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

Before Commissioners:

Andrew J. French, Chairperson Dwight D. Keen Annie Kuether

In the matter of the failure of SH Oil) Operations, LLC (Operator) to comply with) K.A.R 82-3-111 at twenty-nine wells in Chase, Harvey, and Morris Counties, Kansas.

Docket No: 25-CONS-3378-CPEN

CONSERVATION DIVISION

License No: 35837

ORDER DESIGNATING PRESIDING OFFICER AND SETTING PREHEARING CONFERENCE

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The Commission rules as follows:

1. On May 20, 2025, the Commission issued a Penalty Order in this docket against Operator for violation of K.A.R. 82-3-111. On June 20, 2025, Operator requested a hearing.

- 2. Under K.S.A. 77-551(c), the Commission finds a Presiding Officer should be designated in this proceeding to determine procedural matters that may arise prior to a hearing on the merits, including but not limited to conducting prehearing conferences.¹
 - 3. The Commission finds a prehearing conference should be scheduled.
 - 4. Under K.A.R. 82-1-228(d)(1), any party may either "appear before the Commission

and be heard in person on that party's own behalf," or appear before the Commission through a licensed attorney. Because Operator is an artificial entity, it cannot appear in person.² Thus, Commission regulations require artificial entities such as Operator to appear before the Commission via counsel. Even if Commission regulations did not require counsel in this matter, the Commission finds it would be in the public interest to require counsel via order.³

¹ See also K.S.A. 77-516 and K.S.A. 77-517.

² See State ex rel. Stephan v. Williams, 246 Kan. 681, 691 (1990).

³ The administration of justice is efficiently furthered by requiring persons licensed to practice law and familiar with procedure to represent artificial entities. See In re Arnold, 274 Kan. 761, 770 (2002). See also K.S.A. 77-515(c) ("A state agency may require a corporation or other artificial person to participate by counsel.").

THEREFORE, THE COMMISSION ORDERS:

A. The Presiding Officer for prehearing matters 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 jon.myers@ks.gov. The Commission may designate others to serve in this capacity.

B. A prehearing conference is scheduled for **Thursday**, **July 10, 2025**, **at 1:15 p.m.** by telephone. The conference call information is: telephone number (253) 205-0468, Meeting ID 5248125436.⁴ **Operator must appear via a licensed attorney**.

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. 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.⁵

D. Although a presiding officer is designated, parties are still required to file pleadings with the Commission, and filings shall be made with the Commission's docket room. Any filing received after 5:00 p.m. shall be considered filed the next business day. In addition, any late filing shall be accompanied by a Motion to File Out-of-Time. <u>The Commission directs electronic service</u> of all filings in the docket to include service on the Presiding Officer and mailed service of all filings to be directed to the Presiding Officer's attention.

⁴ If prompted, there is no Participant ID; just press pound to continue.

⁵ K.S.A. 77-506; K.S.A. 77-516(c)(7)-(8).

E. The attorney designated to appear on behalf of the agency in this proceeding is Tristan

Kimbrell, Litigation Counsel, telephone number (316) 337-6200, tristan.kimbrell@ks.gov.

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 06/26/2025

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Celeste Chaney-Tucker Executive Director

Mailed Date: 06/26/2025

CERTIFICATE OF SERVICE

25-CONS-3378-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 06/26/2025

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 dan.fox@ks.gov

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/S/ KCC Docket Room KCC Docket Room