## THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Shari Feist A Jay Scott Em Pat Apple	lbrecht, Chair ller	
In the matter of an Order to Show Ca	use )	Docket No.:	14-CONS-885-CSHO
issued to Glen A. Carter and Thomas	Well )		
Service, Inc. regarding responsibility under		CONSERVA	TION DIVISION
K.S.A. 55-179 for plugging the Tjade	en #1 )		
well in Section 16, Township 8 South, Range		License No.:	30329
21 East, Leavenworth County, Kansa	is. )		

# MOTION FOR AN ORDER TO SHOW CAUSE, THE DESIGNATION OF A PREHEARING OFFICER, AND THE SCHEDULING OF A PREHEARING CONFERENCE

For the following reasons, Commission Litigation Counsel moves for an Order to Show Cause, the designation of a prehearing officer, and the scheduling of a prehearing conference in this matter:

#### I. JURISDICTION & LEGAL STANDARD

- 1. The Commission has jurisdiction to regulate oil and gas production in Kansas under Chapter 55 of the Kansas Statutes Annotated and the General Rules and Regulations for the Conservation of Crude Oil and Natural Gas, K.A.R. 82-3-100 *et seq*.
- 2. K.S.A. 55-162 provides the Commission with jurisdiction to institute proceedings to enforce the laws of Kansas and Commission rules, regulations, and orders.
- 3. K.S.A. 55-179 provides the Commission with jurisdiction to determine the persons legally responsible for the proper care and control of oil and gas wells, including the responsibility to plug the wells.
- 4. K.S.A. 55-179(b) provides that a person who is legally responsible for the proper care and control of an abandoned well shall include one or more of the following:

- a. Any operator of a waterflood or other pressure maintenance program deemed to be causing pollution or loss of usable water;
- the current or last operator of the lease upon which such well is located,
   irrespective of whether such operator plugged or abandoned such well;
- c. the original operator who plugged or abandoned such well; and
- d. any person who without authorization tampers with or removes surface equipment or downhole equipment from an abandoned well.

#### II. STAFF'S ALLEGATION OF FACTS

- 5. At issue is the determination of the party legally responsible for the Tjaden #1 ("the subject well"), API #15-103-20186-00-00, Section 16, Township 8 South, Range 21 East, Leavenworth County, Kansas.
- 6. In 1982, Everett Frerichs, dba Oilwell Equipment Company, drilled the subject well. At some point after 1982, the subject well was transferred to Fairway Petroleum, Inc. Kansas Geological Survey records indicate that the last sale of production from the subject well occurred in 1994.
- 7. On April 27, 2001, the Commission received a Request for Change of Operator ("T-1") form, requesting transfer of the subject well from Fairway Petroleum to Thomas Well Service ("Thomas").<sup>3</sup> The T-1 was signed by Bobby G. Thomas on January 29, 2001, and stated that the effective date of transfer was October 16, 2000. The Commission acknowledged the transfer on November 9, 2004.

<sup>&</sup>lt;sup>1</sup> Mr. Frerich's license, #6985, expired in 1989.

<sup>&</sup>lt;sup>2</sup> Fairway Petroleum's license, #6871, expired in 2001. The entity forfeited with the Kansas Secretary of State in 2003.

<sup>&</sup>lt;sup>3</sup> Thomas Well Service, Inc., is currently licensed to conduct oil and gas activities in Kansas pursuant to K.S.A. 55-155, under license #30329.

- 8. On May 9, 2005, the Commission received a T-1 form, requesting transfer of the subject well from Thomas to Glen A. Carter ("Carter"). The T-1 was signed by Carter on May 4, 2005, and stated that the effective date of transfer was February 3, 2005. The Commission did not process the T-1 from Thomas to Carter, presumably because Carter has never been licensed by the Commission.
- 9. On October 8, 2013, Commission District #3 Staff inspected the subject well and found it to be shut-in with a swedge and valve. District #3 Staff also inspected Leavenworth courthouse records, and found the following:
  - a. a Bill of Sale & Receipt, filed February 3, 2005, in book 0945, page 1448,
     transferring the subject well from Apache Drilling Co. and Thomas to Stephanie
     Wilcox and Carter:<sup>4</sup>
  - a Release of Oil and Gas Lease, filed March 31, 2005, in book 0945, page 1450,
     by Thomas; and
  - a Release of Oil and Gas Lease, filed March 31, 2005, in book 0945, page 1451,
     by Apache Drilling Co.
- 10. Staff believes that the above facts are sufficient evidence to support a conclusion that Carter and Thomas are persons responsible for the care and control of the subject well, and therefore are responsible for plugging it.
- 11. On March 18, 2014, Commission Legal Counsel sent a letter to Carter and Thomas. The letter requested that Carter and Thomas work together to resolve the situation, by filing a Well Plugging Application by March 31, 2014, and by plugging the subject well by April 30, 2014. To date, the subject well remains abandoned and unplugged.

3

<sup>&</sup>lt;sup>4</sup> The Bill of Sale & Receipt references an Oil and Gas Lease dated October 16, 2000, from lessors Richard D. and Juliet M. Tjaden, to Apache Drilling Co. and Thomas.

#### III. CONCLUSION

12. Based on the above, Staff requests that an Order to Show Cause be issued, designating a prehearing officer and scheduling a prehearing conference.

Respectfully submitted,

Jonathan R. Myers, #25975

Litigation Counsel

Kansas Corporation Commission

130 S. Market, Room 2078 Wichita, Kansas 67202-3802

Phone: 316-337-6200 Fax: 316-337-6106

### **CERTIFICATE OF SERVICE**

I certify that on
Bobby G. Thomas Thomas Well Service PO Box 97 Mclouth, Kansas 66054
Glen A. Carter 21682 Turner Road Easton, Kansas 66020
John Almond District Office No. 3
And delivered by hand to:
Bob Jenkins Conservation Division Central Office

Jonathan R. Myers
Litigation Counsel

Kansas Corporation Commission