

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

Before Commissioners: Andrew J. French, Chairperson
 Dwight D. Keen
 Annie Kuether

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

PENALTY ORDER

The Commission finds Operator violated K.A.R. 82-3-113 by failing to notify the Conservation Division prior to plugging a well and K.A.R. 82-3-117 for failing to timely file a well plugging report with the Conservation Division. The Commission assesses a \$300 penalty, and further rules as described below.

I. JURISDICTION

1. K.S.A. 74-623 provides the Commission exclusive jurisdiction and authority to regulate oil and gas activities in Kansas. K.S.A. 55-152 provides the Commission with jurisdiction to regulate the construction, operation, and abandonment of any well, and also the protection of the usable water of this state from any actual or potential pollution from any well. The Commission has licensing authority under K.S.A. 55-155.

2. K.S.A. 55-162(a) provides the Commission authority to issue penalty orders for violations of Chapter 55 of the Kansas Statutes Annotated, or of any rule, regulation, or order of the Commission.

3. K.A.R. 82-3-113(a) provides that before any work is commenced to plug and abandon any well drilled for the discovery of oil or gas, for underground porosity gas storage, or for disposal of salt water, or to plug and abandon any injection well for enhanced recovery,

including any well drilled below the fresh and usable water level, the operator shall give written notice to the conservation division of the intention to plug and abandon that well. The notice shall be submitted upon a form furnished by the Conservation Division and shall contain all of the information requested on it. The failure to file a notice of intention to plug and abandon a well shall be punishable by a \$100 penalty.

4. K.A.R. 82-3-113(b) regarding plugging instructions and scheduling provides that (1) upon receipt of the notice, 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. (2) The operator shall notify the appropriate district office of the operator's proposed plugging plan no later than five days before the plugging.

5. K.A.R. 82-3-117(a) provides that within 60 days after plugging any well drilled for discovery of oil or gas, for underground porosity gas storage, for disposal of salt water, or for injection for enhanced recovery, the owner or operator of the well shall file a well plugging report with the conservation division setting forth the following information: (1) the date of drilling; (2) the location of the well; (3) the method used in plugging the well; and (4) all other information required by the Commission.

II. FINDINGS OF FACT

6. Around 8:02 a.m. on March 25, 2025, Operator contacted District #3 Staff to inform them that it would be plugging the Nevius #OW-6 well (Subject Well), API #15-121-02901, at 9:30 am. Later that day, District Staff arrived on site of the Subject Well and verified that the well appeared to have been plugged.¹

¹ Exhibit A.

7. Operator did not file a Well Plugging Application (CP-1) form prior to plugging the Subject Well. To date, Staff has not received a CP-1 from Operator. Additionally, more than 60 days has passed since the Subject Well was plugged and Staff has not received a Well Plugging Record (CP-4) form from Operator.

III. CONCLUSIONS OF LAW

8. The Commission has jurisdiction over Operator and this matter under K.S.A. 74-623, K.S.A. 55-152, K.S.A. 55-155, K.S.A. 55-162, and K.S.A. 55-164.

9. Operator has violated K.A.R. 82-3-113(a) by failing to file a CP-1 form with the Conservation division prior to plugging the Subject Well. Additionally, Operator has violated K.A.R. 82-3-113(b) for failing to properly notify the Commission and receive plugging instructions at least five days prior to plugging the Subject Well.

10. Operator has violated K.A.R. 82-3-117 by failing to file a well plugging report within 60 days of plugging the Subject Well.

THEREFORE, THE COMMISSION ORDERS:

- A. Operator shall pay a \$300 penalty.
- B. Operator shall submit a complete, accurate CP-1 and a complete, accurate CP-4 for the Subject Well.
- C. 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.
- D. 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 and shall remain suspended until Operator complies. 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).

E. 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; Kuether, Commissioner

Dated: 06/24/2025



Celeste Cheney-Tucker
Executive Director

Mailed Date: 06/24/2025

KAM

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: HURRICANE SERVICES, INC
Proposal Rcvd. from: _____ Company: _____ Phone: _____

Proposed
Plugging
Method:

Plugging Proposal Received By: _____ Witness Type: NONE
Date/Time Plugging Completed: 03/25/2025 9:30 AM KCC Agent: KEITH CARSWELL

Actual Plugging Report:

Perfs:

3/24/2025- Somerset Energy, Inc. cutoff the bentover 8.625" surface casing, 5.5" casing, and the 2" tubing and brought everything back to surface. They then pulled 30 joints of .75" tubing that was inside of the 2" tubing. The .75" tubing was set on a packer inside the 2" at approximalty 600'. 3/25/2025- Huirricane Services arrived on location to begin the plugging behind Somerset Energy, Inc pulling unit. Somerset had ran 1 inch to 600' inside of the 2" casing and hurricane pumped 10 sacks of cement which circulated to surface. Somerset then pulled the 1 inch out of the 2 inch. Hurricane topped off the inside of the 2 inch with 5 sacks of cement and then hooked onto the 2 inch and squeezed 5 sacks of cement away. Then Somerset ran 1 inch outisde of the 2 inch and the inside of the 5.5: casing to 340 feet. Hurricane mixed and pumped 20 sacks of cement which circulated to surface. Somerset then pulled out the 1 inch out of well and ran down the outside of the 5.5" casing and inside of the 8.625" casing down to 85 feet. Hurricane mixed and pumped 25 sacks of cement which cirulated to surface. Somerset pulled the 1 inch out of the well. Hurricane topped off all the casings using another 5 sacks of cement. 70 sacks of cement used total (60 percent Cement 40 percent flyash and 4 percent gel)

Remarks:

Plugged through: TBG

District: 03

Signed Keith Carswell
(TECHNICIAN)

CERTIFICATE OF SERVICE

25-CONS-3431-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 06/24/2025.

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

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

LANCE TOWN
SOMERSET ENERGY, INC.
4453 SHAWNEE RD
WELLSVILLE, KS 66092-0716

/S/ KCC Docket Room

KCC Docket Room