BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the matter of the failure of MAD Operators,) LLC (Operator) to comply with K.A.R. 82-3-111 at the Jerry #1-29 well in Thomas County, Kansas.

Docket No.: 25-CONS-3302-CPEN

CONSERVATION DIVISION

License No.: 36164

RESPONSE TO OPERATOR'S AMENDED PETITION FOR RECONSIDERATION AND MOTION TO DISMISS

Staff of the State Corporation Commission of the State of Kansas (Staff and Commission, respectively) hereby files this response to the Amended Petition for Reconsideration Pursuant to K.S.A. §§55-606 and 77-529 (Petition) filed by Operator on May 1, 2025. In support of this response, Staff states as follows:

I. BACKGROUND

1. On March 13, 2025, the Commission issued a Penalty Order in this docket for one violation of K.A.R. 82-3-111. The Commission found that Operator's Jerry #1-29 well (Subject Well) had been inactive in excess of the time allowed by regulation without being plugged, returned to service, or approved for temporary abandonment (TA) status. The Commission ordered Operator to pay a \$100 penalty, and to plug the Subject Well, return the well to service, or obtain TA status for the well.

2. On March 21, 2025, Operator submitted a TA application for the Subject Well. Staff denied the application on March 24, 2025, because Operator did not appear to have a valid lease for the Subject Well.

3. On April 7, 2025, Operator paid the \$100 penalty, but did not bring the well into compliance with the Penalty Order.

4. On April 25, 2025, Staff suspended Operator's license because Operator had not brought the Subject Well into compliance, and because Operator had not submitted a request for hearing before the Penalty Order became final.

5. On May 1, 2025, Operator filed its Petition. Attached to the Petition as Exhibit A was an Extension of Oil and Gas Lease (Extension) for the Subject Well, signed April 30, 2025.

6. On May 1, 2025, Operator submitted a new TA application for the Subject Well, attaching the Extension to the application. Staff approved the TA application on May 2, 2025. By obtaining TA status for the Subject Well, Operator came into compliance with the Penalty Order in this docket; consequently, Staff un-suspended Operator's license on May 2, 2025.

II. ARGUMENT

7. The Kansas Supreme Court has held that Kansas courts generally "do not decide moot questions or render advisory opinions."¹ The Court has stated that the test for mootness is "whether 'it is clearly and convincingly shown the actual controversy has ended, the only judgment that could be entered would be ineffectual for any purpose, and it would not impact any of the parties' rights."² Additionally, the Court has held that "[a] case that is moot is properly subject to a motion to dismiss."³

8. Operator's Petition is moot because Operator has already come into compliance with the Penalty Order in this docket, and Staff has un-suspended Operator's license. Therefore, the Commission should dismiss Operator's Petition.

WHEREFORE, Staff respectfully requests the Commission dismiss Operator's Petition as moot.

¹ State v. Montgomery, 295 Kan. 837, 840 (2012).

² Id. at 840-1 (quoting McAlister v. City of Fairway, 289 Kan. 391, 400 (2009)).

³ State v. Roat, 311 Kan. 581, 584 (2020). See K.S.A. 77-519(a).

Respectfully Submitted,

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CERTIFICATE OF SERVICE

25-CONS-3302-CPEN

I, the undersigned, certify that a true and correct copy of the attached Response has been served to the following by means of first class mail and electronic service on May 6, 2025.

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> <u>/s/ Paula J. Murray</u> Paula J. Murray