

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

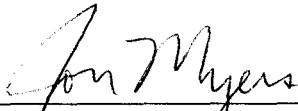
Before Commissioners: Shari Feist Albrecht, Chair  
Jay Scott Emler  
Pat Apple

In the matter of the failure of A & L Energy ) Docket No.: 16-CONS-566-CPEN  
Operations LLC to comply with K.A.R. 82-3- )  
603 at the Thoren Lease in Douglas County, ) CONSERVATION DIVISION  
Kansas. )  
\_\_\_\_\_ ) License No.: 34648

**MOTION FOR THE COMMISSION TO ADOPT  
A SETTLEMENT AGREEMENT**

Commission Staff moves for the Commission to adopt and approve the attached Settlement Agreement, which has been signed by both parties. Staff notes that if the Commission approves the Settlement Agreement, then the evidentiary hearing currently scheduled for March 17, 2016, will no longer be necessary. Staff believes that the Settlement Agreement represents a fair manner of resolving the issues described therein.

Respectfully submitted,

  
\_\_\_\_\_  
Jonathan R. Myers, #25975  
Litigation Counsel  
Kansas Corporation Commission  
266 N. Main, Suite 220  
Wichita, Kansas 67202  
Phone: 316-337-6200  
Fax: 316-337-6106

## **SETTLEMENT AGREEMENT**

This Agreement is between A & L Energy Operations LLC ("Operator") (License #34648) and Commission Staff ("Staff"). If the Commission does not approve this Agreement by a signed order, then this Agreement shall not be binding on either party. This Agreement shall settle the proceedings in Commission Docket Number 16-CONS-566-CPEN.

### **A. Background**

1. On October 13, 2015, the Commission issued a Penalty Order requiring Operator to pay \$7,500 for six violations of K.A.R. 82-3-603(d) and six violations of K.A.R. 82-3-603(e). Operator timely appealed, but admits to the violations and requests a payment plan. All other issues in this docket have been resolved, and Staff finds a settlement to be acceptable.

### **B. Terms of Agreement**

2. Of the \$7,500 owed, Operator shall pay \$1,500 by January 31, 2016; \$1,500 by February 29, 2016; \$1,500 by March 30, 2016, \$1,500 by April 30, 2016, and the remaining \$1,500 by May 30, 2016.

3. If Operator fails to comply with any deadline in Paragraph 2, then Staff shall suspend Operator's license until compliance is obtained. Operator agrees to waive any suspension of Operator's license implemented by Commission Staff due to Operator's failure to comply with this Settlement Agreement.

4. Operator hereby withdraws its appeal of the Penalty Order in this docket.

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C. Conclusion

Both parties believe this Agreement fairly resolves the matters at issue.

Commission Staff

By: Jon Myers

Printed Name: JON MYERS

Title: LITIGATION COUNSEL

Date: 12/21/15

A & L Energy Operations LLC

By: Gil Nevat

Printed Name: Gil Nevat

Title: Director at Managing Member

Date: Dec-21-2015

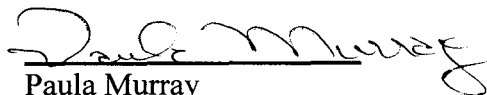
**CERTIFICATE OF SERVICE**

I certify that on 12/22/15, 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:

A & L Energy Operations LLC  
c/o Tali Michael  
IDH Group  
575 Madison Avenue 22<sup>nd</sup> Floor  
New York, New York 10022

And delivered by hand to:

Lane Palmateer  
Conservation Division Central Office

  
Paula Murray  
Legal Assistant  
Kansas Corporation Commission