

**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 Operations LLC to comply with K.A.R. 82-3-603 at the Thoren Lease in Douglas County, Kansas.)	Docket No.: 16-CONS-566-CPEN
)	
)	CONSERVATION DIVISION
)	
)	License No.: 34648

ORDER APPROVING SETTLEMENT AGREEMENT

The above-captioned matter comes before the State Corporation Commission of the State of Kansas. Having examined the files and records, and being duly advised in the premises, the Commission finds and concludes as follows:

1. Commission Staff and the Operator have executed a settlement agreement, which is attached as an exhibit to this Order and incorporated by reference.
2. The settlement agreement provides a fair and efficient resolution of this matter.

THEREFORE, THE COMMISSION ORDERS:

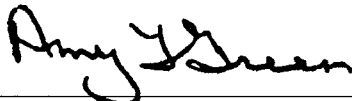
- A. The Settlement Agreement is approved and incorporated into this Order.
- B. Any party affected by this Order may file with the Commission a petition for reconsideration pursuant to K.S.A. 77-529(a). The petition shall be filed within 15 days after service of this Order. If service of this Order is by mail, three days are added to the deadline. The petition shall be addressed to the Commission and sent to 266 N. Main, Ste. 220, Wichita, Kansas 67202. Pursuant to K.S.A. 55-606 and K.S.A. 77-529(a), reconsideration is prerequisite for judicial review of this Order. Any party taking an action permitted by this summary proceeding before the deadline for a petition for reconsideration does so at their own risk.

C. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further order or orders as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Apple, Commissioner

Dated: JAN 05 2016



Amy L. Green
Secretary to the Commission

Mailed Date: Jan. 6, 2016

LRP

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: 12/22/15

A & L Energy Operations LLC

By: Gil Nevat

Printed Name: Gil Nevat

Title: Director of Managing Member

Date: Dec-21-2015

CERTIFICATE OF SERVICE

I certify that on 1/6/16, I caused a complete and accurate copy of this Order 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, 22nd Floor
New York, New York 10022

John Almond
KCC District #3
1500 W. 7th Avenue
Chanute, KS 66720

and hand-delivered to:

Jonathan R. Myers
Jonelle Rains
KCC Central Office

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