THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

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

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In the Matter of the Failure of SX54, LLC) ("Operator") to Comply with K.A.R. 82-3-407 at the Hawthorne (A) #1 in Greenwood County, Kansas.

Docket No: 18-CONS-3286-CPEN CONSERVATION DIVISION License No. 35339

PREHEARING OFFICER ORDER CONTINUING PREHEARING CONFERENCE

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

1. On March 29, 2018, the Commission issued a Penalty Order against SX54, LLC

(Operator) for failure to comply with K.A.R. 82-3-407 because a current successful Mechanical Integrity Test (MIT) had not been performed on the subject well.¹

2. On April 20, 2018, the Operator filed a request for hearing.

On April 25, 2018, an Entry of Appearance was filed by Blake Hudson on behalf of 3. the Operator.

4. On May 24, 2018, a Prehearing Conference was scheduled for July 12, 2018.²

5. On July 12, 2018, a Prehearing Conference was held, wherein Conservation Staff (Staff) and the Operator agreed to a continuance until September 13, 2018, so that the Operator might have sufficient opportunity to resolve this matter.

6. Based on the above, the Prehearing Officer finds the Prehearing Conference shall be continued until September 13, 2018, at 9:00 a.m.

¹ Penalty Order, ¶13 (Mar. 29, 2018).

² Order Designating Prehearing Officer and Setting Prehearing Conference, Ordering Clause B (May 24, 2018).

THEREFORE, THE PREHEARING OFFICER ORDERS:

A. The Prehearing Conference is rescheduled for Thursday, September 13, 2018, at
9:00 a.m. by telephone. The conference call information is: telephone number: (866) 620-7326,
Conference Code PIN: 7632914771#.

B. Any party that fails to attend or participate in the Prehearing Conference, hearing, or other stage of this proceeding may be held in default pursuant to the Kansas Administrative Procedure Act.³

C. 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).⁴

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

Dated: July 12, 2018

Is/ Michael J. Duenes

Michael J. Duenes Prehearing Officer

MJD

³ K.S.A. 77-516(c)(8); K.S.A. 77-520.

⁴ 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-3286-CPEN

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 07/12/2018

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/S/ DeeAnn Shupe DeeAnn Shupe