

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

Before Commissioners:                    Shari Feist Albrecht, Chair  
   Jay Scott Emler  
   Pat Apple

In the Matter of a General Investigation    )    Docket No. 18-CONS-3282-CINV  
to Propose Regulatory Amendments to    )  
K.A.R. 82-3-206 and K.A.R. 82-3-307.    )    CONSERVATION DIVISION  
   )  
   )    License No. N/A

**ORDER OPENING DOCKET AND AUTHORIZING SUBMISSION OF PROPOSED  
AMENDMENTS TO CONSERVATION RULES AND REGULATIONS FOR  
APPROVAL PURSUANT TO THE RULES AND REGULATIONS FILING ACT**

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

1.        On January 23, 2018, Commission Conservation Staff (Staff) filed a “Motion to Open Docket for the purpose of amending the Commission’s Conservation Division Rules and Regulations and for an Order Authorizing Submission of Proposed Amendments for Approval Pursuant to the Rules and Regulations Filing Act.”<sup>1</sup> Staff stated its desire to begin the process of amending K.A.R. 82-3-206 and K.A.R. 82-3-307, which would increase the mills assessed on oil and gas production.<sup>2</sup> Although this proceeding will be a general investigation, Staff stated the docket would be opened pursuant to the Kansas Rules and Regulations Filing Act,<sup>3</sup> rather than under the Kansas Administrative Procedure Act.<sup>4</sup>

---

<sup>1</sup> Motion to Open Docket and Authorize Submission of Proposed Amendments for Approval Pursuant to the Rules and Regulations Filing Act, p. 1 (Jan. 23, 2018) (Motion to Open).

<sup>2</sup> Motion to Open, ¶¶ 1, 3.

<sup>3</sup> See K.S.A. 77-415 through 77-438.

<sup>4</sup> Motion to Open, ¶ 4.

2. Staff noted that amendment of the aforementioned rules and regulations is a multi-part process, and this docket will serve “as a Commission record of the process . . . where Staff can apprise the Commission of its progress, serve as a repository for documents filed related to the amendment process, as well as a means to keep the general public informed of the progress of proposed rules and regulations.”<sup>5</sup> Finally, Staff requested “authorization to submit its proposed amendments to K.A.R. 82-3-206 and K.A.R. 82-3-307, as attached to its motion, for approval in accordance with the Rules and Regulations Filing Act.”<sup>6</sup>

3. K.S.A. 55-152(a) states: “The commission shall adopt such rules and regulations necessary for the implementation of this act.”

4. K.S.A. 55-183(a) states: “Whenever the corporation commission is authorized or directed by this act, or by any of the acts contained in chapter 55 of the Kansas Statutes Annotated, to adopt rules and regulations, any rules and regulations so adopted shall be published by the commission and made available to the public without charge. . . In addition, the commission is hereby directed to comply with the provisions of K.S.A. 77-415 *et seq.*, and amendments thereto, with respect to any such rule and regulation.”

5. Based on the above, the Commission finds this general investigation shall proceed pursuant to the Kansas Rules and Regulations Filing Act.<sup>7</sup>

6. The Commission also finds it in the public interest for this general investigation to serve as a record of the process of amending K.A.R. 82-3-206 and K.A.R. 82-3-307, as well as a repository for documents filed in relation to the amendment process and a means to keep the public informed of progress on the proposed amendments. Therefore, Staff is directed to utilize

---

<sup>5</sup> Motion to Open, ¶¶ 5-6.

<sup>6</sup> Motion to Open, ¶ 7.

<sup>7</sup> K.S.A. 77-415 *et seq.*

this docket as the formal repository to continually update the Commission and the public as to the current status of this regulatory amendment proceeding.

7. The Commission further finds it reasonable to grant Staff's requested authorization to submit its proposed amendments to K.A.R. 82-3-206 and K.A.R. 82-3-307 for approval in accordance with K.S.A. 77-415 *et seq.*

**THEREFORE, THE COMMISSION ORDERS:**

A. This general investigation docket shall be opened for the purpose of amending K.A.R. 82-3-206 and K.A.R. 82-3-307 and shall serve as the official repository for the filing of documents related to the amendment process.

B. Commission Staff is authorized to submit its proposed amendments to K.A.R. 82-3-206 and K.A.R. 82-3-307 for approval in accordance with K.S.A. 77-415 *et seq.* (the Rules and Regulations Filing Act).

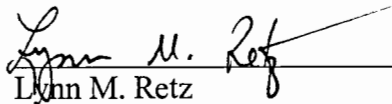
C. Parties have 15 days, plus three days if mailed service, from the date this Order was served in which to petition the Commission for reconsideration.<sup>8</sup>

D. 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; Apple, Commissioner

Dated: FEB 08 2018

  
Lynn M. Retz  
Secretary to the Commission

Date Mailed: FEB 09 2018

MJD

**EMAILED**

FEB 08 2018

<sup>8</sup> K.S.A. 55-162; K.S.A. 55-606; K.S.A. 66-118b; K.S.A. 77-529(a)(1).

**CERTIFICATE OF SERVICE**

18-CONS-3282-CINV

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 or electronically served on FEB 08 2018.

Tom Black  
10166 Lake Road  
Pratt, KS 67214

Mike Cochran  
Kansas Department of Health and Environment  
1000 SW Jackson Street Suite 420  
Topeka, KS 66612

Kent Eckles  
Kansas Petroleum Council  
800 SW Jackson Street Suite 1005  
Topeka, KS 66612

DAVID BLEAKLEY, EKOGA REPRESENTATIVE  
EASTERN KANSAS OIL AND GAS ASSOCIATION  
4330 SHAWNEE MISSION PKWY STE 233  
FAIRWAY, KS 66205  
Fax: 913-262-0058  
[dpbleakley@msn.com](mailto:dpbleakley@msn.com)

RYAN HOFFMAN, DIRECTOR OF CONSERVATION  
DIVISION  
KANSAS CORPORATION COMMISSION  
Conservation Division  
266 N. Main St. Ste. 220  
WICHITA, KS 67202-1513  
[r.hoffman@kcc.ks.gov](mailto:r.hoffman@kcc.ks.gov)

Tim Boese  
Equus Beds Groundwater Management District #2  
313 Spruce Street  
Halstead, KS 67056-1925

Mike Dealy  
Kansas Geological Survey  
4150 W. Monroe Street  
Wichita, KS 67209-1261

Diane Knowles  
Kansas Water Office  
900 SW Jackson Street Suite 404  
Topeka, KS 66612

MICHAEL DUENES, ASSISTANT GENERAL COUNSEL  
KANSAS CORPORATION COMMISSION  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604-4027  
Fax: 785-271-3354  
[m.duenes@kcc.ks.gov](mailto:m.duenes@kcc.ks.gov)

JON CALLEN  
KANSAS INDEPENDENT OIL AND GAS ASSOCIATION  
125 N MARKET STE 1130  
WICHITA, KS 67202

/s/ DeeAnn Shupe  
DeeAnn Shupe, KCC Docket Room

**EMAILED**

FEB 08 2018