

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

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

In the matter of the application of Redtail	)	Docket No.: 18-CONS-3075-CHOR
Investments, LLC, to drill the Redtail #1 well	)	
located in Section 2, Township 35 South,	)	CONSERVATION DIVISION
Range 1 West, Sumner County, Kansas, as a	)	
<u>deviated well pursuant to K.A.R. 82-103A.</u>	)	License No.: 35142

**MOTION FOR THE DESIGNATION OF A PREHEARING OFFICER AND THE  
SCHEDULING OF A PREHEARING CONFERENCE**

The Staff of the State Corporation Commission of the State of Kansas (“Staff” and “Commission,” respectively) files this Motion seeking the designation of a prehearing officer and scheduling a prehearing conference in this matter.

In support of its motion, Staff states as follows:

**I. Background**

1. On August 4, 2017, Operator filed an application requesting permission to drill and complete its proposed Redtail #1 horizontal well (“the subject well”) into the Hunton Formation in Sumner County. On August 22, 2017, and August 24, 2017, Operator filed affidavits of publication from the Wichita Eagle and Garden City Telegram, respectively.

2. On September 5, 2017, Operator filed an amended application. On October 4, 2017, October 20, 2017, and November 15, 2017, Operator filed affidavits of publication from the Wichita Eagle, Wellington Daily News, and the Wichita Eagle, respectively.

3. On November 16, 2017, Operator filed an amended application. On November 27, 2017, Operator filed an affidavit of publication from the Wellington Daily News.

## **II. Argument**

4. Upon review of the application, Staff notes the following:
  - a. Operator application as most recently amended, as well as its most recently filed affidavit of publication, misidentify the regulation under which it seeks approval as K.A.R. 82-103A and/or K.A.R. 82-3-103, when it appears to actually desire approval under K.A.R. 82-3-103a.
  - b. Operator's most recently filed affidavit of publication states Operator has filed an application "requesting the Commission to Complete the drilling," although it has in fact filed an application requesting that Operator be allowed to drill, and states that unless protest is received, Operator's application "will be granted by the administrative approval later said 15 day period," although in fact the Commission may or may not eventually grant the application, and it is not clear what Operator means by an application being granted "by the administrative approval."
  - c. Operator's application as most recently amended only requests an order granting its application in the event a protest is made. No protest has been made.
  - d. Operator's certificate of service for its application as most recently amended states the application was served upon the parties listed in Exhibit C of the application. The amended application does not contain an Exhibit C, but rather an Exhibit 1 and Exhibit 2.
  - e. Operator's application as most recently amended does not provide the rate-of-build for the portion of the borehole that coverts from vertical to horizontal; in

other words, Staff cannot determine where the proposed well would enter the productive formation.

- f. Operator's application as most recently amended states that it is the owner of oil and gas leasehold interests "in the subject acreage," but does not define the subject acreage. Operator's application proposes to drill the Redtail #1 starting from a surface location in the southwest quarter of Section 2, cutting across the southeast quarter, and terminating in the northeast quarter. Staff has identified a well in the southwest quarter of Section 2 that is operated by another entity, and cannot determine whether that entity was or should have been served notice.
  - g. Operator's has already amended its application twice. Operator is a corporate entity, and thus must be represented by counsel.<sup>1</sup> No counsel has entered an appearance on behalf of Operator.
5. In addition, Staff believes it may have additional concerns regarding the application, which may be fleshed out as this matter develops.

### **III. Conclusion**

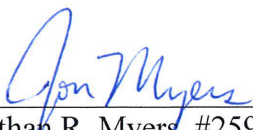
6. Based upon the above, Staff does not recommend approval of Operator's application at this time, and believes it would be appropriate for this matter to be set for an evidentiary hearing.

WHEREFORE, for the reasons described above, Staff respectfully requests an Order designating a prehearing officer and scheduling a prehearing conference, in anticipation of an evidentiary hearing where Staff may recommend denial of the application.

---

<sup>1</sup> See K.A.R. 82-1-228(d)(2); *see also* Order Denying Intervention to IBEW, Local Unions No. 304 and 225 (Feb. 6, 2018), KCC Docket 18-KCPE-095-MER.

Respectfully submitted,



---

Jonathan R. Myers, #25975

Litigation Counsel

Kansas Corporation Commission

266 N. Main, Suite 220

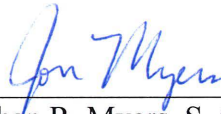
Wichita, Kansas 67202

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

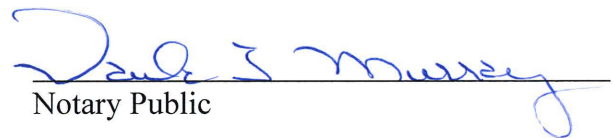
**VERIFICATION**

STATE OF KANSAS                     )  
  ) ss.  
COUNTY OF SEDGWICK            )

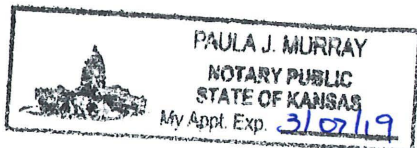
Jonathan R. Myers, of lawful age, being duly sworn upon his oath deposes and states that he is Litigation Counsel for the State Corporation Commission of the State of Kansas; that he has read and is familiar with the foregoing *Motion*, and attests that the statements therein are true to the best of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

  
\_\_\_\_\_  
Jonathan R. Myers, S. Ct. #25975  
Litigation Counsel  
State Corporation Commission  
of the State of Kansas

SUBSCRIBED AND SWORN to before me this 14 day of Mar, 2018.

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

My Appointment Expires: 3/07/19



**CERTIFICATE OF SERVICE**

I certify that on 3/14/18, 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:

Steve Howard  
Redtail Investments, LLC  
8045 SW 36<sup>th</sup> Street  
Oklahoma City, OK 73179

and delivered by e-mail to:

Jonathan R. Myers, Litigation Counsel  
KCC Central Office

/s/ Paula J. Murray  
Paula J. Murray  
Legal Assistant  
Kansas Corporation Commission