

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

In the matter of the application of Hawkins)	Docket No. 18-CONS-3281-CEXC
Oil, LLC, for an exception to the 3-year)	
time expiration for the Appleman #4-A well,)	CONSERVATION DIVISION
located in the NW NE NW T25S-R5E-)	
Sec31, Butler County, Kansas.)	License No. 32693

MOTION TO GRANT APPLICATION

The Staff of the State Corporation Commission of the State of Kansas (Staff and Commission, respectively), moves the Commission to grant the Amended Application of Hawkins Oil, LLC, (Operator). In support of its motion, Staff states as follows:

1. On January 12, 2018, the Operator filed an Application requesting an exception to the 10-year limitation on TA status for the Appleman #4-A well.¹
2. The Operator published notice, pursuant to K.A.R. 135a(d), of its Application in both the Wichita Eagle and the Butler County Gazette.²
3. On April 2, 2018, Commission Conservation Staff (Staff) filed a Motion for Designation of Prehearing Officer and Scheduling of a Prehearing Conference stating that Staff does not recommend approval of Operator's application at this time.³
4. On May 24, 2018, the Commission issued an Order Designating Prehearing Officer and Setting Prehearing conference for June 19, 2018.⁴
5. On June 20, 2018, the Prehearing Officer issued an Order Continuing Prehearing Conference until Tuesday August 7, 2018.⁵

¹ Application ¶11, (Jan. 12, 2018).

² Affidavit of Publication – Wichita Eagle (Mar. 6, 2018); Affidavit of Publication – Butler County Gazette (Feb. 21, 2018).

³ Motion for the Designation of a Prehearing Officer and Scheduling of a Prehearing Conference ¶5 (Apr. 2, 2018).

⁴ Order Designating Prehearing Officer and Setting Prehearing Conference (May 24, 2018).

⁵ Prehearing Officer Order Continuing Prehearing Conference (June 20, 2018).

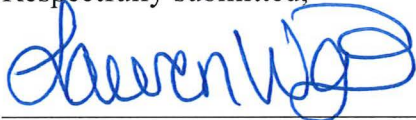
6. On July 9, 2018, the Operator filed an Amended Application addressing Staff's concerns.⁶

7. On September 7, 2018, the Operator filed an Amended Supplementary Certificate of Service verifying that notice was provided pursuant to K.A.R. 135a(b).⁷

8. The Amended Application and Amended Supplementary Certificate of Service complies with all Commission regulations. Staff recommends the Commission grant the Operator's Amended Application because the Operator has demonstrated a potential future use for the well, and there is not a present threat to fresh and usable water.

WHEREFORE, for the reasons set forth above, Staff respectfully requests that the Commission grant the Operator's Application, and attaches a proposed Order Granting Application.

Respectfully submitted,



Lauren N. Wright, #27616
Litigation Counsel, Kansas Corporation Commission
266 N. Main, Suite 220, Wichita, Kansas 67202
Phone: 316-337-6200; Fax: 316-337-6211

⁶ Amended Application at ¶2; ¶3; ¶4; ¶8 (July 9, 2018).

⁷ Amended Supplementary Certificate of Service (Sept. 7, 2018).

**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 application of Hawkins)	Docket No. 18-CONS-3281-CEXC
Oil, LLC, (Operator) for an exception to the)	
3-year time expiration for the Appleman #4-)	CONSERVATION DIVISION
A well, located in the NW NE NW T25S-)	
<u>R5E-Sec31, Butler County, Kansas.</u>)	License No. 32693

PROPOSED ORDER GRANTING APPLICATION

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined its files and records, and being duly advised in the premises, the Commission makes the following findings:

I. JURISDICTION

1. The Commission has the exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.¹

2. K.A.R. 82-3-111 provides that wells having been shut-in for more than 10 years shall not be approved for TA status without Commission approval of an application for an exception.

3. K.A.R. 82-3-100 provides that the Commission may grant an exception to any regulation after application and notice.

II. BACKGROUND

4. On January 12, 2018, the Operator filed an Application requesting an exception to the 10-year limitation on TA status for the Appleman #4-A well.²

¹ K.S.A. 74-623

² Application ¶11, (Jan. 12, 2018).

5. The Operator published notice of its Application in both the Wichita Eagle and the Butler County Gazette.³

6. On April 2, 2018, Commission Conservation Staff (Staff) filed a Motion for Designation of Prehearing Officer and Scheduling of a Prehearing Conference.⁴

7. On May 24, 2018, the Commission issued an Order Designating Prehearing Officer and Setting Prehearing conference for June 19, 2018.⁵

8. On June 20, 2018, the Prehearing Officer issued an Order Continuing Prehearing Conference until Tuesday August 7, 2018.⁶

9. On July 9, 2018, the Operator filed an Amended Application.⁷

10. On September 7, 2018, the Operator filed an Amended Supplementary Certificate of Service.⁸

III. FINDINGS OF FACT

11. Hawkins Oil, LLC (Operator) conducts oil and gas activities in Kansas under active license number 32693.

12. On January 12, 2018, the Operator filed an Application, pursuant to K.A.R. 82-3-100, requesting an exception to the 10-year limit on TA status for the Appleman #4-A well, API #15-015-21004-00-00. On July 9, 2018, the Operator filed an Amended Application.

13. The Operator has verified that notice was properly served and published, as required under K.A.R. 82-3-135a, at least 15 days before the issuance of this Order.

14. No protest was filed under K.A.R. 82-3-135b.

³ Affidavit of Publication – Wichita Eagle (Mar. 6, 2018); Affidavit of Publication – Butler County Gazette (Feb. 21, 2018).

⁴ Motion for the Designation of a Prehearing Officer and Scheduling of a Prehearing Conference (Apr. 2, 2018).

⁵ Order Designating Prehearing Officer and Setting Prehearing Conference (May 24, 2018).

⁶ Prehearing Officer Order Continuing Prehearing Conference (June 20, 2018).

⁷ Amended Application (July 9, 2018).

⁸ Amended Supplementary Certificate of Service (Sept. 7, 2018).

15. On December 19, 2017, the Operator successfully tested the subject well for mechanical integrity.

16. The Commission finds the Amended Application, Amended Supplementary Certificate of Service and the mechanical integrity test sufficient to support the administrative grant of this application.

III. CONCLUSIONS OF LAW

17. The Commission finds and concludes that it has jurisdiction over Operator and this matter.

18. The Commission finds and concludes that the Operator's application was filed in accordance with the rules and regulations of the Commission and in accordance with Kansas statutes.

19. The Commission finds and concludes that notice was properly served and published.

20. Based on the above facts, the Commission finds and concludes that the application should be granted to prevent waste and protect correlative rights, because Operator has demonstrated a potential future use for the well, and there is not a present threat to fresh and usable water.

THEREFORE, THE COMMISSION ORDERS:

A. Operator's Amended Application for an exception to the 10-year limit on TA status for the subject well is granted for three years, calculated from the date the application was filed. Operator must file an annual TA form for the subject well. The first TA form shall be filed within 30 days.

B. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).⁹

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Date: _____

Lynn M. Retz
Secretary to the Commission

Date Mailed: _____

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⁹ K.S.A. 55-162; K.S.A. 55-606; K.S.A. 55-707; K.S.A. 77-503(c); K.S.A. 77-531(b).

VERIFICATION

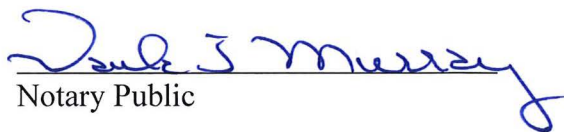
STATE OF KANSAS)
) ss.
COUNTY OF SEDGWICK)

Lauren N. Wright, 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.

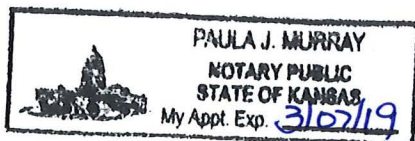


Lauren N. Wright, S. Ct. #27616
Litigation Counsel
State Corporation Commission
of the State of Kansas

SUBSCRIBED AND SWORN to before me this 20 day of Sept, 2018.


Notary Public

My Appointment Expires: 3/07/19



CERTIFICATE OF SERVICE

18-CONS-3281-CEXC

I, the undersigned, certify that the true copy of the attached Motion has been served to the following parties by means of electronic service on 9/20/18.

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/S/ Paula J. Murray

Paula J. Murray