

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

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

**PRE-FILED REBUTTAL TESTIMONY**

**OF**

**RICHARD WILLIAMS**

**ON BEHALF OF COMMISSION STAFF**

**JULY 5, 2024**

1 **Q. Are you the same Richard Williams who pre-filed direct testimony in this docket on**  
2 **June 7, 2024?**

3 A. Yes.

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

5 A. The purpose of my testimony is to discuss the assertions contained in the Pre-Filed Direct  
6 Testimony of Gary D. Ray given on behalf of Garo Investment Company (Operator) in Docket  
7 24-CONS-3235-CPEN (Docket 24-3235). The docket concerns Operator's Hrabe D #1,  
8 Hrabe D #2, Westhusin #1, and Westhusin #6 wells (Subject Wells) in Rooks County, Kansas.

9 **Q. On page 3, lines 8-10 of Mr. Ray's testimony, he states that he has been unable to**  
10 **maintain the Hrabe D #1, Hrabe D #2, and Westhusin #1 wells since December 2020 due**  
11 **to health issues and economic pressures. Are those good reasons for allowing the wells**  
12 **to fall out of compliance with K.A.R. 82-3-111?**

13 A. While I am certainly sympathetic to Mr. Ray's health issues, I do not believe that health issues  
14 or economic pressures are good reasons for allowing wells to fall out of compliance with  
15 Commission regulations. As I stated in my direct testimony, the Hrabe D #1 and Hrabe D #2  
16 wells have not had any production since August 2020, while the Westhusin #1 well has not  
17 had any production since October 2019. Operator has had a considerable amount of time to  
18 take actions that would bring those wells into compliance with Commission regulations. I  
19 would also like to point out that Garo Investment Company is a corporation. Mr. Ray may be  
20 the sole owner of Garo Investment Company, but as a corporation, Garo Investment Company  
21 remains responsible for keeping the wells on its well inventory in compliance with  
22 Commission regulations.

1 **Q. On page 4, lines 3-5 of Mr. Ray's testimony, he states that the Westhusin #6 well is fully**  
2 **functioning and certified to operate. Does this mean that the Westhusin #6 well is in**  
3 **compliance with K.A.R. 82-3-111?**

4 A. No, it does not. The Westhusin #6 well is an injection well with a valid injection permit.  
5 However, the field report for the Westhusin #6 well attached as Exhibit B to the Penalty Order  
6 in this docket shows that the well is unhooked; consequently, the well is not fully functioning  
7 and not capable of immediately resuming injection operations. Additionally, as I stated in my  
8 direct testimony, the annual fluid injection reports (U3C) submitted by Operator show that no  
9 fluids have been injected into the well since August 2020. Even though the Westhusin #6 well  
10 has a valid injection permit, it is not fully equipped for injection operations and has been  
11 inactive for longer than 90 days. As a result, the Westhusin #6 well is out of compliance with  
12 K.A.R. 82-3-111.

13 **Q. On page 4, lines 18-19 of Mr. Ray's testimony, he states that he plans to sell the Subject**  
14 **Wells at auction. Would selling the wells relieve Operator of its responsibility for the**  
15 **wells?**

16 A. Not necessarily. If the Commission affirms the Penalty Order in this docket, then Operator  
17 would be responsible for complying with the requirements of the Penalty Order. Even if  
18 Operator sells the Subject Wells, Operator would still be responsible for making sure the new  
19 operator plugged the wells, returned the wells to service, or obtained temporary abandonment  
20 status for the wells.

21 **Q. Has your recommendation changed based upon Mr. Ray's testimony?**

22 A. No, the Penalty Order should still be affirmed. The Subject Wells remain inactive and  
23 unplugged without TA status.

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

2 A. Yes.

## **CERTIFICATE OF SERVICE**

24-CONS-3235-CPEN

I, the undersigned, certify that a true and correct copy of the attached Prefiled Rebuttal Testimony of Richard Williams has been served to the following by means of electronic service on July 5, 2024.

TRISTAN KIMBRELL, LITIGATION COUNSEL  
KANSAS CORPORATION COMMISSION  
CENTRAL OFFICE  
266 N. MAIN ST, STE 220  
WICHITA, KS 67202-1513  
tristan.kimbrell@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

KENNETH W. WASSERMAN, ATTORNEY AT LAW  
KENNETH W. WASSERMAN  
PO BOX 2388  
SALINA, KS 67402-2388  
kww@nwjklaw.com

RICHARD WILLIAMS  
KANSAS CORPORATION COMMISSION  
DISTRICT OFFICE NO. 4  
2301 E. 13TH STREET  
HAYS, KS 67601-2654  
richard.williams@ks.gov

/s/ Paula J. Murray  
Paula J. Murray

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