## THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

**Before Commissioners:** 

Pat Apple, Chairman Shari Feist Albrecht Jay Scott Emler

| ) | Docket No. 17-CONS-3398 -CPEN |
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| ) | CONSERVATION DIVISION         |
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| ) | LICENSE No. 3809              |
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## OWNER OF MEM PARTNERSHIP'S RESPONSE TO KCC STAFF'S MOTION REGARDING LEGAL REPRESENTATION

MEM Partnership, LP (MEM) should not be required to obtain legal representation by a Kansas licensed attorney as requested by the KCC staff in a formal response dated April 6, 2017. William Story (Owner), and the owner of MEM have appeared in formal hearings before the Commission on behalf of the MEM without an attorney in the past. Owner is not an attorney and respectfully this should not constitute the unauthorized practice of law, and should not violate Commission regulations as stated below. Owner should be able to continue to appear before the Commission and represent his company on the above matter in this regard. In past communications with the KCC staff the Owner has identified himself as the Managing Partner, but the other partner has died and Owner is the only remaining partner who owns the company.

- 1. K.A.R. 82-1-228 (d) (l) (B) (A) provides that any party may appear before the Commission and be heard in person on that party's own behalf and the Owner is the company and therefore respectfully, Owner is asking for the Commission's approval in not requiring MEM to hire a Kansas licensed attorney. Respectfully the Owner is the only person who is qualified to appear before the Commissioner's for this above Docket.
- 2. K.S.A. 77-515 (c) provides that a state agency may require a corporation or other artificial persons to participate in hearings by counsel. Please be advised that Owner is not an artificial person by definition and respectfully not required to provide outside counsel.

- Owner agreed with K.S.A. 77-545 (b) (2) that stated in KCC staff response that once a hearing is scheduled and prior to the final order being issued, copies of written communications directed at the presiding officer shall be mailed to all parties of record. The only question is...who is the presiding officer in this Docket?
- 4. In response to the statement by KCC staff in the document dated March 6, 2017 in paragraph six (6) on page two (2) whereby KCC staff indicated that improper contact was made by the Owner of MEM. This alleged improper contact was a legal response, mailed from the Topeka office and mailed back to the KCC Topeka Office and then the Topeka office asked the Owner to send that document to the Wichita office. The Owner of MEM assumed that the Prehearing Officer for the Prehearing Conference, who is located in the Topeka office, was the proper office to receive this document.

## **BACKGROUND INFORMATION**

- 5. On December 15, 2016, the Commission issued a Penalty Order against MEM on the Cooley #1 well into compliance with K.A.R. 82-3-111. Please be advised that MEM does not operate this well or this Lease in Graham County, Kansas since about 20 years ago when MEM lost the operations for lack of production by the owner of the Cooley Lease.
- 6. The subject well in this Docket is the East Cooley #1 SWD, an unauthorized Salt Water Disposal on 160 acre Cooley Lease that also has two other wells on the property. One well is an oil producing well called the Cooley #1 and a non-operating well called the Cooley #2 SWD. The oil producing Cooley Lease has been operated and producing oil by other operators, continuous, from about the year 2001.
- 7. The Owner of MEM does not understand why...when the new operators who entered into a new Lease Agreement on the 160 acre Cooley Lease about 18 years ago, would not be responsible for the entire Lease and not just the oil producing part thereof.
- 8. As stated in KCC staff's response under "Discussion" in paragraph 7 on page three (3), that states, in essence, "limited partnership is an artificial person," similar to a corporation

and should be represented by a Kansas licensed attorney." KCC staff office has always designated MEM as a General Partnership whereby the General Partner individuals are responsible for all activities of the partnership, it appears therefore, respectfully, MEM should not be required to hire a Kansas licensed attorney.

- 9. In paragraph (b) on page three (3) of KCC staff's written response states that an alleged artificial partnership is similar to a corporation and a partnership shields limited partners from full liability and restricts their authority. Is that the case with General Partnerships? And the question remains, to whom does the liability or authority fall upon, if not with the partners?
- 10. KCC staff indicates in paragraph (c) on page four (4) that the Kansas Supreme Court lists categories of individuals who may appear before a Kansas Court. It seems that a hearing before the Commissioner's is not a Kansas Court. It appears in every category of individual human rights that a person may represent themselves and their possessions and a party may be heard in person on its own behalf.
- Owner should not be required to hire an attorney to be heard before the Commission on its own behalf.

  The Owner of MEM is not an artificial entity and forcing Owner to maintain a Kansas licensed attorney will be a major financial hardship on this very small operator with only three small operating leases in the company.
- 12. Under paragraph (f) on page 4, KCC staff indicates that MEM and it Owner demonstrates a lack of understanding of Commission regulations regarding operators liability for abandoned and unplugged wells. Also the act of placing an address, explained in paragraph 4 above, on a document to the KCC (Topeka vs. Wichita) that appears by the KCC staff to be a major error by the operator and thus emphasizing this lack of understanding.
- 13. Please be advised that MEM understands that the operator must plug unproductive wells, and in that regard MEM has plugged two different wells on property operated by MEM. The wells that MEM plugged were the responsibility of MEM. The subject well Cooley #1 and

the Cooley Lease in this Docket, is not the responsibility of the MEM on a lease that MEM does not operate.

14. The Owner of MEM is well aware of the decorum displayed before the Commissioners at this formal hearing and the Owner will maintain a professional correctness at all times and certainly as a non-attorney will not participate in the unauthorized practice of law, but only the presentation of facts.

WHEREFORE, Owner respectfully requests that the Commission does not require the Owner of MEM to obtain legal representation by a Kansas licensed attorney and proceed to the formal hearing in this above Docket.

Dated: April 13, 2017

MEM PARTNERSHIP, LP

Non-Attorney, William Story, Owner

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I do hereby certify that on April 13, 2017 that this original document and 7 copies were mailed via US mail to Paula J. Murray KCC legal assistant 266 N. Main, Ste. 220, Wichita, Kansas 67202