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

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In the matter of the application of Quito Inc. for an exception to the 10-year time limitation of K.A.R. 82-3-111 for its Solomon #2 well located in the SE/4 of Section 18, Township 35 South, Range 12 East, Chautauqua County, Kansas. Docket No.: 21-CONS-3274-CEXC

CONSERVATION DIVISION

License No.: 33594

## **STAFF RECOMMENDATION ON APPLICATION**

Comes now Staff of the State Corporation Commission of the State of Kansas (Staff and Commission, respectively) in response to the Application and Supplement to Application filed on behalf of Quito, Inc. (Operator). In support of Staff's recommendation, Staff states the following:

1. On April 27, 2021, Operator filed its application requesting an exception to the 10-year time limitation of K.A.R. 82-3-111 for its Solomon #2 well, API #15-019-24217 (Subject Well).

2. On May 28, 2021, Operator filed affidavits of publication from The Wichita Eagle and the Prairie Star. Staff believes notice was properly served and met the requirements of K.S.A. 55-1310, K.S.A. 55-605, and K.A.R. 82-3-135a. No protests or objections have been submitted to the Commission in this matter.

3. On August 17, 2021, Commission Legal Staff filed a Motion for the Designation of a Presiding Officer and the Scheduling of a Prehearing Conference stating Operator failed to provide a complete explanation for why the intended use for the Subject Well requires an extension of its TA status. Additionally, there was a question whether the Subject Well had been completed and returned to service.

4. On August 24, 2021, the Commission issued an Order Designating Presiding Officer and Setting Prehearing Conference wherein the Commission scheduled a prehearing conference for Thursday, September 9, 2021.

5. On September 9, 2021, the scheduled prehearing conference was held where it was determined that the Subject Well had not been returned to service yet. Therefore, another prehearing conference was scheduled for Thursday, September 30, 2021, in order to allow Operator time to file a supplement to its application addressing Staff's concerns.

6. On September 30, 2021, Operator filed its Supplement to Application. Staff has had the opportunity to completely review the Operator's Application and Operator Supplement to Application in this matter. Staff is satisfied the reasons articulated in the Application and Supplement to Application and the results of the mechanical integrity test are sufficient to support the grant of Operator's Application.

In Conclusion, for the reasons described above, Staff recommends approval of the Operator's Application in order to prevent waste. Additionally, it does not appear that there is a pollution threat, and correlative rights will not be affected.

Respectfully submitted,

/s/ Kelcey Marsh Kelcey A. Marsh, #28300 Litigation Counsel Kansas Corporation Commission 266 N. Main, Suite 220 Wichita, Kansas 67202-1513 Phone: 316-337-6200; Fax: 316-337-6211 k.marsh@kcc.ks.gov

## **CERTIFICATE OF SERVICE**

## 21-CONS-3274-CEXC

I, the undersigned, certify that a true and correct copy of the attached Staff Recommendation on Application has been served to the following by means of electronic service on October 5, 2021.

JOHN R. HORST, ATTORNEY AT LAW JOHN R. HORST 207 W. Fourth Ave. P.O. Box 560 Caney, KS 67333 jrhorst48@yahoo.com

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/s/ Paula J. Murray

Paula J. Murray