

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: Brian J. Moline, Chair
Robert E. Krehbiel
Michael C. Moffet

In the Matter of the General Investigation to)
Determine a Commission Policy Regarding)
Customers Served Directly or Indirectly by) Docket No. 06-GIMG-400-GIG
Gas Gathering Systems)

ORDER INITIATING INVESTIGATION AND ASSESSING COSTS

NOW, the above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined its files and records, and being duly advised in the premises, the Commission enters this Order Initiating Investigation:

1. On September 18, 1998, the Commission initiated an investigation for the purpose of gaining a better understanding of the effects of declining natural gas wellhead pressure in the Hugoton and surrounding natural gas fields. Docket No. 99-GIMG-194-GIG, Order No. 1.

2. As the Commission noted in 1998, the Hugoton Natural Gas Field¹ (“Hugoton Field”) located in southwest Kansas has been a “tremendous asset” to the economy of the State of Kansas for many decades. At the time of the 1998 investigation, the Commission’s Conservation Division Staff estimated that the Hugoton Field had produced 23 trillion cubic feet (tcf) of gas, and contained proven reserves of 7-10 tcf.

3. Expansive gathering systems are present in and around the southwest Kansas gas fields. These systems are primarily used to collect gas from numerous wells and deliver it to one or more points for transportation on intrastate and interstate pipelines to markets and end users. Many Kansas residents and businesses use the gas from the fields by tapping directly into the

¹ The Commission uses the name Hugoton to generally refer to the gas formations in that region, including the Byerly, Bradshaw, Greenwood, Hugoton, and Panoma natural gas fields.

miles of gathering system pipe throughout the region. The gas is primarily used for irrigation, feed lot operation, and residential consumption, but it is also used for other commercial and institutional purposes. Customers take gas from points along the gathering systems referred to as “exit taps” prior to the final delivery point of the system. The final delivery point is the physical end of the gathering system, usually a processing plant or point of sale to another pipeline. In some cases, these customers do not receive gas directly from the gathering system. Instead, a natural gas public utility owns the meter and perhaps a short length of line serving the customer. The utility acquires the gas from the gathering system operator, a third party gas marketer, or from a producer for resale to the utility’s end use customer.

4. The Commission concluded the investigation in Docket Docket No. 99-GIMG-194-GIG in 2001 after receiving comments from several parties including the Citizens’ Utility Ratepayer Board (CURB), Midwest Energy, Inc., People’s Natural Gas, Southwest Irrigation Association, Inc., and Kansas Farm Bureau. Important information was submitted, policy implications were discussed, and the Commission made several broad findings. However, no policy was ever established with regard to the specific issue of service for customers using gas directly or indirectly from gathering systems.

5. Declining pressure in the field poses significant challenges for those consuming gas through exit taps as well as the utilities and gathering system operators that serve them. Declining wellhead pressure poses particularly complicated legal and policy questions due to the differing circumstances in which the service is provided and the ambiguities of the relevant statutes. This instant proceeding is an attempt to explore the Commission’s authority in situations where continuing gas service from gathering systems is in question. The Commission initiates this investigation due to safety concerns and issues related to inadequacy of supply

generally. The Commission's intention is to explore both the situations created when customers purchase gas for consumption directly from gas gathering system operators and other alternative suppliers, and when customers receive gas from a public utility through an exit tap. The Commission also wishes to explore policy alternatives and potential customer remedies for curtailment.

6. The Commission recently addressed service curtailment related to gathering systems in three instances. On March 16, 2005, the Commission issued an Emergency Order preventing ONEOK Field Services (ONEOK) from shutting off customers taking gas from a gathering system in Docket No. 05-CONS-214-CMSC. ONEOK stated that it took such action to prevent adverse health conditions for consumers of the gas due to high concentrations of Hydrogen Sulfide (H₂S) in the natural gas. H₂S is a highly toxic gas that can occur in natural gas and oil wells.

7. On March 24, 2005, Aquila, Inc. filed a complaint against ONEOK requesting emergency relief to stop ONEOK from disconnecting any additional Aquila customers from delivery source taps along its gathering system. Complaint, 05-CONS-222-CMCS. On April 6, 2005, the Commission issued an order denying emergency relief in that docket. Final action in the docket is pending completion of discovery.

8. On July 18, 2005, the Commission issued an order in Docket No. 05-MDWG-879-ACT establishing an accounting authority order. This order allows Midwest Energy, Inc. (Midwest) the opportunity to seek recovery of the actual costs incurred to respond to the H₂S levels in the natural gas it supplies to certain of its customers from a gathering system. These costs include the expense of disconnecting customers and arranging for alternate sources of energy.

9. During the 2005 legislative session, House Bill 2263 (HB 2263) was passed, establishing procedures for disconnecting customers from gas gathering systems for health and safety reasons. Kan. Reg., v. 24, no. 16. Prior to disconnection by a utility, HB 2263 requires the following:

(b) Any person providing gas gathering services in such a manner that allows the offering of natural gas from a gas gathering system to an end use customer shall give notice thereof to the commission and to each affected end use customer and public utility of its intention to curtail service that will result in the loss of natural gas service to the end use customer. Except in the case of an emergency, notice shall be provided at least 30 days prior to such curtailment. In the case of an emergency, service to residential dwellings or commercial offices may be curtailed immediately upon a good faith belief that an emergency exists. Notice shall be given immediately to the end user and public utility. The person curtailing the service, within 24 hours of the determination of the emergency, shall report the curtailment to the state corporation commission and provide the basis for and evidence supporting the good faith belief that curtailment was necessary under the emergency provisions of this subsection. In the event that the curtailment was not based upon a good faith belief and was unnecessary, as subsequently determined by the state corporation commission, the person curtailing service shall be held responsible for the cost of service curtailment, including any reconnection cost and temporary heating costs.

10. HB 2263 also vests the Commission with regulatory oversight powers concerning service health and safety related curtailment, including the power to determine the reasonableness of the curtailment. HB 2263 became effective on April 18, 2005, and was published in the 2005 Session laws, ch. 169. HB 2263 amends K.S.A. 66-105a by vesting the Commission with limited jurisdiction over gathering systems serving end use customers.

11. The Commission continues to be concerned regarding the potential danger to customers as well as the public generally due to high levels of H₂S in unprocessed gas. The Commission recognizes that H₂S contamination problems are likely to continue in the future, and

concludes it would be useful to gain a greater understanding of this issue in order to establish clear guidelines for H₂S-related disconnection. The Commission recognizes that standards of reasonableness need to be established in order to evaluate the need for curtailment where contamination exists.

12. Kansas law places specific restrictions and obligations on gas gathering services. Gas gathering services are specifically addressed in K.S.A. 2004 Supp. 55-1,101 *et seq.* K.S.A. 2004 Supp. 55-1,101 defines “gas gathering services” as follows:

...the gathering or preparation of natural gas for transportation, whether such services are performed for hire or in connection with the purchase of natural gas by the person gathering or preparing the gas or a marketer affiliated with the person gathering or preparing the gas. “Gas gathering services” does not include the gathering of natural gas by an owner or operator of gathering facilities who: (A) Does not hold such facilities out for hire on or after the effective date of this act; and (B) does not purchase the gas for resale.

K.S.A. 2004 Supp. 55-1,103 places specific obligations on gas gathering services requiring the following:

- (a) Persons offering gas gathering services in this state, or facilities essential to provide such services, shall provide, in a manner that is just, reasonable, not unjustly discriminatory and not unduly preferential, access to any person seeking such services or facilities.
- (b) Persons performing gas gathering services shall engage in practices in connection with such services, and charge fees for such services, that are just, reasonable, not unjustly discriminatory and not unduly preferential.

K.S.A. 2004 Supp. 55-1,104 authorizes the Commission to remedy any violation of K.S.A. 2004 Supp. 55-1,103, and requires Commission review when a complaint is filed against a gas gatherer alleging a violation of K.S.A. 2004 Supp. 55-1,103. K.S.A. 55-1,109 requires that public utilities providing service from a gas gathering system shall give notice by November 1st

that it has determined it lacks sufficient services for the following calendar year. It is the Commission's understanding that several utilities have provided notice to customers for several years that service "may" be insufficient, even though service has continued to be provided.

13. K.S.A. 66-105a specifically declares that gas gathering systems, as defined by K.S.A. 55-150, are not public utilities as used in K.S.A. 66-104. K.S.A 55-150(d) provides that:

“Gas gathering system” means a natural gas pipeline system used primarily for transporting natural gas from a wellhead, or a metering point for natural gas produced by one or more wells, to a point of entry into a main transmission line, but shall not mean or include: (1) Lead lines from the well head to the connection with the gathering system which are owned by the producing person; and (2) gathering systems under the jurisdiction of the federal energy regulatory commission.

K.S.A. 66-104 establishes the types of persons and entities subject to Commission jurisdiction as public utilities.

14. The Rural Kansas Self-Help Gas Act (“Self-Help Act”) also contains provisions that have potential interactions with the statutes governing gathering systems. K.S.A. 66-2101 *et seq.* The Self-Help Act allows a person connected to a gas gathering system to obtain an alternative supply of gas for agricultural purposes without becoming a public utility. K.S.A. 66-2102. It ensures that rural gas users will not be precluded from obtaining gas service from their choice of providers merely because they are within or adjacent to a utility’s certified territory. K.S.A. 66-2102. The act also clarifies the right of customers to form nonprofit public utilities under K.S.A. 66-104c, notwithstanding the proposed service territory’s location within an existing certified public utility’s territory.

15. The Commission concludes that the reality of decreasing natural pressure and H₂S contamination in unprocessed gas will lead to an increased number of controversies being brought before the Commission in the future. There are many unresolved legal and policy

questions regarding gas gathering services and exit tap customers. In particular, the Commission notes that the phrase "gathering and preparation of natural gas for transportation" as a definition of a gas gathering service is vague and lends itself to varied interpretations. The obligations placed on gas gatherers in K.S.A. 55-1,103 are also vague and do not define the type of customer or operation that is eligible to use gas gathering services. The Commission is also unclear about the implications of the Self-Help Act and K.S.A. 66-105a in light of the Commission's obligations and powers established by K.S.A. 55-1,101.

16. The Commission concludes that it is necessary to examine the facts surrounding the operation of gas gathering systems, and the residential, commercial, industrial, institutional, and agricultural consumption of gas delivered directly from gas gathering systems through exit taps. In order to gain a better understanding of obligations established under Kansas law, the Commission seeks informed responses and comment on the following questions:

A. Exit Taps and Gas Gatherers

- (1) Under K.S.A. 2004 Supp. 55-1,103, is there a requirement that gas gathering systems provide "exit taps" to persons requesting such taps? In other words, are exit taps within the scope of "gathering services" and the obligation to provide "access to any person seeking such services or facilities [essential to provision of such services]?"
- (2) If some exit taps are provided, is it unjustly discriminatory or unduly preferential under K.S.A. 2004 Supp. 55-1,103 to deny new exit taps or to curtail some but not all existing taps?

- (3) Do any other statutes impose a requirement on gas gathering systems to provide exit taps or other services to end use customers?
- (4) If exit taps are not covered by K.S.A. 2004 Supp. 55-1,103, what jurisdiction does the Commission have with regard to provision of such exit taps, in addition to that provided under House Bill 2263? In other words, is the provision of such service a public utility service subject to Chapter 66 regulation?
- (5) Do the answers to the previous questions differ if a public utility owns the meter or other facilities between the exit tap and the customer?
- (6) How does the fact that some exit tap customers may be entitled to service from the gathering systems pursuant to right-of-way agreements affect the answers to the previous questions?
- (7) Does K.S.A. 66-2101 et seq., the Self Help Act, affect the obligations of gas gathering services operators with regard to exit taps?

B. Abandonment of Service by Gas Gathering System Operators

- (1) If a person offering gas gathering service asserts that it can no longer adequately or safely provide gas to exit tap customers, what type of showing should be required pursuant to House Bill 2263? What standard or minimum showing should be required to demonstrate that the supply of gas is inadequate? What is the

minimum showing with regard to safety aspects regarding the presence of H₂S?

- (2) If gas quality is poor or a potential safety risk, but the exit tap customer still wishes to purchase the gas, is the provider of the gas gathering service required to continue furnishing the gas?
- (3) If termination of service is allowed, what authority does the Commission have to require the person providing gas gathering service (or its marketing affiliate) to assume the costs of an alternative fuel source, such as propane, in cases where:
 - (a) The customer is directly served by the gas gathering system; or
 - (b) A utility acquires the gas from the gas gathering system operator (or its affiliate)?
- (4) What are the reasonable costs that should be reimbursed to customers who are abandoned or curtailed? Should this vary by the type of customer; i.e., residential, business or irrigation? Specifically, if use of alternative fuel requires conversion of appliances and machinery, which appliances and machinery, such as irrigation equipment, should be covered? What should be the amount of reimbursement with regard to the alternative fuel itself? (e.g., one tank of propane?)

C. Natural Gas Public Utilities

- (1) What responsibilities do utilities have when a person offering gas gathering service determines that it can no longer supply gas to exit tap customers served by the utility? With regard to K.S.A. 55-1,109, is a general customer notice that service may be insufficient for the coming year appropriate notice or should utilities be required to provide more detailed information?
- (2) In reference to questions B(2), (3), and (4) above, what obligation does the utility have to continue service or convert the customer to an alternate source of energy?
- (3) How does a utility's obligations related to rates and quality of service for exit tap customers differ from its traditional customers served by distribution systems owned by the utility?
- (4) What role should quality of gas and continuity of supply play in establishing tariff prices for public utility customers?
- (5) How has the unbundling of retail service, gas gathering facilities, and transportation facilities by former gathering system operators affected the ability of the current public utility to provide service to exit tap customers in its certified service territory?

D. Effect of Negotiated Contracts

- (1) If the obligation to provide gas from the gathering system is addressed in a contract between the gathering system operator (or its affiliate) and the utility, what jurisdiction does the Commission have over the contract? Specifically, to what extent does the

Commission have jurisdiction to enforce, interpret, or invalidate contract terms with regard to service, rates and liabilities?

- (2) What is the extent of Commission authority in regard to other related private contracts, including contracts between (i) royalty owners and producers, (ii) landowners and gatherers, (iii) producers and gatherers, and (iv) gatherers and third party transporters.

17. Responses, comments, and other relevant information provided in response to the issues and questions identified in paragraph 16 above should be submitted to the Commission on or before December 9, 2005.

18. Pursuant to K.S.A. 66-1502, the Commission finds that expenses reasonably attributable to this investigation will exceed \$100 and hereby assesses the expenses against Midwest Energy, Inc. and Aquila, Inc. Additionally, ONEOK Field Services, Inc. is hereby assessed expenses pursuant to K.S.A. 55-176. In addition to the parties already herein assessed, the Commission reserves the right to assess the costs of this docket to additional parties that may intervene. K.S.A. 66-1052(b). The Commission may order assessment upon a motion filed by a party or upon its own motion. These expenses shall be assessed beginning three business days after the Commission gives the utilities notice of the assessment through service of this Order by United States Mail. These public utilities are hereby notified that they have an opportunity to request a hearing on this assessment in accordance with the provisions of the Kansas Administrative Procedures Act, K.S.A. 77-501 *et. seq.*

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. A general investigation into the Commission's policy concerning gas gathering services as more fully described above is hereby opened.

B. Midwest, Aquila, ONEOK, and the Citizens' Utility Ratepayer Board are hereby made parties to this docket. The Kansas Independent Oil and Gas Association ("KIOGA"), the Southwest Kansas Irrigation Association ("SWKI"), the Southwest Kansas Royalty Owners' Association ("SWKRO"), and all entities and persons listed on "Exhibit A" attached hereto (Kansas Gatherers) shall be mailed a copy of this Order. KIOGA, SWKI, SWKRO, and the Kansas Gatherers shall have the option to become parties by filing a motion to intervene and receiving Commission approval pursuant to K.S.A. 82-1-225. Any other additional interested party not served with this Order may become a party to this docket by filing a motion to intervene in the same manner. All motions to intervene shall be filed no later than November 10, 2005. To the extent that multiple interests are substantially the same, potential parties should seek to consolidate such interests so as to avoid duplicity of representation on the issues addressed in this docket. The Commission also reserves the right to deny intervention to parties that have interests already sufficiently represented before the Commission. Any entity or person that is not granted intervention will not be included on the party service list and will not receive all pleadings filed and orders issued in this docket. Upon completion of this investigation, a copy of the final order shall be mailed to KIOGA, SWKI, SWKRO, and the Kansas Gatherers regardless of whether they have intervened as parties.

C. All parties shall file comments with the Commission in response to the issues and questions identified in paragraph 16 herein on or before December 9, 2005. Parties may also make additional comments that they believe would aid the Commission in this docket.

D. A public comment period shall be established and any interested member of the public may submit written comments to the Public Affairs Office for review. For consideration comments must be received by December 9, 2005. All public comments shall be directed to Commission's Office of Public Affairs, 1500 SW Arrowhead Road, Topeka, KS 66604. The Commission may order that a public hearing be held if sufficient public interest is generated concerning this docket.

E. After the time for filing comments has expired, the Commission Staff shall prepare and file a Report and Recommendation no later than January 6, 2006. As part of Staff's Report and Recommendation, Staff is directed to file a report containing the topics discussed and findings made by the H₂S Taskforce. Parties may respond to Staff's Report and Recommendation pursuant to K.A.R. 82-1-218(d).

F. A party may file a petition for reconsideration of this Order within fifteen (15) days from the date of service of this Order. If service is by mail, service is complete upon mailing and three (3) days shall be added to the above time frame.

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

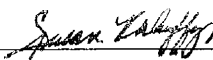
BY THE COMMISSION IT IS SO ORDERED.

Moline, Chr.; Krehbiel, Com.; Moffet, Com.

Dated: OCT 19 2005

ORDER MAILED

OCT 19 2005



Susan K. Duffy
Executive Director

MRT

ACTIVE GAS GATHERERS

<i>License</i>	<i>Company Name</i>	<i>Address</i>	<i>Phone</i>
3911	Rama Operating Co., Inc.	101 S. Main	Stafford KS 67578 (620) 234-5191
4058	American Warrior, Inc.	PO Box 399	Garden City KS 67846 (620) 275-7461
4419	Bear Petroleum, Inc.	PO Box 438	Haysville KS 67060 (316) 524-1225
4448	Perkins Oil Enterprises, Inc.	PO Box 707	Howard KS 67349 (620) 374-2133
4824	Pioneer Natural Resources USA, Inc.	5205 N. O'Connor Blvd.	Irving TX 75039 3746 (972) 444-9001
4894	Horseshoe Operating, Inc.	110 W. Louisiana, Suite 200	Midland TX 79701 (432) 682-4584
5044	White Pine Petroleum Corporation	110 S. Main St., Suite 500	Wichita KS 67202 3745 (316) 262-5429
5047	Rupe Oil Company, Inc.	111 Whittier #1000	Wichita KS 67278 3010 (316) 689-3520
5062	Shaw, George R.	1001 Commerce Bank Center	Wichita KS 67202 (316) 267-0382
5123	Pickrell Drilling Company, Inc.	100 South Main - Suite 505	Wichita KS 67202 3738 (316) 262-8427
5150	Colt Energy Inc	P.O. Box 388	Iola KS 66749 (620) 365-3111
5192	Shawmar Oil & Gas Co., Inc.	1116 E Main	Marion KS 66861 0009 (620) 382-2932
5363	Berexco, Inc.	PO Box 20380	Wichita KS 67208 (316) 265-3311
5399	American Energies Corporation	155 N. Market, Ste 710	Wichita KS 67202 (316) 263-5785
5447	Oxy USA, Inc.	5 E. Greenway Plz	Houston TX 77227 7570 (713) 215-7000
5602	N & B Enterprises, Inc.	PO Box 812	Chanute KS 66720 0812 (620) 431-6424
5707	Inter-American Energy Corp.	260 Adelaide St. E. - PO Box 1	Toronto, Canada M5A 1N1 (416) 522-9985
5817	Benson Mineral Group, Inc.	1560 Broadway, Ste 1900	Denver CO 80202 6000 (303) 863-3500
6914	Oil Gas Management, Inc.	PO Box 411121	Kansas City MO 64141 1121 (816) 471-0606

<i>License</i>	<i>Company Name</i>	<i>Address</i>	<i>Phone</i>
8061	Oil Producers Inc. of Kansas	1710 Waterfront Parkway	Wichita KS 67206 (316) 682-3022
9232	Timberline Oil & Gas Corporation	4000 Penrose Place	Rapid City SD 57702 (605) 341-3400
9408	Trans Pacific Oil Corporation	100 South Main Ste 200	Wichita KS 67202 (316) 262-3596
9470	Sublette Enterprises, Inc.	PO Box 917	Sublette KS 67877 (620) 668-5501
30031	Ellsworth Systems, Inc.	Union Center Building 150 N Main St. #922	Wichita KS 67202 1317 (316) 265-8844
30146	Mach Petroleum, Inc.	PO Box 35583	Tulsa OK 74133 (918) 496-0442
30163	Great Plains Petroleum, Inc.	221 Circle Drive	Wichita KS 67218 (316) 685-8800
30253	Cyclone Petroleum, Incorporated	7030-C S. Lewis St., Ste 541	Tulsa OK 74136 (918) 291-3200
30282	Lobo Production, Inc	6715 Road 22	Goodland KS 67735 (785) 899-5684
30590	Mapleton Gas Pipeline, Inc.	PO Box 15	Mapleton KS 66754 (620) 743-4161
30743	Brennco Gas Transmission, Inc.	PO Box 13394	Overland Park KS 66282 (913) 492-8410
30916	Bridwell, Kayla & Gary	RR 3, Box 345	Independence KS 67301 (620) 331-0194
31191	R & B Oil & Gas, Inc.	904 N. Logan PO Box 195	Attica KS 67009 (620) 254-7972
31491	Einsel Gas Marketing, LLC	7570 W 21st St N, Ste 1010-D	Wichita KS 67205 1734 (316) 773-2266
31609	Priority Oil & Gas LLC	PO Box 27798	Denver CO 80227 0798 (303) 296-3435
31888	C & J Pumping, Inc.	PO Box 158	Sylvia KS 67581 (620) 486-3455
31947	Anadarko Gathering Co.	1201 Lake Robbins Drive	The Woodlands TX 77380 (832) 636-3130
31958	Hesse Petroleum Co.,L.L.C.	400 N. Woodlawn, Suite 7	Wichita KS 67208 (316) 685-4746
32019	American Pipeline Company, L.L.C.	125 N. Market Street, STE 100	Wichita KS 67202 (316) 267-4379
32020	Clarco Gas Co., Inc.	414 Plaza Drive STE 204	Westmont IL 60559 (630) 655-2209
32053	A.I.R. Pipeline Corporation	PO Box 782523	Wichita KS 67278 (316) 262-3596

<i>License</i>	<i>Company Name</i>	<i>Address</i>			<i>Phone</i>
32064	Monument Resources, Inc.	PO Box 1450	Castle Rock	CO 80104	(303) 688-3993
32082	Prairie Pipeline, LLC	9431 East Central	Wichita	KS 67206	(316) 684-8481
32109	Dakota Production Co., Inc.	Rt 2, Box 255	Neodesha	KS 66757	(972) 567-0569
32144	OKKAN Gas Co.	1551 N. Waterfront Parkway, S	Wichita	KS 67206	(316) 269-3424
32156	Timberland Gath & Proc Co. Inc.	810 Houston St., STE 2000	Fort Worth	TX 76102 6298	(817) 870-2800
32187	Southwind Exploration, LLC	1013 S. Allen Ave.	Chanute	KS 66720	(620) 431-2882
32192	Pride Energy Company, a General Partnership	Box 701950	Tulsa	OK 74170	(918) 524-9200
32195	Grant Gathering Company	501 Westlake Park Blvd-Room	Houston	TX 77079	(281) 366-7797
32278	Tengasco, inc.	603 Main Ave., STE 500	Knoxville	TN 37902	(865) 523-1124
32302	Key Gas Corp.	155 N. Market - Suite 900	Wichita	KS 67202	(316) 662-6977
32304	Lumen Energy Corporation	20 E 5th St., STE 1300	Tulsa	OK 74103 4462	(918) 584-0052
32334	Chesapeake Operating, Inc.	PO Box 18496	6200 N Western Ave.	Oklahoma City	OK 73154 0496 (405) 848-8000
32337	Akawa Natural Gas, LLC	24850 Farley	Bucyrus	KS 66013	(913) 663-0118
32447	Joel Associates Inc.	1999 Amidon, Ste 375	Wichita	KS 67203	(316) 265-2555
32458	Angell Pipeline, LLC	PO Box 721436	Norman	OK 73070	(405) 321-7171
32486	Riley Resources, Inc .	6908 NW 112th	Oklahoma City	OK 73162	(405) 722-5511
32496	Seminole Gas Company, L.L.C.	1323 E 71st St. - Suite 300	Tulsa	OK 74136	(918) 492-2840
32581	EXCO Resources, Inc.	12377 Merit Drive, Ste 1700, L	Dallas	TX 67251	(214) 368-2084
32601	Haven Natural Gas, LP	PO Box 2325	Hutchinson	KS 67504 2325	(620) 465-2337
32608	ONEOK Field Services Company	100 W Fifth Street, Suite 16-1	Tulsa	OK 74103 4298	(918) 588-7554
32654	Jones Gas Corporation	PO Box 970	Wichita	KS 67201 0970	(316) 262-5503

<i>License</i>	<i>Company Name</i>	<i>Address</i>		<i>Phone</i>		
32704	Eagle Pipeline, Inc.	3315 Russell Rd., Suite 200		Las Vegas	NV 89620	(702) 434-2311
32730	Four Star Oil & Gas Company	PO Box 36366		Houston	TX 77236	(213) 561-3602
32752	Prafford Gas System, LC	PO Box 48788		Wichita	KS 67201 8788	(316) 267-4214
32756	Double 7 Oil and Gas LLC	21003 Wallace Rd		Parsons	KS 67357	(620) 423-0951
32782	Duke Energy Field Services, LP	370 17th St., Ste. 2500		Denver	CO 80202	(303) 595-3331
32786	Guardian Energy Consultants, Inc.	403 S. Cheyenne Suite 403		Tulsa	OK 74103	(918) 599-9327
32787	Kansas Natural Gas Operating, Inc.	PO Box 818	1200 Main Street	Hays	KS 67601	(785) 625-7353
32797	Englewood Corporation	PO Box 8206		Wichita Falls	TX 76307 8206	(940) 716-5100
32825	Pioneer Exploration, Ltd.	15603 Kuykendahl, Suite 200		Houston	TX 77090	(281) 893-9400
32832	Petrohawk Operating Company	1100 Louisiana Street, Suite 4		Houston	TX 77002	(832) 204-2700
33002	Westport Oil and Gas Company LP	5735 Pineland, Suite 300		Dallas	TX 75231	(214) 692-1800
33073	Cherokee Basin Pipeline LLC	600 Dart Rd.	PO Box 177	Mason	MI 48854 0177	(517) 244-8716
33091	Western Gas Resources, Inc.	1099 18th - Suite 1200		Denver	CO 80234 3439	(303) 452-5603
33098	Acme Energy Services, Inc.	110 N. Marienfeld, Suite 200		Midland	TX 79701	(432) 687-1575
33178	American Energies Gas Service, LLC	155 North Market, Suite 710		Wichita	KS 67202	(316) 263-5785
33179	American Energies Pipeline, LLC	155 North Market, Suite 710		Wichita	KS 67202	(316) 263-5785
33188	Midcoast Holdings No. One, LLC	1100 Louisiana, Suite 3300		Houston	TX 77002	(213) 650-8900
33202	West Wichita Gas Gathering, LLC	20 E. 5th, Suite 1300		Tulsa	OK 74103	(918) 584-0052
33203	WGP-KHC, LLC	9450 Grogan's Mill Rd, Suite 1		The Woodlands	TX 77380	(281) 367-7060
33221	Roxanna Pipeline, Inc.	4600 Greenville Ave., Suite 20		Dallas	TX 75206	(214) 691-6216
33242	Regency Midcon Gas LLC	1700 Pacific, Suite 2900		Dallas	TX 75201	(214) 750-1771

<i>License</i>	<i>Company Name</i>	<i>Address</i>	<i>Phone</i>
33243	Dorchester Minerals Operating LP	3838 Oak Lawn Avenue - Suite	Dallas TX 75219 4541 (214) 559-0300
33247	Petrol Oil & Gas, Inc.	3161 E Warm Springs Road, S	Las Vegas NV 89120 (702) 454-7318
33261	Brower Oil & Gas Co., Inc.	6506 S. Lewis Ave., Ste 115	Tulsa OK 74136 (918) 743-8893
33294	Western Gas Resources-Westana, Inc.	1099 18th Street, Suite 1200	Denver CO 80202 (303) 452-5603
33325	Petroleum Development Corporation	103 E Main St. P.O. Box 26	Bridgeport WV 26330 (304) 842-6256
33343	Bluestem Pipeline, LLC	9520 North May Ave., Suite 30	Oklahoma City OK 73120 (405) 488-1304
33419	Layne Energy Sycamore Pipeline LLC	1900 Shawnee Mission Parkw	Mission Woods KS 66205 (913) 748-3987
33468	KG System Limited Partnership	1250 NE Loop 410, Suite 1100	San Antonio TX 78209 (210) 826-0700
33479	Branch Systems, Inc.	2711 N. Haskell, Su 2800, LB	Dallas TX 75204 (214) 756-6600
33499	Cherryvale Pipeline, LLC	1900 Shawnee Mission Parkw	Mission Woods KS 66205 (913) 362-0510
33516	Kansas Processing EQR, LLC	15425 North Freeway, Suite 23	Houston TX 77090 (281) 875-6200
33535	Syntroleum Gas Processing, LLC	4322 S. 49th West Ave.	Tulsa OK 74107 (918) 592-7900
33563	Big Creek Field Services, LLC	1605 E. 56th Ave.	Hutchinson KS 67502 (620) 664-9622
33584	SemKan, LLC	Two Warren Place, Suite 700 6120 South Yale Avenue	Tulsa OK 74136 (918) 388-8100
33612	Geist, Ron dba Wildcat Well Service	PO Box 961	Hays KS 67601 (785) 728-2040
33647	SemGas Gathering LLC	Warren Place, Suite 700	Tulsa OK 74136 (918) 388-8100
33655	Pawnee Western, LLC	4300 South Dahlia Street	Englewood CO 80113 6101 (303) 220-9914
33673	Southeastern Kansas Pipeline and Transmission Co., LLC	1300 Humble	Fort Worth TX 76107 (817) 980-0876