

**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 Prairie Gas Operations, LLC ("Operator") to comply with K.A.R. 82-3-111 at the Clift #1, Sell A #1, and Hazlett #2 wells in Greeley and Hamilton County, Kansas.)	Docket No. 18-CONS-3125-CPEN
)	Docket No. 18-CONS-3128-CPEN
)	CONSERVATION DIVISION
)	
In the Matter of the Failure of Prairie Gas Operations, LLC ("Operator") to comply with K.A.R. 82-3-111 at the Hoffman G #32-1 in Greeley County, Kansas.)	License No.: 35442
)	
)	

PREHEARING OFFICER ORDER CLOSING DOCKET

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 and concludes as follows:

1. On August 31, 2017, the Commission issued Penalty Orders in Docket Nos. 18-CONS-3125-CPEN and 18-CONS-3128-CPEN, finding the Operator committed violations of K.A.R. 82-3-111 because the subject wells noted as the Clift #1, Sell A #1, Hazlett #2 and Hoffman G #32-1 (subject wells) have been inactive in excess of the time allowed by regulation without being plugged, returned to service, or approved for Temporary Abandonment (TA) status.¹ The Orders fined the Operator \$300 and \$100 respectively and ordered the subject wells be returned to service or obtain TA status for the wells if eligible.²

¹ Penalty Order at 2-3, *In the Matter of the Failure of Prairie Gas Operations, LLC to comply with K.A.R. 82-3-111 at the Clift #1, Sell A#1 and Hazlett #2 wells in Greeley and Hamilton County, Kansas*, Docket No. 18-CONS-3125-CPEN (Aug. 31, 2017); Penalty Order at 2-3, *In the Matter of the Failure of Prairie Gas Operations, LLC to comply with K.A.R. 82-3-111 at the Hoffman G#32-1 in Greeley County, Kansas*, Docket No. 18-CONS-3128-CPEN (Aug. 31, 2017).

² *Id.*

2. On October 3, 2017, the Operator requested a hearing in both Dockets.
3. On November 9, 2017, the Commission consolidated the two dockets and set the matter for a prehearing conference.³
4. On January 16, 2018, the Prehearing Officer convened the Prehearing Conference. The Operator failed to attend.
5. On January 22, 2018, Commission Conservation Staff (Staff) filed a Motion for Default Order. Staff stated the Operator had brought the subject wells into compliance but had yet to pay the \$400.00 in penalties.⁴
6. On January 26, 2018, the Operator filed a confidential settlement proposal.
7. On February 5, 2018, Staff filed a Motion to Eliminate Confidential Designation and Strike from the Record the Operator's settlement proposal.⁵ Staff alleged that the Operator had failed to comply with Commission regulations concerning pleadings and the confidential designation of information filed with the Commission.⁶ Staff specifically requested the Motion for Default Order be granted.⁷
8. On February 27, 2018, the Commission issued a Proposed Default Order followed by a Nunc Pro Tunc Order on March 1, 2018.
9. On March 6, 2018, the Operator filed a motion to vacate the Proposed Default Order. The Operator stated that the subject wells were in compliance with Commission regulations.⁸

³ Order Consolidating Dockets, Designating Prehearing Officer and Setting Prehearing Conference at 2 (Nov. 9, 2017).

⁴ Motion for Default Order at 1 (Jan. 22, 2018).

⁵ The Motion was filed on February 5, 2018, however the Commission wishes to note that it was not served until February 6, 2018.

⁶ Motion to Eliminate Confidential Designation and Strike from the Record at 2-3 (Feb. 5, 2018).

⁷ *Id.* at 3.

⁸ Motion to Vacate or Amend Proposed Default Order at 2 (Mar. 6, 2018).

10. On March 16, 2018, Staff filed a response opposing the Operator's motion. Commission Staff posited that the only remaining requirement of the Operator was to pay the \$400 in fines.⁹

11. On March 27, 2018, the Operator filed a motion stating that the "Motion to Vacate is moot and the docket should now be closed."¹⁰ The Operator stated that all fines had been paid and the Operator is otherwise compliant.¹¹ The Operator thus moved to close the docket.¹² Staff did not respond.

12. The Operator filed a request to vacate the Proposed Default Order but has since withdrawn that request. The Operator has also complied with all requirements of the Penalty Order. Therefore, there is no need for further Commission action. Pursuant to the Prehearing Officer's delegation under K.S.A. 77-551(c) to handle procedural matters, the Prehearing Officer finds that this this docket should be closed, and therefore grants the Operator's request.

THEREFORE, THE PREHEARING OFFICER ORDERS:

- A. Docket Nos. 18-CONS-3125-CPEN and 18-CONS-3128-CPEN shall be closed.
- B. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further orders as it may deem necessary.

Dated: April 11, 2018

DLK/sc

//s Dustin L. Kirk

Dustin L. Kirk
Prehearing Officer

⁹ Staff's Response in Opposition to Motion to Vacate or Amend Default Order at 3 (March 16, 2018).

¹⁰ Motion to Withdraw Motion to Vacate or Amend Proposed Default Order at 1 (March 27, 2018).

¹¹ *Id.*

¹² *Id.*

CERTIFICATE OF SERVICE

18-CONS-3125-CPEN

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of electronic service on 04/11/2018.

DUSTIN KIRK, DEPUTY GENERAL COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604-4027
Fax: 785-271-3354
d.kirk@kcc.ks.gov

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

STEPHEN PFEIFER
KANSAS CORPORATION COMMISSION
DISTRICT OFFICE NO. 1
210 E. FRONTVIEW SUITE A
DODGE CITY, KS 67801
Fax: 785-271-3354
s.pfeifer@kcc.ks.gov

IAN B. ACREY
Prairie Gas Operating, LLC
PO BOX 2170
TULSA, OK 74101
iacrey@pge-llc.com

LEE THOMPSON, ATTORNEY
THOMPSON LAW FIRM, LLC
D/B/A THOMPSON LAW FIRM, LLC
OCCIDENTAL PLAZA
106 E 2ND ST.
WICHITA, KS 67202
Fax: 316-267-3901
lthompson@tslawfirm.com

/S/ DeeAnn Shupe

DeeAnn Shupe