BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the matter of the failure of Yellow Rose)	Docket No. 25-CONS-3249-CPEN
Operating Co. LLC (Operator) to comply with)	
K.A.R. 82-3-407 at five wells in Labette County,)	
Kansas. Request for Hearing regarding Penalty)	CONSERVATION DIVISION
Order.)	
Applicant: Yellow Rose Operating Co, LLC)	
Respondent: Kansas Corporation Commission)	License No. 36119

COMES NOW Yellow Rose Operating Co. LLC to request a hearing in the above matter, and states as follows:

- 1. Operator is Yellow Rose Operating Co. LLC, a Kansas Limited Liability Company with its principal office at 2035 Island Oak St., Houston, Texas 77062.
- 2. Applicant has been issued by the Kansas Corporation Commission Operator's License 36119.
 Operating authority for the wells, which are the subject of this proceeding, was approved by the
 Commission on December 30, 2024, although the first notice of same was received by mail on January 2,
 2025. Operator first took over operations on that date.
- 3. Operator was apparently issued a Notice of Violation Mechanical Integrity Test (MIT) on December 30, 2024, which Notice was not received by Operator until January 6, 2025. The Notice required Operator to conduct MITs on five wells by January 13, 2025, only seven days after receiving formal notification.
- 4. Operator contacted the District Staff and explained that it could not complete the MITs by the required date because of the short notice and the fact that the service contractor which Operator

employs was performing previously scheduled work for other parties and was unavailable to Operator. In addition, due to prevailing weather conditions in the area of the lease acreage, which is primarily low-lying bottomlands, the property surrounding the well sites was excessively muddy and unable to support the heavy equipment that would be necessary to prepare the subject wells and conduct the tests.

Subsequent to January 13, 2025 Operator's contractor has attempted to access the subject wells and conduct work preparatory for the MITs without success. Weather conditions have oscillated between rain and minor flooding and extreme cold, making the MITs unworkable. Operator has done everything it can to try to accomplish the work, but has been stymied by forces beyond its control.

- 5. Operator was issued a Penalty Order on February 6, 2025 assessing a \$5,000 fine.
- 6. Operator respectfully requests that the Commission grant Operator a hearing to appeal the Penalty Order and the issues contained therein pursuant to K.S.A. 55-164, K.S.A. 77-537 and K.S.A. 77-542, and specifically to:
 - a. Grant a suspension of the Penalty Order to allow the Operator to conduct the MITs on the subject wells as soon as weather conditions improve sufficiently to allow safe access to the wells, but no later than April 30, 2025;
 - Waive all or a portion of the penalty, conditioned on Operator bringing the subject wells into compliance; and
 - c. Such further relief as the Commission deems necessary and proper.

{Intentionally Blank}

Respectfully Submitted,

Yellow Rose Operating Co. LLC

2035 Island Oak St.

Houston, Texas 77062

Ph: 713-628-6582

Chester J. Jachimiec, President

VERIFICATION

STATE OF TEXAS) ss:
COUNTY OF HARRIS)

Chester J. Jachimiec, being of lawful age and being first duly sworn upon his oath, deposes and says:

That he is the President of Yellow Rose Operating Co. LLC; he has read the above and forgoing Request for Hearing and is familiar with its contents, and that the statements made therein are true and correct to the best of his knowledge and belief.

Chester J. Jachimiec

SIGNED AND SWORN to before me this 3c day of February, 2025.

My Appointment expires:
Apr. 1 4, 2024

Notary Public

CERTIFICATE OF SERVICE

I, Chester J. Jachimiec, hereby certify that on this <u>Qb</u> day of February, 2025, I caused the original of the foregoing **Request for Hearing** to be electronically filed with the Conservation Division of the State Corporation Commission of the State of Kansas, and emailed true and correct copies of the same to the following individuals:

Tristan Kimbrell, Litigation Counsel Kansas Corporation Commission Central Office 266 N. Main St, Ste 220 Wichita, KS 67202-1513 tristan.kimbrell@ks.gov

Chester J. Jachimiec