

**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 JTC Oil, Inc.) Docket No: 17-CONS-3680-CPEN
("Operator") to comply with K.A.R. 82-3-)
407 at the Day C #OW 10 W, Day J #OW 6) CONSERVATION DIVISION
W, Day J #OW 11 W, Cook #2W, Cook #39)
W and Cook #W-50 in Linn and Miami) License No: 32834
County, Kansas.)
_____)

**ORDER CANCELLING SETTLEMENT DEADLINE, PROCEDURAL
SCHEDULE, AND EVIDENTIARY HEARING**

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 makes the following findings and conclusions:

1. On June 15, 2017, the Commission issued a *Penalty Order* to JTC Oil, Inc. (Operator), finding that the Operator committed six violations of K.A.R. 82-3-407.¹
2. On September 19, 2017, the Commission issued a procedural schedule, setting an evidentiary hearing for December 14, 2017, and a settlement agreement deadline of December 4, 2017.² Commission Conservation Staff (Staff) pre-filed direct testimony on November 8, 2017, and the Operator likewise pre-filed direct testimony on November 17, 2017.

¹ *Penalty Order*, ¶ 13 (June 15, 2017).

² *Order Setting Procedural Schedule*, ¶¶ 2, 5 (Sept. 19, 2017).

3. On December 4, Staff filed an uncontested motion for a one-day extension to the rebuttal testimony deadline due to an unforeseen circumstance pertaining to one of Staff's witnesses.³

4. On December 4, 2017, Staff filed a Motion to Cancel Settlement Deadline, Procedural Schedule, and Evidentiary Hearing (Motion), stating that "Staff and Operator have reached a tentative settlement in this matter, which has been committed to writing, and are in the process of resolving some minor technical matters."⁴ Staff asked that the settlement deadline of December 4, 2017, the rest of the procedural schedule, and the evidentiary hearing be cancelled "in full anticipation this matter will be resolved within the next few days by Staff filing a motion to approve a settlement agreement."⁵ Staff further stated that if there is no prompt resolution of this matter, "Staff will submit its pre-filed rebuttal testimony and motion for the evidentiary hearing to be rescheduled. Staff has spoken with Operator's counsel, who is not opposed."⁶

5. The Commission finds the law encourages settlements.⁷ Therefore, the Commission favors the parties' proposed path to resolution of this docket and finds the settlement deadline, the procedural schedule, and the evidentiary hearing should be cancelled.

THEREFORE, THE COMMISSION ORDERS:

A. Staff's Motion to Cancel Settlement Deadline, Procedural Schedule, and Evidentiary Hearing is granted.

³ Motion for 1-Day Extension to Rebuttal Testimony Deadline, ¶ 2 (Dec. 4, 2017).

⁴ Motion, ¶ 2.

⁵ Motion, ¶ 3.

⁶ Motion, ¶ 3.

⁷ *Bright v. LSI Corp.*, 254 Kan. 853, 858, 869 P.2d 686 (1994).

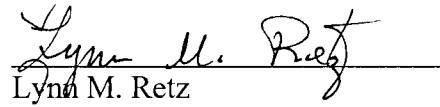
B. The parties have fifteen (15) days from the date of electronic service of this Order to petition for reconsideration.⁸

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.

Apple, Chairman; Albrecht, Commissioner; Emler, Commissioner

Dated: DEC 12 2017


Lynn M. Retz
Secretary to the Commission

MJD

⁸ K.S.A. 55-162; K.S.A. 55-606; K.S.A. 77-529(a)(1); *see* K.S.A. 66-118b.

CERTIFICATE OF SERVICE

I certify that on DEC 12 2017, I caused a complete and accurate copy of this Order to be served electronically to the following:

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/s/ DeeAnn Shupe
DeeAnn Shupe

Order Mailed Date
DEC 13 2017