

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

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

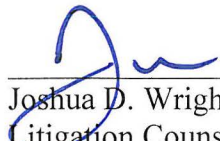
In the matter of a Compliance Agreement)	Docket No.: 17-CONS-3517-CMSC
between The Raven Company LLC (Operator))	
and Commission Staff regarding bringing the)	CONSERVATION DIVISION
subject wells in Montgomery County into)	
compliance with K.A.R. 82-3-111.)	License No.: 34526

MOTION FOR THE COMMISSION TO ADOPT
A COMPLIANCE AGREEMENT

Commission Staff moves for the Commission to adopt and approve the attached Compliance Agreement, which has been signed by both parties. Staff believes the Compliance Agreement represents an appropriate manner of resolving the issues described therein.

An additional unsigned high resolution copy is included for reference purposes.

Respectfully submitted,



Joshua D. Wright, #24118
Litigation Counsel
Kansas Corporation Commission
266 N. Main, Suite 220
Wichita, Kansas 67202
Phone: 316-337-6200; Fax: 316-337-6211

COMPLIANCE AGREEMENT

This Agreement is between The Raven Company LLC ("Operator") (license #34526) and Commission Staff ("Staff"). If the Commission does not approve this Agreement by a signed order, this Agreement shall not be binding on either party.

A. Background

1. Operator is responsible for the 41 wells ("the subject wells") on the attached list. All of the wells are out of compliance with K.A.R. 82-3-111, or will be out of compliance within a few weeks due to expiration of the lease and expiration of current temporary abandonment approval. Operator has asked for an agreement to avoid penalties while Operator works to plug the wells, return them to service, or obtain temporary abandonment status for them. Staff is supportive of an agreement.

B. Terms of Compliance Agreement

2. By May 31, 2017, Operator shall plug, return to service, or obtain temporary abandonment status for 3 of the subject wells. Operator shall plug, return to service, or obtain temporary abandonment status for an additional 3 subject wells within each three calendar months thereafter, resulting in all subject wells being returned to compliance by Aug. 31, 2020.

3. If Operator fails to comply with any deadline described in Paragraph 2, then Operator shall be assessed a \$1,000 penalty for each missed deadline. If any of the subject wells are not in compliance with K.A.R. 82-3-111 by being plugged, returned to service, or having temporary abandonment status, by November 30, 2020, then Operator shall be assessed an additional \$2,500 penalty, and Staff may plug the wells and assess the costs to Operator.

4. Fifteen of the subject wells are currently authorized for injection. Upon Commission approval of this Agreement, injection authority shall be cancelled. The wells are highlighted in yellow on the attached list, and have an "x" marked in the far right column.

5. If Operator fails to comply with any of the above paragraphs, or if penalties or costs are owed, then Staff shall suspend Operator's license until compliance is obtained and the penalties or costs are paid. If Staff suspends Operator's license, then Staff shall send its standard notice of license suspension letter to Operator. If Staff finds Operator conducting oil and gas operations after 10 days from the date of a notice of license suspension letter, and Operator's license is still suspended, then Staff is authorized to seal all of Operator's oil and gas operations and to assess an additional \$5,000 penalty.

6. Operator agrees to waive its right to appeal any future orders of the Commission regarding this matter, any penalties or costs assessed under this Agreement, and any suspension

of Operator's license implemented by Staff due to Operator's failure to comply with this Agreement. The terms of this Agreement shall remain binding upon Operator even if its interests in the subject wells are conveyed. However, any subject well transferred to another operator and then brought into compliance with K.A.R. 82-5-111 shall no longer be the responsibility of Operator under this Agreement, and shall count towards Operator meeting its compliance obligations under this Agreement.

7. Except as described by this Agreement, Staff will not pursue Operator for any violation of K.A.R. 82-5-111 at the subject wells that occurred or occurs prior to November 30, 2020, except for wells brought into compliance after Commission approval of this Agreement that again fall out of compliance that remain on Operator's license.

8. If Staff discovers additional wells, not listed on Operator's well inventory, on leases where wells subject to this Agreement are currently located, then this Agreement may be amended to add such additional wells with the written consent of both Operator and Staff. If this Agreement is amended then Staff must file a statement to that effect in the Commission docket that will be created for this matter, also stating that Operator is not opposed to the addition of the wells. The addition of wells will not change the number of wells to be brought into compliance each calendar quarter, but may extend the final compliance deadline.

9. Once this Agreement has been in effect for two years, Staff may reopen negotiation with Operator about the terms of this Agreement at any time, upon giving Operator written notice of Staff's intent to do so. If Staff and Operator are unable to agree to new terms, and to submit those terms to the Commission for approval, within 90 days of Staff's written notice, then this Agreement shall be null and void upon Staff filing a statement to that effect in the Commission docket that will be created for this matter.

Commission Staff

By: Joshua D. Wright
Printed Name: Joshua D. Wright
Title: Litigation Counsel
Date: 3/20/17

The Raven Company LLC

By: [Signature]
Printed Name: Greg Daskal
Title: President
Date: 3-2-2017

The Raven Company LLC

License #34526

List of Wells

	API_WELLNO	WELL_NM		SEC	TWP	RNG	RNGD	COUNTY	
Line 1	15125195780000	LUCKYBECK	1	35	33	14	E	MG	
Line 2	15125195790000	LUCKYBECK	2	35	33	14	E	MG	
Line 3	15125282560000	LUCKYBECK	N-4	35	33	14	E	MG	
Line 4	15125278400000	LUCKYBECK	P-105	35	33	14	E	MG	x
Line 5	15125285790000	LUCKYBECK	Q-10	35	33	14	E	MG	
Line 6	15125282350000	LUCKYBECK	Q-4	35	33	14	E	MG	
Line 7	15125282570000	LUCKYBECK	Q-6	35	33	14	E	MG	
Line 8	15125282580000	LUCKYBECK	Q-8	35	33	14	E	MG	
Line 9	15125284970000	LUCKYBECK W	J-10	35	33	14	E	MG	
Line 10	15125285350000	LUCKYBECK W	L-6	35	33	14	E	MG	
Line 11	15125223380000	LUCKYBECK WE	K 109	35	33	14	E	MG	x
Line 12	15125289470000	LUCKYBECK WE	K-111/	35	33	14	E	MG	x
Line 13	15125016020000	LUCKYBECK WE	M 105	35	33	14	E	MG	x
Line 14	15125284960000	LUCKYBECK WE	M 107	35	33	14	E	MG	x
Line 15	15125291150000	LUCKYBECK WE	P 101	35	33	14	E	MG	x
Line 16	15125285780000	LUCKYBECK WE	P 103	35	33	14	E	MG	x
Line 17	15125262300000	LUCKYBECK WE	P-107	35	33	14	E	MG	x
Line 18	15125262310000	W LUCKY BECK	N-6	35	33	14	E	MG	
Line 19	15125259430000	W LUCKYBECK	L-8	35	33	14	E	MG	
Line 20	15125267360000	W LUCKYBECK	N-10	35	33	14	E	MG	
Line 21	15125267370000	W LUCKYBECK	N-12	35	33	14	E	MG	
Line 22	15125249730000	WEST LUCKYBECK	J-8	35	33	14	E	MG	
Line 23	15125256480000	WEST LUCKYBECK	L-11	35	33	14	E	MG	
Line 24	15125210350000	WEST LUCKYBECK	N-8	35	33	14	E	MG	
Line 25	15125294820000	WEST LUCKYBECK	Q-2	35	33	14	E	MG	
Line 26	15125267770000	E LUCKYBECK	J-16	36	33	14	E	MG	
Line 27	15125270100000	E LUCKYBECK	N-14	36	33	14	E	MG	
Line 28	15125270110000	E LUCKYBECK	N-16	36	33	14	E	MG	
Line 29	15125250290000	EAST LUCKYBECK	J-14	36	33	14	E	MG	
Line 30	15125255110000	EAST LUCKYBECK	L-14	36	33	14	E	MG	
Line 31	15125268650000	EAST LUCKYBECK	L-16	36	33	14	E	MG	
Line 32	15125210360000	EAST LUCKYBECK	L-23	36	33	14	E	MG	
Line 33	15125195810000	LUCKYBECK	5	36	33	14	E	MG	
Line 34	15125195820000	LUCKYBECK	N-18	36	33	14	E	MG	
Line 35	15125252820000	LUCKYBECK EA	I-115	36	33	14	E	MG	x
Line 36	15125210340001	LUCKYBECK EA	J 119	36	33	14	E	MG	x
Line 37	15125255100000	LUCKYBECK EA	K 115	36	33	14	E	MG	x
Line 38	15125267350000	LUCKYBECK EA	K 117	36	33	14	E	MG	x
Line 39	15125267330000	LUCKYBECK EA	M-112/	36	33	14	E	MG	x
Line 40	15125270080000	LUCKYBECK EA	M-115	36	33	14	E	MG	x
Line 41	15125270090000	LUCKYBECK EA	M-117	36	33	14	E	MG	x

COMPLIANCE AGREEMENT

This Agreement is between The Raven Company LLC (“Operator”) (License #34526) and Commission Staff (“Staff”). If the Commission does not approve this Agreement by a signed order, this Agreement shall not be binding on either party.

A. Background

1. Operator is responsible for the 41 wells (“the subject wells”) on the attached list. All of the wells are out of compliance with K.A.R. 82-3-111, or will be out of compliance within a few weeks due to expiration of the lease and expiration of current temporary abandonment approval. Operator has asked for an agreement to avoid penalties while Operator works to plug the wells, return them to service, or obtain temporary abandonment status for them. Staff is supportive of an agreement.

B. Terms of Compliance Agreement

2. By May 31, 2017, Operator shall plug, return to service, or obtain temporary abandonment status for 3 of the subject wells. Operator shall plug, return to service, or obtain temporary abandonment status for an additional 3 subject wells within each three calendar months thereafter, resulting in all subject wells being returned to compliance by Aug. 31, 2020.

3. If Operator fails to comply with any deadline described in Paragraph 2, then Operator shall be assessed a \$1,000 penalty for each missed deadline. If any of the subject wells are not in compliance with K.A.R. 82-3-111 by being plugged, returned to service, or having temporary abandonment status, by November 30, 2020, then Operator shall be assessed an additional \$2,500 penalty, and Staff may plug the wells and assess the costs to Operator.

4. Fifteen of the subject wells are currently authorized for injection. Upon Commission approval of this Agreement, injection authority shall be cancelled. The wells are highlighted in yellow on the attached list, and have an “x” marked in the far right column.

5. If Operator fails to comply with any of the above paragraphs, or if penalties or costs are owed, then Staff shall suspend Operator’s license until compliance is obtained and the penalties or costs are paid. If Staff suspends Operator’s license, then Staff shall send its standard notice of license suspension letter to Operator. If Staff finds Operator conducting oil and gas operations after 10 days from the date of a notice of license suspension letter, and Operator’s license is still suspended, then Staff is authorized to seal all of Operator’s oil and gas operations and to assess an additional \$5,000 penalty.

6. Operator agrees to waive its right to appeal any future orders of the Commission regarding this matter, any penalties or costs assessed under this Agreement, and any suspension

of Operator's license implemented by Staff due to Operator's failure to comply with this Agreement. The terms of this Agreement shall remain binding upon Operator even if its interests in the subject wells are conveyed. However, any subject well transferred to another operator and then brought into compliance with K.A.R. 82-3-111 shall no longer be the responsibility of Operator under this Agreement, and shall count towards Operator meeting its compliance obligations under this Agreement.

7. Except as described by this Agreement, Staff will not pursue Operator for any violation of K.A.R. 82-3-111 at the subject wells that occurred or occurs prior to November 30, 2020, except for wells brought into compliance after Commission approval of this Agreement that again fall out of compliance that remain on Operator's license.

8. If Staff discovers additional wells, not listed on Operator's well inventory, on leases where wells subject to this Agreement are currently located, then this Agreement may be amended to add such additional wells with the written consent of both Operator and Staff. If this Agreement is amended then Staff must file a statement to that effect in the Commission docket that will be created for this matter, also stating that Operator is not opposed to the addition of the wells. The addition of wells will not change the number of wells to be brought into compliance each calendar quarter, but may extend the final compliance deadline.

9. Once this Agreement has been in effect for two years, Staff may reopen negotiation with Operator about the terms of this Agreement at any time, upon giving Operator written notice of Staff's intent to do so. If Staff and Operator are unable to agree to new terms, and to submit those terms to the Commission for approval, within 90 days of Staff's written notice, then this Agreement shall be null and void upon Staff filing a statement to that effect in the Commission docket that will be created for this matter.

Commission Staff

The Raven Company LLC

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

CERTIFICATE OF SERVICE

I certify that on 3/20/17, I caused a complete and accurate copy of this Motion to be served via United States mail, with the postage prepaid and properly addressed to the following:

Gary Dakil
The Raven Company LLC
PO Box 6691
Granbury, TX 76049

and delivered by e-mail to:

John Almond
KCC District #3

Joshua D. Wright, Litigation Counsel
KCC Central Office

/s/ Paula J. Murray
Paula J. Murray
Legal Assistant
Kansas Corporation Commission