

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

In the Matter of a General Investigation to )	Docket No.: 18-CONS-3224-CINV
Examine the Legal Issues Pertaining to the )	
Notice Requirements for Applications, Filed )	CONSERVATION DIVISION
Between October 2008 and the Present, )	
Seeking Underground Injection of Salt Water )	License No.: N/A
Pursuant to K.A.R. 82-3-402. )	

**STAFF'S BRIEF AND RECOMMENDATION**

The Staff of the State Corporation Commission of the State of Kansas (Staff and Commission, respectively) files this *Brief and Recommendation*, as required by the Commission's November 21, 2017, *Order Opening General Investigation*.<sup>1</sup>

**I. Background**

1. On November 21, 2017, the Commission issued an *Order Opening General Investigation*, to examine legal issues pertaining to notice requirements for injection applications filed between October 2008 and the present.<sup>2</sup> As described in the order, on October 24, 2008, K.A.R. 82-3-135a was amended to extend the protest period for underground injection well applications from 15 days to 30 days.<sup>3</sup>

2. On February 19, 2018, Staff filed a *Report and Recommendation* pursuant to the Order Opening General Investigation.<sup>4</sup> As described in the *Report and Recommendation*, approximately 1,007 applications for injection authority regarding approximately 2,111 wells were processed between October 2008 and February 2018 where an operator's published notice stated interested parties only had 15 days to file a protest.<sup>5</sup>

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<sup>1</sup> *Order Opening General Investigation*, ¶14-15. Staff's deadline to file was extended to June 22, 2018, pursuant to the Commission's *Order Clarifying Deadlines* (Mar. 27, 2018), ¶8, B.

<sup>2</sup> *Order Opening General Investigation*, ¶6, 16, A.

<sup>3</sup> *Id.*, ¶1.

<sup>4</sup> See *id.*, ¶7.

<sup>5</sup> See *Notice of Filing of Staff's Report and Recommendation*, Exhibit A at Page 2.

3. Between March 8, 2018, and April 26, 2018, dozens of persons entered appearances, intervened, filed briefs, and filed public comments in this docket.

## **II. Staff's Recommendation**

4. As directed by the Commission's *Order Opening General Investigation*, the purpose of this *Brief and Recommendation* is to recommend to the Commission an appropriate course of action for handling approved underground injection well applications, going back to October 2008, whose publication notices communicated an allotment of only 15 days to object to or protest the application.<sup>6</sup> Staff's recommendation is that the Commission should close this docket and take no further action.

5. Staff makes this recommendation for three reasons. First, the discrepancies between the notices published by operators and the legal protest timeframe did not violate any Commission regulation. Second, the law is clear that such discrepancies were not fatal defects to the Commission's jurisdiction or authority to approve the injection applications. Third, there is no evidence that any person's due process rights were affected by the publications.

### A. No Commission regulation was violated by the publications.

6. Kansas Administrative Regulations, as approved by the United States Environmental Protection Agency, exclusively govern Class II injection applications in Kansas.<sup>7</sup> All Class II injection applications must have notice published pursuant to the provisions of K.A.R. 82-3-135a.<sup>8</sup> Specifically, K.A.R. 82-3-135a(c) provides that notice of each application must be published in at least one issue of the official county newspaper.<sup>9</sup> K.A.R. 82-3-135a, however, provides no instruction regarding what must be made part of the publication.

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<sup>6</sup> *Order Opening General Investigation*, ¶C.

<sup>7</sup> See Federal Register Vol. 49, No. 27, at 4735; see also SDWA Section 1425(a)(2); Section 1421(b)(1).

<sup>8</sup> See K.A.R. 82-3-135a(a).

<sup>9</sup> See K.A.R. 82-3-135a(a) for the scope of the regulation, and K.A.R. 82-3-135a(c) for the requirement.

7. Although all Class II injection applications are governed by the notice provisions of K.A.R. 82-3-135a, some injection applications are also governed by the notice provisions K.A.R. 82-3-402(b).<sup>10</sup> Under that regulation, operators may elect to provide area notice by, among other things, publishing notice of the application in the official county newspaper.<sup>11</sup> Although K.A.R. 82-3-402(b) requires that certain information be included as part of the published notice, it does not require the operator to identify any protest period.<sup>12</sup> No Commission regulation provides any consequence for providing inaccurate extraneous information as part of the published notice. Staff believes the fact that no Commission regulation was violated by the publications weighs against taking any action detrimental to the holders of the permits subsequently issued.

B. The publication discrepancies did not affect the Commission's legal jurisdiction and authority to issue injection permits.

8. Staff agrees with the following legal analysis, first submitted in this docket in Triple T Oil, LLC's April 13, 2018, brief:

The Kansas Supreme Court has addressed the specific question presented in this Docket many times, and has consistently held that "[a] notice for service by publication . . . cannot be regarded as void by reason of the fact that the day fixed for answer was earlier than [it should have been]." *Foster v. Motley*, 114 Kan. 812 (1923). A misstatement of the answer period in a published notice is a "palpable irregularity but it cannot be regarded as a fatal defect." *Dumback v. Tarkowski*, 195 Kan. 26, 28 (1965). "The defect did not go to the jurisdiction of the court over the subject matter, or render the notice of hearing void." *Id.*<sup>13</sup>

9. Triple T Oil's brief discusses other cases that universally reach similar conclusions.<sup>14</sup> The case law is clear: the Commission had legal jurisdiction and authority to issue

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<sup>10</sup> See K.A.R. 82-3-400.

<sup>11</sup> K.A.R. 82-3-402(b)(3).

<sup>12</sup> *Id.*

<sup>13</sup> Brief by Triple T Oil, LLC, page 5.

<sup>14</sup> *Id.*, pages 5-7.

the injection permits even where the protest period in the published notice was inaccurate. This fact, along with the fact that no Commission regulation was violated by the publications, weighs against taking any action detrimental to the holders of the permits subsequently issued.

C. There is no evidence that any person's due process rights were negatively affected by the publication discrepancies.

10. There are only a limited set of circumstances in which a potentially interested person could have been affected by any publication discrepancy. Specifically, such a person would have had to (1) see such notice within 30 days of its publication; (2) want to file an objection or protest; and (3) decide not to file an object or protest specifically because such person labored under the mistaken belief that one only had 15 days, rather than 30 days, to do so.

11. Without any evidence of any person fitting the above fact pattern, there is no evidence of any harm whatsoever; that is, there is no evidence of any person's rights being negatively affected. Without any harm, without any violation of Commission regulations, and given the Commission had the legal jurisdiction and authority to issue the permits, there is simply no cause for the Commission to take any further action in this docket.

### **III. Conclusion**

12. This general investigation was opened in part to address legal questions pertaining to publication of notice of underground injection well applications.<sup>15</sup> Such questions have now been thoroughly briefed. Staff has been tasked with the limited directive of recommending to the Commission an appropriate course of action for handling approved underground injection well applications, going back to October 2008, whose publication notices communicated an allotment of only 15 days to object to or protest the application.<sup>16</sup> It would have been best practice for

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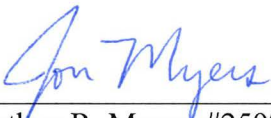
<sup>15</sup> *Order Opening General Investigation*, ¶6.

<sup>16</sup> *Id.*, ¶C.

operators to have not published inaccurate information regarding protest periods. Just as clearly, no Commission regulation was violated and the Commission had full legal jurisdiction and authority to issue the injection permits based upon the applications as presented.

13. Given the above, and without any concrete allegation by a party with standing regarding a specific permit that such person's rights were negatively affected by a specific publication notice, Staff recommends the appropriate course of action would be for the Commission to close this docket and take no further action. If at any time a person wishes to contest the continuing validity of an issued permit, such person may petition the Commission for remedy under an appropriate legal theory, should one exist. To date, that has not happened. Without a live controversy, the appropriate course of action for an agency exercising authority in a quasi-judicial capacity is to take no further action.

Respectfully submitted,



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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

## CERTIFICATE OF SERVICE

18-CONS-3224-CINV

I, the undersigned, certify that the true copy of the attached Staff's Brief and Recommendation has been served to the following parties by means of electronic service on 6/22/18.

DAVID BENGSTON  
STINSON LEONARD STREET LLP  
STINSON LEONARD STREET LLP  
1625 N. Waterfront Parkway, Ste 300  
Wichita, KS 67206  
david.bengston@stinson.com

JOHN T. BIRD  
GLASSMAN BIRD POWELL, LLP  
200 W. 13th Street  
PO Box 727  
Hays, KS 67601  
jtbird@haysamerica.com

KEITH A. BROCK, ATTORNEY  
ANDERSON & BYRD, L.L.P.  
216 S HICKORY  
PO BOX 17  
OTTAWA, KS 66067  
Fax: 785-242-1279  
kbrock@andersonbyrd.com

AMY FELLOWS CLINE, ATTORNEY  
TRIPLETT, WOOLF & GARRETSON, LLC  
2959 N ROCK RD STE 300  
WICHITA, KS 67226  
Fax: 316-630-8101  
amycline@twgfirm.com

KENNETH L. COLE  
WOELK & COLE  
PO Box 431  
Russell, KS 67665  
woelkandcole@hotmail.com

MICHAEL DUENES, ASSISTANT GENERAL COUNSEL  
KANSAS CORPORATION COMMISSION  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604  
Fax: 785-271-3354  
m.duenes@kcc.ks.gov

ROBERT V. EYE, ATTORNEY AT LAW  
KAUFFMAN & EYE  
4840 Bob Billings Pkwy, Ste. 1010  
Lawrence, KS 66049-3862  
Fax: 785-749-1202  
bob@kauffmaneye.com

KARL N. HESSE  
FOULSTON SIEFKIN LLP  
1551 N. Waterfront Parkway  
Suite 100  
Wichita, KS 67206  
khesse@foulston.com

KARL F. HIRSCH  
Hirsch, Heath & White, PLLC  
901 CEDAR LAKE BLVD  
OKLAHOMA CITY, OK 73114-7813  
khirsch@hhwlawfirm.com

JEFF KENNEDY  
MARTIN, PRINGLE, OLIVER, WALLACE & BAUER, LLP  
100 N. Broadway  
Suite 500  
Wichita, KS 67202  
Fax: 913-491-3341  
jkennedy@martinpringle.com

## CERTIFICATE OF SERVICE

18-CONS-3224-CINV

ROBERT J. McFADDEN, ATTORNEY  
FOULSTON SIEFKIN LLP  
1551 N. Waterfront Parkway  
Suite 100  
Wichita, KS 67206  
rmcfadden@foulston.com

KAREN K. MCILVAIN  
MCILVAIN LAW OFFICE, LLC  
PO Box 703  
Madison, KS 66860  
mcilvainlaw@gmail.com

TIMOTHY E. MCKEE, ATTORNEY  
TRIPLETT, WOOLF & GARRETSON, LLC  
2959 N ROCK RD STE 300  
WICHITA, KS 67226  
Fax: 316-630-8101  
temckee@twgfirm.com

JONATHAN R. MYERS, LITIGATION COUNSEL  
KANSAS CORPORATION COMMISSION  
Conservation Division  
266 N. Main St. Ste. 220  
WICHITA, KS 67202-1513  
Fax: 316-337-6211  
j.myers@kcc.ks.gov

LANE PALMATEER, ATTORNEY  
LANE R. PALMATEER  
801 E. Douglas Ave., 2nd Flr.  
Wichita, KS 67202  
lrpalmateer@gmail.com

DAVID E. PIERCE  
DAVID E. PIERCE  
4133 NW Brickyard Road  
Topeka, KS 66618  
david.pierce@washburn.edu

JONATHAN A. SCHLATTER, ATTORNEY  
MORRIS LAING EVANS BROCK & KENNEDY CHTD  
300 N MEAD STE 200  
WICHITA, KS 67202-2745  
Fax: 316-262-6226  
jschlatter@morrislaing.com

JOSEPH SCHREMMER, ATTORNEY  
DEPEW GILLEN RATHBUN & MCINTERR. LC  
8301 EAST 21ST ST. NORTH, SUITE 450  
WICHITA, KS 67206-2936  
joe@depewgillen.com

STANFORD J. SMITH, JR., ATTORNEY  
MARTIN, PRINGLE, OLIVER, WALLACE & BAUER, LLP  
100 N BROADWAY STE 500  
WICHITA, KS 67202  
Fax: 316-265-2955  
sjsmith@martinpringle.com

CHARLES C STEINCAMP  
DEPEW GILLEN RATHBUN & MCINTERR. LC  
8301 EAST 21ST ST. NORTH, SUITE 450  
WICHITA, KS 67206-2936  
Fax: 316-265-3819  
chris@depewgillen.com

/S/ Paula J. Murray  
\_\_\_\_\_  
Paula J. Murray