2019-02-12 16:25:50 Kansas Corporation Commission /s/ Lynn M. Retz

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the matter of the failure of VEEM Jade Oil & Gas LLC ("Operator") to comply with K.A.R. 82-3-111 at the Beaumont #B1, Beaumont #B2, Beaumont #B3, Beaumont #B4, Daves #D13, Daves #D15, Daves #D22 and Daves #D23 in Elk County, Kansas. Docket No.: 19-CONS-3108-CPEN

CONSERVATION DIVISION

License No.: 32874

MOTION TO CONTINUE EVIDENTIARY HEARING AND SCHEDULE STATUS CONFERENCE

The Staff of the State Corporation Commission of the State of Kansas ("Staff" and "Commission," respectively), moves the Commission continue the evidentiary hearing scheduled in this docket and schedule a status conference. In support of its motion, Staff states as follows:

1. On September 20, 2018, the Commission issued a Penalty Order finding the Operator had committed eight violations of K.A.R. 82-3-111 because the subject wells had been inactive in excess time allowed by regulation without being plugged, returned to service, or having obtained TA status.¹

2. On October 18, 2018, the Operator timely requested a hearing.

3. On November 27, 2018, the Commission issued its Order Setting Procedural Schedule, scheduling this matter for an Evidentiary Hearing before the Commission on February 21, 2019.²

4. On January 7, 2019, Staff filed the Prefiled Testimony of John Almond on behalf of Staff.

5. On January 22, 2019, the Operator filed the Testimony of Mahesh Chhabra on behalf of Veem Jade Oil & Gas LLC.

6. On February 4, 2019, Staff filed the Prefiled Rebuttal Testimony of John Almond.

7. On February 5, 2019, the Commission issued an Order Designating a New Prehearing Officer.

¹ Penalty Order – VEEM Jade Oil & Gas LLC, ¶ 10, (Sept. 20, 2018).

² Order Setting Procedural Schedule, ¶ A, (Nov. 27, 2018).

8. The Operator and Staff have agreed to enter into a compliance agreement that will address all eight of the subject wells. Therefore, Staff files this unopposed motion requesting the Evidentiary Hearing scheduled in this docket be continued to allow the parties time to finalize the terms of the compliance agreement.

9. Counsel for the Operator has reviewed this document and does not object to Staff filing this Motion to Continue the Evidentiary Hearing and Schedule a Status Conference.

WHEREFORE, for the reasons set forth above, Staff respectfully requests that the Commission continue the Evidentiary Hearing scheduled in this docket for February 21, 2019, and further requests the Commission schedule a status conference in this docket not sooner than 30-days after a Commission Order continuing the Evidentiary Hearing.

Respectfully submitted,

Lauren N. Wright #27616 Litigation Counsel Kansas Corporation Commission 266 N. Main, Suite 220 Wichita, Kansas 67202 Phone: 316-337-6200; Fax: 316-337-6211

VERIFICATION

STATE OF KANSAS)) ss. COUNTY OF SEDGWICK)

Lauren N. Wright, of lawful age, being duly sworn upon her oath deposes and states that she is Litigation Counsel for the State Corporation Commission of the State of Kansas; that she has read and is familiar with the foregoing *Motion*, and attests that the statements therein are true to the best of her knowledge, information and belief.

Lauren N. Wright, S. Ct. #27616 Litigation Counsel State Corporation Commission of the State of Kansas

SUBSCRIBED AND SWORN to before me this $\frac{12}{2}$ day of $\frac{12}{2}$, 2019.

mille Notary Public

My Appointment Expires: 307 19

PAULA J. MURRAY NSAS My Appt Exp

CERTIFICATE OF SERVICE

19-CONS-3108-CPEN

I, the undersigned, certify that the true copy of the attached Motion has been served to the following parties by means of electronic service on February 12, 2019.

JOHN ALMOND KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 3 137 E. 21ST STREET CHANUTE, KS 66720 Fax: 785-271-3354 j.almond@kcc.ks.gov

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/S/ Paula J. Murray Paula J. Murray