THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Sha	Dwight D. Keen, Chair Shari Feist Albrecht Jay Scott Emler		
In the matter of the failure of Quito, ("Operator") to comply with K.A.R. 82-3)	Docket No: 19-CONS-3271-CPEN
at the Solomon #3 and Solomon #5 in Chautauqua County, Kansas.)))	CONSERVATION DIVISION
)	License No: 33594
In the matter of the failure of Quito, Inc. ("Operator") to comply with K.A.R. 82-3-111 at the Doty #3 in Chautauqua County, Kansas.))	Docket No: 19-CONS-3272-CPEN
))	CONSERVATION DIVISION
)	License No: 33594

ORDER JOINING DOCKETS, <u>DESIGNATING PREHEARING OFFICER,</u> <u>AND SETTING PREHEARING CONFERENCE</u>

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 finds the following:

1. On February 26, 2019, the Commission issued a *Penalty Order* in Docket 19-CONS-3271-CPEN against Quito, Inc. (Operator) for two violations of K.A.R. 82-3-111 because the Solomon #3 and Solomon #5 had been inactive in excess of the time allowed by regulation without being plugged, returned to service, or approved for temporary abandonment status.¹

2. On February 26, 2019, the Commission also issued a *Penalty Order* in Docket 19-CONS-3272-CPEN against Quito, Inc. (Operator) for one violation of K.A.R. 82-3-111 because the Doty #3 had been inactive in excess of the time allowed by regulation without being plugged, returned to service, or approved for temporary abandonment status.²

¹ See Docket 19-CONS-3271-CPEN, Penalty Order, ¶ 6, 10 (Feb. 26, 2019).

² See Docket 19-CONS-3272-CPEN, Penalty Order, ¶ 6, 10 (Feb. 26, 2019).

3. On March 20, 2019, Operator filed a request for hearing in both dockets, making identical claims regarding all three wells.³

4. Under K.A.R. 82-1-224, joinder of any proceeding with another may be permitted by the Commission so long as the issues are germane to each other. The Commission finds it appropriate to join Dockets 19-CONS-3271-CPEN and 19-CONS-3272-CPEN.

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

6. Although a Prehearing Officer is designated, parties are still required to file pleadings with the Commission. Filings shall be made with the Commission's Docket Room before 5:00 p.m. on the date scheduled for service to parties. Any filing submitted to the Commission after 5:00 p.m. shall be considered received by the Commission on the next business day. Late-filed documents shall be accompanied by a Motion to File Out-of-Time.

THEREFORE, THE COMMISSION ORDERS:

A. The Prehearing Officer in this proceeding shall be Jonathan R. Myers, Assistant General Counsel, Kansas Corporation Commission, 266 N. Main Street, Suite 220, Wichita, Kansas, 67202-1513, telephone number (316) 337-6245, email address <u>j.myers@kcc.ks.gov</u>. The Commission may designate other Staff members to serve in this capacity. <u>The Commission directs</u> <u>electronic service of all filings in the docket to include service on the Prehearing Officer and mailed service of all filings to be directed to the Prehearing Officer's attention.</u>

B. A Prehearing Conference is scheduled for Tuesday, April 23, 2019 at 9:00 a.m.
by telephone. The conference call information is: telephone number (866) 620-7326, Conference
Code PIN: 3902542751.

³ See Docket 19-CONS-3271-CPEN, Request for Hearing; Docket 19-CONS-3272-CPEN, Request for Hearing.

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 or participate in the Prehearing Conference, hearing, or other stage of this proceeding may be held in default under the KAPA.⁴

E. A corporation shall appear before the Commission by a Kansas licensed attorney.⁵

F. The attorney designated to appear on behalf of the agency in this proceeding is Lauren Wright, Litigation Counsel, telephone number (316) 337-6200, l.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.

Keen, Chair (Recused); Albrecht, Commissioner; Emler, Commissioner

Dated: 04/02/2019

Lynn M. Ret

Lynn M. Retz Secretary to the Commission

Mailed Date: _____04/02/2019

JRM

⁴ K.S.A. 77-506; K.S.A. 77-516(c)(7)-(8).

⁵ K.S.A. 77-515(c); K.A.R. 82-1-228(d)(2).

CERTIFICATE OF SERVICE

19-CONS-3271-CPEN AND 19-CONS-3272-CPEN

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 04/02/2019

JOHN ALMOND KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 3 137 E. 21ST STREET CHANUTE, KS 66720 Fax: 785-271-3354 j.almond@kcc.ks.gov

LAUREN WRIGHT, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 266 N. Main St., Ste. 220 WICHITA, KS 67202-1513 Fax: 316-337-6211 I.wright@kcc.ks.gov

MARK W. MCCANN QUITO, INC. 1613 W. 6th Street Bartlesville, OK 74003 JONATHAN R. MYERS, ASSISTANT GENERAL COUNSEL KANSAS CORPORATION COMMISSION 266 N. Main St., Ste. 220 WICHITA, KS 67202-1513 Fax: 316-337-6211 j.myers@kcc.ks.gov

JEFF KENNEDY MARTIN, PRINGLE, OLIVER, WALLACE & BAUER, LLP 100 N. Broadway Suite 500 Wichita, KS 67202 Fax: 913-491-3341 jkennedy@martinpringle.com

/S/ DeeAnn Shupe DeeAnn Shupe