

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

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

In the matter of a Compliance Agreement) Docket No.: 16-CONS-3876-CMSC
Between Steven A. Leis and Commission Staff)
regarding bringing the twenty-eight wells in) CONSERVATION DIVISION
compliance with K.A.R. 82-3-111)
_____) License No.: 33900

Pursuant to the Kansas Statutes & Administrative Regulations

**RESPONSE OF LD & CHERYL MCCORMICK TO STEVEN A. LEIS RESPONSE TO
ORDER GRANTING INTERVENTION OF LD & CHERYL MCCORMICK AND
FURTHER GRANTING RECONSIDERATION TO ORDER ENTERED BY STATE
CORPORATION COMMISSION ON MARCH 15, 2016**

Comes now, LD and Cheryl McCormick, husband and wife, Petitioners herein, and submit their reply to Steven A. Leis' response to order granting intervention of Petitioners and further granting reconsideration of the KCC's order entered on March 15, 2016.

In reply, Petitioners allege and state as follows:

1) Petitioners, LD and Cheryl McCormick, reside at 1266 80th Road, Yates Center, Kansas, 66783.

2) Petitioners are the owners of the following described property, to wit:

**South Half (S/2) of Section 28, Township 25 South, Range 15
East of the 6th P.M., Woodson County, Kansas.**

3) The land described in paragraph 2 was covered by an oil and gas lease formerly described as the "Hartzler" lease. The oil and gas lease was released by Steven A. Leis on or

about August 15, 2014.

4) On March 10, 2016, the Commission Staff ("Staff") filed a motion requesting the Commission adopt a compliance agreement between Staff and Steven A. Leis with regard to certain unplugged wells located on Petitioner's property in Woodson County, Kansas.

5) On March 15, 2016, the Commission issued its Order Approving Compliance Agreement, incorporating the terms of the compliance agreement into the Order.

6) On March 29, 2016, Petitioners timely filed their Petition for Intervention herein pursuant to K.S.A. 77-521.

7) On or about March 29, 2016, Petitioners timely filed their Petition for Reconsideration of the KCC's March 15, 2016, Order Approving Compliance Agreement pursuant to K.S.A. 77-529.

8) Copies of the Petition for Intervention and Petition for Reconsideration filed by Petitioners, as referenced herein, were served on Steven A. Leis by mail.

9) Steven A. Leis failed to file an objection to the Petition for Intervention filed by Petitioners within ten (10) days of March 29, 2016, or the time limit provided by applicable KCC rules and regulations, or as otherwise provided by law.

10) Steven A. Leis failed to file an objection to the Petition for Reconsideration of the KCC's March 15, 2016, Order Approving Compliance Agreement within ten (10) days of March 29, 2016, or the time limit provided by applicable KCC rules and regulations, or as otherwise provided by law.

11) Steven A. Leis failed to file an objection to the Petition for Intervention and Petition for Reconsideration of the KCC's March 15, 2016, Order Approving Compliance Agreement prior to April 26, 2016.

12) On April 26, 2016, the Commission issued its Order Granting Intervention of LD and Cheryl McCormick, Granting Reconsideration, Designating a Prehearing officer, and Scheduling a Prehearing Conference.

13) Steven A. Leis' response to the April 26, 2016, KCC order granting intervention of Petitioners and further granting reconsideration of the March 15, 2016, Order Approving Compliance Agreement, was not timely filed and it should not be considered herein.

14) In his response to the April 26, 2016, order issued by the KCC, Steven A. Leis attempts to argue that the March 15, 2016, Order Approving Compliance Agreement should not have been set aside. However, those arguments needed to be filed within ten (10) days of March 29, 2016, when Petitioners filed their respective Petitions herein. Steven A. Leis' response was not timely filed and the response should not be considered.

15) No motion to answer or to respond to Petitioner's petitions out of time was filed by Steven A. Leis prior to April 26, 2016. As such, the response of Steven A. Leis to the April 26, 2016, KCC order was not timely filed and it should not be considered by the KCC or its staff.

16) At no time have LD and Cheryl McCormick mislead or deliberately failed to disclose anything to the KCC.

17) The August 15, 2014, settlement agreement in the Woodson County District Court Case No. 12-CV-18 did not involve the KCC. The KCC was not a party to the lawsuit. The

wells included in the Compliance Agreement between Steven A. Leis and the KCC are additional unplugged wells not covered by the August 15, 2014, settlement agreement which involved the McCormicks. The August 15, 2014, settlement agreement between Steven A. Leis and the McCormicks makes specific reference to these additional unplugged wells in paragraph 6.

18) LD and Cheryl McCormick did not breach or violate the terms of the August 15, 2014, settlement agreement with Steven A. Leis by filing their Petitions herein. KCC staff determined that Steven A. Leis is legally responsible for plugging all of the wells that remain on the McCormick land. The McCormick's, as landowners, have an interest in this cause of action since the orders issued or to be entered herein by the KCC affects their property.

19) Asking to intervene in this action as authorized by K.S.A. 77-521 is not a "complaint" prohibited by the August 15, 2014, settlement agreement between the McCormicks and Steven A. Leis.

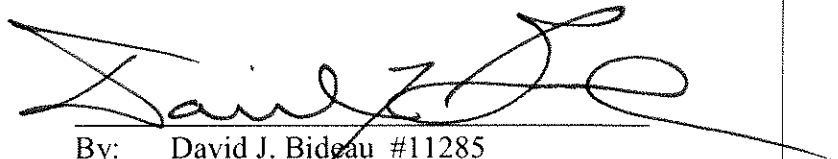
20) Asking the KCC to reconsider the March 15, 2016, Order Approving Compliance Agreement under K.S.A. 77-529 because it does not appear to include all of the remaining unplugged wells located on the McCormick land is not a "complaint" prohibited by the August 15, 2014, settlement agreement between the McCormicks and Steven A. Leis.

21) The August 15, 2014, settlement agreement between the McCormick's and Steven A. Leis is not "*res judicata*" of all issues between them. Furthermore, the settlement agreement is not "*res judicata*" to justify setting aside the KCC's April 26, 2016, order granting intervention of Petitioners and further granting reconsideration of the March 15, 2016, Order Approving

Compliance Agreement. This is a separate and distinct case. KCC was not a party to the Woodson County lawsuit between the McCormick's and Steven A. Leis. Therefore, *res judicata* does not apply and it has nothing to do with this case.

WHEREFORE, the response filed by Steven A. Leis' to the KCC's April 26, 2016, order granting intervention of Petitioners and further granting reconsideration of the March 15, 2016, Order Approving Compliance Agreement was not timely filed; it should not be considered herein; and "*res judicata*" does not apply.

BIDEAU LAW OFFICES, LLC



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LD & Cheryl McCormick

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the above and foregoing Response of LD & Cheryl McCormick to Steven A. Leis Response to Order Granting Intervention of LD & Cheryl McCormick and Further Granting Reconsideration to Order Entered by State Corporation Commission on March 15, 2016, was served upon the following parties by depositing the same in the U.S. Mail, postage prepaid, addressed as follows on this 23rd day of May, 2016.

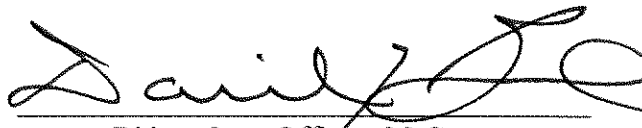
Original to: Agency Head
Kansas Corporation Commission
Conservation Division
266 North Main, Suite 220
Wichita, Kansas 67202

Copy to: Mr. Jonathan R. Myers
Litigation Counsel
Kansas Corporation Commission
266 North Main, Suite 220
Wichita, Kansas 67202

Copy to: Mr. Stanley R. Ausemus
Stanley R. Ausemus, Chartered
P. O. Box 1083
Emporia, Kansas 66801


Bideau Law Offices, LLC

We further certify that on the 23rd day of May, 2016, the original thereof was submitted electronically to the Kansas Corporation Commission - Conservation Division of the State of Kansas for filing in this matter.


Bideau Law Offices, LLC