

THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

Before Commissioners: Pat Apple, Chairman  
Shari Feist Albrecht  
Jay Scott Emler

In the matter of the failure of VEEM Jade )  
Oil & Gas LLC (“Operator”) to comply with ) Docket 18-CONS-3221-CPEN  
K.A.R. 82-3-111 at the Daves #21, Smith A ) CONSERVATION DIVISION  
#2, Smith B #10 and Smith B #12 in Elk ) License No. 32874  
County, Kansas. )

**PETITION FOR RECONSIDERATION**

COMES NOW, Veem Jade Oil & Gas LLC (“Operator”), and petitions the Commission for reconsideration of its January 25, 2018<sup>1</sup>, Order extending Operator’s license suspension. In support for its petition, Operator states the following:

1. Operator has now filed its Affidavits of Publication for its Temporary Abandonment Application, in Docket # 18-CONS-3260-CEXC, thus demonstrating to the Commission that the required notice the Commission deemed lacking, has been provided. At the time the Commission issued its January 25, 2018 Order, the required notices for Operator’s Temporary Abandonment application in Docket # 18-CONS-3260-CEXC, had been submitted to the newspapers and published, but the Operator had not yet received the affidavits.)
2. The remaining requirements imposed by the Commission in its January 25 Order, require on site work at the subject wells, thus requiring an operating license. Operator reported in its January 2, 2018, Temporary Abandonment Application, that it had summoned a

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<sup>1</sup>For clarification purposes, this Order was not served on Operator until January 26, 2018, due to a glitch in the Commission’s computer.

service rig, and was expecting that rig to be available around mid-January. That service rig would have gathered the information sought by the Commission, and for the Operator, would have provided information for determining if Operator should plug the wells or return them to service. Because Operator had been warned that its license was suspended, and was facing stiff fines if caught operating, Operator had to decline the rig and postpone the work, when the rig did become available in mid-January.

Once Operator's license suspension is lifted, Operator will summon the service rig to do the planned work at its earliest available date.

3. Operator is uncertain of the next procedural step in the Temporary Abandonment dockets 18-CONS-3149-CEXC and 18-CONS-3260-CEXC, but Operator has prepared, draft Temporary Abandonment (KCC Form CP-111) applications for the subject wells for which Temporary Abandonment is sought, to the extent information is known, and plans to file those draft forms in the respective dockets.
4. Provided its operating license suspension is lifted, Operator plans to proceed with its diagnostics on the subject wells, and will initially attempt to return each well to production; which to the extent successful, will make the two pending Temporary Abandonment dockets moot as to those producing wells. Temporary Abandonment will still be sought for those wells that through testing are determined to require further repairs or modifications. Operator will submit plugging applications and proceed with plugging any of the wells that show no production potential and unacceptable casing integrity problems. A roadmap with target dates can provided in the respective Temporary Abandonment dockets, if required.
5. As stated in its Motion for Expedited Order, Operator is in a catch-22 situation; it being denied the authority and means to conduct the operations that are necessary to further

comply with the Commission's order. For that reason, and based on Operator showing that it has in fact met the notice requirements for its Temporary Abandonment application in Docket # 18-CONS-3260-CEXC, Operator submits that all matters in this docket have been cured and resolved. To the extent the Commission may disagree and deem any matter in the instant docket unaddressed, Operator's application in Docket # 18-CONS-3260-CEXC, provides a forum for the Commission to address said matter(s) and make such further guidance, rulings and requirements as deemed necessary and appropriate.

6. Operator submits that it would be arbitrary and capricious to impose operating requirements on Operator, while denying Operator the licensing authority to carry out the required work. Unless Operator has somehow misunderstood the Commission's requirements, Operator is now in that catch-22 situation, which situation continues with each day that the Operator's license continues to be suspended.
7. Operator's Proposed Order submitted on January 8, 2018, remains available to the Commission and is appropriate for granting the requested relief.

WHEREFORE, Operator requests that the Commission reconsider its January 25, 2018, Order, and declare that the automatic suspension of Operator's license is lifted, and for such other relief as the Commission deems necessary and appropriate.

Respectfully Submitted,

EDMISTON LAW OFFICE, LLC

By: /s/ Diana Edmiston

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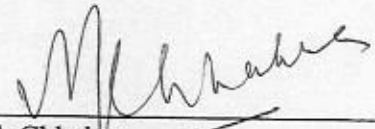
[diana@edmistonlawoffice.com](mailto:diana@edmistonlawoffice.com)

*Attorney for Veem Jade Oil & Gas LLC*

VERIFICATION

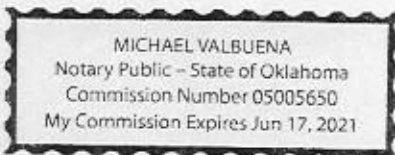
STATE OF OKLAHOMA                    )  
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COUNTY OF \_\_\_\_\_)

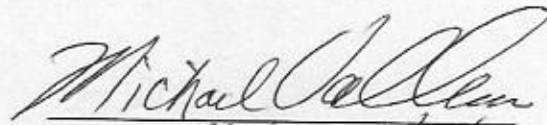
Mahesh Chhabra, of lawful age, being first duly sworn, upon oath states that he is the Managing Member of Veem Jade Oil & Gas LLC; and that he has read the foregoing Petition for Reconsideration, is familiar with the contents thereof, and that the statements contained therein are true and correct according to his knowledge, information and belief.

  
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Mahesh Chhabra

Subscribed and sworn to before me, a notary public.

My appointment expires: 6/17/21



  
Name Michael Valbuena  
Notary Public

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 9<sup>th</sup> day of **February, 2018**, she caused the above and foregoing **Petition for Reconsideration** to be electronically delivered, to the following person at the addresses shown:

Jon Myers, Litigation Counsel  
Kansas Corporation Commission  
Conservation Division  
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/s/ Diana Edmiston