2018-02-05 16:24:04 Kansas Corporation Commission /s/ Lynn M. Retz

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the matter of the failure of Prairie Gas Operating, LLC ("Operator") to comply with K.A.R. 82-3-111 at the Clift #1, Sell A #1 and Hazlett #2 wells in Greeley and Hamilton County, Kansas.

In the matter of the failure of Prairie Gas Operating, LLC ("Operator") to comply with K.A.R. 82-3-111 at the Hoffman G #32-1 in Greeley County, Kansas. Docket No.: 18-CONS-3125-CPEN

CONSERVATION DIVISION

License No.: 35442

Docket No.: 18-CONS-3128-CPEN

CONSERVATION DIVISION

License No.: 35442

MOTION TO ELIMINATE CONFIDENTIAL DESIGNATION AND STRIKE FROM THE RECORD

The Staff of the State Corporation Commission of the State of Kansas ("Staff" and

"Commission," respectively) files this Motion, asking that the Commission eliminate the

confidential designation and strike from the record Operator's January 26, 2018, "confidential

proposed settlement letter" filed in these consolidated dockets.

In support of its Motion, Staff states as follows:

I. Background

1. On August 31, 2017, the Commission issued a Penalty Order against Operator in

both the captioned dockets. On October 3, 2017, Operator filed timely appeals.

2. On November 9, 2017, the Commission issued an order consolidating the dockets and setting this matter for a December 5, 2017, prehearing conference, that was subsequently continued to January 16, 2018.

3. On January 16, 2018, Counsel for Staff appeared at the scheduled prehearing conference. Operator failed to appear.

4. On January 22, 2018, Staff filed a motion for default based upon Operator's nonattendance at the January 16, 2018, prehearing conference. on January 22, 2018. No response to Staff's motion has been filed, and the motion has not yet been ruled upon.

5. On January 26, 2018, Operator filed a "confidential proposed settlement letter."

II. Argument

6. Although Operator marked its January 26, 2018, filing as confidential, the filing does not meet the requirements of K.A.R. 82-1-221a regarding the designation and treatment of information deemed confidential in Commission proceedings. Accordingly, it's confidential designation should be lifted. Further, the filing does not comply with Commission requirements for pleadings.¹ It is, as its title suggests, simply a letter to Staff proposing settlement. Accordingly, it is inappropriately filed in this docket and should be stricken from the record.

7. Under K.A.R. 82-1-221a, a party may designate any document filed with the Commission as confidential. Under K.A.R. 82-1-221a(5), a party designating a document as confidential shall provide a written statement of the specific grounds for the designation at the time the designation is made. The explanation shall be specific to the document in question and shall state whether the information constitutes a trade secret or confidential commercial information. The explanation shall, further, specify the harm or potential harm that disclosure would cause to the entity seeking nondisclosure.

8. Operator's filing does none of the things required by K.A.R. 82-1-221a(5). Further, Staff posits that it would be impossible for any reasonable person to conclude any harm would come from public disclosure of the "confidential proposed settlement letter," or that it contains a trade secret or confidential commercial information.² Thus, it should be made public.

¹ K.A.R. 82-1-219.

² Since no trade secret or confidential commercial information is implicated, K.S.A. 66-1220a does not apply.

9. Notwithstanding the confidential designation of the letter, it should not be included in the record of this docket for two reasons. First, K.A.R. 82-1-204(f) describes what shall be included in the "formal record" or "record," and the letter does not meet any of the ten types of documents that shall be included in the record. It is merely a letter addressed to Staff counsel's legal assistant, proposing a settlement. Second, the letter does not comply with any of the many provisions of K.A.R. 82-1-219 relating to general requirements for all pleadings and papers, except that it is typewritten on appropriately-sized paper with appropriate margins. Thus, pursuant to Commission regulations, the letter should be stricken from the record.

WHEREFORE, Staff moves the Commission to eliminate the confidential designation of Operator's letter and to strike it from the record. Staff further requests that its uncontested January 26, 2018, motion for default be granted.

Respectfully submitted,

Lauren N. Wright, #27616 Jonathan R. Myers, #25975 Litigation Counsel Kansas Corporation Commission 266 N. Main, Suite 220 Wichita, Kansas 67202 Phone: 316-337-6200; Fax: 316-337-6211

VERIFICATION

STATE OF KANSAS)) ss. COUNTY OF SEDGWICK)

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

Lauren N. Wright, S. Ct. #27616 Litigation Counsel State Corporation Commission of the State of Kansas

SUBSCRIBED AND SWORN to before me this 5 day of 5, 2018.

Mulls Notary Public

My Appointment Expires: 3019

PAULA J. MURRAY NOTARY PUBLIC STATE OF KANSAS My Appt. Exp.

CERTIFICATE OF SERVICE

I certify that on $\frac{2/5/18}{1}$, 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:

Ian B. Acrey Prairie Gas Operating, LLC 427 S. Boston Street, Suite 520 Tulsa, OK 74103

and delivered by e-mail to:

Jonathan R. Myers, Litigation Counsel Lauren N. Wright, Litigation Counsel KCC Central Office

Dustin Kirk, Deputy General Counsel KCC Topeka Office

<u>/s/ Paula J. Murray</u> Paula J. Murray Legal Assistant Kansas Corporation Commission