THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

	Shari Feist Albrecht, Chairman Jay Scott Emler Dwight D. Keen	
In the Matter of the Failure of Prairie Gas Operating, LLC (Operator) to Comply with		Docket No: 18-CONS-3253-CPEN
K.A.R. 82-3-111 at the Wineinger ¹ #1 well in Greeley County, Kansas.		CONSERVATION DIVISION
)	License No: 35442

PROPOSED DEFAULT ORDER

This matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined its files and records, and being fully advised in the premises, the Commission finds and concludes as follows:

I. JURISDICTION

1. K.S.A. 77-520 provides that if a party fails to attend any stage of an adjudicative proceeding, the agency may issue a default order with a statement of the grounds. The party has seven days to file a written motion to vacate, which shall state the grounds relied upon.

II. FINDINGS OF FACT

2. On January 5, 2018, the Commission issued a Penalty Order against the Operator for failure to comply with K.A.R. 82-3-111 at the Wineinger #1 well in Greeley County, Kansas.²

3. On January 31, 2018, the Operator filed a Confidential Request for Hearing and Proposed Settlement Offer.

4. On February 12, 2018, Commission Staff (Staff) moved to eliminate the confidential designation and make the Operator's pleading public. Staff alleged that the Operator

¹Penalty Order – Prairie Gas Operations, LLC (Jan. 4, 2018).

² Penalty Order at 3 (Jan. 5, 2018).

failed to comply with Commission regulations concerning pleadings and the confidential designation of information filed with the Commission.³

5. On March 27, 2018, the Prehearing Officer set the matter for a Status Conference on Monday, April 30, 2018 at 10:00 a.m.

6. On April 30, 2018, the Prehearing Officer convened the Status Conference. The Operator failed to attend and Staff verbally moved for default.

III. CONCLUSIONS OF LAW

7. Pursuant to K.S.A. 77-520(a), the Commission finds the Operator's failure to attend the Status Conference constitutes default. Pursuant to the Commission's Order Designating Prehearing Officer and Setting Prehearing Conference, the Commission, in accordance with K.S.A. 2016 Supp. 77-551(c), designated a prehearing officer to address any matters listed in K.S.A. 77-517(b).

8. Pursuant to K.S.A. 77-517, the exploration of settlement possibilities can be discussed at a prehearing conference. Settlement discussions are within the discretion of Staff, and any proposed settlement is subject to approval by the Commission. However, the Operator failed to attend the Prehearing Conference. Despite the Operator's filing of a settlement proposal, the Commission finds the Operator's lack of participation unacceptable and Staff's Motion for Default Order unopposed. Therefore, Staff's Motion for a Default Order should be granted. Staff's Motion to Eliminate Confidential Designation and Strike from the Record is denied as moot.

³ Motion to Eliminate Confidential Designation and to Require Operator's Attorney to Enter Appearance to Avoid Default at 1-2 (Feb. 12, 2018).

THEREFORE, THE COMMISSION ORDERS:

A. Staff's Motion for Default Order is granted.

B. Staff's Motion to Eliminate Confidential Designation and Strike from the Record is denied.

C. Pursuant to K.S.A. 77-520(b), any party may file a written motion requesting that this Default Order be vacated and stating the grounds relied upon, within seven calendar days after service of this Order, with three additional days added to account for service by mail. If no request to vacate is received the Proposed Default Order shall become final and the Penalty Order shall be effective.

D. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further orders as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: _____

Lynn M. Ref

Lynn M. Retz Secretary to the Commission

Mailed Date: _____

DLK/sc

CERTIFICATE OF SERVICE

18-CONS-3253-CPEN

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of

electronic service on____05/03/2018

SCOTT ALBERG, DISTRICT #1 SUPERVISOR KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 Fax: 785-271-3354 s.alberg@kcc.ks.gov

LAUREN WRIGHT, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION Conservation Division 266 N. Main St. Ste. 220 WICHITA, KS 67202-1513 Fax: 316-337-6211 I.wright@kcc.ks.gov

LEE THOMPSON, ATTORNEY THOMPSON LAW FIRM, LLC D/B/A THOMPSON LAW FIRM, LLC OCCIDENTAL PLAZA 106 E 2ND ST. WICHITA, KS 67202 Fax: 316-267-3901 Ithompson@tslawfirm.com DUSTIN KIRK, DEPUTY GENERAL COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604-4027 Fax: 785-271-3354 d.kirk@kcc.ks.gov

IAN B. ACREY Prairie Gas Operating, LLC PO BOX 2170 TULSA, OK 74101 iacrey@pge-llc.com

/S/ DeeAnn Shupe DeeAnn Shupe