

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the Matter of the Request to Transfer Wells)
from Daylight Petroleum, LLC to Bluejacket) Docket No. 25-CONS-3235-CMSC
Operating, LLC.)

**RESPONSE OF DAYLIGHT PETROLEUM, LLC
TO STAFF WITHDRAWAL OF MOTION**

Daylight Petroleum, LLC ("Daylight"), by and through its attorney, Keith A. Brock, hereby files this response in opposition to Staff's "Withdrawal of Motion" filed herein on June 20, 2025. In support hereof, Daylight Petroleum, LLC states:

1. On January 21, 2025, Staff filed its Motion for the Designation of Presiding Officer and the Scheduling of a Prehearing Conference ("Staff's Motion").

2. On January 29, 2025, Daylight entered its appearance in this docket and asked that Staff's Motion be denied.

3. On February 6, 2025, the Commission granted Staff's Motion over the objection of Daylight. A prehearing conference was thereafter held in this Docket.

4. On March 25, 2025, Bluejacket Operating LLC ("Bluejacket") filed a Motion to Dismiss in this Docket which included a request for affirmative relief to order the T-1 transfers to be approved and the transfer of operatorship to Bluejacket.

5. On March 28, 2025, Daylight filed a Motion to Dismiss/Motion for Summary Judgment, which requested affirmative relief, "finding as a matter of law that the T-1 transfers must be approved and ordering Staff to process said T-1 transfers forthwith and assign the wells listed thereon and applicable injection authorities to Bluejacket."

6. On June 20, 2025, Staff filed a "Withdrawal of Motion" which attempts to unilaterally withdraw Staff's Motion (which was already granted and disposed of by the Commission on February

6, 2025).

7. Both Bluejacket and Daylight have requested affirmative relief in this Docket via the two motions referenced above and the Commission cannot close this Docket without deciding such issues. *See* K.S.A. 77-621(c)(3).

8. Moreover, Staff opened this Docket because it was not willing to approve certain T-1 transfers from Daylight to Bluejacket. In Staff's "Withdraw of Motion" it expressly states that once this Docket is closed, it plans to approve some of the T-1 transfers but deny others. Thus, the issue is not resolved until Staff approves ALL of the T-1 transfers which have been submitted. As a matter of law, Staff is required to process all of the T-1 transfers which have been filed and until this occurs, all of the issues which have been raised in this Docket have not been resolved.

9. Paragraph 3 of Staff's "Withdraw of Motion" expressly states,

Staff intends to process the T-1 forms between Daylight and Bluejacket once they are resubmitted, **as long as they meet the requirements of K.A.R. 82-3-136. Further, Staff will not transfer injection authority for any currently permitted injection wells if Staff finds an abandoned well or any of the wells remaining under Daylight's license within a quarter mile area of review pursuant to K.A.R. 82-3-410.**

(emphasis added). Thus, it makes no sense and would be procedurally improper to close this Docket until all of the issues requiring resolution have been addressed, i.e. until all of the wells and authorities sought to be transferred have been transferred.

10. It should also be noted that Staff initially approved and processed all of the T-1 transfers and injection authorities at issue, and revoked them only because "[Staff] currently ha[s] ongoing litigation with Daylight Petroleum." Subsequently, Daylight submitted discovery requests to Staff asking that all concerns or reasons why the T-1 transfers and authorities described therein were not approved and to list each T-1 and effected well and the specific concern, deficiency or defect

applicable thereto. Staff did not identify a single specific issue with any of the individual T-1 transfers or any wells thereon and cited only general concerns. Finally, Staff failed to identify any specific issues with any of the T-1 transfers at issue or any injection authorities at issue therein in its Response to either Daylight's Motion to Dismiss/Motion for Summary Judgment, or in its Response to Bluejacket's Motion to Dismiss. Thus, based on these facts and as set forth in the Motion to Dismiss/Motion for Summary Judgment filed by Daylight herein, Staff must approve ALL of the T-1 transfers which have been submitted and transfer all injection authorities at issue therein. If Staff is willing to do this, then Daylight would consent to closing this Docket. However, Staff expressly indicated it still plans to deny or refuse to process some unspecified T-1 transfers, and wells or injection authorities associated therewith without any legal basis for doing so. Thus, the issues raised in this Docket have not been fully resolved and the Commission has not ruled on all issues requiring resolution.

WHEREFORE, Daylight Petroleum, LLC respectfully requests the Commission deny Staff's "Withdrawal of Motion" for the reasons specified herein and further finding as a matter of law that the T-1 transfers must be approved and ordering Staff to process said T-1 transfers forthwith and assign the wells listed thereon and applicable injection authorities to Bluejacket.

/s/ Keith A. Brock

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing was sent via electronic mail this 26th day of June, 2025, addressed to:

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