

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

In the matter of the failure of Garo Investment Company (Operator) to comply with K.A.R. 82-3-111 at the Hrabe D #1, Hrabe D #2, Westhusin #1, and Westhusin #6 wells in Rooks County, Kansas. ) Docket No.: 24-CONS-3235-CPEN  
)  
) CONSERVATION DIVISION  
)  
) License No.: 34474

**PRE-FILED DIRECT TESTIMONY**

**OF**

**GARY D. RAY**

**JUNE 21, 2024**

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

2. A. Gary D. Ray, 65 E. Ranch Rd, Tempe, Arizona 85284-3182

3. **Q. Are you affiliated with Garo Investment Company and in what capacity?**

4. A. Sole owner

5. **Q. Please briefly describe your background and work experience?**

6. A. I am a graduate of KU, graduating in 1967 and completed the Master's program at  
7. the University of Missouri-Kansas City in 1969 and the Doctoral program at Arizona  
8. State University and graduated in 1973. I taught for 2 years at Louisiana State  
9. University and then opened a business in Salina, Kansas, known as Marketaide which  
10. provided advertising, direct mail and marketing research services. The business  
11. represented a number of industrial, agricultural and banking clients, and in 1978  
12. began representing political clients such as Bob Dole, Pat Roberts and Jerry Moran.  
13. I sold Marketaide to Harris Enterprises in 1993 and continued to serve as President  
14. for an additional 5 years at which time I retired due to heart issues. I was determined  
15. to be disabled and continue to be so.

16. I invested in the Rooks County wells in 2012, however, in late 2019 and early 2020  
17. the oil market declined as well as my health. I had back surgery in 2019 and heart  
18. problems became increasingly severe, resulting in a aortic valve replacement in 2024.

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

20. A. I am disputing the Commission's findings in regard to the Penalty Order issued

1. against Garo Investment Company in Docket 24-CONS-3235-CPEN (Docket 24-323,  
2. regarding Hrabe D #1, Hrabe D #2, Westhusin #1, and Westhusin #6 wells in Rooks  
3. County, Kansas. The Penalty Order received from the Commission on March 5,  
4. 2024, assesses a penalty against me in the sum of \$400; however, as my testimony  
5. will explain, the circumstances surrounding the Commission's findings were out of  
6. my control.

7. **Q. Please provide a brief overview of the facts?**

8. A. Since December 2020, due to my health issues and severe economic pressures, I have  
9. been unable to maintain the wells in question, although I have continued to maintain  
10. the injection well. I received notice of the Penalty Order regarding Hrabe D #1, Hrabe  
11. D #2, Westhusin #1, and Westhusin #6.

12. Through my attorney, Kenneth W. Wasserman, we have been trying to sell or give  
13. the wells away to no avail. Within the last couple of weeks, we have had an offer to  
14. assist us in trying to list the wells on the monthly auction. We are currently  
15. attempting to determine if the auctioneer will agree to auction the wells in their  
16. present condition and with the existing penalty order.

17. **Q. Have you previously sought temporary abandonment status for these wells?**

18. A. A Temporary Abandonment Order has been previously sought, for Hrabe D #1,  
19. Hrabe D #2, and Westhusin #1. The Temporary Abandonment application for Hrabe  
20. D #1 was previously approved on January 7, 2021, then subsequently denied on  
21. February 18, 2022. The Temporary Abandonment application for Hrabe D #2 was

1. previously approved on January 7, 2021, then subsequently denied on February 18,  
2. 2022. The Temporary Abandonment application for Westhusin #1 was denied on  
3. both January 7, 2021, and on February 18, 2022. No Temporary Abandonment  
4. application for Westhusin #6 has been submitted because Westhusin #6 is fully  
5. functioning and currently certified to operate.

6. **Q. Was temporary abandonment denied for any reason? If so, please explain the**  
7. **reason given for the denial.**

8. A. The Temporary Abandonment Order requests for Hrabe D #1, Hrabe D #2, and  
9. Westhusin #1 were each denied due to high fluid levels.

10. **Q. Would you please state any attempts you have made to plug these wells or**  
11. **return them to service and why such attempts have been unsuccessful?**

12. A. As previously stated, I have only Social Security income and due to my age and  
13. health, I simply am not in a financial position to either plug wells or return them to  
14. service. As previously stated, efforts to sell privately have not been successful. I sold  
15. the wells at auction at one point in time, however, the auction company did not  
16. follow through with the buyer and the sale was not completed.

17. **Q. Do you have a current plan for the wells?**

18. A. Yes. I plan to put the wells and the injection well on the first available monthly  
19. auction.

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

21. A. Yes

**CERTIFICATE OF SERVICE**

24-CONS-3235-CPEN

I, the undersigned, certify that a true and correct copy of the attached Prefiled Testimony of Gary D. Ray has been served to the following by means of electronic service on June 21, 2024.

TRISTAN KIMBRELL,  
LITIGATION COUNSEL KANSAS  
CORPORATION COMMISSION  
CENTRAL OFFICE  
266 N. MAIN ST, STE 220  
WICHITA, KS 67202-1513  
[t.kimbrell@kcc.ks.gov](mailto:t.kimbrell@kcc.ks.gov)

JONATHAN R. MYERS,  
ASSISTANT GENERAL COUNSEL  
KANSAS CORPORATION  
COMMISSION  
266 N. Main St., Ste. 220  
WICHITA, KS 67202-1513  
[j.myers@kcc.ks.gov](mailto:j.myers@kcc.ks.gov)

RICHARD WILLIAMS  
KANSAS CORPORATION  
COMMISSION  
DISTRICT OFFICE NO. 4  
2301 E. 13TH STREET  
HAYS, KS 67601-2654  
[r.williams@kcc.ks.gov](mailto:r.williams@kcc.ks.gov)

KENNETH W. WASSERMAN,  
ATTORNEY AT LAW  
KENNETH W. WASSERMAN  
PO BOX 2388  
SALINA, KS 67402-2388  
[kww@nwjklaw.com](mailto:kww@nwjklaw.com)

/s/ Kenneth W. Wasserman  
Kenneth W. Wasserman