

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

In the matter of an Order to Show Cause issued)	Docket No.: 18-CONS-3110-CSHO
to B-C Steel, LLC ("Operator") regarding)	
responsibility under K.S.A. 55-179 for)	CONSERVATION DIVISION
unplugged wells on an expired license.)	
)	License No.: 33711

MOTION FOR DEFAULT ORDER

The Staff of the State Corporation Commission of the State of Kansas ("Staff" and "Commission," respectively), moves the Commission for a Default Order to be issued against Operator. In support of its motion, Staff states as follows:

1. On August 18, 2017, Staff filed a motion to require Operator's attendance at a prehearing conference in anticipation of an evidentiary hearing, due to the presence of unplugged wells ("the subject wells") on Operator's expired license.

2. On October 24, 2017, the Commission issued an Order to Show Cause, requiring Operator's attendance at a November 14, 2017 prehearing conference. Operator failed to attend. Since one of the principal officers of Operator is a debtor in a bankruptcy case, however, and out of an abundance of caution, Staff requested the prehearing conference be rescheduled to facilitate further conversation between Staff and the debtor's attorney. The prehearing conference was continued to January 16, 2018.

3. On January 16, 2018, Operator again failed to attend the prehearing conference. Staff has consulted with debtor's attorney, who has verbally stated that the bankruptcy proceeding does not have any legal ramifications for the outcome of this proceeding.

4. Pursuant to K.S.A. 77-520(a), "[i]f a party fails to attend or participate in a prehearing conference, hearing or other stage of an adjudicative proceeding, the presiding officer may serve upon all parties written notice of a proposed default order, including a statement of the

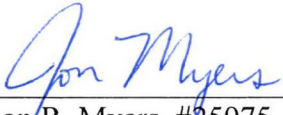
grounds.” Staff believes Operator was properly noticed and afforded an opportunity to attend a prehearing conference in this matter, but failed to do so. Therefore, Staff requests that a default order be issued against Operator, and be served upon both Operator and the debtor’s attorney.

5. Staff further requests that such default order provide the following language, as has typically been used by the Commission in similar proceedings:

- a. That Operator’s license shall be suspended until such time as compliance is obtained by the Operator plugging the subject wells, reimbursing the Commission for the costs of plugging the subject wells, or transferring the subject wells to a licensed operator;
- b. That Staff is directed to place the subject wells on the appropriate state plugging list, to plug them according to priority and as funds allow, and to assess the plugging costs to the Operator. This shall not preclude Staff from investigating additional potentially-responsible parties; and
- c. Staff shall revoke any injection authorizations applicable to the subject wells.

WHEREFORE, for the reasons set forth above, Staff respectfully requests the Commission issue a default order against Operator for failure to appear and participate, and for any further relief as the Commission deems just and proper.

Respectfully submitted,

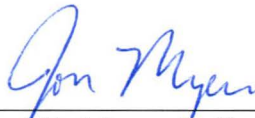


Jonathan R. Myers, #25975
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VERIFICATION

STATE OF KANSAS)
) ss.
COUNTY OF SEDGWICK)

Jonathan R. Myers, of lawful age, being duly sworn upon his oath deposes and states that he is Litigation Counsel for the State Corporation Commission of the State of Kansas; that he has read and is familiar with the foregoing *Motion*, and attests that the statements therein are true to the best of his knowledge, information and belief.



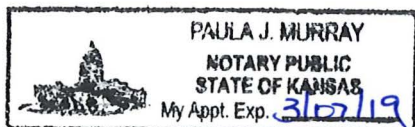
Jonathan R. Myers, S. Ct. #25975
Litigation Counsel
State Corporation Commission
of the State of Kansas

SUBSCRIBED AND SWORN to before me this 22 day of Jan, 2018.



Notary Public

My Appointment Expires: 3/07/19



CERTIFICATE OF SERVICE

I certify that on 11/22/18, 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:

Bert Carlson
B-C Steel, LLC
1432 Nighthawk Road
Yates Center, KS 66783-4503

David Prella Eron
Eron Law
229 E. William, Suite 100
Wichita, KS 672092

and via e-mail to:

Jonathan R. Myers, Litigation Counsel
KCC Central Office

Michael J. Duenes, Assistant General Counsel
KCC Topeka Office

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