

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

Before Commissioners: Dwight D. Keen, Chair
 Shari Feist Albrecht
 Susan K. Duffy

In the matter of the failure of Benjamin M. Giles)	Docket No: 20-CONS-3039-CPEN
("Operator") to comply with K.A.R. 82-3-407)	
At the Paulsen #8B in Butler County, Kansas)	CONSERVATION DIVISION
)	
)	License No: 5446

PETITION FOR INTERVENTION

MWM Oil Co., Inc. ("Petitioner") moves the Commission for an order allowing it to participate in the above-captioned matter before the State Corporation Commission of the State of Kansas ("Commission"), pursuant to K.A.R. 82-1-225.

BACKGROUND

1. Petitioner is the owner of a working interest in the oil and gas lease upon which the Paulsen #8B well ("Paulsen Lease") is located.
2. On July 26, 2019, Petitioner filed Ch. 11 bankruptcy as debtor in possession. The assets of Petition, including its working interest in the Paulsen Lease, are set to be sold at auction on December 5, 2019.
3. On August 6, 2019, the Commission issued a *Penalty Order* against Benjamin M. Giles ("Operator") for one violation of K.A.R. 82-3-407 because a current and successful mechanical integrity test had not been performed on the Paulsen #8B well.¹
4. On September 5, 2019, Operator requested a hearing.²

¹ See Penalty Order, ¶ 8, 13 (Aug. 6, 2019).

² Request for Hearing (Sept. 5, 2019).

5. On September 17, 2019, the Commission designated Jonathan R. Myers, Assistant General Counsel, Kansas Corporation Commission, as Prehearing Officer.³

6. On October 10, 2019, the Prehearing Officer, counsel for Commission Staff, and counsel for Petitioner agreed to set a status conference on October 22, 2019, to foster additional conversation regarding resolution of this matter absent the need for a procedural schedule.

LEGAL AUTHORITY

Petitioner meets all the statutory requirements for intervention, and therefore should be allowed to participate in this proceeding. A presiding officer must grant a petition for intervention when the following conditions are met:

1. The petition is submitted in writing to the presiding officer, with copies served upon all parties named in the presiding officer's notice of the hearing, at least three business days before the hearing.
2. The petition states facts demonstrating that the petitioner's legal rights may be substantially affected by the proceeding.
3. The presiding officer determines that the interests of justice and the orderly and prompt conduct of the proceedings will not be impaired by allowing the intervention.⁴

The next event in this proceeding is the Status Conference on October 22, so there are no issues with the timeliness of this Petition. As stated in the Background, Petitioner is the owner of a working interest in the Paulsen Lease, a legal right that gives Petitioner a substantial interest in the outcome of this proceeding. Allowing Petitioner to participate in this proceeding not only does not impair the orderly and prompt conduct of the proceedings, but also actively assists the Commission to achieve an efficient and effective resolution. By granting this petition the Commission will be able to work directly with the party in the best position to address the causes of the penalty order,

³ Order Designating Prehearing Officer and Setting Prehearing Conference, ¶ A (Sept. 17, 2019).

⁴ K.A.R. 82-1-225(a); *see also* K.S.A. § 77-521(a) (KAPA provision on intervention with identical requirements).

facilitating an orderly and prompt resolution. Additionally, a presiding officer may grant a petition for intervention at any time upon determining that the intervention is in the interests of justice and will not impair the orderly and prompt conduct of the proceeding.⁵

For all the reasons stated above, Petitioner has a substantial interest in the resolution of this proceeding, and justice dictates Petitioner be allowed to participate. Further, given Petitioner's significant involvement with the Paulsen Lease and the operation of the Paulsen #8B well, Petitioner's participation in the proceeding will only serve to facilitate an orderly and prompt resolution of the matter.

WHEREFORE, for the reasons set forth above, Petitioner respectfully requests that the Presiding Officer grant this Petition for Intervention and allow Petitioner to participate in the above-captioned proceeding before the Commission.

Respectfully submitted,

MORRIS, LAING, EVANS, BROCK
& KENNEDY, CHARTERED

By: 
Jonathan A. Schlatter, #24848
300 N. Mead, Suite 200
Wichita, KS 67202-2745
Telephone: (316) 262-2671
Facsimile: (316) 262-6226
Email: jschlatter@morrislaing.com
Attorney for MWM Oil Co., Inc.

⁵ K.A.R. 82-1-225(b); *see also* K.S.A. § 77-521(b) (KAPA provision on intervention with identical language).

CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that on the 17th day of October, 2019, I caused the original of this **Petition for Intervention** to be electronically filed with the Conservation Division of the State Corporation Commission of the State of Kansas, and caused a true and correct copy of the same be electronically served to the following parties:

Benjamin M. Giles, Charlene A. Giles, & Benjamin J. Giles
821 High Street
Towanda, KS 67144-9047
charlene121965@att.net

Daniel Fox, Compliance Officer, KCC District 2
Kansas Corporation Commission
District Office No. 2
3450 N. Rock Rd, Bldg. 600, Ste. 601
Wichita, KS 67226
Fax: (316) 630-4005
d.fox@kcc.ks.gov

Michael Glamann, Litigation Counsel
Kansas Corporation Commission
Central Office
266 N. Main Street, Ste. 220
Wichita, KS 67202-1513
Fax: (785) 271-3354
m.glamann@kcc.ks.gov

Kelcey Marsh, Litigation Counsel
Kansas Corporation Commission
Central Office
266 N. Main Street, Ste. 220
Wichita, KS 67202-1513
Fax: (785) 271-3354
k.marsh@kcc.ks.gov

Jonathan R. Myers, Assistant General Counsel
Kansas Corporation Commission
266 N. Main Street, Ste. 220
Wichita, KS 67202-1513
Fax: (316) 337-6211
j.myers@kcc.ks.gov

Rene Stucky
Kansas Corporation Commission
266 N. Main Street, Ste. 220
Wichita, KS 67202-1513
Fax: (785) 271-3354
r.stucky@kcc.ks.gov



Jonathan A. Schlatter