2016-10-18 09:10:00 Kansas Corporation Commission /s/ Amy L. Green

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Shari Feist All Pat Apple		
In the matter of an Order to Show C issued to Coyote Oil Co. ("Operator	,	Docket No.:	17-CONS-3172-CSHO
regarding responsibility under K.S.A for unplugged wells on an expired li	A. 55-179)	CONSERVA	TION DIVISION
1 22	Ś	License No.:	30281

MOTION FOR AN ORDER TO SHOW CAUSE, THE DESIGNATION OF A PREHEARING OFFICER, AND THE SCHEDULING OF A PREHEARING CONFERENCE

For the following reasons, Commission Staff moves for an Order to Show Cause, the designation of a prehearing officer, and the scheduling of a prehearing conference in this matter:

I. JURISDICTION & LEGAL STANDARD

- 1. The Commission has jurisdiction to regulate oil and gas production in Kansas under Chapter 55 of the Kansas Statutes Annotated and the General Rules and Regulations for the Conservation of Crude Oil and Natural Gas, K.A.R. 82-3-100 *et seq*.
- 2. K.S.A. 55-162 provides the Commission with jurisdiction to institute proceedings to enforce the laws of Kansas and Commission rules, regulations, and orders.
- 3. K.S.A. 55-179 provides the Commission with jurisdiction to determine the persons legally responsible for the proper care and control of oil and gas wells, including the responsibility to plug the wells.
- 4. K.S.A. 55-179(b) provides that a person who is legally responsible for the proper care and control of an abandoned well shall include one or more of the following:
 - a. Any operator of a waterflood or other pressure maintenance program deemed to be causing pollution or loss of usable water;

b. the current or last operator of the lease upon which such well is located,

irrespective of whether such operator plugged or abandoned such well;

c. the original operator who plugged or abandoned such well; and

d. any person who without authorization tampers with or removes surface

equipment or downhole equipment from an abandoned well.

5. K.S.A. 55-180 gives the Commission a cause of action against responsible parties

for the reasonable plugging costs of abandoned wells.

6. K.A.R. 82-3-120 provides that no Operator shall conduct activities at a well

without a current license.

II. STAFF'S ALLEGATION OF FACTS

7. The wells listed on the attached Exhibit A are unplugged. As the wells are listed

on Operator's license, which is expired, the wells appear to be abandoned. Pursuant to Kansas

statutes and Commission regulations, Operator appears to be responsible for plugging the wells.

8. If Operator does not bring these wells into compliance with Commission

regulations, then Operator's license should be suspended and any injection authority associated

with the unplugged wells should be revoked.

III. CONCLUSION

9. Based on the above, Staff requests that an Order to Show Cause be issued,

designating a prehearing officer and scheduling a prehearing conference.

Respectfully submitted,

Jonathan R. Myers, #25975

Litigation Counsel

Kansas Corporation Commission

266 N. Main, Suite 220

Wichita, Kansas 67202-1513

Phone: 316-337-6200; Fax: 316-337-6211



Coyote Oil Co.

License: 30281

Unplugged Wells on Operator's License					
API Well#	Lease Name / Well #	Well Location	County		
15-125-22277-00-00	WITTH DONALD 2	15-33S-15E, NWNWSE	MONTGOMERY		

CERTIFICATE OF SERVICE

I certify that on October 17, 2016, 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:

Roger F. Wittum Coyote Oil Co. 516 N 5th Independence, KS 67301

/s/ Jonathan R. Myers
Jonathan R. Myers
Litigation Counsel
Kansas Corporation Commission