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

Before Commissioners:

Andrew J. French, Chairperson Dwight D. Keen Susan K. Duffy

In the matter of the failure of M & D Oil Co., a) General Partnership (Operator) to comply with) K.A.R. 82-3-120 at the Evans Carl #1, Sanders A) D #1, and Sander B #1 in Meade County, Kansas.

Docket No: 21-CONS-3169-CPEN

CONSERVATION DIVISION

License No: 30637

ORDER DISMISSING MIKE REDDICK'S REQUEST FOR HEARING, DESIGNATING A PRESIDING OFFICER, AND SETTING A PREHEARING CONFERENCE

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The Commission rules as follows:

1. On February 25, 2021, the Commission issued a Shut-In Order against Operator and

assessed a \$100,000 penalty, due to unlawful production and activity on an expired license.¹

2. On March 25, 2021, Mike Reddick and Operator requested a hearing through their

counsel, Richard Y. Yoxall.

3. K.S.A. 55-164 provides that a person penalized by the Commission may make a

written request for a hearing on the penalty. Mr. Reddick was not penalized by the Commission.

Accordingly, there is no statutory basis for his request, and his request should be dismissed.²

4. In regard to Operator's request for hearing, the Commission finds a Presiding Officer should be designated in this proceeding to determine procedural matters that may arise prior to a hearing on the merits, including but not limited to conducting prehearing conferences.³

5. The Commission finds a Prehearing Conference should be scheduled.

¹ See Shut-In Order, ¶ 8, Ordering Clause A (Feb. 25, 2021).

² While K.S.A. 55-605 allows any person to initiate proceedings relating to the enforcement of any order, proceedings in this matter were initiated by the Commission.

³ See. K.S.A. 77-551(c); see also K.S.A. 77-516 and K.S.A. 77-517.

6. Under K.A.R. 82-1-228(d)(1), any party may either "appear before the Commission and be heard in person on that party's own behalf," or appear before the Commission through a licensed attorney. Because Operator is an artificial entity, it cannot appear in person.⁴ Thus, Commission regulations require artificial entities such as Operator to appear before the Commission via counsel.⁵ Even if Commission regulations did not require counsel in this matter, the Commission finds it would be in the public interest to require counsel via order.⁶

THEREFORE, THE COMMISSION ORDERS:

A. The Presiding Officer for prehearing matters in this proceeding shall be Jonathan R. Myers, Assistant General Counsel, Kansas Corporation Commission, 266 N. Main Street, Suite 220, Wichita, Kansas, 67202-1513, telephone number (316) 337-6245, email address j.myers@kcc.ks.gov. The Commission may designate other Staff members to serve in this capacity. <u>The Commission directs electronic service of all filings in the docket to include service on the Presiding Officer and mailed service of all filings to be directed to the Presiding Officer's attention.</u>

B. Although a Presiding Officer is designated, parties are still required to file pleadings with the Commission, and filings shall be made with the Commission's Docket Room. Any filing received after 5:00 p.m. shall be considered filed the next business day. In addition, any late filing shall be accompanied by a Motion to File Out-of-Time.

C. A Prehearing Conference is scheduled for **Thursday, April 22, 2021, at 1:30 p.m.** by telephone. The conference call information is: telephone number (866) 620-7326, Conference Code PIN: 3902542751. **Operator must appear via a licensed attorney.**

⁴ See State ex rel. Stephan v. Williams, 246 Kan. 681, 691 (1990).

⁵ See also K.A.R. 82-1-228(d)(2) ("[A] corporation shall not be permitted to enter an appearance, except by its attorney."); Operator is a corporation.

⁶ The administration of justice is efficiently furthered by requiring persons licensed to practice law and familiar with procedure to represent artificial entities. *See In re Arnold*, 274 Kan. 761, 770 (2002). *See also* K.S.A. 77-515(c) ("A state agency may require a corporation or other artificial person to participate by counsel.").

D. 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. 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 may be held in default under the KAPA.⁷

E. The attorney designated to appear on behalf of the agency in this proceeding is Kelcey Marsh, Litigation Counsel, telephone number (316) 337-6200, k.marsh@kcc.ks.gov.

F. Mr. Reddick's request for hearing is dismissed. He 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

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Duffy, Commissioner

Dated: 04/08/2021

Lynn M. Ret

Lynn M. Retz Executive Director

Mailed Date: 04/08/2021

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⁷ K.S.A. 77-506; K.S.A. 77-516(c)(7)-(8).

⁸ 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).

CERTIFICATE OF SERVICE

21-CONS-3169-CPEN

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

first class mail and electronic service on ___04/08/2021

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/S/ DeeAnn Shupe DeeAnn Shupe