

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

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

In the matter of a Compliance Agreement ) Docket No.: 25-CONS-3177-CMSC  
between Par Resources, LLC (Operator) and )  
Commission Staff regarding bringing one well ) CONSERVATION DIVISION  
into compliance with K.A.R. 82-3-111. )  
\_\_\_\_\_ ) License No.: 36160

**ORDER APPROVING COMPLIANCE AGREEMENT**

Commission Staff and Operator have executed the attached Compliance Agreement,<sup>1</sup> which the Commission finds provides a fair, efficient resolution of the issues described therein. Operator is currently in good standing with the Commission, and does not have any other compliance agreements at this time.

**THEREFORE, THE COMMISSION ORDERS:**

- A. The Compliance Agreement is approved and incorporated into this Order.
- B. Any party 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. Hearings will be scheduled only upon written request. Failure to timely request a hearing will result in a waiver of Operator's right to a hearing.

**BY THE COMMISSION IT IS SO ORDERED.**

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 11/19/2024



\_\_\_\_\_  
Lynn M. Retz  
Executive Director

Mailed Date: 11/19/2024

TSK

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<sup>1</sup> Attachment A.

## COMPLIANCE AGREEMENT

This Agreement is between Par Resources, LLC (Operator) (License #36160) and the Kansas Corporation Commission Staff (Staff). If the Kansas Corporation Commission (Commission) does not approve this Agreement as evidenced by a signed order of the Commission, this Agreement shall not be binding on either party.

### A. Background

1. Operator intends to file a Request for Change of Operator (T-1) form to assume responsibility for the Boles #3-11 well (Subject Well), API #15-175-20768-00-01, located in Section 11, Township 32 South, Range 34 West, Seward County, Kansas. The Subject Well is currently on the well inventory of Rfortuna, LLC (License #36101). The Subject Well is at issue in the Penalty Order in Docket 25-CONS-3056-CPEN because the Subject Well has been inactive in excess of the time allowed by K.A.R. 82-3-111 without being plugged, returned to service, or approved for temporary abandonment (TA) status. Upon approval of this Agreement by the Commission, and submission of a T-1 form for the well, Staff will process the T-1 form, making Operator responsible for the Subject Well. This Agreement provides a means for Operator to avoid penalties while working to plug the Subject Well, return the well to service, or repair and obtain TA status for the Subject Well if eligible. Obtaining TA status shall include application for, and Commission approval of, an exception to the 10-year limit on TA status if applicable.

### B. Terms of Compliance Agreement

2. Within 30 days of approval of this Agreement by the Commission, Operator shall plug, return to service, or repair and obtain TA status for the Subject Well. If the Subject Well is plugged, Operator shall remove all production equipment, backfill any surface pits, cap and bury the well below plow depth, and restore the surface as nearly as practicable to the same condition as before structures and equipment were placed on the land. This remediation shall occur within thirty days after plugging operations are completed on the Subject Well, and the remediation must be complete before the well will be considered to have been brought into compliance under this Agreement. Before Operator may obtain TA status for the Subject Well, the well must first successfully pass a Staff-witnessed casing integrity test. If the Subject Well is returned to production, Operator shall notify Staff in writing as soon as possible in order for Staff to verify the producing status of the well.

3. Operator may request an extension of time to achieve compliance for up to 30 days from an applicable deadline established under this Agreement upon good cause shown. Staff will grant or deny such request. If granted, Staff shall cause a status update to be filed in the docket

created for this matter, stating the deadline has been extended. No further extensions of the extended deadline are permitted. If denied, and Operator is out of compliance with this Agreement, or if Operator is out of compliance with this Agreement for any reason, Staff shall immediately mail a Notice of License Suspension letter to Operator, which shall suspend Operator's license and become effective 10 days from the date of the Notice of License Suspension letter. Operator's license shall remain suspended until Operator is in compliance with the compliance schedule, including any modifications contained in any status update. If Staff finds that Operator is conducting oil and gas operations after 10 days from the date of a Notice of License Suspension letter, and Operator's license remains suspended, Staff is authorized to seal all of Operator's oil and gas operations and may seek assessment of a penalty from the Commission.

4. The terms of this Agreement shall remain binding upon Operator even if its interests in the Subject Well are conveyed. Specifically, Operator shall remain responsible for the Subject Well even after it has been transferred to another operator if the well has not been returned to compliance in accordance with this Agreement. However, if the Subject Well has been brought into compliance with K.A.R. 82-3-111, it shall no longer be the responsibility of Operator under this Agreement.

5. Except as provided by and under this Agreement, Staff will not pursue Operator for any violation of K.A.R. 82-3-111 for the Subject Well prior to the date the Commission approves this Agreement plus 30 days, except for wells brought into compliance after Commission approval of this Agreement that subsequently fall out of compliance and remain the Operator's responsibility under the Operator's license.

Commission Staff

Par Resources, LLC

By: /s/Kenny Sullivan

By:  \_\_\_\_\_

Printed Name: Kenny Sullivan

Printed Name: ROBERT REED

Title: District Supervisor

Title: MANAGING MEMBER

Date: 11-14-2024

Date: 11-15-2024

**CERTIFICATE OF SERVICE**

25-CONS-3177-CMSC

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 11/19/2024.

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/S/ KCC Docket Room  
KCC Docket Room