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 E&B Natural) Resources Management Corporation for an Order) Providing for the Unitization and Unit Operation of) a Part of the Bemis-Shutts Oil and Gas Field as the Marshall "A" and Marshall "B" Unit in Ellis County, Kansas.

Docket No. 18-CONS-3321-CUNI

CONSERVATION DIVISION

License No. 34405

ORDER DESIGNATING PREHEARING OFFICER AND SETTING PREHEARING CONFERENCE

)

This matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined its files and records, and being fully advised in the premises, the Commission finds and concludes as follows:

1. On February 12, 2018, E&B Natural Resources Management Corporation (E&B) filed an Application requesting the Commission issue an order providing for the unitization and unit operations of the Marshall "A" and Marshall "B" Unit.¹ E&B stated its desire "to unitize oil leasehold interests and operations in the area pursuant to K.S.A. 55-1304(a)(2) for the purpose of unitized management, operation and further development of the pool through the introduction of artificial energy which is economically feasible and reasonably necessary to prevent waste and increase substantially the ultimate recovery of oil and gas."²

2. E&B published notice of its Application in the Wichita Eagle newspaper on February 16, 2018.³ Also on February 16, 2018, E&B published notice of its Application in The Hays Daily News newspaper.⁴

¹ Application, p. 2 (Feb. 12, 2018).

² Application, $\P 2$.

³ Affidavit of Publication (Mar. 9, 2018).

⁴ Affidavit of Publication (Mar. 9, 2018).

3. On March 15, 2018, Commission Conservation Staff (Staff) filed a Motion for the Designation of a Prehearing Officer and the Scheduling of a Prehearing Conference (Motion). Staff stated it "has no substantive basis upon which to recommend approval" of E&B's Application,⁵ and thus, "believes it would be appropriate for this matter to be set for an evidentiary hearing."⁶

4. In light of Staff's concerns and pursuant to K.S.A. 77-551(c), the Commission finds that a Prehearing Officer should be designated in this proceeding to address any matters listed in K.S.A. 77-517(b), and a Prehearing Conference should be scheduled.

5. Although a Prehearing Officer is designated in this docket, parties are still required to file pleadings with the Commission, and filings shall be made with the Commission's Docket Room before 5:00 p.m. on the date scheduled for service. Any electronic service received after the deadline set forth in the procedural schedule, or any filing made after 5:00 p.m. on the date scheduled for service, shall be accompanied by a Motion to File Out-of-Time.

THEREFORE, THE COMMISSION ORDERS:

A. The Prehearing Officer in this proceeding shall be Michael J. Duenes, Assistant General Counsel, Kansas Corporation Commission, 1500 SW Arrowhead Road, Topeka, Kansas, 66604-4027, telephone number (785) 271-3181, email address <u>m.duenes@kcc.ks.gov</u>. The Commission may designate other Staff members to serve in this capacity. <u>The Commission directs electronic service of all filings in the docket to include service on the Prehearing Officer</u>.

B. A Prehearing Conference is scheduled for Thursday, **April 12, 2018, at 9:00 a.m.** by telephone. The conference call information is: telephone number (866) 620-7326, Conference Code PIN: 7632914771#.

⁵ Motion, \P 3.b.

⁶ Motion, ¶ 5.

C. At the Prehearing Conference, parties shall be prepared to discuss deadlines for filing testimony and briefs, discovery procedures, scheduling of a hearing with the Commission, and any other issues that will promote the orderly and prompt resolution of this proceeding.

D. At the Prehearing Conference, without further notice, this proceeding may be converted into a conference hearing or a summary proceeding for disposition of this matter as provided by the Kansas Administrative Procedure Act (KAPA). Any party that fails to attend or participate in the Prehearing Conference, hearing, or other stage of this proceeding may be held in default under the KAPA.⁷

A corporation shall appear before the Commission by a Kansas licensed attorney.⁸ E.

F. The attorney designated to appear on behalf of the agency in this proceeding is Jon Myers, Litigation Counsel, telephone number (316) 337-6245, j.myers@kcc.ks.gov.

G. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further orders as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Apple, Commissioner Lynn M. Reg

Dated: _____03/27/2018

Lynn M. Retz Secretary to the Commission

Mailed Date: _____

MJD

⁷ K.S.A. 77-506; K.S.A. 77-516(c)(7)-(8).

⁸ K.S.A. 77-515(c); K.A.R. 82-1-228(d)(2).

CERTIFICATE OF SERVICE

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I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of

electronic service on 03/27/2018

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/S/ DeeAnn Shupe

DeeAnn Shupe