

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

Before Commissioners: Shari Feist Albrecht, Chair
 Jay Scott Emler
 Dwight D. Keen

In the matter of the Application of Taos)	Docket No. 19-CONS-3042-CEXC
Resources Operating Company LLC for an)	
exception to the pit closure time limitation of)	CONSERVATION DIVISION
K.A.R. 82-3-602(a)(2) at its Hawkins #27-1)	
located in Section 27, Township 32 South,)	License No. 33372
<u>Range 5 East, Cowley County, Kansas.</u>)	

ORDER GRANTING APPLICATION

The above captioned matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined its files and records, and being duly advised in the premises, the Commission makes the following findings and conclusions:

I. JURISDICTION

1. The Commission has the exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.¹
2. K.A.R. 82-3-602(a)(2) limits pit permit extensions to two, three-month extensions.
3. K.A.R. 82-3-100 provides that the Commission may grant an exception to any regulation after application and notice.

II. FINDINGS OF FACT

4. Taos Resources Operating Company LLC (Operator) conducts oil and gas activities in Kansas under active license number 33372.
5. On July 30, 2018, the Operator filed an Application requesting an exception to the time limitations for pit closures set out in K.A.R. 82-3-602(a)(2); for the reserve pit associated

¹ K.S.A. 74-623.

with the Hawkins #27-1 well (“subject pit”). The Operator wishes to forego the pit closure requirements enabling it to transfer the pit to the landowner.

6. The landowner, Mr. Henry Hawkins, submitted a written request asking for the subject pit to remain open so he may use it as a stock water pond in the future. Mr. Hawkins took all future responsibility for the pond.²

7. The Operator has verified that notice was properly served and published, as required under K.A.R. 82-3-135a.

8. No protest was filed under K.A.R. 82-3-135b.

9. Staff recommended that the Operator’s Application for an exception to the pit closure time limitations in K.A.R. 82-3-602(a)(2) be approved.

III. CONCLUSIONS OF LAW

7. The Commission finds and concludes that it has jurisdiction over the Operator in this matter.

8. The Commission finds and concludes the Application was filed in accordance with the rules and regulations of the Commission and in accordance with Kansas statutes.

9. The Commission finds and concludes that notice was properly served and published.

10. Based on the above facts, the Commission finds and concludes that the Application should be granted.

THEREFORE, THE COMMISSION ORDERS:

A. The Operator’s Application for an exception to K.A.R. 82-3-602(a)(2) is granted.

² See Application ¶6, July 30, 2018; See also Exhibit 1.

B. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).³

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner.

Dated: 10/02/2018 _____



Lynn M. Retz
Secretary to the Commission

Mailed Date: 10/03/2018 _____

LW

³ K.S.A. 55-162; K.S.A. 55-606; K.S.A. 55-707; K.S.A. 77-503(c); K.S.A. 77-531(b).

April 20, 2018

Kansas Corporation Commission
266 N. Main
Wichita, KS 67202-1513

Attn: Kathy Hayes

Taos Resources, Hawkins 27-1
(Sec. 27-T32S-R5E 965'FSL, 338'FWL, SW SW)

I am the Landowner for subject well recently drilled and located in Cowley County Kansas.

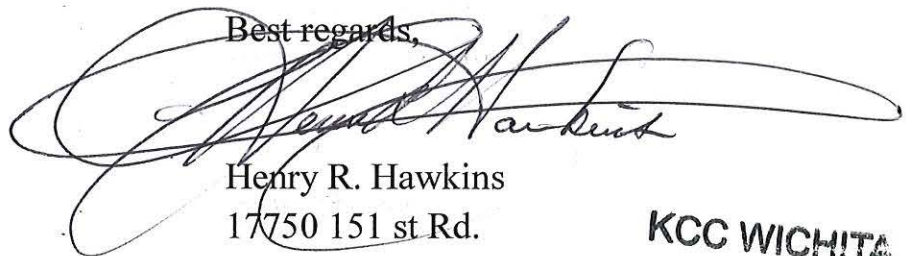
Whereas:

A reserve pit was constructed for use in drilling this well. It is now my request that this reserve pit remain unclosed and will be used in the future as a stock water pond.

Be it known, that I, as Landowner will take all future responsibility for this pond.

Please advise of your approval of this request.

Best regards,



Henry R. Hawkins
17750 151 st Rd.
Winfield, KS 67156

KCC WICHITA
APR 24 2018
RECEIVED

cc: Ray Dorthy, Taos Resources
042018-1

CERTIFICATE OF SERVICE

19-CONS-3042-CEXC

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of first class mail and electronic service on 10/02/2018.

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/S/ DeeAnn Shupe

DeeAnn Shupe