertaining to injection authority
15 and the transfer of said authority when newly discovered abandoned wells are found near
16 authorized injection wells. The recent EPA audit discussed in my testimony above supports
17 such a finding and commends the way Staff has approached the issue. Further, I recommend
18 and ask that any Commission order finding that Staff is adequately enforcing the rules and
19 regulations become a Precedential Order in order to further establish this policy moving
20 forward.

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

22 A. Yes.

Comprehensive Underground Injection Control Program Evaluation of the Kansas Corporation Commission

April 2025

Conducted by:
Marina Mahler
Nick Laskares
Ben Meissner

United States Environmental Protection Agency
Region VII Water Division
Groundwater and Drinking Water Branch
Underground Injection Control Program

A. Executive Summary

The review conducted by the Environmental Protection Agency – Region 7 (EPA) of the Kansas 1425 Underground Injection Control (UIC) program finds that the Kansas Corporation Commission (KCC) is operating their 1425 UIC program consistent with its primacy approval. The review findings indicate the program is effective in all areas of the delegated UIC regulatory program. These areas include financial assurance, enforcement and compliance, seismicity, reporting, well construction and operations, area of review (AoR), and data management along with other topics. The review findings indicate the program is strong in all aspects of UIC regulatory authority. State regulations are continually reviewed and updated to provide any necessary changes and to comply with federal requirements. There are several areas of operational strength within the KCC UIC program that deserve recognition:

- The quarter mile radius analysis conducted by the KCC on newly identified wells to assess the potential impact of nearby injection activities on the Waters of the State is a notable operational strength. This analysis helps prevent waste and protects underground sources of drinking water from nearby injection activities.
- The KCC deserves commendation for efficiently utilizing and maximizing federal and state grant funds to address and properly plug numerous abandoned wells across the State of Kansas. This includes the use of salvage recovery to extend the funds for the program to address additional wells.
- The KCC is also commended for its continued collaboration with other state agencies during seismic events, facilitating data collection and sharing to pinpoint and mitigate potential hazards, and informing the public when necessary.
- The implementation and use of the electronic storage database for well reports and permit information, integrated with the KOLAR and RBDMS system for tracking permitting decisions, status, and compliance, is a positive and robust aspect of the program that supports KCC personnel.

While the overall operation of the UIC 1425 program is robust, there are areas where the EPA can offer recommendations for improvement to the program:

- The EPA recommends that the KCC phase out permitting of dual completion wells that are used for both injection and production due to the limitations and inaccuracies of mechanical integrity testing methods for such wells. The lack of assured integrity can adversely affect the waters of the state as well as oil and/or gas production zones.
- The EPA suggests that the KCC continue its pursuit of an electronic submission platform/system to alleviate the administrative and compliance burdens of KCC staff and operators.
- The EPA recommends developing a separate application/process for area permits. The KCC's proposal for modification to the area permit application process to extend the notification requirement of register of deeds to include all property owners within a half-mile radius of the permit AoR is sound. Expanding the notification boundary would enhance awareness, facilitate interaction between among stakeholders, and improve record-keeping for future property transactions affected by the potential permit.
- The EPA suggests updating or creating a mechanism that allows the KCC to increase fees and bond or credit requirements for financial responsibility to account for inflation and modern plugging and abandonment costs, as amounts established in 1984 have not been adjusted.

an enforcement action will be issued, and a hearing before the Commissioners will occur if the operator appeals the enforcement action.

Modifications requested by the owner/operator of any injection well permit may be made only upon application to the conservation division. Each application shall be submitted on the U-8 Form: Application to Amend Injection Permit (Appendix I). The U-8 form is specifically designed to amend the permit, pressure, number of wells, construction etc. The applicant shall give notice of the application to modify according to the provisions of K.A.R. 82-3-135a. Notice of the application must be given on or before the date of the application is filed with the conservation division by mailing or delivering a copy of the application of the following: (1) each operator or leasee of record within a one-half mile radius of the well or of the subject acreage; (2) each owner of record of the minerals in unleased acreage within a one-half mile radius of the well or of the subject acreage; and (3) the landowner on whose land the well affected by the application is located. The commission issued an order interpreting what constitutes as standing when a protest is filed and adopted a two-part standing rule from docket 17-CONS-3689-CUIC (Appendix J).

Permit modifications, such as an increase in rate or pressure, changes in well construction, or adding a well to an EOR permit, are considered a major permit modification. A major modification requires submitting the U-8 form and require notice as specified in K.A.R. 82-3-408. In contrast, a minor permit modification, which can involve a decrease in injection pressure or reduction in permitted volume, do not require notice.

Site visits for compliance and advance permitting decisions are conducted on rare occasions, typically in cases of significant public interest, complaints, or protests from landowners or adjacent operators.

The fluid types used in Class II enhanced recovery operations are the same that are used in disposal wells. Operators must obtain approval from KCC for any other chemical additives that they use. Furthermore additional additives must also be submitted to the EPA for approval.

F. Area of Review

The KCC uses a fixed radius of a quarter mile to determine an AoR. Typically, a Zone of Endangering Influence (ZEI) calculation is not required for AoR determinations. However, if a well of concern was located just outside the quarter-mile radius or if a production well is within the quarter-mile radius, KCC would conduct a ZEI calculation to ensure the well(s) would not be negatively impacted. If the ZEI came back smaller than the quarter-mile fixed radius, the KCC would still require the larger of the two radii. For all area permits, the KCC utilizes the fixed quarter-mile radius from each injection well within the permitted area.

The KCC adheres to K.A.R. 82-3-403, which covers permitting factors during application approval to address corrective action for other wells found within an AoR. The conservation division considers various permitting factors, including the construction of all oil and gas wells within a quarter-mile radius of the proposed injection well, plus all abandoned, plugged, producing, and other injection wells. This aims to confine fluids introduced into the proposed injection zone to that zone. If deemed necessary by the conservation division for the protection of fresh and usable water, this radius may be determined pursuant to 40 C.F.R. 146.6(a)(2), as published July 1, 2000. If the well does not meet this criteria, it must be brought into compliance before a permit can be issued.

When a new abandoned well is identified, an area of review is performed around the well. The KCC then notifies any injection well operators with potential AoR conflicts to cease injection until the well of

concern has been brought into compliance with the KCC's rules and regulations. Corrective action is only required if the well penetrates the confining zone. Permits issued since 2015 contain language that allows KCC to halt injection while an investigation is underway. When the statutes were revised in 2021, groups, potentially responsible parties, for plugging abandoned wells were listed. Applications from these parties will be denied or existing permits will be revoked. If the abandoned wells are not brought into compliance under the revised rules and regulations.

G. Well Construction and USDW Protection

The KCC has requirements for the construction of new Class II wells which exist to protect underground sources of drinking water (USDWs). These requirements can be found under three sets of regulations: (1) K.A.R. 82-3-103 requires the permit applicant to provide specific information related to the operator information, well location, site specific information, operating information, etc.; (2) K.A.R. 82-3-106 sets surface casing and cementing requirements and requires well construction to be protective of USDWs. Specific well construction can vary by county due to county specific mandates and (3) K.A.R. 82-3-107 covers the preservation of well samples, cores, and logs as well as the penalties for not complying with regulations. In addition to the above requirements, the MWSC-1: Monthly Wireline Service Company Report (Appendix K) must be submitted by each wire line service company to document all logging services performed on each well.

K.A.R. 82-3-106 Table I (Appendix L), established by KCC order in 1991, outlines the surface casing requirements for each county in Kansas to safeguard fresh and usable water. Table I is not typically reviewed on a regular schedule, however, if evidence was provided that usable water was found deeper than Table I states, additional surface casing would be required.

The KCC maintains and regularly updates maps that show the extent, both vertically and horizontally, of USDWs in the state of Kansas. This information is used internally by the KCC to establish the minimum requirements for each county, as outlined in the Rules and Regulations. If wells are converted from production well to injection wells, the casing strings must be cemented into place when passing through any USDW.

The KCC currently permits dual completed production and disposal wells as specified in K.A.R. 82-3-401(b) and (c). In addition to the standard requirements, applications for dually completed injection and production wells must show that the producing interval lies above the injection interval. Before a well is dually completed, the applicant shall demonstrate that the well has mechanical integrity from a point immediately above the producing interval to the surface, as specified in K.A.R. 82-3-407. The GWPC has previously recommended that the KCC phase out this type of completion in the State of Kansas Class II UIC Program Peer Review, published in September 2020.

A current dual-completion well, that was opposed by KCC staff but ultimately permitted by the Commissioners, is proving problematic for the reasons KCC staff cited during the permitting hearings. Details of the hearing and KCC protestations are provided in Docket No. 23-CONS-3080-CUIC (Appendix M).

The agency should consider discontinuing the permitting of dual completed production and disposal wells due to the insufficient protection of USDWs, the challenges of executing accurate mechanical integrity tests (MITs) below the packer, the presence of sluff and well debris that makes critical points prone to corrosion and potential failure points. In addition, methods of troubleshooting potential issues

3. Where in the current KCC UIC regulations are there provisions that address “corrective action” for other wells found in an AOR?

82-3-403. PERMITTING FACTORS; APPLICATION APPROVAL.

(a) Permitting factors. When a permit authorizing injection is issued, the following factors shall be considered by the conservation division:

- (5) the construction of all oil and gas wells within a ¼-mile radius of the proposed injection well, including all abandoned, plugged, producing, and other injection wells, to ensure that fluids introduced into the proposed injection zone will be confined to that zone. If deemed necessary by the conservation division to ensure the protection of fresh and usable water, this radius may be determined pursuant to 40 C.F.R. 146.6(a)(2), as published July 1, 2000, which is hereby adopted by reference. If the well does not meet this criteria it must be brought into compliance before a permit is issued.

3a. *EPA Follow-up Question: Are there situations where a previously unknown artificial penetration is located within an existing injection wells area of review? If so, what process does KCC take to ensure the protection of fresh and useable water?*

When such a well is identified, an AoR is established around the newly identified well and operator(s) of well(s) within the newly AoR notified with the options to cease injection activities or to properly plug and abandon the identified well. Completion depth of the newly identified well is taken into account. Permits issued since 2015 contain language that allows for KCC to cease injection and alter permit conditions during an investigation into the newly identified well. When regulations were revisited in 2021, they listed groups of responsible parties for plugging activities. KCC gives operators the choice to address the corrective actions needed for the found well or to cease injection activities until the well can be addressed by the KCC.

4. How are wells in need of corrective action but outside of the permit applicant’s control dealt with or does that stop the permit from being issued?

The application will be denied unless the well can be brought into compliance.

E. Well Construction and USDW Protection:

1. What are the requirements for how new Class II wells are to be constructed?

The requirements for a new Class II well is the same as any well drilled.

82-3-103. NOTICE OF INTENTION TO DRILL; PENALTY.

(a) Notice required.

- (1) Intent to drill. Unless otherwise provided by K.A.R. 82-3-115a or K.A.R. 82-3-701, the owner, operator, or any other person responsible for a drilling operation shall submit written notice of the intention to drill to the conservation division for permit approval before the commencement of drilling operations for any of the following:

CERTIFICATE OF SERVICE

25-CONS-3283-CMSC

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 October 31, 2025.

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