

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

In the matter of the failure of Castle Resources, Inc. ("Operator") to comply with K.A.R. 82-3-107 and K.A.R. 82-3-130 at the Steinhsoouer Hill Farms #1 in Sheridan County, Kansas.)	Docket No.: 20-CONS-3097-CPEN
)	CONSERVATION DIVISION
)	License No.: 9860

MOTION TO RESCIND ORDER

The Staff of the State Corporation Commission of the State of Kansas ("Staff" and "Commission," respectively), moves the Commission rescind the Penalty Order in this docket. In support of its motion, Staff states the following:

1. On October 3, 2019, the Commission issued a Penalty Order finding the Operator had committed one violation of K.A.R. 82-3-107 and K.A.R. 82-3-130 because the Operator did not submit a complete and accurate well completion report for the subject well, with the associated documents, within 120 days of the spud date.

2. On October 17, 2019, Operator filed a request for hearing stating that it submitted the well completion report (ACO-1) on July 31, 2019, and submitted the requisite logs for the report on September 12, 2019 after receiving a Notice of Violation letter from Staff dated September 5, 2019 notifying Operator that the ACO-1 report was incomplete.¹ Due to certain language contained in the Notice of Violation letter, Operator believed it had until September 19, 2019 to submit the logs for the July 31, 2019 ACO-1, when in fact Operator was already beyond the time to submit the logs because the ACO-1 for the subject well was no longer active.

3. Following the receipt and review of additional information regarding this matter, Staff confirmed that the well completion report had been returned to Operator as incomplete on August 1, 2019 because the requisite logs were not attached, and that Operator did submit the logs on September 12, 2019, as stated. Based on the confusion with the September 19, 2019 date, Staff advised Operator to resubmit a well completion report for the Steinhsoouer Hill

¹ Operator indicated that the logging company it utilizes generally submits the logs on a timely basis, but that there was an apparent oversight on the part of the logging company with regard to the Steinhsoouer Hill Farms #1.

Farms #1 with the logs attached, and Operator did so on November 25, 2019. At this time, Staff does not believe expending resources to prosecute this matter is in the best interests of the state.

WHEREFORE, for the reasons set forth above, Staff recommends the Commission rescind its Penalty Order and close the docket.

Respectfully submitted,



Kelcey A. Marsh #28300
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)

Kelcey A. Marsh, 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.

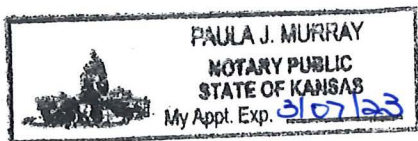


Kelcey A. Marsh, S. Ct. #28300
Litigation Counsel
State Corporation Commission
of the State of Kansas

SUBSCRIBED AND SWORN to before me this 26 day of Nov, 2019.


Notary Public

My Appointment Expires: 3/07/23



CERTIFICATE OF SERVICE

20-CONS-3097-CPEN

I, the undersigned, certify that a true copy of the attached Motion to Rescind Order has been served to the following by means of first class mail and electronic service on November 26, 2019.

JERRY GREEN
CASTLE RESOURCES, INC.
PO BOX 583
RUSSELL, KS 67665-0583

KELCEY MARSH, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
CENTRAL OFFICE
266 N. MAIN ST, STE 220
WICHITA, KS 67202-1513
Fax: 785-271-3354
k.marsh@kcc.ks.gov

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

KAREN RITTER
KANSAS CORPORATION COMMISSION
266 N. Main St., Ste. 220
WICHITA, KS 67202-1513
Fax: 785-271-3354
k.ritter@kcc.ks.gov

RENE STUCKY
KANSAS CORPORATION COMMISSION
266 N. Main St., Ste. 220
WICHITA, KS 67202-1513
Fax: 785-271-3354
r.stucky@kcc.ks.gov

/S/ Paula J. Murray

Paula J. Murray