

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

In the matter of the responsibility of Running) Docket No.: 25-CONS-3324-CMSC
Foxes Petroleum Inc. (Operator) for abandoned)
wells pursuant to K.S.A. 55-179.) CONSERVATION DIVISION
)
) License No.: 33397
_____)

**MOTION REQUESTING THE COMMISSION ISSUE A
SUBPOENA COMPELLING PRODUCTION OF BUSINESS
RECORDS FROM CROSS COUNTRY VENTURES, LLC
PURSUANT TO K.S.A. 55-605 AND K.A.R. 82-1-227**

Running Foxes Petroleum Inc. (“Running Foxes”) moves the State Corporation Commission of the State of Kansas (“KCC” or “Commission”) for the issuance of a Business Records Subpoena to Cross Country Ventures, LLC (“CCV”) as follows:

PROCEDURAL HISTORY

1. In the Penalty Order entered in Docket No. 24-CONS-3280-CPEN, (“Docket 24-3280”), the Commission ordered that CCV is responsible for the following six wells located on the Guy lease located in Section 28, Township 28 South, Range 22 East, Crawford County, Kansas (“Guy Wells”).¹

- 1) Guy #I-1, API #15-037-01433
- 2) Guy #I-2, API #15-037-1434
- 3) Guy #5-28B-INJ, API #15-037-22325
- 4) Guy #23, API #15-037-01714
- 5) Guy #8, API #15-037-19395
- 6) Guy # 25, API #15-037-01708

In that Penalty Order, the Commission further ordered CCV to “immediately shut-in all unplugged wells on its license” and “[i]f any unplugged wells remain... after 60 days from the date of this

¹ Penalty Order, April 11, 2024, Ex. A, Docket No. 24-CONS-3280-CPEN, *In the matter of the failure of Cross Country Ventures, LLC (Operator) to comply with K.A.R. 82-3-120.*

Order [April 11, 2024], then... Staff is directed to place the wells on the appropriate state plugging list.”²

2. In the Penalty Order entered in Docket No. 24-CONS-3370-CPEN (“Docket 24-3370”), the Commission ordered that CVV was responsible for the care and control of three Guy Lease injection wells in 2023. The three wells were the Guy #I-1, Guy #I-2, and Guy #5-28B-INJ.³

3. Running Foxes has not owned nor operated the Subject Wells for more than three years. Operator sold all of its right, title, and interest in and to the Guy Wells and the Guy lease to CVV in a Purchase and Sale Agreement effective January 1, 2022.⁴ The PSA provisions include various requirements ensuring that CVV had undertaken full control and responsibility of the Guy Wells and the Guy lease. Notedly, Section 11.15 of the PSA provides that:

“In the event after closing and [CCV’s] acquisition of the wells listed in Exhibit A and Exhibit B (sic.) shall be liable both corporately and personally to plug said wells and hold [Operator] harmless to any costs incurred either through actions or requests by landowners, Kansas Corporation Commission, Environmental Protection Agency or any other governmental agency whether Township, County, State and Federal. [CCV] shall bear all costs of plugging and clean-up of said wells in Exhibit A and B.”⁵

4. A Form T-1 showing an effective transfer date of February 10, 2022 (over three years ago), was properly completed, submitted, and approved by Commission staff, which transferred responsibility for the Guy Wells from Operator to CCV.⁶

5. On October 10, 2024, District #3 Staff conducted a lease inspection of the Guy lease. Staff’s inspection found 35 inactive wells which were listed under the expired and suspended

² Penalty Order, Ordering Clause D(c).

³ Penalty Order, May 20, 2024, ¶ 5, *In the matter of the failure of Cross Country Ventures, LLC (Operator) to report activity that occurred during the 2023 calendar year in compliance with K.A.R. 82-3-409.*

⁴ PSA (all of the Guy Wells are listed on Exhibit “A” to PSA).

⁵ PSA at Section 11.15.

⁶ T-1 Transfer of Operator.

license of CCV. Commission staff now alleges that Operator is somehow responsible for the Subject Wells, and filed a motion to open the captioned docket.⁷

6. On May 8, 2025, Operator filed a Motion to Join Necessary Parties or, in the Alternative, to Join Proceedings with the Commission to request joinder of CCV and Glenda Cutler, in her individual capacity pursuant to K.S.A. 60-219(a). In the Motion, Operator argued that, as the operator of the Guy Wells for the previous three years, CCV is the only party with possession of the direct evidence that would exonerate Operator from responsibility for plugging the Guy Wells.⁸

7. The Commission denied Operator's Motion to Join Parties on July 1, 2025.

REQUESTED ACTION

1. Operator requests that the Commission issue a subpoena to CCV pursuant to K.S.A. 55-605 and K.A.R. 82-1-227 compelling the production all evidence in CCV's possession concerning the status of the Subject Wells from and after the date of transfer from Running Foxes.

2. A proposed Subpoena of Business Records that Running Foxes requests be issued by the Commission is attached hereto.

Respectfully submitted,

MORRIS LAING LAW FIRM

By: _____
Jonathan A. Schlatter, #24848
300 N. Mead, Suite 200
Wichita, KS 67202-2745
Telephone: (316) 262-2671
Email – jschlatter@morrislaing.com
Attorneys for Running Foxes Petroleum, LLC

⁷ Motion for the Designation of a Presiding Officer and Scheduling of a Prehearing Conference, ¶ 1, 2, *In the matter of the responsibility of Running Foxes Petroleum, Inc. (Operator) for abandoned wells pursuant to K.S.A. 55-179.*

⁸ *See*, K.S.A. 66-179(b)(2). Operator can have no plugging responsibility if CVV produced or injected into the Guy Wells, or if the Guy Wells were physically operating or otherwise compliant at the time the T-1 was approved.

VERIFICATION

STATE OF KANSAS)
COUNTY OF SEDGWICK) SS

Jonathan A. Schlatter, of lawful age, being duly sworn upon his oath deposes and states:

That he is one of the attorneys for and has the authority of Running Foxes, Inc. to file this Motion Requesting the Commission Issue A Subpoena Compelling Production of Business Records From Cross Country Ventures, LLC Pursuant to K.S.A. 55-605 AND K.A.R. 82-1-227, that he has read the above and foregoing application and is familiar with the contents thereof; and, that the statements made therein are true and correct to the best of his knowledge and belief.

Jonathan A. Schlatter

SUBSCRIBED AND SWORN to before me this _____ day of August, 2025.

Notary Public

My Appointment Expires:

CERTIFICATE OF SERVICE

The undersigned hereby certify that on this 15th day of August, 2025, I caused the original of the foregoing **Motion Requesting the Commission Issue A Subpoena Compelling Production of Business Records From Cross Country Ventures, LLC Pursuant to K.S.A. 55-605 AND K.A.R. 82-1-227** 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:

Jonathan R. Myers, Assistant General Counsel
Kansas Corporation Commission
266 N. Main St., Ste. 220
Wichita, KS 67202-1513
jon.myers@ks.gov

Kelcey Marsh, Litigation Counsel
Kansas Corporation Commission
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Running Foxes Petroleum, Inc.
14550 E. Easter Ave., Suite 200
Centennial, CO 80112-4222
stevedesco@runningfoxes.com

Jonathan A. Schlatter

In the matter of the responsibility of)
Running Foxes Petroleum, Inc. (Operator))
for abandoned wells pursuant to K.S.A.)
55-179)
_____)

STATE OF KANSAS)
) ss:
COUNTY OF SEDGWICK)

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4. All documents related to the winding up and dissolution of Cross Country Ventures, LLC (“CCV”), and any and all documents and communications to the creditors of CCV in connection with such winding up activities.

The term “Subject Wells” means the following described wells located on the following described lands:

- 1) Guy #I-1, API #15-037-01433
- 2) Guy #I-2, API #15-037-1434
- 3) Guy #5-28B-INJ, API #15-037-22325
- 4) Guy #23, API #15-037-01714
- 5) Guy #8, API #15-037-19395
- 6) Guy # 25, API #15-037-01708

Located in the NW/4 of Section 28-T28S-R22E, Crawford County, Kansas

You may make written objection to the production of any or all of the records listed above by serving such written objection upon Jonathan A. Schlatter of Morris Laing Law Firm, 300 N. Mead, Suite 200, Wichita, KS 67202, within 14 days after the subpoena is served. If such objection is made, the records need not be produced except upon order of the court.

Instead of appearing at the time and place listed above, it is sufficient compliance with this subpoena if a custodian of the business records delivers by mail or otherwise a true and correct copy of all the records described above and a copy of the affidavit below to Jonathan A. Schlatter of Morris Laing Law Firm, 300 N. Mead, Suite 200, Wichita, KS 67202 on or before within 14 days after the subpoena is served.

The records described in this subpoena shall be accompanied by the affidavit of a custodian of the records, a form for which is attached to this subpoena.

If the business has none of the records described in this subpoena, or only part thereof, the affidavit shall so state, and the custodian shall send only those records of which the custodian has custody. When more than one person has knowledge of the facts required to be stated in the affidavit, more than one affidavit may be made.

The reasonable costs of copying the records may be demanded of the party causing this subpoena to be issued. If the costs are demanded, the records need not be produced until the costs of copying are advanced.

The copy of the records will not be returned unless requested by the witness.

/s/Jonathan A. Schlatter

Jonathan A. Schlatter, #24848

Attorneys for Running Foxes Petroleum, Inc.

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AFFIDAVIT

STATE OF _____)
) ss:
COUNTY OF _____)

I, _____, being first duly sworn, on oath, depose and say that:

(1) I am a duly authorized custodian of the business records of CROSS COUNTRY VENTURES, LLC, and have the authority to certify those records.

(2) The copy of the records attached to this affidavit is a true copy of all the records described in the subpoena that are in the business' possession, custody or control.

(3) The records were prepared by the personnel or staff of the business, or persons acting under their control, in the regular course of the business at or about the time of the act, condition or event recorded.

Signature of Custodian

SUBSCRIBED AND SWORN to before the undersigned on this __ day of _____, 2025.

Notary Public

My Appointment Expires:

CERTIFICATE OF MAILING

I hereby certify that on ____ day of _____, 2025, I mailed a copy of the above Affidavit to Jonathan A. Schlatter of the Morris Laing Law Firm, 300 N. Mead, Suite 200, Wichita, Kansas 67202 by depositing it with the United States Postal Service for delivery with postage prepaid.

Signature of Custodian

Subscribed and sworn to before the undersigned on this ____ day of _____, 2025.

Notary Public

My Appointment Expires: