

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

Before Commissioners: Pat Apple, Chairman
Shari Feist Albrecht
Jay Scott Emler

In the Matter of an Order to Show Cause) Docket No.: 18-CONS-3053-CSHO
Issued to Southwind Petroleum)
Corporation (“Operator”) for its Failure to) CONSERVATION DIVISION
Comply with K.A.R. 82-3-602 at the Dirks)
#27-2 Well in Rush County, Kansas.) License No.: 6743
)

**ORDER TO SHOW CAUSE, DESIGNATING A PREHEARING OFFICER,
AND SETTING A PREHEARING CONFERENCE**

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined the files and records, and being duly advised in the premises, the Commission finds and concludes as follows:

1. On July 17, 2017, Commission Staff filed a Motion for an Order to Show Cause, the Designation of a Prehearing Officer, and the Scheduling of a Prehearing Conference. Staff stated “on December 8, 2014, Operator filed Notice of Intent to Drill (C-1) Form and Application for Surface Pit (CDP-1) Form for its proposed Dirks #27-2 well....”¹ Staff approved the C-1 and CDP-4 for the subject well on December 8, 2014. Operator filed a Well Completion (ACO-1) Form on June 15, 2015, “indicating the subject well was spud on January 8, 2016, and completed on March 19, 2015.”² Operator filed a Closure of Surface Pit (CDP-4) Form on March 31, 2016, stating the pit was closed on October 22, 2015.³

2. Commission District #1 Staff received a complaint from a landowner on June 14, 2017, regarding the open pits at the subject well. Commission Staff inspected the subject well site on June 15, 2017, “and found the pits associated with the subject well remain open in

¹ Staff’s Motion for an Order to Show Cause, the Designation of a Prehearing Officer, and the Scheduling of a Prehearing Conference, Jul. 17, 2017, ¶ 7.

² Id. ¶ 8.

³ Id. ¶ 9.

violation of K.A.R. 82-3-602(a)(1)(A) and contrary to the representations made by Operator in its March 31, 2016, CDP-4 filing.”⁴

3. The Commission finds it has jurisdiction to investigate this matter pursuant to K.S.A. 55-171 and K.A.R. 82-3-100 *et seq.* Pursuant to K.S.A. 55-162, Operator shall come before the Commission to show cause why a penalty constituting an actual and substantial economic deterrent should not be assessed against Operator for its violation of K.A.R. 82-3-602 and its misrepresentation of the status of the pits at the subject well.

4. The Commission finds and concludes that a Prehearing Conference shall be scheduled and that a Prehearing Officer should be designated in this proceeding to address any matters listed in K.S.A. 77-517(b).

THEREFORE, THE COMMISSION ORDERS:

A. The Prehearing Officer in this proceeding shall be Samuel Feather, Deputy General Counsel, Kansas Corporation Commission, 1500 S.W. Arrowhead Road, Topeka, Kansas 66604, telephone number (785) 271-3240, email s.feather@kcc.ks.gov.

B. A Prehearing Conference is scheduled for **October 2, 2017 at 10:30 a.m.** by telephone. The conference call information is: telephone number (866) 620-7326, Conference Code PIN # 7632914771.

C. At the Prehearing Conference, parties shall be prepared to discuss deadlines for filing testimony and briefs, discovery procedures, scheduling of a hearing with the Commission, and any other issues that will promote the orderly and prompt resolution of this proceeding.

D. At the Prehearing Conference, without further notice, this proceeding may be converted into a conference hearing or a summary proceeding for disposition of this matter as provided by the Kansas Administrative Procedure Act (“KAPA”). Any party that fails to attend

⁴ Id. ¶11.

or participate in the Prehearing Conference, hearing, or other stage of this proceeding may be held in default under the KAPA.

E. Pursuant to K.A.R. 82-1-228(d)(2), corporations must enter an appearance via an attorney. If a corporation fails to enter an appearance via an attorney prior to the Prehearing Conference, it shall be held in default under the KAPA.

F. The attorney designated to appear on behalf of the agency in this proceeding is Joshua D. Wright, Litigation Counsel, telephone number (316) 337-6200, email address j.wright@kcc.ks.gov.

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

BY THE COMMISSION IT IS SO ORDERED.

Apple, Chairman; Albrecht, Commissioner; Emler, Commissioner

Dated: **AUG 22 2017**



Lynn M. Retz
Secretary to the Commission

Mailed Date: August 22, 2017

SF/sc

CERTIFICATE OF SERVICE

I certify that on 8/22/17, I caused a complete and accurate copy of this Order to be served via United States mail, with the postage prepaid and properly addressed to the following:

Willis D. Nigh
Southwind Petroleum Corp.
1400 W. 14th Street
Wichita, KS 67203

and delivered by e-mail to:

Stephen Pfeifer
KCC District #1

Jonelle Rains
KCC Central Office

Joshua D. Wright, Litigation Counsel
KCC Wichita Central Office

Samuel Feather, Deputy General Counsel
KCC Topeka Office

/s/ Paula J. Murray
Paula J. Murray
Legal Assistant
Kansas Corporation Commission