

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

In the matter of the failure of Mark L. Haas) Docket No. 25-CONS-3087-CPEN
(Operator) to comply with K.A.R. 82-3-120.)
) CONSERVATION DIVISION
)
_____) License No. 5935

**PRE-FILED TESTIMONY OF
NANCY BORST
ON BEHALF OF COMMISSION STAFF
DECEMBER 6, 2024**

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

2 A. Nancy D. Borst, 266 N. Main St., Suite 220, Wichita, KS 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 an
5 Administrative Specialist in the Licensing and Legal departments.

6 **Q. Would you please briefly describe your background and work experience?**

7 A. I worked as the Communications Coordinator and Public Information Officer for Kingman
8 County from 2013 to 2017. Prior to that I was the managing editor of the Kingman Leader-
9 Courier newspaper. I have worked in various roles in journalism for the past forty-five years
10 and continue to own a freelance journalism business. I have a Bachelor of Science degree
11 from the University of Kansas. I have worked for the Kansas Corporation Commission since
12 February 2018 as an Administrative Specialist. My primary duties include processing and
13 reviewing license applications, processing open records requests, and processing legal filings.

14 **Q. Have you previously testified before this Commission?**

15 A. Yes.

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

17 A. The purpose of my testimony is to discuss the evidence that supports the Commission's
18 findings relating to the Penalty Order issued to Mark L. Haas (Operator) in Docket 25-CONS-
19 3087-CPEN (Docket 25-3087) for unplugged wells on an expired license.

20 **Q. Would you please explain the requirements of K.A.R. 82-3-120?**

21 A. Yes. K.A.R. 82-3-120 provides that each operator in physical control of any oil, gas, injection,
22 or monitoring well or gas storage facility shall maintain a current license even if the well or
23 storage facility is shut-in or idle.

1 **Q. When did Operator's license expire?**

2 A. Operator's license expired on June 30, 2005.

3 **Q. Is Operator still in physical control of any oil, gas, injection, or monitoring wells?**

4 A. Yes. Operator still has approximately 14 unplugged wells associated with its expired license
5 as of the date of this testimony.

6 **Q. Did Commission Staff send a Notice of Violation (NOV) letter to Operator regarding the
7 unplugged wells on Operator's expired license?**

8 A. Yes. On August 20, 2024, Commission Staff sent an NOV letter to Operator requiring
9 Operator to address the unplugged wells on its license by September 3, 2024. That letter was
10 attached to the Docket 25-3087 Penalty Order as Exhibit A.

11 **Q. The NOV letter sent to Operator only included six wells. Why do you say there are
12 approximately 14 wells associated with Operator's license?**

13 A. It is my understanding that additional wells associated with Operator's license were found
14 after lease inspections conducted by District #3 Staff. My understanding is that Staff has filed
15 a motion to add eight wells to the captioned penalty order.

16 **Q. Can you explain why Operator just now received a Penalty Order for the unplugged
17 wells remaining on Operator's licenses?**

18 A. Yes. Commission Staff has been and is working on a project to address unplugged wells
19 associated with old, expired licenses in an attempt to have the wells addressed or placed on
20 the state plugging list if necessary. Operator's license was included as part of that project
21 since there were unplugged wells remaining on the license. Staff is able to add wells to the
22 state plugging list by identifying expired licenses with unplugged wells, sending a NOV letter
23 to the operator, and then recommending the Commission issue a penalty order if there is no

1 compliance with the NOV letter. The Commission's penalty order assesses a monetary
2 penalty and directs the operator to renew or obtain a new license, transfer the unplugged wells,
3 or plug the wells within 30 days from the date of the order. If unplugged wells remain on the
4 expired license for more than 60 days, then the penalty order directs Staff to assess an
5 additional penalty, revoke injection authorization applicable to the operator, and place the
6 wells on the state's plugging list.

7 **Q. Did you have any communications with Operator regarding the unplugged wells on its**
8 **expired license?**

9 A. No.

10 **Q. Please summarize your recommendation.**

11 A. I believe the facts in this matter support the Penalty Order issued by the Commission.
12 Operator's license is expired, but Operator is still responsible for the unplugged wells
13 associated with its license. I would recommend that the penalty issued against Operator by
14 the Commission be affirmed. Additionally, Operator failed to address the unplugged wells on
15 its expired license by the deadline provided in the NOV, or by the deadline set forth in the
16 Penalty Order in this matter.

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

18 A. Yes.

CERTIFICATE OF SERVICE

25-CONS-3087-CPEN

I, the undersigned, certify that a true and correct copy of the attached Prefiled Testimony of Nancy Borst has been served to the following by means of electronic service on December 6, 2024.

NANCY BORST
KANSAS CORPORATION COMMISSION
CENTRAL OFFICE
266 N. MAIN ST, STE 220
WICHITA, KS 67202-1513
nancy.borst@ks.gov

KEITH A. BROCK, ATTORNEY
ANDERSON & BYRD, L.L.P.
216 S HICKORY
PO BOX 17
OTTAWA, KS 66067
kbrock@andersonbyrd.com

KELCEY MARSH, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
CENTRAL OFFICE
266 N. MAIN ST, STE 220
WICHITA, KS 67202-1513
kelcey.marsh@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

/s/ Paula J. Murray
Paula J. Murray
