

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

In the matter of the applications of RJ Energy,)
LLC, for injection authority at twelve wells on)
the Murray Twin lease and ten wells on the)
Brewer lease, both in Coffey County, Kansas.)
)

Docket No: 20-CONS-3231-CUIC

CONSERVATION DIVISION

License No: 3728

**PROTESTANT CINDY HOEDEL'S SETTLEMENT OFFER IN RESPONSE
TO APPLICANT'S MOTION TO DISMISS PROTESTS**

1. With regards to the Prehearing Officer Order Setting Prehearing Conference dated May 13, 2020 which sets a new pre-hearing telephone conference in this matter for Thursday, June 4, 2020 at 3:00 p.m., Protestant basically agrees to the Docket history as set out by the Commission in with the following corrections and additions:

- a. Protestant's Letter of Protest and Request for Hearing in this matter was dated February 18, 2020 and filed into the docket by the Commission on February 20, 2020.
- b. On behalf of RJ Energy LLC, an Entry of Appearance dated March 12, 2020 was filed by Thomas Rhoads LC, of Wichita, Kansas, who, in turn filed a Motion to Dismiss Protests dated March 16, 2020.

2. In the Applicant's March 16, 2020 eight (8) page Motion to Dismiss Protests, Applicant contends that protestant Hoedel's assertion that the notice published by RJ Energy is defective because it fails to adequately describe the proposed activity for which permits are sought is wrong because the published notice states that the applications seek permission to "conduct enhanced recovery operations" by injection of salt water into the Squirrel formation in each of the 2 subject wells. Applicant cites the definition for "Enhanced recovery" at K.A.R. 82-3-101(29) , however, neither the statute number nor the definition is contained in the notice. Therefore, protestant is unable to evaluate the purpose of the permission being sought to know whether she might be harmed. Applicant states that

protestant's statement that she is familiar with Enhanced Oil Recovery (EOR) wells is offered as evidence that her "contended lack of knowledge and understanding of the nature of the applications is specious." On the contrary, protestant's familiarity with the EOR process in general sheds no light on the notice, which does not contain the word "oil" anywhere. Applicant falsely states that the notice "directs the reader to sources of additional information if further inquiry is required." No such direction is present in the notice. In addition, placing the responsibility on the reader of the notice to conduct an investigation into the exact nature of the activity for which permission is being sought is unduly burdensome.

3. Protestant has raised the issue of misleading notices in the past with the KCC with no satisfactory explanation for why notices statewide used to use the phrase "enhanced recovery of oil" and then, around 2 years ago, largely switched from that phrase to the nonsensical phrase "enhanced recovery of saltwater" or the simply incomplete "enhanced recovery" as in this notice. Since the KCC supplies sample notices, it would be an easy thing for the KCC to change the language in its sample notice, which contains the misleading phrase "enhanced recovery" without stating the object of the recovery (i.e. oil or gas) and restore the previous clear language of notices "enhanced recovery of oil."

4. Protestant is prepared to drop any and all protests of the wells in question if a correctly worded notice is published that clearly states the purpose of the authorization requested (i.e. "the enhanced recovery of oil," or whatever the true purpose of the activity is), and if proof of publication is provided to protestant and filed into the docket.

IN CLOSING, PROTESTANT HOEDEL STATES:

1. An offer of settlement which requires Applicant to publish a clear and concisely worded Application Notice that conforms with the governing statutes and regulations regarding Application Notices and the clear and concise phrasing which used to be the standard in industry notices in the past is reasonable and supports the KCC's mission to protect correlative rights and environmental resources.

2. Correlative rights and environmental resources are not protected if RJ Energy LLC is allowed to use ambiguous, unclear language that fails to state the purpose of its proposed injection of saltwater into the Squirrel formation.

3. Should applicant reject this settlement offer, protestant intends to proceed with her request for a hearing to address her concern that environmental resources are not being protected when the purpose of the proposed activity is shrouded in obfuscation.

Respectfully submitted,
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NOTIFICATION OF SERVICE

On this 19th day of May, 2020, all parties on the service list of this docket were informed by email or US postal service of this filing on the docket.

CERTIFICATE OF SERVICE:

Please note, that at this time, due to Covid-19 office closures in her town, Protestant does not have access to either a notary or a FAX machine and service of this document can only be provided via e-mail followed by hard copies in the US Mail; therefore, Protestant Cindy Hoedel states that true and exact copies of this **PROTESTANT CINDY HOEDEL'S SETTLEMENT OFFER IN RESPONSE TO APPLICANT'S MOTION TO DISMISS** were sent to parties on the service list.