

**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 Veem Jade Oil & Gas LLC, for an exception to the 10-year limitation of K.A.R. 82-3-111 for its Smith A #1 well in Section 28, and Smith B #8 well in Section 21, Township 29 South, Range 9 East, Elk County, Kansas.	)	Docket No: 18-CONS-3149-CEXC
	)	CONSERVATION DIVISION
	)	License No. 32874

**ORDER SETTING PROCEDURAL SCHEDULE**

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 the following:

1. On September 15, 2017, Veem Jade Oil & Gas LLC (Operator) filed an Application for Exception from the K.A.R. 82-3-111(b) 10-Year Limit regarding the Operator's Smith A #1 and Smith B #8 wells located in Township 29 South, Range 9 East, Elk County, Kansas.<sup>1</sup>

2. On June 21, 2018, Commission Conservation Staff (Staff) filed a Motion for the Designation of a Prehearing Officer and the Scheduling of a Prehearing Conference (Staff's Motion). Staff's Motion stated that Staff had previously notified the Operator of several issues Staff had with the Application, which Staff had asked the Operator to address by April 30, 2018.<sup>2</sup> One particular issue, according to Staff, was the Application's ostensible lack of various data necessary for Staff's analysis.<sup>3</sup> Staff further stated, "To date, none of the issues raised by Staff have been addressed."<sup>4</sup> Thus, Staff requested that a Prehearing Conference be scheduled.<sup>5</sup>

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<sup>1</sup> Application for Exception from the K.A.R. 82-3-111(b) 10-Year Limit (Sept. 15, 2017) (Application).

<sup>2</sup> Staff's Motion, ¶ 2 (June 21, 2018).

<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

<sup>5</sup> *Id.* at ¶ 3.

3. On July 2, 2018, the Operator responded to Staff's Motion, noting there have been no protests of the Operator's Application.<sup>6</sup> The Operator expressed its interest in advancing this matter through informal consultation with Staff, but stated that if the Commission finds a Prehearing Conference to be necessary, it does not object.<sup>7</sup> The Operator also offered two alleged corrections to statements in Staff's Motion.<sup>8</sup> The Operator asked that its Application be granted without a hearing.<sup>9</sup>

4. On July 12, 2018, Staff filed a Response to the Operator's Response to Staff's Motion, asking the Commission to grant Staff's Motion for Designation of a Prehearing Officer and the Scheduling of a Prehearing Conference.<sup>10</sup>

5. On July 17, 2018, the Commission issued its *Order Designating Prehearing Officer and Setting Prehearing Conference*, scheduling a Prehearing Conference for August 9, 2018.

6. On August 9, 2018, a Prehearing Conference was held, wherein the parties agreed to continue the Prehearing Conference until October 11, 2018.

7. At the October 11, 2018 Prehearing Conference the parties agreed to the following procedural schedule:

Operator's Pre-filed Direct Testimony	Due: December 17, 2018
Staff Pre-filed Direct Testimony	Due: January 7, 2019
Rebuttal Testimony	Due: January 14, 2019
<u>Evidentiary Hearing before the Commission</u>	January 24, 2019, 10:00 a.m.
266 N. Main, Suite 220, Wichita, Kansas 67202	

8. Failure to submit pre-filed testimony may result in the Commission restricting the right to testify and present evidence at the evidentiary hearing. At the hearing, the Commission may limit the parties' direct and rebuttal testimony to the pre-filed testimony.

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<sup>6</sup> Response to Staff Motion for Prehearing Officer and Prehearing Conference, ¶ 2 (July 2, 2018) (Response).

<sup>7</sup> *Id.*

<sup>8</sup> *Id.* at ¶ 3.

<sup>9</sup> *Id.* at p. 4.

<sup>10</sup> Staff's Response to Operator's Response to Staff Motion for Prehearing Officer and Prehearing Conference, p. 4 (July 12, 2018).

9. Any settlement agreement the parties wish to present for Commission consideration shall be due by January 14, 2019.

10. Any person requiring special accommodations under the Americans with Disabilities Act should notify the Commission at least 10 days before the scheduled hearing date.

11. Any party who fails to attend or participate in the evidentiary hearing or in any other stage of this proceeding may be held in default under the Kansas Administrative Procedure Act.<sup>11</sup>

**THEREFORE, THE COMMISSION ORDERS:**

A. The procedural schedule set forth in paragraph 7 above is adopted.

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).<sup>12</sup>

C. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further orders as it deems necessary.

**BY THE COMMISSION IT IS SO ORDERED.**

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 10/18/2018



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Lynn M. Retz  
Secretary to the Commission

Date Mailed: 10/19/2018

MJD/sb

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<sup>11</sup> K.S.A. 77-518(c)(8); K.S.A. 77-520.

<sup>12</sup> 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).

**CERTIFICATE OF SERVICE**

18-CONS-3149-CEXC

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 10/18/2018.

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