

**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 Notice of Denial of) Docket No: 17-CONS-3685-CMSC
License Renewal Application to Tailwater,)
Inc.) CONSERVATION DIVISION
)
_____) License No: 34525

ORDER CLOSING DOCKET

This matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined its files and records, and being fully advised in the premises, the Commission makes the following findings:

1. On June 2, 2017, Commission Conservation Staff (Staff) sent Tailwater, Inc. (Operator) a Notice of Denial of License Renewal Application. The Operator timely requested an evidentiary hearing.¹

2. On July 13, 2017, the Commission issued its *Order Designating Prehearing Officer and Setting Prehearing Conference* (Order), scheduling a Prehearing Conference for September 14, 2017.²

3. The Commission subsequently issued a procedural schedule,³ pursuant to which both Staff and Operator witnesses filed testimony.⁴

4. On December 6, 2017, the Operator filed a Motion to Join Necessary Party, asking the Commission to order Poverty Knob Production, LLC (Poverty Knob) to be joined as

¹ Request for Hearing (June 15, 2017).

² Order, Ordering Clause B (July 13, 2017).

³ See *Order Setting Procedural Schedule*, Ordering Clause A (Sept. 19, 2017).

⁴ See Pre-filed Testimony of Cynthia K. Maine (Nov. 17, 2017); Pre-filed Testimony of Christian L. Martin on behalf of Tailwater, Inc. (Dec. 4, 2017).

an additional party, to show cause why Poverty Knob should not be held responsible for the wells at issue, to order Poverty Knob to be responsible for the wells at issue, and to order the renewal of the Operator's license.⁵

5. On December 18, 2017, the Prehearing Officer extended the deadline for pre-filed rebuttal testimony to January 29, 2018, and rescheduled the evidentiary hearing for February 15, 2018.⁶

6. On January 31, 2018, the Prehearing Officer stayed the procedural schedule because the Commission had not yet ruled on the Operator's Motion to join Poverty Knob as a necessary party.⁷

7. On February 8, 2018, Staff filed a Motion to Close Docket (Motion), noting that "[s]ubsequent to the procedural schedule being stayed," the unplugged well records at issue were transferred to Poverty Knob.⁸ Therefore, Staff stated that "all issues that had caused Operator's license renewal application to be denied have been resolved. Accordingly, Staff has now processed Operator's license application . . . [and] respectfully moves the Commission for this docket to be closed."⁹

8. The Commission finds Staff's review of additional information regarding the Operator's license renewal application, and Staff's conclusion that all the issues preventing the Operator from obtaining its license renewal have been resolved, provide a reasonable basis for granting Staff's Motion. The Commission finds the docket shall be closed.

⁵ Motion to Join Necessary Party, pp. 3-4 (Dec. 6, 2017).

⁶ *Prehearing Officer Order Continuing Rebuttal Testimony Deadline and Rescheduling Evidentiary Hearing*, Ordering Clauses A & B (Dec. 18, 2017).

⁷ *Prehearing Officer Order Staying the Procedural Schedule*, ¶ 6 (Jan. 31, 2018).

⁸ Motion to Close, ¶ 7.

⁹ *Id.*, ¶ 8 and p. 2.

THEREFORE, THE COMMISSION ORDERS:

A. The docket is closed.

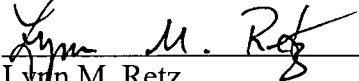
B. The parties have fifteen (15) days from the date of electronic service of this Order to petition for reconsideration.¹⁰

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

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Apple, Commissioner

Dated: FEB 15 2018


Lynn M. Retz
Secretary to the Commission

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¹⁰ K.S.A. 55-162; K.S.A. 55-606; K.S.A. 66-118b; K.S.A. 77-529(a)(1).

CERTIFICATE OF SERVICE

17-CONS-3685-CMSC

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of

Electronic Service on **FEB 15 2018**.

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/s/ DeeAnn Shupe
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EMAILED

FEB 15 2018