THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Shari Feist Albrecht, Chair Jay Scott Emler Dwight D. Keen

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In the Matter of the Failure of SX54, LLC ("Operator") to Comply with K.A.R. 82-3-407 at the Hawthorne (A) #1 in Greenwood County, Kansas.

Docket No: 18-CONS-3286-CPEN CONSERVATION DIVISION License No. 35339

ORDER SETTING PROCEDURAL SCHEDULE

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 the following:

1. On March 29, 2018, the Commission issued a *Penalty Order* against SX54, LLC

(Operator) for failure to comply with K.A.R. 82-3-407 because a current successful Mechanical

Integrity Test (MIT) had not been performed on the subject well.¹

2. On April 20, 2018, the Operator filed a letter requesting a hearing.

3. On April 25, 2018, Blake Hudson entered his appearance on behalf of the Operator.

4. On May 24, 2018, the Commission scheduled a Prehearing Conference for July 12,

2018.² The Prehearing Conference was rescheduled for September 13, 2018 at 9:00 a.m.,³ wherein

the parties agreed to the following procedural schedule:

Staff's Pre-filed Direct Testimony Operator's Pre-filed Direct Testimony Rebuttal Testimony <u>Evidentiary Hearing before the Commission</u> 266 N. Main, Suite 220, Wichita, Kansas 67202 Due: October 22, 2018 Due: October 29, 2018 Due: November 5, 2018 November 15, 2018, 10:00 a.m.

¹ *Penalty Order*, ¶ 13 (Mar. 29, 2018).

² Order Designating Prehearing Officer and Setting Prehearing Conference, Ordering Clause B (May 24, 2018).

³ Prehearing Officer Order Continuing Prehearing Conference, Ordering Clause A (July 12, 2018).

5. Failure to submit pre-filed testimony may result in the Commission restricting the right to testify and present evidence at the evidentiary hearing. At the hearing, the Commission may limit the parties' direct and rebuttal testimony to the pre-filed testimony.

6. Any settlement agreement the parties wish to present for Commission consideration shall be due by October 22, 2018.

7. Any person requiring special accommodations under the Americans with Disabilities Act should notify the Commission at least 10 days before the scheduled hearing date.

8. Any party who fails to attend or participate in the evidentiary hearing or in any other stage of this proceeding may be held in default under the Kansas Administrative Procedure Act.⁴

THEREFORE, THE COMMISSION ORDERS:

A. The procedural schedule set forth in paragraph 4 above is adopted.

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).⁵

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

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 09/20/2018

Lynn M. Reg

Lynn M. Retz Secretary to the Commission

Date Mailed: _____09/21/2018

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⁴ K.S.A. 77-518(c)(8); K.S.A. 77-520.

⁵ 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

18-CONS-3286-CPEN

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

09/20/2018

first class mail and electronic service on

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/S/ DeeAnn Shupe DeeAnn Shupe