

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

Before Commissioners: Dwight D. Keen, Chair
 Shari Feist Albrecht
 Susan K. Duffy

In the Matter of the Application of Palomino) Docket No. 19-CONS-3404-CEXC
Petroleum, Inc., for an exception to the Pit)
Closure time limitation of K.A.R. 82-3-602 at) CONSERVATION DIVISION
its Preisser Farms #1 located in the NE/4 of)
Section 23, Township 25, Range 10 West, Reno) License No. 30742
County, Kansas.)

ORDER ON APPLICATION

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 makes the following findings and conclusions:

I. JURISDICTION

1. The Commission has the exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.¹ The Commission has jurisdiction to regulate the “construction, operation, and abandonment of any well and the protection of the usable water of this state from any actual or potential pollution from any well.”² Every operator conducting oil and gas activity in Kansas must be licensed by the Commission.³

2. K.A.R. 82-3-602(a)(2) limits pit permit extensions to two, three-month extensions.

3. K.A.R. 82-3-100 provides that the Commission may grant an exception to any regulation after application and notice.

¹ K.S.A. 74-623.

² K.S.A. 55-152.

³ K.S.A. 55-155.

II. FINDINGS OF FACT

4. Palomino Petroleum Inc., (Operator) conducts oil and gas activities in Kansas under active license number 30742.

5. On June 10, 2019, the Operator filed an Application requesting an exception to the time limitations for pit closures set out in K.A.R. 82-3-602(a)(2); for the reserve pit associated with its Preisser Farms #1 well (“subject pit”). The Operator is requesting an additional 90-day extension to the deadline for closing a drilling pit as provided in K.A.R. 82-3-602.

6. The Operator has already received the two extensions allowed by K.A.R. 82-3-602(a)(2) but is requesting an additional 90-day extension due to the high precipitation and moisture level at the location of the drilling pit.⁴

7. The Operator has verified that notice was properly served and published, as required under K.A.R. 82-3-135a.

8. No protest was filed under K.A.R. 82-3-135b.

9. Staff recommended that the Operator be granted a 90-day exception to the pit closure time limitations in K.A.R. 82-3-602(a)(2).

III. CONCLUSIONS OF LAW

10. The Commission finds and concludes that it has jurisdiction over the Operator in this matter.

11. The Commission finds and concludes the Application was filed in accordance with the rules and regulations of the Commission and in accordance with Kansas statutes.

12. The Commission finds and concludes that notice was properly served and published.

⁴ Application, ¶¶5-7, (Jan. 18, 2019).

13. Based on the above facts, the Commission finds and concludes that the Application should be granted.

THEREFORE, THE COMMISSION ORDERS:

A. The Operator is granted a 90-day exception to K.A.R. 82-3-602(a)(2).

B. The Operator has 90 days from the date this Order is approved to close the subject pit in accordance with K.A.R. 82-3-602.

C. 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

BY THE COMMISSION IT IS SO ORDERED.

Keen, Chair; Albrecht, Commissioner; Duffy, Commissioner

Dated: 08/22/2019



Lynn M. Retz
Executive Director

Mailed Date: 08/22/2019

REV/kam/jmg

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

19-CONS-3404-CEXC

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 08/22/2019.

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/S/ DeeAnn Shupe

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