

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

Before Commissioners: Jay Scott Emler, Chairman
Shari Feist Albrecht
Pat Apple

In the matter of an Order to Show Cause)	Docket No.: 17-CONS-3081-CSHO
issued to W.H. Foster dba Foster Oil & Gas)	
("Operator") regarding responsibility under)	CONSERVATION DIVISION
K.S.A. 55-179 for unplugged wells on an)	
expired license.)	License No.: 30755

**ORDER TO SHOW CAUSE, DESIGNATING A PREHEARING OFFICER,
AND SETTING A PREHEARING CONFERENCE**

The above-captioned matter comes before the State Corporation Commission of the State of Kansas. Having examined the files and records, and being duly advised in the premises, the Commission finds and concludes as follows:

I. JURISDICTION

1. The Commission has jurisdiction to regulate oil and gas production in Kansas under Chapter 55 of the Kansas Statutes Annotated and the General Rules and Regulations for the Conservation of Crude Oil and Natural Gas, K.A.R. 82-3-100 *et seq.*
2. K.S.A. 55-162 provides the Commission with jurisdiction to institute proceedings to enforce the laws of Kansas and Commission rules, regulations, and orders.
3. K.S.A. 55-179 provides the Commission with jurisdiction to determine the persons legally responsible for the proper care and control of oil and gas wells, including the responsibility to plug the wells.
4. K.S.A. 55-179(b) provides that a person who is legally responsible for the proper care and control of an abandoned well shall include one or more of the following:

- a. Any operator of a waterflood or other pressure maintenance program deemed to be causing pollution or loss of usable water;
 - b. the current or last operator of the lease upon which such well is located, irrespective of whether such operator plugged or abandoned such well;
 - c. the original operator who plugged or abandoned such well; and
 - d. any person who without authorization tampers with or removes surface equipment or downhole equipment from an abandoned well.
5. K.S.A. 55-180 gives the Commission a cause of action against responsible parties for the reasonable plugging costs of abandoned wells.
6. K.A.R. 82-3-120 provides that no Operator shall conduct activities at a well without a current license.

II. FINDINGS OF FACT

7. On August 30, 2016, Commission Staff moved the Commission to issue an order to show cause, alleging that:
 - a. The wells listed on the attached Exhibit A, which is incorporated into this order, are unplugged;
 - b. the wells on the attached Exhibit A are listed on Operator's license, which is expired, so the wells appear to be abandoned; and
 - c. pursuant to Kansas statutes and Commission regulations, Operator appears to be responsible for plugging the wells.
8. Staff's August 30, 2016, motion was served on Operator, and no response was filed.

III. CONCLUSIONS OF LAW

9. The Commission finds and concludes that Operator should attend an evidentiary hearing to show cause why Operator is not responsible for the wells listed on Exhibit A.

10. Pursuant to K.S.A. 77-551(c), the Commission finds and concludes that a Prehearing Officer should be designated in this proceeding to address any matters listed in K.S.A. 77-517(b). The Commission also finds that an initial prehearing conference should be scheduled in this matter.

THEREFORE, THE COMMISSION ORDERS:

A. The Prehearing Officer in this proceeding shall be John McCannon, Counsel, Kansas Corporation Commission, 266 N. Main, Suite 220, Wichita, Kansas 67202, telephone number 316-337-6200, email address j.mccannon@kcc.ks.gov.

B. A Prehearing Conference is scheduled for October 18, 2016. The Prehearing Conference shall begin at 1:30 p.m. and end by 2:00 p.m., at the Commission's offices, 266 N. Main, Suite 220, Wichita, Kansas 67202. Telephonic attendance may be permitted by advance request. The Prehearing Conference will focus on the development of a procedural schedule for this docket.

C. 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.

D. 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 shall be held in default under the KAPA.

E. Pursuant to K.A.R. 82-1-228(d)(2), corporations must enter an appearance via an attorney. If a corporation fails to enter an appearance via an attorney prior to the Prehearing Conference, it may be held in default under the KAPA.

F. The attorney designated to appear on behalf of the agency in this proceeding is Jonathan R. Myers, telephone number 316-337-6200, email address j.myers@kcc.ks.gov.

G. Any person requiring special accommodations under the Americans with Disabilities Act is asked to give notice to the Commission at least 10 days prior to the scheduled hearing date.

BY THE COMMISSION IT IS SO ORDERED.

Emler, Chairman; Albrecht, Commissioner; Apple, Commissioner

Dated: SEP 29 2016



Amy L. Green
Secretary to the Commission

Mailed Date: September 29, 2016

JM

Exhibit A

Foster, W.H. dba Foster Oil & Gas License: 30755

<u>Unplugged Wells on Operator's License</u>			
API Well #	Lease Name / Well #	Well Location	County
15-019-21707-00-01	SWANEY 3	29-33S-13E, NWSWSWSE	CHAUTAUQUA
15-019-22094-00-01	BLECHA 2	16-32S-13E, E2E2NW	CHAUTAUQUA
15-019-23412-00-01	AIKEN ACRES 23	20-33S-13E, SENWSE	CHAUTAUQUA
15-019-24391-00-00	LEGRAND MONEY 3B	12-34S-10E, SWNENW	CHAUTAUQUA
15-019-24455-00-00	LEGRAND MONEY 4-B	12-34S-10E, NWSNENW	CHAUTAUQUA
15-019-24460-00-00	LEGRAND MONEY 5-B	12-34S-10E, SENENENW	CHAUTAUQUA
15-019-24461-00-00	LEGRAND MONEY 6-B	12-34S-10E, N2NENW	CHAUTAUQUA
15-019-24596-00-00	LEGRAND MONEY 10-B	12-34S-10E, NWNE	CHAUTAUQUA
15-019-24629-00-00	LEGRAND MONEY 11-B	12-34S-10E, NWNE	CHAUTAUQUA
15-019-24691-00-00	LEGRAND MONEY 12-B	12-34S-10E, S2NWNE	CHAUTAUQUA
15-019-24762-00-00	LEGRAND MONEY 14B	12-34S-10E, W2NWNE	CHAUTAUQUA
15-019-24852-00-00	LEGRAND MONEY W1	12-34S-10E, NENWNE	CHAUTAUQUA
15-019-25478-00-01	BEASON 1	36-32S-12E, SESWNW	CHAUTAUQUA
15-019-25480-00-00	ZIMMERMAN OWWO 1	28-33S-12E, SESESW	CHAUTAUQUA
15-019-25480-00-02	ZIMMERMAN 1	28-33S-12E, SESESW	CHAUTAUQUA
15-019-25562-00-00	MONROE 2	26-32S-12E, SWNWNE	CHAUTAUQUA
15-019-25624-00-01	RISSMAN OWWO 2	35-32S-12E, NWNWNW	CHAUTAUQUA
15-019-25701-00-01	BEASON 5	35-32S-12E, NWSWNE	CHAUTAUQUA
15-019-25706-00-00	RISSMAN 13	35-32S-12E, E2NESW	CHAUTAUQUA
15-019-25728-00-01	TANKSLEY 1	35-32S-12E, N2NE	CHAUTAUQUA
15-019-25890-00-00	DYE OWWO 1	28-33S-13E, SWSWSW	CHAUTAUQUA
15-019-25890-00-01	DYE 1	28-33S-13E, SWSWSW	CHAUTAUQUA
15-019-25902-00-01	DYE 4	33-33S-13E, S2NW	CHAUTAUQUA
15-019-25933-00-01	BEASON 7	35-32S-12E, NENESE	CHAUTAUQUA
15-019-26107-00-01	SWANEY A-1	29-33S-13E, NESWSE	CHAUTAUQUA
15-019-26204-00-00	BALL G-3	4-34S-13E, NWNESE	CHAUTAUQUA
15-019-26214-00-01	SWANEY A-2	29-33S-13E, NWSWNE	CHAUTAUQUA

15-019-26215-00-01	SWANEY	A-3	29-33S-13E, NWNWSE	CHAUTAUQUA
15-019-26255-00-00	ALTER	3	22-33S-13E, NWSWSW	CHAUTAUQUA
15-019-26299-00-00	TODD T	1	33-33S-13E, NESESW	CHAUTAUQUA
15-019-26300-00-00	TODD T	2	33-33S-13E, NWSWSW	CHAUTAUQUA
15-049-22144-00-01	SIMS	1	33-31S-13E, SESWNW	ELK
15-049-22256-00-00	SIMS	2	33-31S-13E, NENW	ELK
15-049-22257-00-00	DOWELL	1	33-31S-13E, SWNE	ELK
15-049-22258-00-00	MEISE	1	33-31S-13E, NESW	ELK
15-125-01789-00-00	THIESSEN	3	16-33S-15E, NWSWNE	MONTGOMERY
15-125-01790-00-00	THIESSEN	B1	16-33S-15E, SWNESW	MONTGOMERY
15-125-01791-00-00	THIESSEN	2	16-33S-15E, NWNWSE	MONTGOMERY
15-125-01792-00-00	THIESSEN	1	16-33S-15E, SWSWNE	MONTGOMERY
15-125-01793-00-00	THIESSEN	4	16-33S-15E, W2SWNE	MONTGOMERY
15-125-01794-00-00	THIESSEN	5	16-33S-15E, NWSWNE	MONTGOMERY
15-125-01795-00-00	THIESSEN	6	16-33S-15E, SWNWNE	MONTGOMERY
15-125-01796-00-00	THIESSEN	7	16-33S-15E, SENWNE	MONTGOMERY
15-125-01797-00-00	THIESSEN	8	16-33S-15E, NESWNE	MONTGOMERY
15-125-01798-00-00	BRUENING	1X	17-33S-15E, SWSWNWSW	MONTGOMERY
15-125-01799-00-00	BRUENING	2X	17-33S-15E, NWSWNWSW	MONTGOMERY
15-125-01800-00-00	BRUENING	3X	17-33S-15E, SWNWSW	MONTGOMERY
15-125-01801-00-00	BRUENING	4X	17-33S-15E, W2NWSW	MONTGOMERY
15-125-01802-00-00	BRUENING	5X	17-33S-15E, NWSENWSW	MONTGOMERY
15-125-01803-00-00	BRUENING	2	17-33S-15E, SWNENE	MONTGOMERY
15-125-01804-00-00	BRUENING	5	17-33S-15E, SESWSENE	MONTGOMERY
15-125-01805-00-00	NITZ	2	33-33S-15E, SWSWNE	MONTGOMERY
15-125-01806-00-00	NITZ	3	33-33S-15E, SWSWNE	MONTGOMERY
15-125-01807-00-00	NITZ	5	33-33S-15E, SESWNE	MONTGOMERY
15-125-01808-00-00	NITZ	4	33-33S-15E, SWSWNE	MONTGOMERY
15-125-01809-00-00	ALLEN	A-1	33-33S-15E, SWSENESW	MONTGOMERY
15-125-01810-00-00	ALLEN	A-2	33-33S-15E, NWNESESW	MONTGOMERY
15-125-01811-00-00	ALLEN	A-3	33-33S-15E, SESENESESW	MONTGOMERY
15-125-01812-00-00	ALLEN	A-4	33-33S-15E, SESENESESW	MONTGOMERY
15-125-01887-00-00	HADDAN	A 1	34-33S-15E, SESWSW	MONTGOMERY
15-125-01888-00-00	HADDAN	A 2	3-34S-15E, NENWNW	MONTGOMERY
15-125-01889-00-00	SULLIVAN MG	8	4-33S-15E, W2SW	MONTGOMERY
15-125-02575-00-02	RAINS	CF 1	10-35S-15E,	MONTGOMERY
15-125-24120-00-00	SIMMONS	1	29-32S-14E, NWSWSW	MONTGOMERY
15-125-26897-00-00	VAVERKA 2	3	28-33S-15E, NWSENESE	MONTGOMERY
15-125-28069-00-00	HOFFMAN	2	9-33S-15E, SWSWSW	MONTGOMERY
15-125-28157-00-00	SIMMONS	3	29-32S-14E, S2SWSW	MONTGOMERY

15-125-28312-00-00	SULLIVAN MG	1	4-33S-15E, N2SW	MONTGOMERY
15-125-28593-00-00	SIMMONS	4	29-32S-14E, N2SWSWSW	MONTGOMERY
15-125-28986-00-00	SULLIVAN MG	2	4-33S-15E, E2NWSW	MONTGOMERY
15-125-28988-00-00	SULLIVAN MG	4	4-33S-15E, NENESWSW	MONTGOMERY
15-125-28989-00-00	SULLIVAN MG	5	4-33S-15E, W2NESW	MONTGOMERY
15-125-28999-00-00	SULLIVAN MG	6	4-33S-15E, E2NESW	MONTGOMERY
15-125-29003-00-00	SULLIVAN MG	7	4-33S-15E, NENESWSW	MONTGOMERY
15-125-29377-00-00	HADDAN	B-2	3-34S-15E, SENWNW	MONTGOMERY
15-125-29574-00-00	WHEELER-HADDEN	B-1	3-34S-15E, N2NENWNW	MONTGOMERY
15-125-29581-00-00	MCMILLIAN	B-1	16-33S-15E, SWNESW	MONTGOMERY
15-125-29582-00-00	WHEELER-HADDEN	B-4	34-33S-15E, SESWSW	MONTGOMERY
15-125-29583-00-00	WHEELER-HADDEN	B-3	3-34S-15E, NENWNW	MONTGOMERY

CERTIFICATE OF SERVICE

I certify that on 9/29/16, I caused a complete and accurate copy of this Order to be served via United States mail, with the postage prepaid and properly addressed to the following:

W.H. Foster dba Foster Oil & Gas
4242 Lomo Alto S-31
Dallas, TX 75219

/s/ Paula J. Murray
Paula J. Murray
Legal Assistant
Kansas Corporation Commission