20250828152210 Filed Date: 08/28/2025 State Corporation Commission of Kansas

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the matter of the failure of Somerset Energy,)	Docket No. 25-CONS-3431-CPEN
Inc. (Operator) to comply with K.A.R. 82-3-113)	
and K.A.R. 82-3-117 regarding the Nevius)	CONSERVATION DIVISION
#OW-6 in Miami County, Kansas.)	
)	License No. 6143

PRE-FILED TESTIMONY OF

TROY RUSSELL

ON BEHALF OF COMMISSION STAFF

AUGUST 28, 2025

- 1 Q. What is your name and business address?
- 2 A. Troy Russell, 137 West 21st Street, Chanute, Kansas 66720.
- 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,
- 5 District #3 Office, as the District #3 Professional Geologist (P.G.) Supervisor.
- 6 Q. Would you please briefly describe your background and work experience.
- 7 A. I received my Bachelor of Science degree from Kansas State University in 1989. I began
- 8 work with the State of Kansas as a Geologist in 1991. I received my P.G. license in 1992. I
- 9 came to work in the Chanute District #3 Office within the Conservation Division of the KCC
- in 1997 as a P.G., primarily overseeing site remediation of environmental impacts to soil and
- water resources resulting from oil & gas producing activities. I became the District #3
- Supervisor, P.G. in 2017.
- 13 Q. What duties does your position with the Conservation Division involve?
- 14 A. I oversee the daily operations in District #3 as related to oil and gas activities. I supervise
- two Public Service Administrators, eleven Environmental Compliance and Regulatory
- Specialists (ECRS), and two District Geologists.
- 17 Q. Have you previously testified before this Commission?
- 18 A. Yes.
- 19 Q. What is the purpose of your testimony in this matter?
- 20 A. The purpose of my testimony is to discuss the evidence supporting the Commission's
- findings in regard to the Penalty Order issued against Somerset Energy, Inc. (Operator) in
- Docket 25-CONS-3431-CPEN (Docket 25-3431). My testimony will discuss Operator's

- violation of K.A.R. 82-3-113(b). The violations concerning K.A.R. 82-3-113(a) and K.A.R.
- 2 82-3-117 will be addressed by Ms. CeLena Peterson.
- 3 Q. Please provide a brief overview of the facts in this docket.
- 4 A. Operator was penalized for violating K.A.R. 82-3-113(a) for failing to file a Well Plugging
- 5 Application (CP-1) form prior to plugging the Nevius #OW-6 well (Subject Well), K.A.R.
- 6 82-3-113(b) for failing to properly notify Commission Staff of its proposed plugging plan at
- 7 least five days prior to plugging the Subject Well, and K.A.R. 82-3-117 for failing to file a
- Well Plugging Record (CP-4) form with the Commission within 60 days of plugging the
- 9 Subject Well.

10 Q. What are the requirements of K.A.R. 82-3-113(b)?

- 11 A. K.A.R. 82-3-113(b) concerns plugging instructions and scheduling. It provides that upon
- receipt of the notice required by K.A.R. 82-3-113(a), the notice shall be acknowledged by
- the Conservation Division by letter to the operator. The letter shall provide instructions to
- the operator including the name of the district office that is to be notified, and a requirement
- that the operator submit a proposed plugging plan. This regulation also provides that the
- operator shall notify the appropriate district office of the operator's proposed plugging plan
- no later than five days before the plugging. Attached to my testimony as *Exhibit TR-1* is an
- example of what the acknowledgment letter from the Conservation Division looks like. The
- very first sentence of that letter informs operators to notify the District #3 office of their
- proposed plugging plan at least 5 days before plugging the well.
- Q. Why is it important for operators to give Staff such notice prior to plugging a well?
- 22 A. It is important because it allows Staff the ability to ensure that it has someone available to
- witness the plugging of the well. When an Operator contacts the office to schedule plugging

- a well, then Administrative Staff capture the call and place it on schedule. Administrative
- 2 Staff then will go to RBDMS and check that the well status is Approved for Plugging "AX".
- Then they will send a PDF of a screenshot from RBDMS with the specific well information
- 4 to field staff which notifies them of the scheduled plugging. The KCC program managers /
- 5 field staff will contact operator and witness if scheduling allows. Here, Staff wanted to be
- 6 present while the Subject Well was being plugged, but Operator did not provide sufficient
- 7 notice of its plan to plug the well to allow Staff the ability to witness the plugging.
- 8 Q. Does the regulation provide an exception to the notice requirement outlined in K.A.R.
- 9 **82-3-113(b)**?
- 10 A. Yes. K.A.R. 82-3-113(c) provides that exceptions from the notice requirement on the
- plugging of wells may be granted by the district office if either (1) a drilling rig already at
- work on location is ready to commence plugging operations on a dry and abandoned well or
- 13 (2) an emergency situation exists.
- 14 Q. Did either of these circumstances exist which would warrant an exception?
- 15 A. No. Additionally, Operator did not request an exception to the notice requirement.
- 16 Q. When was the Subject Well plugged?
- 17 A. District #3 Staff determined that the well was plugged on March 25, 2025. A copy of the
- technician's report is attached to my testimony as *Exhibit TR-2*.
- 19 Q. When did Operator call in to request plugging instructions?
- 20 A. District #3 phone logs indicate that Operator called the District Office to request plugging
- 21 instructions at 8:02 a.m. on March 25, 2025. During that phone call Operator indicated that
- 22 it would start plugging the Subject Well at 9:30 a.m. Attached to my testimony as *Exhibit*
- 23 TR-3 is a copy of the phone log entry of when Staff received a phone call from Mr. Town to

- schedule the plugging for the Subject Well and a copy of the District #3 calendar for March
- 2 25, 2025. In this case, Operator failed to appropriately notify District #3 Staff that it was
- 3 going to plug the Subject Well.
- 4 Q. Did you inform Operator that you would like sufficient notification prior to the Subject
- Well being plugged in order to allow Staff the ability to witness the plugging?
- 6 A. Yes.
- 7 Q. Did you have any prior conversations with Operator about plugging the Subject Well?
- 8 A. I visited with Mr. Lance Town on January 21, 2025, and March 25, 2025, regarding this
- 9 situation. During the first conversation I informed Mr. Town that a CP-1 form would need
- to be filed prior to plugging the well, and that I wanted the plugging operation scheduled so
- that District Staff would have the opportunity to witness the plugging operation. During the
- second conversation I expressed my frustration that District Staff had not been given enough
- time to be on site to witness the plugging operation. In addition, I informed him that a CP-1
- form had not been filed and that a CP-4 form would be expected from Operator.
- 15 Q. Please summarize your recommendations.
- 16 A. I believe the evidence presented in my testimony and the testimony provided by Ms. Peterson
- supports the Penalty Order which was issued by the Commission. I would recommend that
- the Commission affirm the penalty order in the captioned matter.
- 19 Q. Does this conclude your testimony?
- 20 A. Yes.

Conservation Division 266 N. Main St., Ste. 220 Wichita, KS 67202-1513



Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Laura Kelly, Governor

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

April 04, 2025

Lance Town Somerset Energy, Inc. 4453 SHAWNEE ROAD WELLSVILLE, KS 66092-0716

Re: Plugging Application API 15-121-02354-00-01 YOUNG 1 W S NE/4 Sec.20-16S-24E Miami County, Kansas

Dear Lance Town:

The Conservation Division has received your Well Plugging Application (CP-1).

Under K.A.R. 82-3-113(b)(2), you must notify DISTRICT 3 of your proposed plugging plan at least 5 days before plugging the well. DISTRICT 3's phone number is (620) 902-6450. Failure to notify DISTRICT 3, or failure to file a Well Plugging Record (CP-4) after the well is plugged will result in a penalty recommendation.

Under K.A.R. 82-3-600, you must file an Application for Surface Pit (CDP-1) if you wish to use a workover pit while plugging the well. Failure to timely file a CDP-1, failure to timely remove fluids, or failure to timely file Closure of Surface Pit (CDP-4) or Waste Transfer (CDP-5) forms will result in a penalty recommendation.

This receipt does NOT constitute authorization to plug this well if you do not otherwise have the legal right to do so.

This receipt is VOID after October 01, 2025. If the well is not plugged by then, you will have to submit a new CP-1 if you wish to plug the well.

The October 01, 2025 deadline does NOT override any compliance deadline given to you by Legal, District, or other Commission Staff. Failure to comply with any given deadline will still result in the Commission assessing penalties, or taking other legal action.

Sincerely, Production Department Supervisor

cc: DISTRICT 3

TO: STATE CORPORATION COMMISSION CONSERVATION DIVISION - PLUGGING 266 N. Main St., Ste. 220 Wichita, KS 67202-1513	API Well Number: 15-121-02901-00-00 Spot: SESWNE Sec/Twnshp/Rge: 17-16S-24E 2956 feet from S Section Line, 1926 feet from E Section Line Lease Name: NEVIUS Well #: OW-6 County: MIAMI Total Vertical Depth: 600 feet
Operator License No.: 11 Op Name: NOT CONFIRMED Address:	
Well Type: OIL UIC Docket	No: Date/Time to Plug: 03/25/2025 9:30 AM
Plug Co. License No.: 34059 Plug Co. Name	: <u>HURRICANE SERVICES, INC</u>
Proposal Revd. from:	Company: Phone:
Proposed Plugging Method:	
Plugging Proposal Received By:	WitnessType: NONE
Date/Time Plugging Completed: 03/25/2025 9:30 A	* *
Actual Plugging Report:	Perfs:
3/24/2025- Somerset Energy, Inc. cutoff the bentover 8 2" tubing and brought everything back to surface. They was inside of the 2" tubing. The .75" tubing was set on 600'. 3/25/2025- Huirricane Services arrived on locat Somerset Energy, Inc pulling unit. Somerset had ran 1 hurricane pumped 10 sacks of cement which circulated inch out of the 2 inch. Hurricane topped off the inside then hooked onto the 2 inch and squezzed 5 sacks of coutisde of the 2 inch and the inside of the 5.5: casing to 20 sacks of cement which circulated to surface. Somer and ran down the outside of the 5.5" casing and inside Hurricane mixed and pumped 25 sacks of cement which the 1 inch out of the well. Hurricane topped off all the 70 sacks of cement used total (60 percent Cement 40 p	y then pulled 30 joints of .75" tubing that a packer inside the 2" at approximalty ion to begin the plugging behind inch to 600' inside of the 2" casing and I to surface. Somerset then pulled the 1 of the 2 inch with 5 sacks of cement and ement away. Then Somerset ran 1 inch to 340 feet. Hurricane mixed and pumped set then pulled out the 1 inch out of well of the 8.625" casing down to 85 feet. Sch cirulated to surface. Somerset pulled casings using another 5 sacks of cement.
Remarks:	
Plugged through: <u>TBG</u>	
District: 03	Signed Keith Carswell

Form CP-2/3

(TECHNICIAN)

	AI-12, AI-14, AW3 Sec. 17-16-24E MI.Co. bd							
Phone	Ryan H Plugging Town Oil, NEVIUS OW-6 15-121-02901, SEC 17-16-24E, MI CO. JS	Lance Town - Town Oil	Well Plugging	Hermreck, Ryan	Conservation Chanute - DIST3	Stirewalt, Julie	March 25, 2025, 8:02 a.m.	-

M	arch 25, 2025	March 2025 April 2025 SuMo TuWe Th Fr Sa SuMo TuWe Th Fr Sa
	sday	1 2 3 4 5 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31
	TUESDAY	
	25	
7 ^{AM}		
8	Brad MITs McFadden C Dallas No. Co. Courthou J. Shaffer Field R	pt & So Jason Work on Field Rep Levi S Field Reports; J(
	Brad Follow up on spills #32280,#32281 Cı Levi B Spill # 32334 - Fil	e Info and Upda Ryan H. and Keith Finkenbinder lease Sec
9	Ryan T Retest MIT Birk Petroleum, WRIGH Thad Plugging Bottom (A	A} Warhorse Pet Thad Plugging Elmore, John R L BERLIN 26
	Ryan H Plugging Town Oil, NEVIUS OW-6 15-121-02901, SEC 17-	ad MIT Schindler Oil LEU KATIE 3 SWD, #D-27103 Sec. 33-22
10	Brad LS Colt End Brad MIT N & W Dallas Office DW Ryan H Pluge	Ryan T MIT Kans Ryan T Plugging Thad Plugging [,
11	Federal Plugging Prjt#4: BISH B-2, 15-125-22954; MG.Co. bd	
12 PM	Ryan H Plugging Town Oil, EVERHART 11 15-121-20306-0001, SI Ryan	an T Plugging {AA} Duke Oil, STRAHM O-14 15-207-26494, SE
1	Ryan H. Meet with landowner, Sec. 9-23-21E AN Co. RLH	an T. MIT Owens Petroleum ROBERTS 1 A, #E-19169 Sec. 4-24-
2	Brad SC Colt Energy CH Ryan H Plugging {AA} C Ryan H Plugging	Town (Ryan T. MIT Owens Oil Thad Plugging {AA} Tod
	Ryan H Plugging Town Oil,(move to Wed) EVERHART I-1 2016 15 Ryan	an T. MITs RJ Energy new wells, WOLFE MCADAM 1W, 2W, 3
3	Federal Plugging Prjt#4: BISH B 1, 15-125-26277 MG.Co. bd	an H. & Keith Plugging SAG Oil JOE PATTON 1, 15-003-02686
4		
5		
6		

CERTIFICATE OF SERVICE

25-CONS-3431-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 28, 2025.

KEITH A. BROCK, ATTORNEY ANDERSON & BYRD, L.L.P. 216 S HICKORY PO BOX 17 OTTAWA, KS 66067-0017 kbrock@andersonbyrd.com

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

TROY RUSSELL KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 3 137 E. 21ST STREET CHANUTE, KS 66720 troy.russell@ks.gov RYAN DULING KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 3 137 E. 21ST STREET CHANUTE, KS 66720 ryan.duling@ks.gov

JONATHAN R. MYERS, ASSISTANT GENERAL COUNSEL KANSAS CORPORATION COMMISSION 266 N. Main St., Ste. 220 WICHITA, KS 67202-1513 jon.myers@ks.gov

/s/ Sara Graves

Sara Graves