2015.03.17 13:46:24 Kansas Corporation Commission /S/ Neusa Thomas

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

efore Commissioners: Shari Feist Albrecht, Chair Jay Scott Emler Pat Apple		
In the matter of the failure of Steve A dba A&A Well Service ("Operator")		Docket No.: 15-CONS-371-CPEN
comply with K.A.R 82-3-107 and K. 3-130 at the D J Daniels #1-4, Nelson	A.R. 82- )	CONSERVATION DIVISION
Nelson#3-14, Williams #1-14 and W #2-14 in Allen County, Kansas.		License No.: 31813

## **ORDER VACATING DEFAULT ORDER**

The above-captioned matter comes before the State Corporation Commission of the State of Kansas. Having examined the files and records, and being duly advised in the premises, the Commission finds and concludes as follows:

#### I. JURISDICTION

1. K.S.A. 74-623 provides the Commission with exclusive jurisdiction to regulate oil and gas drilling and production activities.

2. K.S.A. 77-520 provides that if a party fails to attend any stage of an adjudicative

proceeding, the agency may issue a default order with a statement of the grounds. The party has

seven days to file a written motion to vacate, stating the grounds relied upon.

#### II. **FINDINGS OF FACT**

3. On November 4, 2014, the Commission issued a Penalty Order against Steve A. Becker for failure to submit well completion forms and associated documents by the 120-day deadline for each of the captioned wells.

4. On December 5, 2014, Mr. Becker timely submitted his letter of appeal. 5. On December 11, 2014, the Commission issued its Order Designating Prehearing Officer and Setting Prehearing Conference. The Order set a prehearing conference for December 30, 2014, at 2:30 p.m. The Order stated that telephonic attendance was available by request, and it stated that the failure to attend any stage of the proceeding shall result in a default order.

On December 30, 2014, at 2:30 p.m., the prehearing conference was held.
Mr. Becker did not attend the Prehearing Conference in person or by phone. Counsel for Staff verbally moved that the Prehearing Officer propose a default order.

7. On January 13, 2015, the Commission issued its Default Order in this matter. The Order found that Mr. Becker's failure to attend the prehearing conference constituted default. The appeal was dismissed, and Mr. Becker was directed to pay the \$2,500 fine within 30 days.

8. On January 23, 2015, Mr. Becker filed a letter apologizing for missing the prehearing schedule, explaining that he is a small operator and it was necessary for him to be working that day until 4:00 pm. Because Mr. Becker is pro se, the Commission finds that this letter was a motion to vacate the default order, timely filed under K.S.A. 77-520.

9. On January 26, 2015, Staff responded in opposition to the motion to vacate. Staff stated that the Order setting the prehearing conference was clear that failure to attend shall result in a default order. Staff further stated that Mr. Becker did not contact Staff to inform them of his inability to attend until hours after the prehearing conference had taken place.

10. The Commission takes administrative notice of its own well database, which indicates Mr. Becker has in excess of 500 unplugged wells in Eastern Kansas.

11. The Commission takes administrative notice of Kansas Geological Survey records, which indicate from tax records that Mr. Becker produced in excess of 6,500 barrels of oil in calendar year 2014, with cumulative production of over 260,000 barrels of oil since 1981.

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#### **III. CONCLUSIONS OF LAW**

12. The Commission concludes that the Default Order should be vacated. Although Mr. Becker did not contact Staff or the Prehearing Officer until after the prehearing conference was held, he did call later that day. Mr. Becker is advised that any future failure to participate, including the failure to prefile testimony by the applicable deadline, shall result in a default order. If Mr. Becker's schedule precludes him from participating in proceedings that are set by Commission Order, he should hire an attorney to represent him at those proceedings.

### THEREFORE, THE COMMISSION ORDERS:

A. The Default Order is vacated.

B. The prehearing conference is rescheduled for Tuesday, April 7, 2015, from 11:00 am to 12:00 am. Telephonic attendance may be permitted on advance request.

C. Any party affected by this Order may file with the Commission a petition for reconsideration pursuant to K.S.A. 77-529(a). The petition shall be filed within 15 days after service of this Order. If service of this Order is by mail, three days are added to the deadline. The petition shall be addressed to the Commission and sent to 266 N. Main, Ste. 220, Wichita, Kansas 67202. Pursuant to K.S.A. 55-606 and K.S.A. 77-529(a), reconsideration is prerequisite for judicial review of this Order. Any party taking an action permitted by this summary proceeding before the deadline for a petition for reconsideration does so at their own risk of further proceedings.

D. The Commission retains jurisdiction of the subject matter and the parties and may enter additional orders as it deems appropriate.

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# BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Apple, Commissioner

Dated: MAR 1 7 2015

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Neysa Thomas Acting Secretary

Mailed Date: March 17, 2015

LRP

## **CERTIFICATE OF SERVICE**

I certify that on <u>March 17, 2015</u>, I caused a complete and accurate copy of this Order to be served via United States mail, with the postage prepaid and properly addressed to the following:

Steve A. Becker dba A & A Well Service 4500 Connecticut Road Elsmore, KS 66732

And delivered by hand to:

Jon Myers Rene Stucky KCC Conservation Division

<u>/s/ Lane R. Palmateer</u> Lane R. Palmateer Litigation Counsel Kansas Corporation Commission