

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

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

In the matter of an Order to Show Cause issued) Docket No.: 17-CONS-3374-CSHO
to Nordmeyer Oil, Inc. ("Operator") for its)
failure to comply with either K.A.R. 82-3-400 or) CONSERVATION DIVISION
K.A.R. 82-3-409 regarding injection that took)
place during the 2015 calendar year.) License No.: 6788

**ORDER TO SHOW CAUSE, DESIGNATING A PREHEARING OFFICER,
AND SETTING A PREHEARING CONFERENCE**

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:

1. On November 17, 2016, Commission Staff filed a Motion for an Order to Show Cause, the Designation of a Prehearing Officer, and the Scheduling of a Prehearing Conference. Staff stated that on July 23, 2015, "Operator was penalized in Docket 16-CONS-065-CPEN for either conducting unauthorized injection in violation of K.A.R. 82-3-400 or misreporting injection in violation of K.A.R. 82-3-409, during the 2014 calendar year at the Tipton R #3B, API #15-207-02445."¹

2. Staff states that in February 2016, Operator reported unauthorized injection during the 2015 calendar year at the same well.² Staff indicates that inspection of the well on August 1, 2016, did not conclusively indicate whether Operator conducted unauthorized injection in violation of K.A.R. 82-3-400 or instead misreported its injection in violation of K.A.R. 82-3-409, for the 2015 calendar year.³

¹ Staff's Motion for an Order to Show Cause, The Designation of a Prehearing Officer, and the Scheduling of a Prehearing Conference at 2 (Nov. 17, 2016).

² *Id.*

³ *Id.*

3. The Commission finds it has jurisdiction to investigate this matter pursuant to K.S.A. 55-101 *et seq.* and K.A.R. 82-3-100 *et seq.* Pursuant to K.S.A. 55-162, Operator shall come before the Commission to show cause why a penalty constituting an actual and substantial economic deterrent should not be assessed against Operator for its violation of either K.A.R. 82-3-400 or K.A.R. 82-3-409 for the 2015 calendar year, constituting a second-time violation at the well at issue.

4. The Commission finds and concludes that a Prehearing Conference shall be scheduled and that a Prehearing Officer should be designated in this proceeding to address any matters listed in K.S.A. 77-517(b).

THEREFORE, THE COMMISSION ORDERS:

A. The Prehearing Officer in this proceeding shall be Michael J. Duenes, Assistant General Counsel, Kansas Corporation Commission, 1500 S.W. Arrowhead Road, Topeka, Kansas 66604, telephone number (785) 271-3181, email m.duenes@kcc.ks.gov.

B. A Prehearing Conference is scheduled for **December 14, 2016** at 11:00 a.m. by telephone. The conference call information is: telephone number (866) 620-7326, Conference Code PIN # 7632914771.

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.

E. Pursuant to K.A.R. 82-1-228(d)(2), corporations must enter an appearance via an attorney. If a corporation fails to enter an appearance via an attorney prior to the Prehearing Conference, it shall be held in default under the KAPA.


F. The attorney designated to appear on behalf of the agency in this proceeding is Jonathan R. Myers, Litigation Counsel, telephone number (316) 337-6200, email address 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.

Emler, Chairman; Albrecht, Commissioner; Apple, Commissioner

Dated: DEC 08 2016



Amy L. Green
Secretary to the Commission

Mailed Date: December 8, 2016

MJD/sc

CERTIFICATE OF SERVICE

I certify that on 12/8/16, 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:

Ray V. Nordmeyer
Nordmeyer Oil, Inc.
362 90th Road
Toronto, Kansas 66777

and delivered by e-mail to:

Jon Myers
KCC Central Office

/s/ Paula J. Murray
Paula J. Murray
Legal Assistant
Kansas Corporation Commission