

**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 failure of Patrick)	Docket No.: 15-CONS-197-CPEN
Development Corporation ("Operator") to)	
comply with K.A.R. 82-3-400 at the Hegwald)	CONSERVATION DIVISION
#d-1 (WSW), Hendricks #PDC 11, Hendricks)	
#PDC 10 and Henrichs #PDC 9 wells in)	License No.: 6279
Woodson and Allen Counties, Kansas.)	

MOTION FOR A DEFAULT ORDER

For the following reasons, Commission Staff moves for a Default Order to be issued against Operator, but requests that the fine in the original penalty order to be reduced from \$5,000 to \$500, for one violation of K.A.R. 82-3-400 at the Hegwald #d-1.

I. Background

1. On August 26, 2014, the Commission issued a penalty against Operator for unauthorized injection at five wells, and assessed a \$5,000 penalty. Operator filed an appeal on September 24, 2014, a prehearing conference was held pursuant to Commission order, and the matter was scheduled for a December 18, 2014, hearing. After Operator filed a motion for a continuance, the matter was re-scheduled for a January 15, 2015, hearing. Staff timely submitted its pre-filed testimony. Operator, however, has failed to submit pre-filed testimony by its January 5, 2015 deadline.

II. Argument

2. Operator has failed to timely submit pre-filed testimony. The Commission's October 2, 2014, Order in this matter is quite clear: "Any party that fails to attend or participate in the Prehearing Conference, hearing, or other stage of this proceeding **shall** be held in default


under the [Kansas Administrative Procedure Act]" (emphasis added). The Prehearing Officer's October 23, 2014, and December 8, 2014, orders in this matter stated that "Parties should note that failure to meet any deadline may result in a default order or the exclusion of evidence by the Commission." Operator should be held in default, as the Commission clearly stated that the consequence of failure to participate **shall** be default.

3. Staff has submitted pre-filed testimony supporting the rescission of four of the violations and \$4,000 of the penalties in this docket. Like it has in dozens of other over-injection penalties across the last few months, Staff has made a settlement offer to reduce the remaining \$1,000 penalty to \$500. Operator has not accepted the offer. Although Operator should be held in default, in fairness, Staff recommends that the penalty in this docket should be reduced to \$500 for one violation of K.A.R. 82-3-400, rather than be affirmed in whole.

III. Conclusion

4. Based upon the above, Staff requests that a default order be issued against Operator, but reducing the penalty to \$500 for one violation of K.A.R. 82-3-400.

Respectfully submitted,



Jonathan R. Myers, #25975
Litigation Counsel,
Kansas Corporation Commission
266 N. Main, Suite 220
Wichita, Kansas 67202
Phone: 316-337-6200
Fax: 316-337-6106

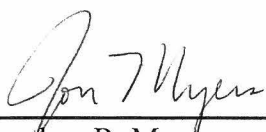
CERTIFICATE OF SERVICE

I certify that on 1/6/15, I caused a complete and accurate copy of this Motion to be served via United States mail, with the postage prepaid and properly addressed to the following:

Jeff Kennedy
Martin Pringle et al.
100 N. Broadway, Suite 500
Wichita, Kansas 67202
Attorney for Patrick Development

And delivered by hand to:

Lane Palmateer & Alan Snider
Conservation Division Central Office



Jonathan R. Myers
Litigation Counsel
Kansas Corporation Commission