

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

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

In the Matter of the Notice of Denial of License) Docket No. 17-CONS-3702-CMSC
Renewal Application to Western Frontier)
Adventure, LLC.) CONSERVATION DIVISION
)
_____) License No. 35211

ORDER DENYING SETTLEMENT AGREEMENT;
ORDER TO SUPPLEMENT THE RECORD AND SHOW CAUSE

This matter comes before the State Corporation Commission of the State of Kansas (Commission). Having reviewed the pleadings and record, the Commission makes the following findings:

1. On June 19, 2017, Commission Conservation Staff (Staff) filed a Notice of Denial of License Renewal Application to Western Frontier Adventure, LLC (Operator), stating the license application was denied pursuant to K.S.A. 55-155(c)(4).¹
2. On June 29, 2017, the Operator filed a request for hearing.
3. On July 25, 2017, the Commission issued the Order Designating Prehearing Officer and Setting Prehearing Conference.
4. On October 17, 2017, the Prehearing Officer convened the Prehearing Conference and the Parties agreed to a procedural schedule
5. On October 23, 2017, the Prehearing Officer issued the procedural schedule which included a hearing to commence January 18, 2018.

¹ Notice of Denial at 1 (Jun. 19, 2017).

6. On December 18, 2017, Staff filed a Motion to Cancel Evidentiary Hearing and Approve Settlement Agreement. The Parties stated that all issues regarding the Operator's license denial have been resolved with the exception of the Earl Gray #1, API 15-103-20207 (subject well), which is attributable to another company's suspended license.² The Parties stated that a credible third party will lease the property on which the subject well resides and that party will file a Transfer of Operator Form (T-1).³ The Parties agreed that the Operator's license will then be processed immediately.⁴

7. On January 9, 2018, the Prehearing Officer granted Staff's motion to cancel the evidentiary hearing.

8. The Commission denies Staff's motion and rejects the proposed Settlement Agreement. The Commission will not accept a settlement contingent on the actions of an unidentified third party who is not a party to the proceedings or the settlement.

9. If the noted circumstances have come to fruition, then all issues regarding Operator's license will have been resolved. The Commission concludes that under the circumstances settlement is unnecessary. This matter will either continue to hearing or terminate. Based upon the apparent certainty that the third-party would complete the purported actions, the Commission orders Staff to supplement the record with the status of the subject well and show cause why the Commission should not grant the license and close the docket or schedule the matter for hearing.

² Settlement Agreement at 3 (Dec. 18, 2017).

³ *Id.*

⁴ *Id.* at 4.

THEREFORE, THE COMMISSION ORDERS:

A. Staff's Motion to Approve the Settlement Agreement is denied. Staff shall supplement the record with the status of the subject well, Earl Gray #1, API 15-103-20207, and show cause why the Commission should not grant the license and close the docket or schedule the matter for hearing.

B. Any Party affected by this Order may file with the Commission a petition for reconsideration pursuant to K.S.A. 77-529(a). The petition shall be filed within 15 days after service of this Order, plus three days if mailed, and must state the specific grounds upon which relief is requested.⁵ The petition shall be addressed to the Commission and sent to 266 N. Main, Ste. 220, Wichita, Kansas 67202.

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

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Apple, Commissioner

Dated: **FEB 15 2018**



Lynn M. Retz
Secretary to the Commission

Mailed Date: _____

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⁵ K.S.A. 55-162; K.S.A. 55-606; K.S.A. 77-529(a)(1); see K.S.A. 66-118b.

CERTIFICATE OF SERVICE

FEB 15 2018

I certify that on _____, I caused a complete and accurate copy of this Order to be sent by electronic mail and properly addressed to the following:

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FEB 15 2018