

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

Before Commissioners:            Mark Sievers, Chairman  
   Thomas E. Wright  
   Shari Feist Albrecht

In the Matter of an Order to Show Cause on )    Docket No. 12-CONS-198-CSHO  
the Commission's own Motion issued to Paul )  
C. Carageannis d/b/a SEED Group/AA )  
Drilling, with regard to his failure to comply )    CONSERVATION DIVISION  
with the provisions of K.A.R. 82-3-111, )  
K.A.R. 82-3-407, K.A.R. 82-3-603, and )  
responsibility under K.S.A. 55-179 for )    License No. 32753 (expired)  
plugging the Warner #1 and Warner #5 in the )  
Northwest Quarter of Section 1, Township 26 )  
South, Range 3 East, Butler County, Kansas. )

In the Matter of the Appeal of the Summary )    Docket No. 12-CONS-239-CMSC  
License Application Denials of Paul C. )  
Carageannis )    CONSERVATION DIVISION  
)  
)    License No. 32753 (expired)

**ORDER ON RECONSIDERATION**

This matter comes on before the State Corporation Commission of the State of Kansas ("Commission") on the Petition for Reconsideration of Paul C. Carageannis d/b/a SEED Group/AA Drilling ("Carageannis") The Commission giving due consideration to the record herein, its regulations and the Kansas statutes makes the following findings and conclusions.

1. The Commission issued its order in these dockets on August 8, 2012. In that order the Commission found that Carageannis failed to comply with K.A.R. 82-3-111, 82-3-407 and 82-3-603 on the Warner lease, was responsible for and must plug the Warner #1 and #5 wells and was responsible for clean up and remediation of the spill at the Warner tank battery site. The Commission also affirmed the summary license denials of Carageannis' two license applications.

2. On August 23, 2012, Carageannis filed his Petition for Reconsideration of the Commission's August 8, 2012 order.

3. The Commission finds that the Petition for Reconsideration was timely filed.

4. In his Petition for Reconsideration, Carageannis simply states that his grounds for reconsideration are: discrimination, loss of business, lost value of equipment and prejudice of the Commission and its staff. He fails to support any of these grounds with argument, cites to the record or other means.

5. The Commission finds that its decision in this docket was based on the evidence in the record. That evidence clearly supports the Commission's decision that Carageannis has not demonstrated fitness to continue as an operator and the denial of his license applications. Carageannis has not alleged any instance in this docket where the Commission or its staff was discriminatory or prejudicial. The loss of business and lost value of equipment are matters outside the Commission's jurisdiction. The Commission's decision only considered Carageannis' fitness to hold an oil and gas operator's license.

6. For the above reasons the Petition for Reconsideration of Carageannis should be denied and the Commission's order dated August 8, 2012 should be affirmed.

**IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:**

A. The Petition for Reconsideration of Paul C. Carageannis d/b/a SEED Group/AA Drilling be, and is hereby denied and the Commission's August 8, 2012 order in these dockets affirmed.

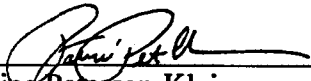
B. This Order constitutes final agency action. K.S.A. 77-607(b)(1). The proper party to receive service of a petition for judicial review on behalf of the agency is Patrice Petersen-

Klein, Executive Director of the State Corporation Commission of the State of Kansas, 130 South Market, Room 2078, Wichita, Kansas 67202. K.S.A. 77-613(e).

C. The Commission retains jurisdiction of the subject matter and the parties for the purpose of entering such further Order or Orders as from time-to-time it may deem proper.

**BY THE COMMISSION IT IS SO ORDERED.**  
Sievers, Chmn.; Wright, Com.; Feist Albrecht, Com.

Dated: SEP 12 2012

  
\_\_\_\_\_  
Patrice Petersen-Klein  
Executive Director

Date Mailed: 9-13-2012

JM

I CERTIFY THE ORIGINAL  
COPY IS ON FILE WITH  
The State Corporation Commission

SEP 12 2012



**CERTIFICATE OF SERVICE**

I hereby certify that on 9-13-2012, I caused a true and correct copy of the foregoing "Order on Reconsideration" to be served by placing the same in the United States mail, postage prepaid, to the following parties:

Paul C. Carageannis dba SEED Group/AA Drilling  
P.O. Box 771189  
Wichita, KS 67277-1189

Joseph H. Cassell  
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and by hand delivery to the following:

Ryan A. Hoffman, Litigation Counsel

Alan Snider, Supervisor  
Underground Injection Control

Jonelle Rains, Supervisor  
Environmental Protection & Remediation Department

  
John McCannon  
Litigation Counsel  
Kansas Corporation Commission