

APR 23 2014

LEGAL SECTION

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

Before Commissioners: Shari Feist Albrecht, Chair
 Thomas E. Wright
 Jay Scott Emler

In the matter of the failure of Crown Well)	Docket No: 14-CONS-749-CPEN
Service Inc. ("Operator") to comply with)	
KAR 82-3-407 at the Baxa #12 in Rooks)	CONSERVATION DIVISION
County, Kansas)	
_____)	License No: 3722

RE: KCC Docket 14-CONS-749-CPEN – Hrabe B #1, Hrabe B #2, Hrabe G #1

REQUEST FOR HEARING

A Penalty Order was issued in the above-captioned matter on March 27, 2014, and mailed on March 28, 2014. Crown Well Service, Inc. ("Operator") requests a hearing with respect to such Penalty Order upon the following grounds:

1. Crown Wells Service, Inc. ("Operator") has, through no fault of its own, had significant difficulties in accessing and submitting forms through the newly implemented Kansas on-line automated reporting system ("KOLAR").
2. As a result of Operator's difficulty in obtaining information through KOLAR, Operator has relied upon phone calls and e-mail correspondence with KCC staff to determine Operator's responsibilities relative to its wells. Pursuant to such communication with the KCC staff, Operator has worked diligently to satisfy its obligations with respect to its wells.
3. Operator was advised by staff that Operator had 3 wells which required priority attention. Ultimately an agreement was reached between Operator and staff as to what was required to be done with regard to these 3 wells and a deadline for accomplishing the same. The agreement reached is attached hereto as Exhibit A.
4. Operator complied with the agreement attached as Exhibit A.
5. In discussions with staff, it was Operator's understanding that Operator would then be provided time to bring the Baxa #12 well located in Rooks County into compliance. Instead while Operator was in the process of negotiating and

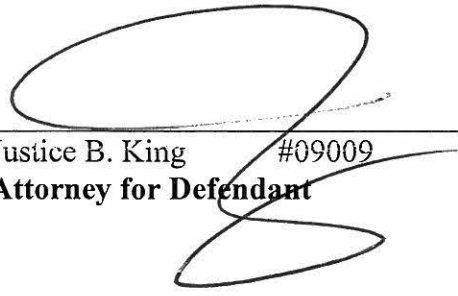
complying with the agreement attached as Exhibit A, staff went forward and recommended the Penalty Order which is the subject of the present request for hearing.

6. In light of communications between Operator and staff as to additional time being granted to Operator to bring Baxa #12 into compliance, the Penalty Order which is the subject of this request for hearing should be set aside, and should not become final.
7. Not only has the Penalty Order been issued contrary to representations made by staff as to time being granted to address the Baxa #12 well after compliance with the agreement set forth in Exhibit A, but as a consequence of difficulties experienced with KOLAR and resulting fines issued, Operator has been unable to timely renew Operator's license without payment of an \$1,800 fee (which should not be required). This has, in turn, resulted in Operator now being unable to access KOLAR to submit an application to plug the Baxa #12 well.

WHEREFORE, Operator requests that a hearing be held with regard to Penalty Order which is the subject of this request, and that such Order be set aside.

FISHER, PATTERSON, SAYLER & SMITH, L.L.P.
3550 S.W. 5th Street
P.O. Box 949
Topeka, Kansas 66601-0949 (785) 232-7761

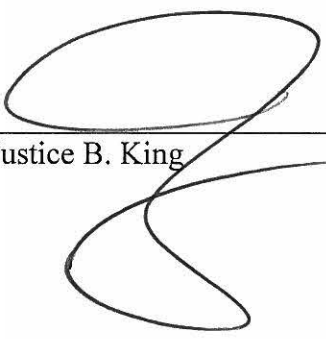
By:


Justice B. King #09009
Attorney for Defendant

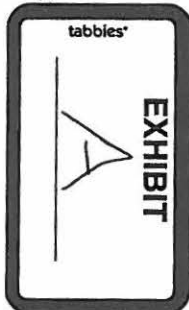
CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was deposited in the United States mail, postage prepaid, on the 21st day of April, 2014, addressed as follows:

Kansas Corporation Commission
ATTN: Executive Director
130 S. Market, Room 2078
Wichita, Kansas 67202



Justice B. King



April 4, 2014

Justice B. King
jking@fisherpatterson.com

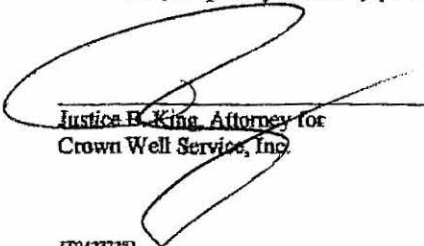
Steve Crawford, Crown Well Service, Inc.
hscstagecoachranch@yahoo.com

Re: KCC Docket 14-CONS-406-CPEN – Hrabe B #1, Hrabe B #2, Hrabe G #1

Mr. King and Mr. Crawford:

Commission Staff extends this nonnegotiable, one-time offer for an agreement in this case. If you agree, sign the bottom of this letter, which shall serve as a binding agreement. Failure to return a signed copy of this agreement to Staff prior to 5 pm CST April 7, 2014 will be deemed a rejection of this offer and your wells shall be shut-in.

- Crown Well Service failed to comply with the Commission Order in Docket 14-CONS-406-CPEN by the Order's deadline of February 10, 2014.
- Crown Well Service did not cease operations as required by the license suspension letter dated February 18, 2014, sent by Commission Staff.
- Crown Well Service has arranged for Express Well Service to begin plugging operations on the Hrabe B #2 between the dates of April 18, 2014, and April 23, 2014, and it anticipates the Hrabe B #1 will be pumping before that time.
- Commission Staff will not pursue further enforcement against Crown Well Service for operating on a suspended license until 5 pm Central Standard Time on April 24, 2014.
- Crown Well Service understands and agrees that, if the Hrabe B #1 is not pumping and the Hrabe B #2 completely plugged by the end of the day on April 24, 2014, Commission Staff shall propose that the Commission issue an order assessing an additional \$10,000 penalty and requiring that Crown Well Service's operations be shut-in and sealed until full compliance is obtained. Crown Well Service agrees that it will not dispute the \$10,000 penalty and the requirement that operations be shut-in and sealed.


Justice B. King, Attorney for
Crown Well Service, Inc.


Steve Crawford, Crown Well Service, Inc.

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