

**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 Presley )    Docket No.: 25-CONS-3166-CPEN  
Operating, LLC (Operator) to comply with )  
K.A.R. 82-3-600 and K.A.R. 82-3-602 at the )    CONSERVATION DIVISION  
Thornburg Trust A #1-34 well in Gove )  
County, Kansas. )    License No.: 35328

**PENALTY ORDER**

The Commission finds Operator has violated K.A.R. 82-3-600 and K.A.R. 82-3-602 at the captioned well, assesses a \$750 penalty, directs Operator to come into compliance, and further rules as more fully 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 and K.S.A. 55-164 provide 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. Under K.S.A. 55-164, a penalty order may include a monetary penalty of up to \$10,000, the penalty must constitute a substantial and actual economic deterrent to the violation, and each day of a continuing violation constitutes a separate violation.

3.        K.A.R. 82-3-600(a) provides that pits shall not be used to contain fluids resulting from oil and gas activities until approved by the Commission. Pits shall be permitted only upon

application to and approval by the Commission. Use of a pit without a pit permit shall be punishable by a \$500 penalty.

4. K.A.R. 82-3-602(a) provides that unless otherwise specified in writing by the Commission, each operator shall close workover pits within 90 days after operations have ceased. Failure to close any pit or to file an extension within the prescribed time limits shall be punishable by a \$250 penalty.

5. K.A.R. 82-3-602(e) states that upon abandonment of any pit, the operator shall grade the surface of the soil as soon as practicable or as required by the Commission. The surface of the soil shall be returned, as nearly as practicable, to the condition that existed before the construction of the pit.

## **II. FINDINGS OF FACT**

6. Operator is licensed to conduct oil and gas activities in Kansas and is responsible for the Thornburg Trust A #1-34 well (Subject Well), API #15-063-22392-00-00, located in Section 34, Township 15 South, Range 26 West, Gove County, Kansas.

7. On October 14, 2024, Staff performed an inspection of the Subject Well. During that inspection, Staff discovered an unpermitted workover pit.<sup>1</sup>

8. Commission regulations require workover pits be closed within 90 days after operations have ceased. Operator plugged the Subject Well on May 8, 2024;<sup>2</sup> consequently, the deadline to close the workover pit was August 6, 2024.

## **III. CONCLUSIONS OF LAW**

9. The Commission has jurisdiction over Operator and this matter under K.S.A. 74-623 and K.S.A. 55-152.

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<sup>1</sup> Exhibit A.

<sup>2</sup> The Commission takes administrative notice of its records. *See* K.A.R. 82-1-230(h).

10. Operator has committed one violation of K.A.R. 82-3-600 because Operator used a workover pit associated with the Subject Well without a permit.

11. Operator has committed one violation of K.A.R. 82-3-602 because Operator did not close the workover pit associated with the Subject Well within the prescribed time period, nor did Operator seek and obtain an extension for closing the pit.

**THEREFORE, THE COMMISSION ORDERS:**

A. Operator shall pay a \$750 penalty.

B. Operator shall close the pit associated with the Subject Well within 30 days of the date of this order. Operator shall grade the surface of the soil, and the soil shall be returned, as nearly as practicable, to the condition that existed before the construction of the pit.

C. Operator shall submit a complete, accurate Closure of Surface Pit form (CDP-4) for the pit associated with the Subject Well within 30 days of the closure of the pit.

D. If the pit associated with the Subject Well is not closed within 30 days from the date of this order, then Operator shall be assessed an additional \$5,000 penalty, and Staff is directed to close the pit and assess the costs to Operator.

E. If a complete, accurate CDP-4 form has not been submitted within 30 days of the closure of the pit associated with the Subject Well, then Operator shall be assessed an additional \$500 penalty.

F. 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.

G. 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).

H. 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: 11/05/2024



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

MailedDate: 11/05/2024

TSK

# KCC OIL/GAS REGULATORY OFFICES

Date: 10/14/24

District: 04

Case #: \_\_\_\_\_

- New Situation
- Response to Request
- Follow-Up

- Lease Inspection
- Complaint
- Field Report

Operator License No: 35328  
Op Name: Presley Operating, LLC  
Address 1: 101 Park Ave Ste 670  
Address 2: \_\_\_\_\_  
City: Oklahoma Cirty  
State: OK Zip Code: 73102 -7220  
Operator Phone #: (405) 526-3000

API Well Number: 15-063-22392-00-00  
Spot: NE SE NE NW Sec 34 Twp 15 S Rng 26  E /  W  
4376' Feet from  N /  S Line of Section  
2753' Feet from  E /  W Line of Section  
GPS: Lat: 38.70981 Long: 100.20045 Date: 10/14/24  
Lease Name: Thornburg Trust A Well #: 1-34  
County: Gove

**Reason for Investigation:**

follow up on well plugged 5/8/2024

**Problem:**

Well has not been cut off and buried below plow depth. Pit used to plug well has not been closed.

**Persons Contacted:**

NA

**Findings:**

Follow up inspection found the Thornburg Trust A 1-34 that was plugged 5/8/2024, has not been cut off and buried below plow depth. Also the pit used to plug the well has not been closed yet. A check of KOLAR found the CDP4 deadline was 10/7/2024.

**Action/Recommendations:**

Follow Up Required  Yes  No

Date: \_\_\_\_\_

I will forward to Compliance and EPR for further review. I will await there input on how to proceed.

**Verification Sources:**

- |   |  |  |
|---|--|--|
| <input checked="" type="checkbox"/> RBDMS               | <input checked="" type="checkbox"/> KGS            | <input checked="" type="checkbox"/> TA Program |
| <input checked="" type="checkbox"/> T-I Database        | <input checked="" type="checkbox"/> District Files | <input type="checkbox"/> Courthouse            |
| <input checked="" type="checkbox"/> Other: <u>KOLAR</u> |  |  |

Photos Taken: Yes

By:   
M. Shane Jones

Retain 1 Copy District Office  
Send 1 Copy to Conservation Division

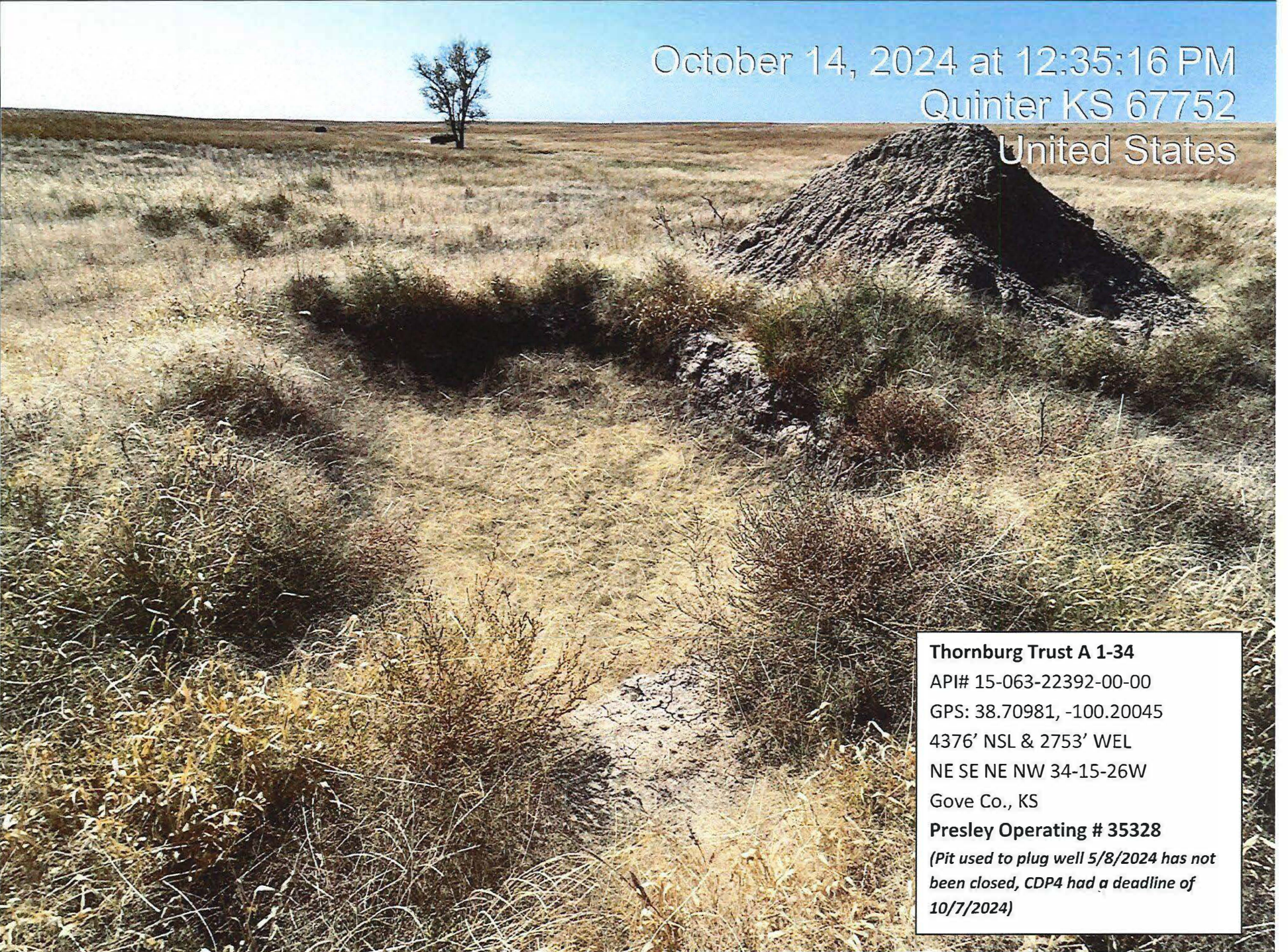




October 14, 2024 at 12:35:26 PM  
Quinter KS 67752  
United States

**Thornburg Trust A 1-34**  
API# 15-063-22392-00-00  
GPS: 38.70981, -100.20045  
4376' NSL & 2753' WEL  
NE SE NE NW 34-15-26W  
Gove Co., KS  
**Presley Operating # 35328**  
*(Well was plugged 5/8/2024. Well not cut off and buried below plow depth. Workover pit from plug job still not closed.)*





October 14, 2024 at 12:35:16 PM  
Quinter KS 67752  
United States

**Thornburg Trust A 1-34**

API# 15-063-22392-00-00

GPS: 38.70981, -100.20045

4376' NSL & 2753' WEL

NE SE NE NW 34-15-26W

Gove Co., KS

**Presley Operating # 35328**

*(Pit used to plug well 5/8/2024 has not been closed, CDP4 had a deadline of 10/7/2024)*



**CERTIFICATE OF SERVICE**

25-CONS-3166-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 11/05/2024.

TRAVERS BOUGHDADLY  
PRESLEY OPERATING LLC  
101 PARK AVE STE 670  
OKLAHOMA CITY, OK 73102-7220

KATHLEEN HAYNES  
KANSAS CORPORATION COMMISSION  
266 N. Main St., Ste. 220  
WICHITA, KS 67202-1513  
kathleen.haynes@ks.gov

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/S/ KCC Docket Room  
KCC Docket Room