

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

Before Commissioners: Shari Feist Albrecht, Chair
 Jay Scott Emler
 Pat Apple

In the matter of an Order to Show Cause)	Docket No.: 15-CONS-272-CSHO
issued to Red Cloud Exploration Operating)	
LLC, Global Energy Solutions Inc., and N.R.)	CONSERVATION DIVISION
Hamm Contractor LLC regarding)	
responsibility under K.S.A. 55-179 for)	License No.: 34224
plugging 4 wells on the Heck Lease in)	32316
Jefferson County, Kansas.)	6192

**MOTION FOR SUMMARY JUDGMENT AGAINST RED CLOUD EXPLORATION &
DISMISSAL OF GLOBAL ENERGY SOLUTIONS AND N.R. HAMM CONTRACTOR**

Staff requests that an order in summary judgment be issued against Red Cloud Exploration, giving Red Cloud Exploration 30 days to either file an appropriate Transfer of Operator (“T-1”) Form accepting responsibility for the subject wells on the Heck Lease, or to plug the wells. Staff also moves for the simultaneous dismissal of Global Energy Solutions and N.R. Hamm Contractor from these proceedings. In support, Staff offers the following:

1. On October 1, 2014, Staff filed a motion requesting that an order to show cause be issued against Red Cloud Exploration, Global Energy Solutions, and N.R. Hamm Contractor, based upon Staff’s belief that pursuant to K.S.A. 55-179(b), all of the parties appeared to be responsible for the subject wells on the Heck Lease. Accordingly, at least one of the parties needed to accept responsibility for the wells, and then return the wells to use, obtain temporary abandonment status for them, or plug them.

2. This docket is currently scheduled for a March 19, 2015, hearing before the Commission, and has already been continued twice to provide an opportunity for the parties to resolve this matter. But it is now clear which party should be held responsible for these wells. In

Red Cloud Exploration's February 3, 2015, motion for a continuance, it stated that the company "has agreed to accept responsibility for the subject wells [and] has acquired lease rights to the land on which the subject wells are located" Red Cloud Exploration's admission should be enough to hold Red Cloud Exploration responsible for the wells, under K.S.A. 55-179(b), as the current operator of the wells. Accordingly, there should no longer be any need to hold a hearing.

3. At the same time, this matter cannot be closed, because since Red Cloud Exploration accepts responsibility for the wells, it needs to file a Transfer of Operator ("T-1") Form for the wells to be assigned to its license. Although filing an appropriate Transfer of Operator ("T-1") Form is a relatively simple procedure, to date and despite requests, Red Cloud Exploration has failed to do so. If Red Cloud Exploration does not intend to file a T-1 Form and operate the wells, then it needs to plug them. But Red Cloud has not plugged the wells, either.

4. It is unfair to continue to require Global Energy Solutions and N.R. Hamm Contractor to expend resources on this matter, when Red Cloud Exploration has explicitly accepted responsibility for the wells, but has simply not filed the appropriate paperwork to close this matter out. It would also be a waste of resources to hold a hearing to determine responsibility for the wells under K.S.A. 55-179(b) when Red Cloud has already accepted responsibility.

5. In short, what needs to happen here is for Red Cloud to be ordered to either file an acceptable Transfer of Operator ("T-1") Form or plug the wells. Thirty days should be more than sufficient time for Red Cloud to fulfill either of these options.

6. Accordingly, Staff moves for an order in summary judgment against Red Cloud Exploration, giving it 30 days to either file an acceptable Transfer of Operator ("T-1") Form, or to plug the wells. Staff also moves for Global Energy Solutions and N.R. Hamm Contractor to be dismissed.

Respectfully submitted,



Jonathan R. Myers, #25975
Litigation Counsel
Kansas Corporation Commission
266 N. Main, Suite 220
Wichita, Kansas 67202
Phone: 316-337-6200
Fax: 316-337-6106

CERTIFICATE OF SERVICE

I certify that on 3/5/15, I caused a complete and accurate copy of this Motion to be served via United States mail, with the postage prepaid and properly addressed to the following:

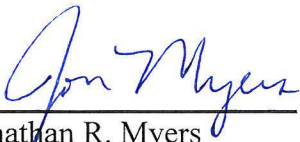
Patrick R. Watkins
Daniel L. Watkins
901 New Hampshire Street, Suite 200
Lawrence, Kansas 66044
Attorneys for N.R. Hamm Contractor, LLC

James G. Flaherty
Anderson & Byrd, LLP
216 S. Hickory, P.O. Box 17
Ottawa, Kansas 66067
Attorney for Global Energy Solutions, Inc.

Tom Rhoads
Glaves Irby & Rhoads
155 N. Market
Wichita, Kansas 67202
Attorney for Red Cloud Exploration Operating LLC

And delivered by hand to:

Lane Palmateer/Jonelle Rains/Kraig Stoll
Conservation Division Central Office


Jonathan R. Myers
Litigation Counsel
Kansas Corporation Commission