BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the matter of the application of Canaday) Oil Corporation for an exception to the 10-) year time limitation of K.A.R. 82-3-111 for its) Byerly #1-17 well located in the Northwest) Quarter (NW/4) of Section 17, Township 30) South, Range 24 West, Clark County, Kansas.) Docket No.: 23-CONS-3074-CEXC

CONSERVATION DIVISION

License No.: 5303

MOTION FOR THE DESIGNATION OF A PRESIDING OFFICER AND THE SCHEDULING OF A PREHEARING CONFERENCE

Commission Staff hereby files this Motion seeking the designation of a presiding officer and the scheduling of a prehearing conference in this matter. In support of its motion, Staff states the following:

1. On August 31, 2022, Canaday Oil Corporation (Operator) filed an application seeking an exception to the 10-year time limitation of K.A.R. 82-3-111 for its Byerly #1-17 well, API #15-025-21015 (Subject Well).

2. Upon review of the application, Legal Staff noted issues with Operator's application. On December 21, 2022, Staff sent a letter to Operator because it appeared that notice had been published in the Clark County Gazette prior to the filing date of the application and because Operator stated the Subject Well was on a recently expired lease.¹ The letter required Operator to address these issues by January 20, 2023.²

 On January 31, 2023, Operator filed a new affidavit of publication from the Clark County Gazette.

4. To date, Operator has not provided information indicating the Subject Well is now on an active lease. Staff received a letter from Operator, wherein, Operator stated it had

¹ Exhibit A.

² Id.

requested a new lease from the mineral owners. However, Staff has not received an update on the status of those lease negotiations.

WHEREFORE, for the reasons described above, Staff respectfully moves the Commission to issue an Order designating a presiding officer, and scheduling a prehearing conference which will allow further development of this matter.

Respectfully submitted,

/s/ Kelcey Marsh Kelcey A. Marsh #28300 Litigation Counsel Kansas Corporation Commission 266 N. Main, Suite 220 Wichita, Kansas 67202 Phone: 316-337-6200; Fax: 316-337-6211 k.marsh@kcc.ks.gov Conservation Division 266 N. Main St., Ste. 220 Wichita, KS 67202-1513

Dwight D. Keen, Chair Susan K. Duffy, Commissioner Andrew J. French, Commissioner

December 21, 2022

Chris Millard Canaday Oil Corporation 2407 Saint Andrew St. Goddard, KS 67052-8488

RE: Docket #23-CONS-3074-CEXC

Operator:

Commission Legal Staff received the application in the referenced docket on August 31, 2022. However, Staff sees a few issues that need to be resolved in order to process the application.

First, the notice provided from the Clark County Gazette appears to have been published prior to the filing date of the application. In order to process the application, a new publication after the date the application was filed is required.

Second, paragraph 3 of the application states the Byerly #1-17 well is on a recently expired lease. Staff is unable to process applications for wells that are no longer on an active lease. In order to process the application, a new lease agreement will need to be provided to supplement the application.

Please address the above referenced issues by January 20, 2023. Failure to do so will result in Staff requesting a presiding officer be assigned to and a prehearing conference set in this matter in anticipation of an evidentiary hearing where Staff would recommend denial of the application for the reasons noted above.

You may contact me at k.marsh@kcc.ks.gov if you have any questions.

Sincerely,

<u>/s/ Kelcey Marsh</u> Kelcey Marsh Litigation Counsel Kansas Corporation Commission

cc: Kenny Sullivan, Eric MacLaren, District #1



Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Laura Kelly, Governor

CERTIFICATE OF SERVICE

23-CONS-3074-CEXC

I, the undersigned, certify that a true and correct copy of the attached Motion for the Designation of a Presiding Officer and the Scheduling of a Prehearing Conference has been served to the following by means of first class mail and electronic service on February 8, 2023.

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/s/ Paula J. Murray Paula J. Murray