THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners: Andrew J. French, Chairperson

Dwight D. Keen Annie Kuether

In the matter of the failure of Great Plains)	Docket No.: 25-CONS-3161-CPEN
Petroleum, Inc. (Operator) to comply with)	
K.A.R. 82-3-120 and K.A.R. 82-3-133 by)	CONSERVATION DIVISION
operating under a suspended license.)	
)	License No.: 30163

SHUT-IN ORDER

The Commission finds Operator has violated K.A.R. 82-3-120 and K.A.R. 82-3-133 by conducting oil and gas operations under a suspended license, finds Operator has failed to comply with orders of the Commission, assesses a \$10,000 penalty, directs Commission Staff to seal all oil and gas operations of Operator, and further rules as more fully described below.

I. JURISDICTION

- 1. K.S.A. 74-623 provides the Commission exclusive jurisdiction and authority to regulate oil and gas activities in Kansas. K.S.A. 55-152 provides the Commission with jurisdiction to regulate the construction, operation, and abandonment of any well, and also the protection of the usable water of this state from any actual or potential pollution from any well. The Commission has licensing authority under K.S.A. 55-155.
- 2. K.S.A. 55-162(a) provides the Commission authority to issue penalty orders for violations of Chapter 55 of the Kansas Statutes Annotated, or of any rule, regulation, or order of the Commission. K.S.A. 55-162(e) provides that whenever an operator is in violation of subsection (a) of the statute, "agents of the commission may enter upon the lease or any other leases under the control of such operator and seal any well operated by the offending party."

- 3. Under K.S.A. 55-164, a penalty order may include a monetary penalty of up to \$10,000, the penalty must constitute a substantial and actual economic deterrent to the violation, and each day of a continuing violation constitutes a separate violation.
- 4. K.A.R. 82-3-120 provides that no operator shall operate any well without a current license. K.A.R. 82-3-133 provides that production of oil or gas in violation of a Commission regulation or order shall be deemed unlawful.

II. FINDINGS OF FACT

- 5. On November 7, 2023, the Commission issued a Final Order in Docket 23-CONS-3176-CSHO (Docket 23-3176) requiring Operator to plug, return to service, or obtain temporary abandonment status for the Stumps #4 well. In the event Operator failed to comply with the Final Order, the Commission directed Operator's license be suspended without further notice.¹
- 6. On November 28, 2023, the Commission issued a Penalty Order in Docket 24-CONS-3143-CPEN (Docket 24-3143) for failure to comply with K.A.R. 82-3-111. The Commission found that six of Operator's wells had been inactive in excess of the time allowed by regulation without being plugged, returned to service, or approved for temporary abandonment (TA) status.² In the Penalty Order, the Commission directed Operator to pay a \$600 penalty and to plug the wells, return the wells to service, or obtain TA status for the wells.³ In the event Operator failed to comply with the Penalty Order within 30 days, the Commission directed Commission Staff to suspend Operator's license until Operator achieved compliance.⁴

¹ Docket 23-CONS-3176-CSHO, Final Order, Ordering Clause A (Nov. 7, 2023).

² Docket 24-CONS-3143-CPEN, *Penalty Order*, ¶ 8 (Nov. 28, 2023).

³ Id. at Ordering Clauses A and B.

⁴ Id. at Ordering Clauses D, E, and F.

- 7. On January 4, 2024, Staff suspended Operator's license for non-compliance with the Final Order in Docket 23-3176, and with the Penalty Order in Docket 24-3143. Staff notified Operator of the suspension in two Notice of License Suspension letters. In the letters, Staff informed Operator that if, after 10 days from the date of the letters, Staff discovered Operator performing oil and gas operations, Staff would recommend a Shut-In Order, as well as an additional \$10,000 monetary penalty.⁵
- 8. On January 16, 2024, the Commission issued a Penalty Order in Docket 24-CONS-3191-CPEN (Docket 24-3191) for Operator's failure to comply with K.A.R. 82-3-111 at two of its wells. On February 21, 2024, Staff suspended Operator's license for failure to comply with the Penalty Order and mailed Operator a Notice of License Suspension letter.⁶
- 9. On October 15, 2024, Staff found Operator actively operating the Angell M. E. #1-V well, API #15-119-20073-00-00, located in Section 20, Township 32 South, Range 29 West, Meade County, Kansas, under a suspended license.⁷
- 10. To date, Operator's license remains suspended in Dockets 23-3176, 24-3143, and 24-3191.

III. CONCLUSIONS OF LAW

- 11. The Commission has jurisdiction over Operator and this matter under K.S.A. 74-623, K.S.A. 55-152, K.S.A. 55-155, K.S.A. 55-162, and K.S.A. 55-164.
- 12. Operator has violated K.A.R. 82-3-120 by conducting oil and gas operations on a suspended license, resulting in unlawful production under K.A.R. 82-3-133. Operator has also

⁵ Exhibit A.

⁶ Exhibit B.

⁷ Exhibit C.

failed to comply with the Commission's orders in Dockets 23-3176, 24-3143, and 24-3191, and under K.S.A. 55-162(e), Staff may immediately seal any of Operator's wells.

THEREFORE, THE COMMISSION ORDERS:

- A. Operator shall pay a \$10,000 penalty.
- B. Commission Staff is directed to shut-in and seal all oil and gas operations of Operator until: (i) Operator complies with the Commission's orders in Dockets 23-3176, 24-3143, and 24-3191; and (ii) Operator's license is reinstated.
- C. Operator may request a hearing on the above issues by submitting a written request, pursuant to K.S.A. 55-164, K.S.A. 77-537, and K.S.A. 77-542, to the Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202, within 30 days from the date of service of this Order. A request for hearing must comply with K.A.R. 82-1-219.
- D. Failure to timely request a hearing will result in a waiver of Operator's right to a hearing. If no party timely requests a hearing, then this Order shall become final. If Operator is not in compliance with this Order and the Order is final, then Operator's license shall be suspended without further notice and shall remain suspended until Operator complies. The notice and opportunity for a hearing on this Order shall constitute the notice required by K.S.A. 77-512 regarding license suspension. A party may petition for reconsideration of a final order pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).
- E. Credit card payments may be made by calling the Conservation Division at 316-337-6200. Checks and money orders shall be payable to the Kansas Corporation Commission. Payments shall be mailed to the Kansas Corporation Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202. Payments must reference the docket number of this proceeding.

BY THE COMMISSION, IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: $\frac{10/31/2024}{10/31/2024}$	Lynn M. Rog	
10/31/2024	Lynn M. Retz Executive Director	****
Mailed Date:	·	
TSK		

Kansas
Corporation Commission

Conservation Division 266 N. Main St., Ste. 220 Wichita, KS 67202-1513 Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Laura Kelly, Governor

Andrew J. French, Chairperson Dwight D. Keen, Commissioner Annie Kuether, Commissioner

January 4, 2024

Charles C. Steincamp Depew Gillen Rathbun & McInteer, LC 8301 E. 21st St. North, Suite 450 Wichita, KS 67206-2936 Attorney for Great Plains Petroleum, Inc.

Diana E. Stanley
Depew Gillen Rathbun & McInteer, LC
8301 E. 21st St. North, Suite 450
Wichita, KS 67206-2936
Attorney for Great Plains Petroleum, Inc.

Rod A. Phares Great Plains Petroleum, Inc. 221 Circle Drive Wichita, KS 67218-1207

NOTICE OF LICENSE SUSPENSION License No. 30163 Docket No. 23-CONS-3176-CSHO

Operator:

Our records indicate that you are in violation of a Commission Order in the above Docket.

Your license is hereby suspended.

Until your license is reinstated, it is illegal for you to conduct oil and gas operations in Kansas.

If, after 10 days from the date of this letter (January 14, 2024), Commission Staff discovers you performing oil and gas operations, Staff will recommend a Shut-In Order, including an additional \$10,000 penalty. If you are already shut-in, you must remain shut-in.

Any outstanding monetary penalty may be sent to collections.

You may review the Commission Order, which was mailed to you, at the Commission's website. If you have questions, you may contact us at the phone number listed at the top of this page. If your license is reinstated it will be listed as "Active" at the following webpage: https://www.kcc.ks.gov/kansas-oil-operators.

Sincerely,

Legal Department Staff

Kansas
Corporation Commission

Conservation Division 266 N. Main St., Ste. 220 Wichita, KS 67202-1513

Fax: 316-337-6211 http://kcc.ks.gov/

Phone: 316-337-6200

Laura Kelly, Governor

Andrew J. French, Chairperson Dwight D. Keen, Commissioner Annie Kuether, Commissioner

January 4, 2024

Rod A. Phares Great Plains Petroleum, Inc. 221 Circle Drive Wichita, KS 67218-1207

NOTICE OF LICENSE SUSPENSION License No. 30163

Docket No. 24-CONS-3143-CPEN

Operator:

Our records indicate that you are in violation of a Commission Order in the above Docket.

Your license is hereby suspended.

Until your license is reinstated, it is illegal for you to conduct oil and gas operations in Kansas.

If, after 10 days from the date of this letter (January 14, 2024), Commission Staff discovers you performing oil and gas operations, Staff will recommend a Shut-In Order, including an additional \$10,000 penalty. If you are already shut-in, you must remain shut-in.

Any outstanding monetary penalty may be sent to collections.

You may review the Commission Order, which was mailed to you, at the Commission's website. If you have questions, you may contact us at the phone number listed at the top of this page. If your license is reinstated it will be listed as "Active" at the following webpage: https://www.kcc.ks.gov/kansas-oil-operators.

Sincerely,

Legal Department Staff

Conservation Division 266 N. Main St., Ste. 220 Wichita, KS 67202-1513



Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Laura Kelly, Governor

Andrew J. French, Chairperson Dwight D. Keen, Commissioner Annie Kuether, Commissioner

February 21, 2024

Rod Phares Great Plains Petroleum, Inc. 221 Circle Drive Wichita, KS 67218-1207

NOTICE OF LICENSE SUSPENSION License No. 30163 Docket No. 24-CONS-3191-CPEN

Operator:

Our records indicate that you are in violation of a Commission Order in the above Docket.

Your license is hereby suspended.

Until your license is reinstated, it is illegal for you to conduct oil and gas operations in Kansas.

If, after 10 days from the date of this letter (March 2, 2024), Commission Staff discovers you performing oil and gas operations, Staff will recommend a Shut-In Order, including an additional \$10,000 penalty. If you are already shut-in, you must remain shut-in.

Any outstanding monetary penalty may be sent to collections.

You may review the Commission Order, which was mailed to you, at the Commission's website. If you have questions, you may contact us at the phone number listed at the top of this page. If your license is reinstated it will be listed as "Active" at the following webpage: https://www.kcc.ks.gov/kansas-oil-operators.

Sincerely,

Legal Department Staff

KCC OIL/GAS REGULATORY OFFICES

Date: 10/15/24	District: D1 Case #:
	New Situation Lease Inspection
	Response to Request Complaint
	Follow-Up Field Report
Operator License No: 30163	API Well Number: 15-119-20073-00-00
Op Name: Great Plains Petroleum Inc.	Spot: NE-SE NE SW Sec 20 Twp 32 S Rng 29 E / W
Address 1: 221 Circle DR	1979 Feet from N/ S Line of Section
Address 2:	2943 Feet from Feet from E/W Line of Section
City: Wichita	GPS: Lat: 37,24766 Long: 100,49948 Date: 10/15/24
State: KS Zip Code: 67218 -1207	Lease Name: Angell M. E. Well #: 1-V
Operator Phone #: (316) 685-8800	County: Meade
Reason for Investigation:	
Verify production.	
Problem:	
Operator's license is suspended and the well	is producing.
Persons Contacted:	
None	
Findings:	
half section line. Tank battery consists of an a 210 bbl steel stock tanks that have the clean	coattery and meter run are located southeast of the well on the unused 200 bbl fiberglass produced water tank and 2- unused out plates removed. Produced water was trucked off location. It meter shows production. No one has been to this lease for weeds.
Action/Recommendations: Follow	v Up Required Yes No Date: 12/16/24
Unsatisfactory, send penalty letter for produc	cing while suspended.
Verification Sources:	Photos Taken:
	TA Program By:
	Courthouse
✓ Other: On site inspection	Max Ball
Retain 1 Copy District Office Send 1 Copy to Conservation Division	
	Form:

Exhibit C Page 1 of 3



Date: 10/15/2024.

Operator: Great Plains Petroleum Inc.

Lease Name: Angell M.E. 1-V

Legals: NE-SE-NE-SE section 20-32s-29w Meade County.

Description: Meter showing 14.7 mcf/day Production.



Date: 10/15/2024.

Operator: Great Plains Petroleum Inc.

Lease Name: Angell M.V. 1-V.

Legals: NE-SE-NE-SE section 20-32s-29w Meade County

Description: Wellhead showing open flow line valve.

CERTIFICATE OF SERVICE

25-CONS-3161-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	10/31/2024	
TRISTAN KIMBRELL, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION CENTRAL OFFICE 266 N. MAIN ST, STE 220 WICHITA, KS 67202-1513 tristan.kimbrell@ks.gov	FRED MACLAREN KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 frederic.maclaren@ks.gov	
ROD A. PHARES GREAT PLAINS PETROLEUM, INC. 221 CIRCLE DR WICHITA, KS 67218-1207 gprod@cox.net	KENNY SULLIVAN, DISTRICT #1 SUPERVISOR KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 1 210 E. FRONTVIEW SUITE A DODGE CITY, KS 67801 kenny.sullivan@ks.gov	
	/S/ KCC Docket Room	
	KCC Docket Room	