2015.02.20 13:44:27 Kansas Corporation Commission /S/ Newsa Thomas

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Shari Feist Albrecht, Chair Jay Scott Emler Pat Apple

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In the matter of the failure of VHR Oil, LLC ("Operator") to comply with K.A.R. 82-3-107 and K.A.R. 82-3-130 at the McMillin #1 in Jackson County, Kansas.

Docket No.: 15-CONS-393-CPEN CONSERVATION DIVISION

License No.: 35044

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. 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

2. On November 6, 2014, the Commission issued a Penalty Order against the

operator. The Penalty Order was mailed November 12, 2014.

3. On December 10, 2014, the operator timely submitted its letter of appeal.

4. On January 13, 2015, the Commission issued its Order Designating Prehearing

Officer and Setting Prehearing Conference. The Order set a prehearing conference for January 29, 2015, at 3:00 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.

5. On January 29, 2015, at 3:00 p.m., the prehearing conference was held. The operator did not attend the Prehearing Conference in person or by phone. Counsel for Staff verbally moved that the Prehearing Officer propose this default order.

III. CONCLUSIONS OF LAW

6. The operator's failure to attend the Prehearing Conference constituted default under the KAPA. Staff's motion for a default order is granted, and the appeal is dismissed.

THEREFORE, THE COMMISSION ORDERS:

A. Staff's motion for a default order is granted, and the appeal is dismissed.

B. Pursuant to K.S.A. 77-520(b), Operator may file a written motion requesting that this 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. The motion shall be addressed to the Commission and sent to 266 N. Main, Ste. 220, Wichita, Kansas 67202.

C. 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, Commissioner; Apple, Commissioner

Dated: FEB 1 9 2015

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Neysa Thomas Acting Secretary

Mailed Date: _____ February 20, 2015

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CERTIFICATE OF SERVICE

I certify that on 2/20/15, 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:

Joe Voth VHR Oil, LLC 2311 Wakarusa Drive, Suite J Lawrence, KS 66047

And delivered by hand to:

Jon Myers Conservation Division Central Office

Rene Stucky Conservation Division Central Office

<u>/s/ Lane R. Palmateer</u> Lane Palmateer Prehearing Officer & Advisory Counsel Kansas Corporation Commission