

**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 failure of Source Energy    )   Docket No.: 15-CONS-359-CPEN  
MidCon LLC (“Operator”) to comply with        )  
K.A.R. 82-3-608 at the Goering #10-14-10-     )   CONSERVATION DIVISION  
11H well in Butler County, Kansas.            )  
\_\_\_\_\_ )   License No.: 34633

**ORDER RESCINDING PENALTY**

Upon its own motion, the Commission finds and concludes as follows:

**I.        FINDINGS OF FACT**

1.        On October 28, 2014, the Commission issued a Penalty Order in this docket, requiring Operator to pay \$250 for failure to submit a complete, accurate CDP-5 for the Goering #10-14-10-11H well.
2.        Staff reports that this was a situation in which Operator was drilling a well, but when Operator encountered an issue, Operator stopped and immediately got permission to drill a different well in the immediate vicinity. This situation is called a “skid rig”. The first well was plugged. The second well was completed. The same pits were to be used for both wells.
3.        After receiving a Notice of Violation letter, Operator filed a Waste Transfer CDP-5 Form for the plugged well, but did not file one for the completed well. Staff has previously determined that duplicative CDP-5 filings are unnecessary in these situations. If Staff had recognized what had occurred, it would not have recommended a penalty. Thus, Staff recommends that the Penalty Order in this docket should be rescinded.

**II. CONCLUSIONS OF LAW**

4. Based upon the above, the Commission concludes that the October 28, 2014, Penalty Order in this docket should be rescinded.

**THEREFORE, THE COMMISSION ORDERS:**

- A. The Penalty Order issued in this docket is rescinded.
- B. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further order or orders as it may deem necessary.

**BY THE COMMISSION IT IS SO ORDERED.**

Albrecht, Chair; Emler, Com.; Apple, Com.

Dated: DEC 02 2014

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

Mailed Date: 12/3/14

JRM

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

DEC 02 2014  


**CERTIFICATE OF SERVICE**

I certify that on 12/3/14, 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:

Chuck Maybee  
Source Energy MidCon LLC  
1805 Shea Center Drive, Suite 100  
Highlands Ranch, Colorado 80129

And delivered by hand to:

Jonelle Rains  
Conservation Division Central Office

/s/ Jonathan R. Myers  
Jonathan R. Myers  
Litigation Counsel  
Kansas Corporation Commission