2016-09-09 14:21:43 Kansas Corporation Commission /s/ Amy L. Green

### THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Jay Scott Emler, Chairman Shari Feist Albrecht Pat Apple

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In the matter of an Order to Show Cause issued to IGWT, Inc. ("Operator") regarding responsibility under K.S.A. 55-179 for Wernli #5, #7, #8 and #9 wells on the Wernli lease in Greenwood County, Kansas. Docket No.: 17-CONS-3099-CSHO

CONSERVATION DIVISION

License No.: 3167

## MOTION FOR AN ORDER TO SHOW CAUSE, THE DESIGNATION OF A PREHEARING OFFICER, AND THE SCHEDULING OF A PREHEARING <u>CONFERENCE</u>

For the following reasons, Commission Staff moves for an Order to Show Cause, the

designation of a prehearing officer, and the scheduling of a prehearing conference in this matter:

# I. JURISDICTION & LEGAL STANDARD

1. The Commission has jurisdiction to regulate oil and gas production in Kansas

under Chapter 55 of the Kansas Statutes Annotated and the General Rules and Regulations for

the Conservation of Crude Oil and Natural Gas, K.A.R. 82-3-100 et seq.

2. K.S.A. 55-162 provides the Commission with jurisdiction to institute proceedings

to enforce the laws of Kansas and Commission rules, regulations, and orders.

3. K.S.A. 55-179 provides the Commission with jurisdiction to determine the

persons legally responsible for the proper care and control of oil and gas wells, including the responsibility to plug the wells.

4. K.S.A. 55-179(b) provides that a person who is legally responsible for the proper care and control of an abandoned well shall include one or more of the following:

 Any operator of a waterflood or other pressure maintenance program deemed to be causing pollution or loss of usable water;

- b. the current or last operator of the lease upon which such well is located, irrespective of whether such operator plugged or abandoned such well;
- c. the original operator who plugged or abandoned such well; and
- d. any person who without authorization tampers with or removes surface equipment or downhole equipment from an abandoned well.

5. IGWT, Inc. filed a transfer of operator (T-1) form dated April 1, 2013. The T-1 form transferred, along with other wells, the following wells to IGWT.

Wernli #5 – API # 15-073-21601 Wernli #7 – API # 15-073-21774-00-01 Wernli #8 – API # 15-073-01772 Wernli #9 – API #15-073-01771

6. IGWT, Inc. has included these four wells in the well inventory it files each year with its operator license renewal.

7. The four wells are not producing and must be either returned to production, temporarily abandoned or plugged (K.A.R. 82-3-111).

8. IGWT disputes responsibility for the four wells. It claims it has never actually operated the wells and only included the wells on the T-1 form at the insistence of Commission district staff.

### **II. CONCLUSION**

9. Based on the above, Staff requests that an Order to Show Cause be issued, so that responsibility for the four wells can be determined, designating a prehearing officer and scheduling a prehearing conference.

Respectfully submitted,

MMM

John McCannon #08277 Litigation Counsel Kansas Corporation Commission

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### **CERTIFICATE OF SERVICE**

I certify that on 9/9/2016, I caused a complete and accurate copy of this Motion to be served via United States mail, with the postage prepaid and properly addressed to the following:

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<u>/s/ Cynthia K. Maine</u> Cynthia K. Maine Administrative Assistant Kansas Corporation Commission