

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

In the matter of the failure of Bill and/or ) Docket No. 19-CONS-3035-CPEN  
Penny M. McPherson dba McPherson )  
Drilling Co. (“Operator”) to comply with ) CONSERVATION DIVISION  
K.A.R. 82-3-120. )  
\_\_\_\_\_ ) License No. 5495

**MOTION WITHDRAWING MOTION TO APPROVE SETTLEMENT  
AGREEMENT AND TO REOPEN DOCKET**

The Staff of the State Corporation Commission of the State of Kansas (“Staff” and “Commission,” respectively) files this Motion, withdrawing Staff’s previous Motion to Approve Settlement Agreement and asking that the Commission reopen docket 19-CONS-3035-CPEN. In support of its Motion, Staff states as follows:

1. On August 2, 2018, the Commission issued a Penalty Order against Operator because unplugged wells remained on Operator’s expired license. The Order assessed a \$500 penalty.<sup>1</sup>
2. Operator did not timely request a hearing in this matter. Furthermore, the Operator was assessed an additional \$5,000 penalty because wells remained on Operator’s license 60 days after the issuance of the Commission’s Order.<sup>2</sup>
3. On September 12, 2019, Staff submitted a Motion to Approve Settlement Agreement.<sup>3</sup> On September 24, 2019, the Commission entered an Order Designating Prehearing Officer and Setting Prehearing Conference.<sup>4</sup>

<sup>1</sup> Exhibit A: August 2, 2018 Penalty Order.

<sup>2</sup> *Id.*

<sup>3</sup> Exhibit B: Motion to Approve Settlement Agreement.

<sup>4</sup> Exhibit C: Order Designating Prehearing Officer and Setting Prehearing Conference.

4. Staff has determined that the best way to proceed is to withdraw its Motion to Approve Settlement Agreement and ask that the Commission reopen the docket. The Commission's Order in this matter provides that "[t]he Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further orders as it may deem necessary."<sup>5</sup>

5. The Kansas Administrative Procedure Act provides "[n]othing in the Kansas Administrative Procedure Act shall preclude parties from settling a matter at any time. In addition, nothing in the Kansas Administrative Procedure Act shall preclude use of alternative dispute resolution, with consent of the agency and all parties."<sup>6</sup>

6. It is Staff's position that this docket is appropriate for settlement. Operator in this matter is ready, willing, and able to plug the wells currently on its expired license. Allowing the Operator to plug the wells fosters administrative efficiency because it prevents the State from expending its resources to plug the wells and pursue any legally responsible parties. Furthermore, Operator is retiring from the oil and gas business. Operator expressed a desire to avoid any potential penalties in light of its overall compliance record. Staff agrees that it is appropriate to waive the monetary penalty if Operator does not apply for a new license in the future.

7. Staff has consulted with Operator in this matter and Operator has agreed that it is in their best interest to proceed accordingly.

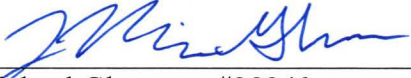
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<sup>5</sup> Exhibit A: at Ordering Clause I.

<sup>6</sup> K.S.A. 77-505.

**WHEREFORE**, Staff withdraws its September 12, 2019 Motion to Approve Settlement and moves the Commission to reopen the docket for the reasons stated above.

Respectfully submitted,



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Michael Glamann, #28240  
Litigation Counsel  
Kansas Corporation Commission  
266 N. Main, Suite 220  
Wichita, Kansas 67202  
Phone: 316-337-6200; Fax: 316-337-6211

STATE OF 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/>

GOVERNOR JEFF COLYER, M.D.

SHARI FEIST ALBRECHT, CHAIR | JAY SCOTT EMLER, COMMISSIONER | DWIGHT D. KEEN, COMMISSIONER

NOTICE OF PENALTY ASSESSMENT  
19-CONS-3035-CPEN

August 2, 2018

Bill and/or Penny M. McPherson dba McPherson Drilling Co.  
15256 112<sup>th</sup> Road  
Winfield, KS 67156-7654

This is a notice of a penalty assessment for violation(s) of Kansas Oil and Gas Conservation Statutes, Rules, and Regulations. For a full description of the penalty and process please refer to the Penalty Order that is attached to this notice.

**IF YOU ACCEPT THE PENALTY:**

You have been assessed a \$500 penalty. You have 30 days from the service date of this Penalty Order to pay the fine amount. Check or money order must be made payable to the Kansas Corporation Commission and mailed to the Conservation Division of the Kansas Corporation Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202. The payment must include a reference to the docket number of this proceeding. Payment by credit card may be made by calling the Conservation Division at 316-337-6200.

**IF YOU CONTEST THE PENALTY:**

You have the right to request a hearing. A written request for hearing must be made within 30 days after service of the Penalty Order setting forth the specific grounds upon which relief is sought. Respondent must submit the request to the Commission, at 266 N. Main St., Suite 220, Wichita, Kansas 67202. The Commission shall conduct a hearing in accordance with the provisions of the Kansas administrative procedure act within 30 days after receipt of such request. K.S.A. 55-164; K.S.A. 77-542; K.A.R. 82-1-215.

**IF YOU FAIL TO ACT:**

Failure to pay the fine amount, or in the alternative, provide a written request for a hearing, within thirty (30) days of service of the Penalty Order, will result in the attached Penalty Order becoming a Final Order and may result in additional sanctions, including additional monetary penalties, the suspension of your oil and gas operating license, and the shutting-in of all operations until compliance is obtained. K.S.A. 55-164; K.S.A. 77-537.

Respectfully,

Lauren N. Wright  
Litigation Counsel  
316-337-6200

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

Before Commissioners:                    Shari Feist Albrecht, Chair  
   Jay Scott Emler  
   Dwight D. Keen

In the matter of the failure of Bill and/or Penny    ) Docket No.: 19-CONS-3035-CPEN  
M. McPherson dba McPherson Drilling Co.            ) )  
("Operator") to comply with K.A.R. 82-3-120.        ) CONSERVATION DIVISION  
  ) )  
\_\_\_\_\_ ) License No.: 5495

**PENALTY ORDER**

The above captioned matter comes before the State Corporation Commission of the State of Kansas. Having examined the files and records, and being duly advised in the premises, the Commission finds and concludes as follows:

**I. JURISDICTION**

1. The Commission has the exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.<sup>1</sup> 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."<sup>2</sup> Every operator conducting oil and gas activity in Kansas must be licensed by the Commission.<sup>3</sup>

2. The Commission has the authority to issue a Penalty Order for violation of any provision of K.S.A. 55-101 *et seq.*, rule, regulation, or order of the Commission.<sup>4</sup> The Commission shall take appropriate action which may include, but not be limited to, imposing a monetary penalty "not to exceed \$10,000, which shall constitute an actual and substantial

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<sup>1</sup> K.S.A. 74-623.

<sup>2</sup> K.S.A. 55-152.

<sup>3</sup> K.S.A. 55-155.

<sup>4</sup> K.S.A. 55-162; K.S.A. 55-164.

economic deterrent to the violation for which the penalty is assessed.”<sup>5</sup> “In the case of a continuing violation, every day such violation continues shall be deemed a separate violation.”<sup>6</sup>.

3. No operator shall drill, complete, service, plug, or operate any oil or gas well without first obtaining or renewing an operator license.<sup>7</sup> Each operator in physical control of any such well shall maintain a current license even if the well is shut in or idle.<sup>8</sup>

4. Each licensee shall annually submit a completed license renewal form on or before the expiration date of the current license.<sup>9</sup>

5. Failure to obtain or renew an operator license before operating shall be punishable by a \$500 penalty.<sup>10</sup>

## II. FINDINGS OF FACT

6. The Operator is responsible for the care and control of the well(s) listed in Exhibit A (“the subject well(s)”). The Operator’s license expired on June 30, 2018.

7. On July 05, 2018, Commission Staff sent a Notice of Violation letter to the Operator, requiring the Operator to renew the license, or transfer the subject well(s) to another operator, or plug the well(s), by July 19, 2018.

8. To date, the Operator has not complied with K.A.R. 82-3-120 by the deadline set out in Staff’s Notice of Violation letter.

## III. CONCLUSIONS OF LAW

9. The Commission finds and concludes that it has jurisdiction over the Operator and this matter under K.S.A. 55-152 and K.S.A. 74-623.

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<sup>5</sup> K.S.A. 55-164.

<sup>6</sup> *Id.*

<sup>7</sup> K.A.R. 82-3-120(a)(1).

<sup>8</sup> *Id.*

<sup>9</sup> K.A.R. 82-3-120(a)(2).

<sup>10</sup> K.A.R. 82-3-120(k).

10. The Commission finds and concludes the Operator committed one violation of K.A.R. 82-3-120(a) because an unplugged well or unplugged wells, for which the Operator is responsible, remain on the Operator's expired license.

**THEREFORE, THE COMMISSION ORDERS:**

- A. The Operator shall pay a \$500 penalty.
- B. The Operator shall immediately shut-in all unplugged wells on its license and cease oil and gas operations until the Operator is in compliance with this Order. Staff may seal the wells until the Operator is in compliance with this Order.
- C. The Operator has 60 days from the date of this Order to:
  - a. Renew its license or obtain a new license and transfer the well(s) to that license; or
  - b. Transfer the well(s) to another operator by filing the appropriate form(s) with the Commission; or
  - c. Plug the well(s).
- D. If any unplugged well(s) remain on the Operator's expired license after 60 days from the date of this Order, then:
  - a. The Operator shall pay an additional \$5,000 penalty;
  - b. Staff shall revoke any injection authorizations applicable to the subject well(s); and
  - c. Staff is directed to place the well(s) on the appropriate state plugging list, to plug according to priority and as funds allow, and to assess the plugging costs to the Operator. This shall not preclude Staff from investigating additional potentially-responsible parties.

E. If no party requests a hearing, and the Operator is not in compliance with this Order within 30 days from the date of service of this Order, then the Operator's license shall be suspended without further notice. The notice and opportunity for a hearing on this Order shall constitute the notice required by K.S.A. 77-512 regarding license suspension. The Commission may impose further sanctions, including additional monetary penalties and any other remedies available to the Commission by law, without further notice.

F. Checks and money orders shall be payable to the Kansas Corporation Commission. For credit card payments, include the type of card (Visa, MasterCard, Discover, or American Express), account number, and expiration date. Payments shall be mailed to the Kansas Corporation Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202. The payment must include a reference to the docket number of this proceeding.

G. Any party 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, setting forth the specific grounds upon which relief is sought, to the Commission at 266 N. Main St., Suite 220, Wichita, Kansas 67202, within 30 days from the date of service of this Order. Hearings will be scheduled only upon written request. Failure to timely request a hearing will result in a waiver of the Operator's right to a hearing.

H. A corporation shall appear before the Commission by a Kansas licensed attorney.<sup>11</sup>

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<sup>11</sup> K.S.A. 77-515(c); K.A.R. 82-1-228(d)(2).




I. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further orders as it may deem necessary.

**BY THE COMMISSION IT IS SO ORDERED.**

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 08/02/2018

  
\_\_\_\_\_  
Lynn M. Retz  
Secretary to the Commission

Mailed Date: 08/03/2018

LW

# Exhibit A

**McPherson, Bill and/or Penny M. dba  
McPherson Drilling Co.  
License: 5495**

<b><u>Unplugged Wells on Operator's License</u></b>			
API Well #	Lease Name / Well #	Well Location	County
15-035-20847-00-00	WAKEFIELD 1	18-31S-6E, SWSWNW	COWLEY
15-035-22198-00-00	SKEWES 1	18-31S-6E, NWNESW	COWLEY
15-035-22490-00-00	SKEWES 2	18-31S-6E, NWNWSW	COWLEY

**CERTIFICATE OF SERVICE**

19-CONS-3035-CPEN

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of first class mail and electronic service on 08/02/2018.

BILL MCPHERSON  
BILL AND/OR PENNY M. MCPHERSON  
D/B/A MCPHERSON DRILLING CO.  
15256 112TH ROAD  
WINFIELD, KS 67156-7654

LAUREN WRIGHT, LITIGATION COUNSEL  
KANSAS CORPORATION COMMISSION  
Conservation Division  
266 N. Main St. Ste. 220  
WICHITA, KS 67202-1513  
Fax: 316-337-6211  
l.wright@kcc.ks.gov

/S/ DeeAnn Shupe  
DeeAnn Shupe

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

In the matter of the failure of Bill and/or Penny ) Docket No.: 19-CONS-3035-CPEN  
M. McPherson dba McPherson Drilling Co. )  
("Operator") to comply with K.A.R. 82-3-120. ) CONSERVATION DIVISION  
)  
) License No.: 5495

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**MOTION TO APPROVE SETTLEMENT AGREEMENT**

Commission Staff (Staff) of the State Corporation Commission of the State of Kansas (Commission) files this Motion to Approve Settlement Agreement. In support of its Motion, Staff states as follows:

1. On August 2, 2019, the Commission issued a Penalty Order against Operator for one violation of K.A.R. 82-3-120(a) because unplugged wells, for which the Operator is responsible, remained on the Operator's expired license. The Penalty Order assessed a \$500 penalty.
2. Staff and Operator have reached a settlement in this matter. Staff believes the attached Settlement Agreement constitutes a reasonable resolution of all issues in this docket and respectfully requests that it be approved.

WHEREFORE, Staff requests this motion be granted.

Respectfully submitted,



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Carly R. Masenthin, #27944  
Litigation Counsel,  
Kansas Corporation Commission  
1500 SW Arrowhead Rd Topeka, KS 66604  
Phone: 785-271-3100; Fax: 785-271-3354



5. Pursuant to K.A.R. 82-3-120, No operator shall drill, complete, service, plug, or operate any oil or gas well without first obtaining or renewing an operator license. Failure to obtain or renew an operator license before operating shall be punishable by a \$500 penalty.

## II. BACKGROUND

6. On August 2, 2018, the Commission issued a Penalty Order against Operator for one (1) violation of K.A.R. 82-3-120 because unplugged wells, for which the Operator is responsible, remain on the Operator's expired license. The Penalty Order assessed a \$500 penalty.

7. Operator did not request a hearing in this matter.

8. Operator did not comply with the requirements of the Penalty Order within 30 days from the date of service of the Penalty Order. Operator's license was suspended pursuant to the terms of the Penalty Order.<sup>1</sup> Operator's license remains suspended to-date.

9. The Penalty Order gave the Operator 60 days to renew its license, transfer the wells to another operator, or plug the wells.<sup>2</sup> If unplugged wells remained on the Operator's expired license after 60 days from the date of the Penalty Order, (a) Operator shall pay an additional \$5,000 penalty; (b) Staff shall revoke any injection authorizations applicable to the subject wells; and (c) Staff is directed to place the wells on the appropriate state plugging list, to plug according to priority and as fund allow, and to assess the plugging costs to the Operator.<sup>3</sup>

10. Unplugged wells remained on the Operator's expired license beyond the 60 days from the date of the Commission's Penalty order; further, the same three unplugged wells remain

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<sup>1</sup> Penalty Order, ¶E (August 2, 2018).

<sup>2</sup> Penalty Order, ¶C (August 2, 2018).

<sup>3</sup> Penalty Order, ¶D (August 2, 2018).

on the Operator's expired license to-date. Therefore, the Operator is responsible for an additional \$5,000 penalty pursuant to the terms of the Penalty Order.<sup>4</sup>

11. Operator renewed its license on November 20, 2018; however Operator's license remains suspended due to the unpaid penalty from the Commission's Penalty Order in this docket.

12. Operator's license again expired on June 30, 2019.

13. To avoid potential litigation costs and to foster administrative efficiency, Operator and Staff have agreed to the following settlement terms.

### III. TERMS OF THE SETTLEMENT AGREEMENT

14. The parties agree that the Commission has jurisdiction and authority over this matter. The parties also agree that adoption of this Agreement is in the public interest and that the Commission should approve the stipulations as set forth below.

15. Operator stipulates it is responsible for the penalty totaling \$5,500 from the Commission's August 2, 2018 Penalty Order.

16. Operator stipulates it is responsible for the following unplugged wells on its expired license:

API Well #	Lease Name/Well #	Well Location	County
15-035-20847-00-00	Wakefield 1	18-31S-6E, SESENW	Cowley
15-035-22198-00-00	Skewes 1	18-31S-6E, NWNESW	Cowley
15-035-22490-00-00	Skewes 2	18-31S-6E, NWNWSW	Cowley

<sup>4</sup> Penalty Order, ¶D.a. (August 2, 2018).

17. Operator agrees to plug the wells listed in Paragraph 16 above by November 30, 2019.

18. The fine totaling \$5,500 from the Commission's August 2, 2018 Penalty Order shall be waived if:

- a. the wells listed in Paragraph 16 are plugged by November 30, 2019;  
and
- b. Operator does not attempt to regain Operator status, as defined in K.S.A. 55-150(e).

19. Staff agrees not to recommend a penalty for Operator's current violation of K.A.R. 82-3-120 as it pertains to the wells listed in Paragraph 16 above relevant to the June 30, 2019 expiration of Operator's license.

20. Staff agrees to recommend to the Commission that this Agreement be approved. Staff further agrees that upon approval by the Commission, and barring default proceedings pursuant to K.S.A. 77-520, this Agreement shall constitute a final resolution of this matter.

#### **IV. RESERVATIONS**

21. This Settlement Agreement fully resolves the issues specifically addressed between the parties. The terms of this Agreement constitute a fair and reasonable resolution of the issues addressed herein.

22. The terms and provisions of this Agreement have resulted from negotiations between the signatories and are interdependent. In the event the Commission does not approve the terms of the Agreement in total, any party has the option to terminate this Agreement and, if so terminated, none of the signatories hereto shall be bound by, prejudiced, or in any way affected by any of the terms or provisions hereof, unless otherwise provided herein.



23. Unless (and only to the extent) otherwise specified in this Agreement, the signatories to this Agreement shall not be prejudiced, bound by, or affected in any way by the terms of this Agreement: (1) in any future Commission or court proceeding; (2) in any proceeding currently pending before the Commission under a separate docket; and/or (3) in this proceeding, if the Commission decides not to approve this Agreement in total or in any way conditions its approval of the same. This paragraph is not meant to limit future enforcement of this Agreement, should either party fail to fulfill all terms and provisions.

24. Unless (and only to the extent) otherwise specified in this Agreement, this Agreement does not prejudice or waive any party's legal rights, positions, claims, assertions or arguments in any proceedings in this docket, or any other proceeding before the Commission or in any court.

25. If the Commission approves this Agreement in its entirety and incorporates the same into a final order in this docket, the parties agree to be bound by its terms and the Commission's order incorporating its terms as to all issues addressed herein, and will not appeal the Commission's order.

26. This Settlement Agreement shall be binding on all parties upon signing.

**IN WITNESS WHERETO**, the parties hereby execute and approve this Settlement Agreement by subscribing their signatures below.

By: Carly Masenthin  
Carly Masenthin #27944  
Litigation Counsel  
Kansas Corporation Commission  
1500 SW Arrowhead Road  
Topeka, KS 66604

By: Bill & Penny M. McPherson  
Bill and/or Penny M. McPherson  
dba McPherson Drilling Co.  
15256 112<sup>th</sup> Road  
Winfield, KS 67156-7654

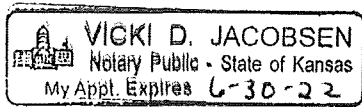
**VERIFICATION**

STATE OF KANSAS                    )  
  ) ss.  
COUNTY OF SHAWNEE            )

Carly R. Masenthin, of lawful age, being duly sworn upon her oath deposes and states that she is Litigation Counsel for the State Corporation Commission of the State of Kansas; that she has read and is familiar with the foregoing *Motion*, and attests that the statements therein are true to the best of her knowledge, information and belief.

Carly R. Masenthin  
Carly R. Masenthin, S. Ct. #27944  
Litigation Counsel  
State Corporation Commission  
of the State of Kansas

SUBSCRIBED AND SWORN to before me this 12<sup>th</sup> day of Sept., 2019.



Vicki D. Jacobsen  
Notary Public

My Appointment Expires: 6-30-22

## **CERTIFICATE OF SERVICE**

19-CONS-3035-CPEN

I, the undersigned, certify that a true copy of the attached Motion has been served to the following by means of first class mail and electronic service on September 12, 2019.

DANIEL FOX, COMPLIANCE OFFICER, KCC DISTRICT 2  
KANSAS CORPORATION COMMISSION  
DISTRICT OFFICE NO. 2  
3450 N. ROCK RD BLDG 600 STE 601  
WICHITA, KS 67226  
Fax: 316-630-4005  
d.fox@kcc.ks.gov

DONALD KLOCK  
KANSAS CORPORATION COMMISSION  
DISTRICT OFFICE NO. 2  
3450 N. ROCK RD BLDG 600 STE 601  
WICHITA, KS 67226  
Fax: 785-271-3354  
j.klock@kcc.ks.gov

CARLY MASENTHIN, LITIGATION COUNSEL  
KANSAS CORPORATION COMMISSION  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604  
Fax: 785-271-3354  
c.masenthin@kcc.ks.gov

BILL MCPHERSON  
BILL AND/OR PENNY M. MCPHERSON  
D/B/A MCPHERSON DRILLING CO.  
15256 112TH ROAD  
WINFIELD, KS 67156-7654

JONATHAN R. MYERS, ASSISTANT GENERAL COUNSEL  
KANSAS CORPORATION COMMISSION  
266 N. Main St., Ste. 220  
WICHITA, KS 67202-1513  
Fax: 316-337-6211  
j.myers@kcc.ks.gov

/S/ Paula J. Murray  
\_\_\_\_\_  
Paula J. Murray

**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 failure of Bill and/or Penny )   Docket No: 19-CONS-3035-CPEN  
M. McPherson dba McPherson Drilling Co. )  
("Operator") to comply with K.A.R. 82-3-120. )   CONSERVATION DIVISION  
  )  
\_\_\_\_\_ )   License No: 5495

**ORDER DESIGNATING PREHEARING OFFICER  
AND SETTING PREHEARING CONFERENCE**

This matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined its files and records, and being fully advised in the premises, the Commission finds the following:

1.       On August 2, 2018, the Commission issued a *Penalty Order* against Bill and Penny M. McPherson (Operator) for one violation of K.A.R. 82-3-120(a) because three unplugged wells, for which Operator is responsible, remained on Operator's expired license.<sup>1</sup>
2.       Operator did not request a hearing.<sup>2</sup> Commission records indicate Operator did not timely renew its license, transfer the wells, or plug the wells as directed under the *Penalty Order*.<sup>3</sup>
3.       On September 12, 2019, Commission Staff filed a Motion to Approve Settlement Agreement, stating that parties have reached a settlement in this matter, purportedly to avoid potential litigation costs and to foster administrative efficiency.<sup>4</sup> Among other things, the terms of the Settlement Agreement would have all fines in this docket waived if Operator plugs the three wells by November 30, 2019.<sup>5</sup>

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<sup>1</sup> See *Penalty Order*, ¶¶ 6, 10, Exhibit A (Aug. 2, 2018).

<sup>2</sup> See Motion to Approve Settlement, at attached Settlement Agreement, ¶ 7 (Sept. 12, 2019).

<sup>3</sup> See *id.*; *Penalty Order* at Ordering Clause C; see also K.A.R. 82-1-230(h).

<sup>4</sup> See Motion to Approve Settlement, at attached Settlement Agreement, ¶ 13.

<sup>5</sup> *Id.* at ¶ 18.

4. The Commission wishes to further inquire regarding this matter. Accordingly, the Commission finds a Prehearing Officer should be designated in this proceeding to address any matters listed in K.S.A. 77-517(b), and a Prehearing Conference should be scheduled, in anticipation of a potential evidentiary hearing on Staff's Motion to Approve Settlement Agreement.

5. Although a Prehearing Officer is designated, parties are still required to file pleadings with the Commission, and filings shall be made with the Commission's Docket Room before 5:00 p.m. on the date scheduled for service. Any electronic service received after the deadline set forth in the procedural schedule, or any filing made after 5:00 p.m. on the date scheduled for service, shall be accompanied by a Motion to File Out-of-Time.

**THEREFORE, THE COMMISSION ORDERS:**

A. The Prehearing Officer in this proceeding shall be Jonathan R. Myers, Assistant General Counsel, Kansas Corporation Commission, 266 N. Main Street, Suite 220, Wichita, Kansas, 67202-1513, telephone number (316) 337-6245, email address j.myers@kcc.ks.gov. The Commission may designate other Staff members to serve in this capacity. **The Commission directs electronic service of all filings in the docket to include service on the Prehearing Officer and mailed service of all filings to be directed to the Prehearing Officer's attention.**

B. A Prehearing Conference is scheduled for **Wednesday, October 9, 2019 at 10:00 a.m.** by telephone. The conference call information is: telephone number (866) 620-7326, Conference Code PIN: 3902542751.

C. At the Prehearing Conference, parties shall be prepared to discuss deadlines for filing testimony and briefs, discovery procedures, scheduling of a hearing with the Commission, and any other issues that will promote the orderly and prompt resolution of this proceeding.

D. At the Prehearing Conference, without further notice, this proceeding may be converted into a conference hearing or a summary proceeding for disposition of this matter as provided by the

Kansas Administrative Procedure Act (KAPA). Any party that fails to attend or participate in the Prehearing Conference, hearing, or other stage of this proceeding may be held in default under the KAPA.<sup>6</sup>

E. A corporation shall appear before the Commission by a Kansas licensed attorney.<sup>7</sup>

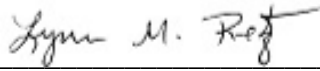
F. The attorney designated to appear on behalf of the agency in this proceeding is Carly Masenthin, Litigation Counsel, telephone number (785) 271-3110, c.masenthin@kcc.ks.gov.

G. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further orders as it may deem necessary.

**BY THE COMMISSION IT IS SO ORDERED.**

Keen, Chair; Albrecht, Commissioner; Duffy, Commissioner

Dated: 09/24/2019

  
\_\_\_\_\_  
Lynn M. Retz  
Executive Director

Mailed Date: 09/24/2019

JRM

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<sup>6</sup> K.S.A. 77-506; K.S.A. 77-516(c)(7)-(8).

<sup>7</sup> K.S.A. 77-515(c); K.A.R. 82-1-228(d)(2).

**CERTIFICATE OF SERVICE**

19-CONS-3035-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 09/24/2019.

BILL MCPHERSON  
BILL AND/OR PENNY M. MCPHERSON  
D/B/A MCPHERSON DRILLING CO.  
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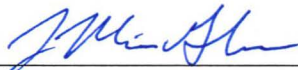
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/S/ DeeAnn Shupe  
\_\_\_\_\_  
DeeAnn Shupe

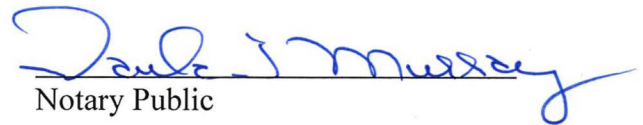
**VERIFICATION**

STATE OF KANSAS                    )  
  ) ss.  
COUNTY OF SEDGWICK            )

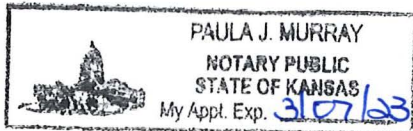
Michael Glamann, of lawful age, being duly sworn upon his oath deposes and states that he is Litigation Counsel for the State Corporation Commission of the State of Kansas; that he has read and is familiar with the foregoing *Motion*, and attests that the statements therein are true to the best of his knowledge, information and belief.

  
\_\_\_\_\_  
Michael Glamann, S. Ct. #28240  
Litigation Counsel  
State Corporation Commission  
of the State of Kansas

SUBSCRIBED AND SWORN to before me this 17 day of Oct, 2019.

  
\_\_\_\_\_  
Notary Public

My Appointment Expires: 3/07/23





## CERTIFICATE OF SERVICE

19-CONS-3035-CPEN

I, the undersigned, certify that a true copy of the attached Motion Withdrawing Motion to Approve Settlement Agreement and to Reopen Docket has been served to the following by means of electronic service on October 17, 2019.

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/S/ Paula J. Murray  
\_\_\_\_\_  
Paula J. Murray