2018-01-22 15:57:16 Kansas Corporation Commission /s/ Lynn M. Retz

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the matter of an Order to Show Cause issued to M & D Oil Co, a General Partnership ("Operator") regarding responsibility under K.S.A. 55-179 for unplugged wells on an expired license. Docket No.: 18-CONS-3104-CSHO CONSERVATION DIVISION License No.: 30637

MOTION FOR DEFAULT ORDER

The Staff of the State Corporation Commission of the State of Kansas ("Staff" and "Commission," respectively), moves the Commission for a Default Order to be issued against Operator. In support of its motion, Staff states as follows:

1. On August 18, 2017, Staff filed a motion to require Operator's attendance at a prehearing conference in anticipation of an evidentiary hearing, due to the presence of unplugged wells ("the subject wells") on Operator's expired license.

2. On October 24, 2017, the Commission issued an Order to Show Cause, requiring Operator's attendance at a November 14, 2017 prehearing conference. A representative of Operator attended, stating that it would obtain a new license and transfer the subject wells onto the new license. As a result, the parties agreed to continue the proceeding another 60 days, to January 16, 2018.

3. On January 16, 2018, Operator failed to attend the prehearing conference. To date, Operator has not obtained a new license or transferred the subject wells.

4. Pursuant to K.S.A. 77-520(a), "[i]f a party fails to attend or participate in a prehearing conference, hearing or other stage of an adjudicative proceeding, the presiding officer may serve upon all parties written notice of a proposed default order, including a statement of the grounds." Staff believes Operator was properly noticed and afforded an opportunity to attend the

January 16, 2018, prehearing conference in this matter, but failed to do so. Therefore, Staff requests that a default order be issued against Operator.

5. Staff further requests that such default order provide the following language, as has typically been used by the Commission in similar proceedings:

- a. That Operator's license shall be suspended until such time as compliance is obtained by the Operator plugging the subject wells, reimbursing the Commission for the costs of plugging the subject wells, or transferring the subject wells to a licensed operator;
- b. That Staff is directed to place the subject wells on the appropriate state plugging list, to plug them according to priority and as funds allow, and to assess the plugging costs to the Operator. This shall not preclude Staff from investigating additional potentially-responsible parties; and
- c. Staff shall revoke any injection authorizations applicable to the subject wells.

WHEREFORE, for the reasons set forth above, Staff respectfully requests the Commission issue a default order against Operator for failure to appear and participate, and for any further relief as the Commission deems just and proper.

Respectfully submitted,

Jonathan R. Myers, #25975 Litigation Counsel, Kansas Corporation Commission 266 N. Main, Suite 220, Wichita, Kansas 67202 Phone: 316-337-6200; Fax: 316-337-6211

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VERIFICATION

STATE OF KANSAS)) ss. COUNTY OF SEDGWICK)

Jonathan R. Myers, of lawful age, being duly sworn upon his oath deposes and states that he is Litigation Counsel for the State Corporation Commission of the State of Kansas; that he has read and is familiar with the foregoing *Motion*, and attests that the statements therein are true to the best of his knowledge, information and belief.

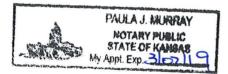
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Jonathan/R. Myers, S. Ct. #25975 Litigation Counsel State Corporation Commission of the State of Kansas

SUBSCRIBED AND SWORN to before me this 22 day of 32, 2018.

5 Mugger Notary Public

My Appointment Expires: <u>307/19</u>



CERTIFICATE OF SERVICE

I certify that on ______, I caused a complete and accurate copy of this Motion to be served via United States mail, with the postage prepaid and properly addressed to the following:

Mike Riddick M & D Oil Co., a General Partnership PO Box 816 Beaver, OK 73932

and via e-mail to:

Jonathan R. Myers, Litigation Counsel KCC Central Office

Michael J. Duenes, Assistant General Counsel KCC Topeka Office

<u>/s/ Paula J. Murray</u> Paula J. Murray Legal Assistant Kansas Corporation Commission