

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

In the matter of the application of IGWT, Inc.,)	Docket No. 18-CONS-3383-CWLE
for a location exception for the Varner Farms)	
#1 well in the Northwest Quarter of Section)	CONSERVATION DIVISION
33, Township 25 South, Range 4 East, Butler)	
County, Kansas.)	License No. 3167

STAFF'S RECOMMENDATION

Commission Staff (Staff) of the State Corporation Commission of the state of Kansas (Commission) files this Recommendation. In support of its Recommendation, Staff states as follows:

I. BACKGROUND

1. On May 29, 2018, IGWT, Inc. (Operator), filed an Application requesting a location exception and assignment of a full allowable for the Varner Farms #1 well (subject well) located in Butler County, Kansas.¹
2. On June 11, 2018, the Commission received a protest to the application from Benjamin Giles.²
3. On July 18, 2018, a procedural schedule was established, setting an evidentiary hearing for October 18, 2018.³
4. On September 27, 2018, due to “significant intervening circumstances,” the Prehearing Officer stayed the procedural schedule and set a Status Conference for October 25, 2018.⁴

¹ Application ¶¶2-3, (May 29, 2018).

² Letter of Protest – Benjamin M. Giles, (June 11, 2018).

³ Prehearing Officer Order Setting Procedural Schedule; Discovery and Protective Orders, (July 18, 2018).

⁴ Prehearing Officer Order Setting Status Conference, ¶¶ 7-8, Clause A (Sept. 27, 2018).

5. On October 25, 2018, a Prehearing Officer Order Lifting Stay and Establishing Further Proceedings was issued, scheduling an evidentiary hearing for December 20, 2018.

6. On December 19, 2018, the Protester filed a Notice of Withdrawal of Protest. The Prehearing Officer cancelled the evidentiary hearing based on the Protester's withdrawal of protest.

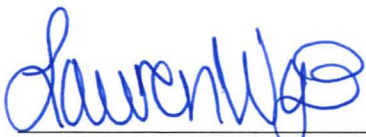
7. On January 8, 2019, the Commission issued an Order on Withdrawal of Protest; requiring Staff to complete its review of the Operator's Application and provide the Commission with a recommendation regarding approval of the Operator's Application.

II. RECOMMENDATION

8. As stated in Staff witness Jake Eastes' rebuttal testimony, Staff recommends the Commission grant the Operator's Application with a reduced allowable of 55% of the full allowable.⁵

WHEREFORE, Staff recommends the Commission grant the Operator's Application with a reduced allowable of 55 barrels of oil per day.

Respectfully submitted,



Lauren N. Wright, #27616
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⁵ Eastes Rebuttal, p. 5, (Nov. 28, 2018).

VERIFICATION

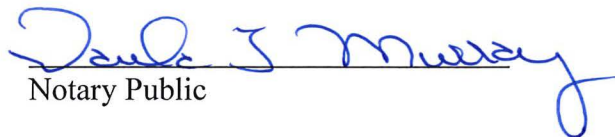
STATE OF KANSAS)
) ss.
COUNTY OF SEDGWICK)

Lauren N. Wright, of lawful age, being duly sworn upon her oath deposes and states that she is Litigation Counsel for the State Corporation Commission of the State of Kansas; that she has read and is familiar with the foregoing *Recommendation*, and attests that the statements therein are true to the best of her knowledge, information and belief.

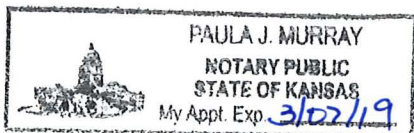


Lauren N. Wright, S. Ct. #27616
Litigation Counsel
State Corporation Commission
of the State of Kansas

SUBSCRIBED AND SWORN to before me this 15 day of Jan, 2019.


Notary Public

My Appointment Expires: 3/02/19



CERTIFICATE OF SERVICE

18-CONS-3383-CWLE

I, the undersigned, certify that the true copy of the attached Staff's Recommendation has been served to the following parties by means of electronic service on January 15, 2019.

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/S/ Paula J. Murray

Paula J. Murray