CONSERVATION DIVISION

License Nos: 32042

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Andrew J. French, Chairperson

Dwight D. Keen
Annie Kuether

In the matter of the failure of Nacogdoches Oil & Gas,
LLC (Operator) to comply with K.A.R. 82-3-407 at the
Spradling #68 well in Labette County, Kansas.

CONSERVATION DIVISION

License Nos: 32042

In the matter of the failure of Nacogdoches Oil & Gas,
LLC (Operator) to report activity that occurred during the

ORDER CONSOLIDATING DOCKETS, DESIGNATING PRESIDING OFFICER, AND SETTING PREHEARING CONFERENCE

The Commission rules as follows:

2023 calendar year in compliance with K.A.R. 82-3-409.

Before Commissioners:

- 1. On May 30, 2024, the Commission issued a Penalty Order against Operator in Docket 24-3373 for violation of K.A.R. 82-3-407, alleging failure to conduct a mechanical integrity test on the Spradling #68 well. On June 27, 2024, Operator requested a hearing.
- 2. Also on May 30, 2024, the Commission issued a Penalty Order against Operator in Docket 24-3374 for violation of K.A.R. 82-3-409, alleging failure to file various annual fluid injection reports. On June 27, 2024, Operator requested a hearing.
- 3. Under K.A.R. 82-1-224, the Commission may consolidate two or more dockets for hearing on a common record if the Commission deems it to be in the public interest. The Commission deems it in the public interest, as a matter of judicial efficiency, to consolidate the captioned dockets.

- 4. The Commission finds a Presiding Officer should be designated in these proceedings to determine procedural matters that may arise, including but not limited to conducting prehearing conferences, ¹ and that a prehearing conference should be scheduled.
- 5. Under K.A.R. 82-1-228(d)(1), any party may either "appear before the Commission and be heard in person on that party's own behalf," or appear before the Commission through a licensed attorney. Because Operator is an artificial entity, it cannot appear in person.² Thus, Commission regulations require artificial entities such as Operator to appear before the Commission via counsel. Even if Commission regulations did not require counsel in this matter, the Commission finds it would be in the public interest to require counsel via order.³

THEREFORE, THE COMMISSION ORDERS:

- A. The captioned dockets are consolidated. Each subsequent filing submitted for either of these consolidated dockets shall carry the caption of both dockets, and shall be filed only in Docket 24-CONS-3373-CPEN, which shall serve as the primary docket. Commission employees shall then populate the filing in Docket 24-CONS-3374-CPEN.
- B. The Presiding Officer for prehearing matters in this proceeding shall be Jonathan R. Myers, Assistant General Counsel, Kansas Corporation Commission, 266 N. Main Street, Suite 220, Wichita, Kansas, 67202-1513, telephone number (316) 337-6245, email address jon.myers@ks.gov. The Commission may designate others to serve in this capacity.

¹ See also K.S.A. 77-516 and K.S.A. 77-517.

² See State ex rel. Stephan v. Williams, 246 Kan. 681, 691 (1990).

³ The administration of justice is efficiently furthered by requiring persons licensed to practice law and familiar with procedure to represent artificial entities. *See In re Arnold*, 274 Kan. 761, 770 (2002). *See also* K.S.A. 77-515(c) ("A state agency may require a corporation or other artificial person to participate by counsel.").

C. A prehearing conference is scheduled for **Thursday**, **August 15**, **2024**, **at 1:30 p.m.** by telephone. The conference call information is: telephone number (253) 205-0468, Meeting ID 5248125436. Operator <u>must appear via a licensed attorney</u>.

D. At the prehearing conference, parties shall be prepared to discuss deadlines for filing testimony and briefs, discovery procedures, scheduling of a hearing with the Commission, and any other issues that will promote the orderly and prompt resolution of this proceeding. At the prehearing conference, without further notice, this proceeding may be converted into a conference hearing or a summary proceeding for disposition of this matter as provided by the Kansas Administrative Procedure Act (KAPA). Any party that fails to attend or participate in the prehearing conference, hearing, or other stage of this proceeding may be held in default under the KAPA.⁵

E. Although a presiding officer is designated, parties are still required to file pleadings with the Commission, and filings shall be made with the Commission's docket room. Any filing received after 5:00 p.m. shall be considered filed the next business day. In addition, any late filing shall be accompanied by a Motion to File Out-of-Time. The Commission directs electronic service of all filings in the docket to include service on the Presiding Officer and mailed service of all filings to be directed to the Presiding Officer's attention.

F. The attorney designated to appear on behalf of the agency in this proceeding is Kelcey Marsh, Litigation Counsel, telephone number (316) 337-6200, kelcey.marsh@ks.gov.

BY THE COMMISSION IT IS SO ORDERED.

French, Chairp	berson; Keen, Commission	er (recused); Kuether, Commissioner
Dated: 07.	/18/2024	Lynn M. Reg
		Lynn M. Retz
		Executive Director
Mailed Date: _ JRM	07/18/2024	

⁴ If prompted, there is no Participant ID; just press pound to continue.

⁵ K.S.A. 77-506; K.S.A. 77-516(c)(7)-(8).

CERTIFICATE OF SERVICE

24-CONS-3373-CPEN, 24-CONS-3374-CPEN

I, the undersigned, certify that a true of	copy of the attached Order has been served to the following by means o	of
first class mail and electronic service on _	07/18/2024	

CHERYL BOYER
KANSAS CORPORATION COMMISSION
266 N. Main St., Ste. 220
WICHITA, KS 67202-1513
cheryl.boyer@ks.gov

TODD BRYANT, GEOLOGIST SPECIALIST KANSAS CORPORATION COMMISSION 266 N. Main St., Ste. 220 WICHITA, KS 67202-1513 todd.bryant@ks.gov

RYAN DULING
KANSAS CORPORATION COMMISSION
DISTRICT OFFICE NO. 3
137 E. 21ST STREET
CHANUTE, KS 66720
ryan.duling@ks.gov

KELCEY MARSH, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION CENTRAL OFFICE 266 N. MAIN ST, STE 220 WICHITA, KS 67202-1513 kelcey.marsh@ks.gov

JONATHAN R. MYERS, ASSISTANT GENERAL COUNSEL KANSAS CORPORATION COMMISSION 266 N. Main St., Ste. 220 WICHITA, KS 67202-1513 jon.myers@ks.gov TROY RUSSELL
KANSAS CORPORATION COMMISSION
DISTRICT OFFICE NO. 3
137 E. 21ST STREET
CHANUTE, KS 66720
troy.russell@ks.gov

JONATHAN A. SCHLATTER, ATTORNEY MORRIS LAING EVANS BROCK & KENNEDY CHTD 300 N MEAD STE 200 WICHITA, KS 67202-2745 jschlatter@morrislaing.com BRENT IVY
NACOGDOCHES OIL & GAS, LLC
412 NORTH STREET STE G
NACOGDOCHES, TX 75961-5070
brent.ivy@nogtx.com

/S/ KCC Docket Room

KCC Docket Room