

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

In the matter of the failure of SH Oil)	Docket No. 25-CONS-3419-CPEN
Operations, LLC (Operator) to comply with)	
K.A.R. 82-3-111 at five wells in Morris and)	CONSERVATION DIVISION
Chase Counties, Kansas.)	
<hr/>		License No. 35837

REQUEST FOR HEARING

SH Oil Operations, LLC ("Operator") requests a hearing in the referenced docket. In support of its request, Operator alleges and states:

1. On June 17, 2025, the Commission entered the Penalty Order in the captioned docket alleging violations of K.A.R. 82-3-111 at five wells in Morris and Chase Counties, Kansas, and assessing a \$500 penalty.

2. The five wells identified in the Penalty Order (collectively the "Wells", and each individually a "Well") are part of a much larger package of wells acquired by Operator at auction effective December 1, 2024. However, the T1s for the Wells were not submitted to Operator by the previous operator until January 30, 2025 and finally approved by the KCC until February 5, 2025.

3. Since obtaining operating authority, Operator has worked diligently to determine the status of each Well included in the acquisition and to bring them into compliance with KCC rules and regulations. However, Operator did not receive any well files or historical data on the Wells as part of the acquisition, and is having to individually investigate each Well.

4. To comply with K.A.R. 82-3-111, Operator must immediately produce, temporarily abandon ("TA"), or plug and abandon the Wells.

5. The Kansas Geological Survey records, available through its online interactive map, indicate that the Miller #1, API #15-127-20006, located in Section 23, Township 16 South, Range 5 East, Morris County, Kansas, has been plugged and abandoned, so as to be in compliance with K.A.R. 82-3-111.

6. The Penalty Order identifies the Miller #23-2, API #15-127-20006, located in Section 23, Township 16 South, Range 5 East, Morris County, Kansas, which well does not appear to exist in the Kansas Geological Survey records. However, the Kansas Geological Survey records, identify the J. Miller 23-2, API #15-127-20506. A temporary abandonment application on the J. Miller 23-2, API #15-127-20506 was approved by the Kansas Corporation Commission on February 5, 2025; before the Penalty Order was issued. Alternatively, the Kansas Geological Survey records, identify the Miller 2, API #15-127-20511; this is also the well identified by the Commission's District #2 staff inspection on April 14, 2025. These discrepancies need to be resolved and clarity provided to Operator as to the alleged violation.

7. Operator is currently unable able to access the Miller Wells to resolve this discrepancy or even shoot fluid levels as required to submit TA applications due to the farmer planting corn over the existing points of ingress and egress.

8. Operator has shot fluid levels on the Cannon #1, API #15-115-20721-00-00, located in Section 8, Township 19 South, Range 4 East, Morris County and the Pretzer #A1, API #15-017-20817, located in Section 28, Township 19 South, Range 7 East, Chase County, Kansas and is currently in the process of submitting a temporary abandonment application.

9. Under these circumstances it would be inequitable and result in economic waste to impose penalties against or suspend the license of Operator for failing to bring the Wells into compliance with K.A.R. 82-3-111.

10. At this time, Operator is attempting to perform the work necessary to bring the Wells into compliance with K.A.R. 82-3-111. Operator intends to TA or bring the Wells back into production as soon as it is prudent to do so, so any order to immediately plug and abandon the Wells would result in waste of the State's natural resources, and violate the correlative rights of the working and royalty interest owners affected Leases.

WHEREFORE, for the foregoing reasons Operator requests that a hearing be set in this docket, and for such further relief as the Commission deems necessary and proper.

Respectfully submitted,

MORRIS LAING LAW FIRM

By: 

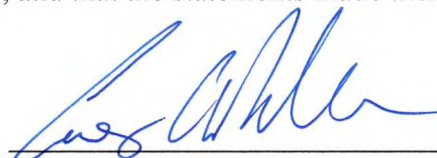
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Attorneys for SH Oil Operations, LLC

VERIFICATION

STATE OF KANSAS)
) ss:
COUNTY OF SEDGWICK)

Cody A. Phillips, being of lawful age and being first duly sworn upon his oath, deposes and says:

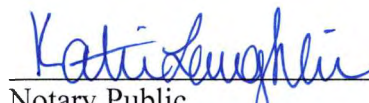
That he is the attorney for SH Oil Operations, LLC; he has read the above and forgoing Request for Hearing and is familiar with its contents, and that the statements made therein are true and correct to the best of his knowledge and belief.



Cody A. Phillips

SIGNED AND SWORN to before me this 15th day of July, 2025.

My Appointment expires:



Notary Public



CERTIFICATE OF SERVICE

I, Cody A. Phillips, hereby certify that on this 15th day of July, 2025, I caused the original of the foregoing **Request for Hearing** to be electronically filed with the Conservation Division of the State Corporation Commission of the State of Kansas, and emailed true and correct copies of the same to the following individuals:

Tristan Kimbrell, Litigation Counsel
Kansas Corporation Commission
Central Office
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Wichita, KS 67202-1513
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Cody A. Phillips