BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the matter of the failure of Lawco Holdings,)	Docket No. 20-CONS-3088-CPEN
LLC ("Operator") to comply with K.A.R.)	
82-3-400 at the Radcliff #7-5 well in Cowley)	CONSERVATION DIVISION
County, Kansas.)	
)	License No. 34878

PRE-FILED DIRECT TESTIMONY

OF

RENE STUCKY

ON BEHALF OF COMMISSION STAFF

FEBRUARY 7, 2020

- 1 Q. What is your name and business address?
- 2 A. Rene Stucky, 266 North Main Suite 220, Wichita, Kansas 67202.
- 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, as
- 5 Supervisor of the Underground Injection Control (UIC) Department and the Production
- 6 Department.
- 7 Q. Would you please briefly describe your educational background and work experience?
- 8 A. I have a bachelor's degree in Geology from Wichita State University in Wichita, Kansas.
- 9 After that I worked as a Petroleum Geologist in the industry for over 30 years. In 2006, I
- began my employment with the KCC as an Environmental Scientist in the UIC Department,
- where I reviewed and processed injection applications. In 2014, I was promoted to Supervisor
- of the Production Department and merged to supervise the UIC department in 2015.
- 13 Q. Have you previously testified before this Commission?
- 14 A. Yes. I have presented both pre-filed and live testimony in numerous Conservation Division
- dockets at the Commission.
- 16 Q. What duties does your position with the Conservation Division involve?
- 17 A. I manage the Conservation Division's UIC and Production Departments.
- 18 Q. Are you familiar with this docket, 20-CONS-3088-CPEN?
- 19 A. Yes, this docket involves failure to comply with K.A.R. 82-3-400, which requires an operator
- to seek and obtain Commission authority to inject at a well prior to making any injections. In
- 21 this case, Operator was found to be using the Radcliff #7-5 as a disposal well before the
- 22 Conservation Division issued a written permit granting Operator's application for injection
- authority.

1 Q. Would you please explain the specific requirements of K.A.R. 82-3-400?

- 2 A. Yes. Injection is authorized only after an operator has both: 1) filed an application for injection
- authority with the Conservation Division in accordance with K.A.R. 82-3-401, and provided
- 4 notice in accordance with K.A.R. 82-3-402; and 2) the Conservation Division has issued a
- 5 written permit granting the application.

6 Q. What is the penalty for failure to comply with K.A.R. 82-3-400?

- 7 A. The failure to obtain a written permit from the Conservation Division before beginning
- 8 injection operations is punishable by a penalty of \$1,000 for first-time violators.

9 Q. Can you briefly describe the process of applying for injection authority?

- 10 A. Yes. Under K.A.R. 82-3-401, the operator files an application for an injection well by
- 11 completing the commission approved U-1 form and submitting it to the Commission with the
- requisite application fee. As part of the notice provision of K.A.R. 82-3-402, the application
- is also sent to each landowner within the project boundaries, as well as, each operator or lessee
- of record, and each owner of record of the mineral rights of unleased acreage within ½ mile
- of the project boundaries. In addition, notice of the application shall be published in the
- official county newspaper of the county where the well is located.

17 Q. What are the facts regarding Operator's unpermitted injections at the subject well?

- A. On August 29, 2019, Operator filed its U-1 form seeking authorization to use the subject well
- for disposal at a daily injection volume of 25,000 barrels per day at a maximum daily pressure
- of 750 psi. That form is attached to the Penalty Order as *Exhibit A*. In working the request,
- 21 UIC Staff discussed the volume and parameters with Operator at 4:45p.m. on September 23,
- 22 2019, but had not yet issued the permit. On the morning of September 24, 2019, District #2

- Staff conducted a lease inspection and found the subject well being used as an injection well
- 2 despite the fact that the permit had not yet been issued.

3 Q. Did the injection permit for the Radcliff #7-5 meet all statutory requirements?

- 4 A. Yes. The well construction met the requirements put out in our regulations and proper notice
- 5 had been given. The Area of Review had been performed around the injection well and no
- 6 concerns were found. The Radcliff #7-5 also passed the necessary Mechanical Integrity Test,
- 7 which was performed on September 12, 2019.

8 Q. When was the injection permit for the Radcliff #7-5 issued?

- 9 A. The permit was actually issued at 12:56 p.m. on September 24, 2019, but only after UIC Staff
- and Operator negotiated the pressure and injection rates down to 15,000 barrels of water per
- day with a maximum surface pressure of 250 psi. A copy of the email issuing the permit was
- attached to the Penalty Order as *Exhibit D*.

O. If a permit was eventually approved for this well, why was a penalty order issued?

- A. Because the Operator was injecting at the well prior to obtaining written authorization to do
- so. It is important that injection not occur prior to the permit issuing because injection
- applications are thoroughly examined by a UIC geologist who evaluates the construction of
- the well along with any possible influence injection may have in the surrounding area. This
- work is done to confirm that fresh and usable water will be protected, and that surrounding
- correlative rights are also protected. In this case, the requested volume and maximum pressure
- requested were too high and had to be modified.

21 Q. Please summarize your recommendations.

- 22 A. I recommend the Commission affirm the Penalty Order in this docket because the Operator
- violated K.A.R. 82-3-400 by injecting into the Radcliff #7-5 well without a permit.

- 1 Q. Does this conclude your testimony as of this date, February 7, 2020?
- 2 A. Yes.

CERTIFICATE OF SERVICE

20-CONS-3088-CPEN

I, the undersigned, certify that a true copy of the attached Prefiled Testimony of Rene Stucky has been served to the following by means of electronic service on February 7, 2020.

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