

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

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

In the Matter of the Application of Altavista	)	Docket No.: 14-CONS-863-CUIC
Energy, Inc., to authorize the injection of salt	)	
water into the Squirrel Formation at the Jim	)	CONSERVATION DIVISION
Bell Lease, Well No. AI-1, AI-2, AI-3, AI-4,	)	
AI-5, AI-6, AI-7, AI-8, AI-9, AI-10, AI-11,	)	License No.: 34350
AI-12, AI-13, AI-14, AI-16, located in	)	
<u>Douglas County, Kansas.</u>	)	

**PROPOSED 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 activities, with licensing authority pursuant to K.S.A. 55-155.
2. K.S.A. 77-520 provides that if a party fails to attend any stage of an adjudicative proceeding, the agency may serve notice of a proposed 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. If a motion is not filed, the proposed default order becomes effective automatically after seven calendar days. If a motion to vacate is filed, the Commission shall issue a subsequent order either vacating or issuing the default order. If the presiding officer issues a default order as proposed, then the order shall become effective upon service.

## **II. FINDINGS OF FACT**

3. This docket concerns an application for an injection permit and is protested by several parties: Ralph Tomlinson, Ralph and Roma Earles, Virgil Allen, and Franklin Turley.

4. On June 5, 2014, a prehearing conference was held. In attendance were Stan Smith, appearing on behalf of Altavista, Ralph Tomlinson, pro se, and Jon Myers, appearing on behalf of the Commission Staff. The parties not in attendance were later consulted regarding the proposed hearing schedule, which was indicated by those parties to be acceptable.

5. On June 9, 2014, a prehearing officer order was issued specifying the hearing date and testimony deadlines as agreed by all of the parties. A status conference was scheduled by the order for July 11, 2014, at 10:00 am. The order stated that any party not attending any part of the proceeding may be held in default.

6. On July 11, 2014, the status conference was held. In attendance were Stan Smith, appearing on behalf of Altavista, Ralph Tomlinson, pro se, and Jon Myers, appearing on behalf of the Commission Staff.

7. Also on July 11, 2014, Staff filed a motion for a default order dismissing the following parties from the proceeding for failure to participate in the prehearing conference: Ralph and Roma Earles, Virgil Allen, and Franklin Turley.

8. Also on July 11, 2014, Ralph and Roma Earles prefled direct testimony, which was timely filed before the deadline of August 1, 2014.

9. On July 17, 2014, Ralph and Roma Earles filed a response to Staff's motion for a default order. The response stated that they had telephoned into the prehearing conference thirty minutes late due to error. Noting that their testimony has already been prefled, the Earles requested that they not be dismissed from this proceeding.

10. No response to the motion for a proposed default order was received by Virgil Allen or Franklin Turley.

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

11. Staff's motion for a proposed default order should be granted with regard to Virgil Allen and Franklin Turley.

12. Staff's motion should be denied as to Ralph and Roma Earles.

#### **THEREFORE, THE COMMISSION ORDERS:**

A. Staff's motion for a proposed default order is granted with regard to Virgil Allen and Franklin Turley, and denied as to Ralph and Roma Earles.

B. Virgil Allen and Franklin Turley are dismissed from this proceeding.

C. The hearing continues to be scheduled for August 21, 2014, at 10:00 am. The hearing will take place at 266 North Main, Suite 220, Wichita, Kansas 67202.

D. Pursuant to K.S.A. 77-520(b), any party may file a written motion requesting that this Proposed Default Order be vacated and stating the grounds relied upon, within seven calendar days after service of this Order, with three additional days added to account for service by mail. This Proposed Default Order shall become effective ten days after service if no party files a motion to vacate.

E. If a party files a motion to vacate within the specified time, the Commission shall either vacate the Proposed Default Order or issue the order as proposed.

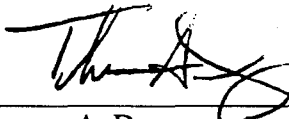
F. If this Order becomes effective, it shall become a final order. Any party affected by a final order may file with the Commission a petition for reconsideration pursuant to K.S.A. 77-529(a). The petition shall be filed within 15 days after the order becomes a final order, and must state the specific grounds upon which relief is requested. The petition shall be filed with the

Executive Director of the Conservation Division, Finney State Office Building, 130 South  
Market, Room 2078, Wichita, Kansas 67202.

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

**BY THE COMMISSION IT IS SO ORDERED.**  
Albrecht, Chair; Emler, Com.; Apple, Com.

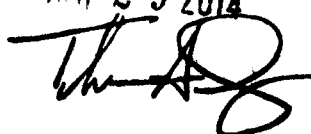
Dated: JUL 29 2014

  
\_\_\_\_\_  
Thomas A. Day  
Acting Executive Director

Mailed Date: 8/4/14

LRP

I CERTIFY THE ORIGINAL  
COPY IS ON FILE WITH  
The State Corporation Commission

JUL 29 2014  


**CERTIFICATE OF SERVICE**

I certify that on 8/4/14, I caused a complete and accurate copy of the foregoing document to be served via United States mail, with the postage prepaid and properly addressed to the following:

Stanford J. Smith, Jr. & Jeff Kennedy  
Martin Pringle Oliver Wallace & Bauer, LLP  
100 N. Broadway, Suite 500  
Wichita, Kansas 67202  
*Attorneys for Altavista Energy, Inc.*

Ralph and Barbara Tomlinson  
1866 N. 250th Road  
Baldwin City, Kansas 66006

Virgil Allen  
1854 N. 250th Road  
Baldwin City, Kansas 66006

Franklin W. Turley  
1881 N. 250th Road  
Baldwin City, Kansas 66006

Roma and Ralph Earles  
1780 N. 300th Road  
Baldwin City, Kansas 66006

and delivered by hand to:

Jon Myers  
Litigation Counsel  
Central Office

Alan Snider, UIC Department  
Central Office

/s/ Lane R. Palmateer  
Lane R. Palmateer  
Litigation Counsel  
Kansas Corporation Commission