## THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Jay Scott E	Shari Feist Albrecht, Chair Jay Scott Emler Dwight D. Keen	
In the Matter of the Denial Renewal Application to Do	,	Docket No: 1	7-CONS-3674-CMSC
Exploration, Inc.	)	CONSERVA	TION DIVISION
	)	License No:	6009

# ORDER RESCINDING NOTICE OF DENIAL OF LICENSE RENEWAL APPLICATION AND DIRECTING STAFF TO PROCESS THE LICENSE

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:

- 1. On May 22, 2017, Commission Conservation Staff (Staff) issued a Notice of Denial of License Renewal Application.<sup>1</sup>
  - 2. On May 30, 2017, the Operator filed a request for hearing.
- 3. On June 22, 2017, the Commission issued an *Order Designating Prehearing Officer and Setting Prehearing Conference*. Since that date the parties have held multiple status conferences.<sup>2</sup>
- 4. On March 5, 2018, Staff filed a Motion to Approve Settlement Agreement (Staff's Motion), with the proposed Settlement Agreement attached to the Motion.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> Notice of Denial of License Renewal Application (May 22, 2017).

<sup>&</sup>lt;sup>2</sup> See Order Setting Status Conference; Protective and Discovery Orders (Sept. 12, 2017); Prehearing Officer Order Continuing Status Conference (Oct. 24, 2017); Prehearing Officer Order Setting Status Conference (Nov. 15, 2017); and Prehearing Officer Order Setting Status Conference (Jan. 10, 2018).

<sup>&</sup>lt;sup>3</sup> Motion to Approve Settlement Agreement (Mar. 5, 2018).

- 5. The Commission finds that the proposed Settlement Agreement does not constitute a settlement, but essentially functions as a request to rescind the initial denial of the Operator's license renewal Application and a statement by Staff that it will immediately process the Operator's license renewal Application.<sup>4</sup>
- 6. Staff stated that the Operator filed a license renewal Application on May 17, 2017,<sup>5</sup> and noted that, under K.A.R. 77-511, where a timely Application for renewal has been filed, the existing license does not expire until the state agency has taken final action.<sup>6</sup> Thus, the Commission finds that the Operator is operating and that Staff has asked that the Operator be allowed to continue to operate.<sup>7</sup>
- 7. Therefore, the Commission declines to approve the proposed Settlement Agreement because its approval is unnecessary for the resolution of this matter. The Commission rescinds Staff's May 22, 2017, Notice of Denial of License Renewal and directs Staff to process the Operator's license renewal Application administratively.

#### THEREFORE, THE COMMISSION ORDERS:

- A. The Notice of Denial of License Renewal Application is rescinded and Staff is directed to process the Operator's license renewal Application administratively.
- B. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).8
- C. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such orders as it may deem necessary.

<sup>&</sup>lt;sup>4</sup> See Settlement Agreement, pp. 2-3, attached to Staff's Motion (Mar. 5, 2018) (Proposed Settlement Agreement).

<sup>&</sup>lt;sup>5</sup> Staff's Motion, ¶ 1.

<sup>&</sup>lt;sup>6</sup> Proposed Settlement Agreement, ¶ 10d.

<sup>&</sup>lt;sup>7</sup> See Proposed Settlement Agreement, ¶ 11.

<sup>&</sup>lt;sup>8</sup> K.S.A. 55-162; K.S.A. 55-606; K.S.A. 55-707; K.S.A. 77-503(c); K.S.A. 77-531(b).

### BY THE COMMISSION IT IS SO ORDERED.

Albrecht,	Chair; Emler, Commissioner;	Keen, Commissioner
Dated:	06/07/2018	Lynn M. Reg
-		Lynn M. Retz
		Secretary to the Commission
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## **CERTIFICATE OF SERVICE**

### 17-CONS-3674-CMSC

06/07/2018	ed Order has been served to the following parties by means of
· · · · · · · · · · · · · · · · · · ·	MICHAEL DUENES, ASSISTANT GENERAL COUNSE KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604-4027 Fax: 785-271-3354 m.duenes@kcc.ks.gov
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