

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

Before Commissioners: Shari Feist Albrecht, Chair
 Jay Scott Emler
 Dwight D. Keen

In the Matter of the Application of Hawkins Oil,) Docket No. 18-CONS-3281-CEXC
LLC, (Operator) for an exception to the 3-year)
time expiration for the Appleman #4-A well,) CONSERVATION DIVISION
located in the NW NE NW T25S-R5E-Sec31,)
Butler County, Kansas.) License No. 32693

ORDER GRANTING APPLICATION

This matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined its files and records, and being fully advised in the premises, the Commission makes the following findings:

Jurisdiction:

1. The Commission has exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.¹
2. K.A.R. 82-3-111 provides that wells having been shut-in for more than 10 years shall not be approved for temporary abandonment (TA) status without Commission approval of an application for an exception. K.A.R. 82-3-100 provides that the Commission may grant an exception to any regulation after application and notice.

Background:

3. On January 12, 2018, Hawkins Oil, LLC (Operator) filed an Application requesting an exception to the 10-year limitation on TA status for the Appleman #4-A well.²

¹ K.S.A. 74-623.

² Application, ¶ 11 (Jan. 12, 2018).

4. The Operator properly published notice of its Application in both The Wichita Eagle newspaper and the Butler County Gazette newspaper.³

5. On May 24, 2018, the Commission issued an *Order Designating Prehearing Officer and Setting Prehearing Conference*, scheduling a Prehearing Conference for June 19, 2018.⁴

6. On July 9, 2018, the Operator filed an Amended Application for Exception, asking that “this matter be granted administratively without a hearing, or in the alternative be set for hearing, and upon hearing that the Commission grant Applicant’s request . . . for an exception to the K.A.R. 82-3-111 ten (10) year limitation, to allow the subject well to remain temporarily abandoned for three (3) years, subject to annual approval by the Conservation Division.”⁵

7. On September 7, 2018, the Operator filed a Supplementary Certificate of Service, certifying that “true and correct copies of the applicant’s Application and Notice of Application were served by depositing copies of the same in the United States Mail, Postage prepaid, and properly addressed to the landowners set forth in Exhibit A of said Application.”⁶

8. On September 20, 2018, Staff filed a Motion to Grant Application.⁷

Findings and Conclusions:

9. The Operator conducts oil and gas activities in Kansas under active license number 32693.

10. The Commission finds the Operator’s Application was filed pursuant to the rules and regulations of the Commission and in accordance with Kansas statutes. The Commission finds the Operator has verified that notice of its Application was properly served and published, pursuant

³ Affidavit of Publication – The Wichita Eagle (Mar. 6, 2018); Affidavit of Publication – Butler County Gazette (Mar. 2, 2018).

⁴ *Order Designating Prehearing Officer and Setting Prehearing Conference*, Ordering Clause B (May 24, 2018).

⁵ Amended Application for Exception, p. 3 (July 9, 2018).

⁶ Supplementary Certificate of Service, p. 1 (Sept. 7, 2018).

⁷ Staff’s Motion to Grant Application (Sep. 20, 2018).

to K.S.A. 82-3-135a, at least 15 days before the issuance of this Order. No protest was filed in this case.

11. The Commission finds that on December 19, 2017, the Operator successfully tested the subject well for mechanical integrity (MIT).⁸ Based on the successful MIT, along with the Amended Application and Supplementary Certificate of Service, the Commission finds a sufficient basis for the administrative grant of this Application.

12. Based on the above, the Commission finds the Application should be granted to prevent waste and protect correlative rights, because the Operator has demonstrated a potential future use for the well, and because there is no present threat to fresh and usable water.

THEREFORE, THE COMMISSION ORDERS:

A. The Operator's Amended Application for an exception to the 10-year limit on TA status for the subject well is granted for three years, calculated from the date the Application was filed. The Operator must file an annual TA form for the subject well. The first TA form shall be filed within 30 days of service of this Order.

B. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).⁹

C. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further orders as it deems necessary.

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Date: 10/04/2018



Lynn M. Retz
Secretary to the Commission

Date Mailed: 10/05/2018
MJD

⁸ Amended Application, p. 1, ¶ 7.

⁹ K.S.A. 55-162; K.S.A. 55-606; K.S.A. 55-707; K.S.A. 77-503(c); K.S.A. 77-531(b).

CERTIFICATE OF SERVICE

18-CONS-3281-CEXC

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of first class mail and electronic service on 10/04/2018.

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