

**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 Application of Agricultural    ) Docket No.: 15-CONS-777-CEXC  
Energy Services for an exception to the 10-year    )  
time limitation of K.A.R. 82-3-111 for its           ) CONSERVATION DIVISION  
Mueller D 2-30 well located in the NW/4 Sec.    )  
30-34S-34W, Seward County, Kansas.           ) License No.: 34089

In the Matter of the Application of Agricultural    ) Docket No.: 15-CONS-778-CEXC  
Energy Services for an exception to the 10-year    )  
time limitation of K.A.R. 82-3-111 for its Carter   ) CONSERVATION DIVISION  
3-36 well located in the SE/4 Sec. 36-33S-31W,   )  
Seward County, Kansas.                           ) License No.: 34089

In the Matter of the Application of Agricultural    ) Docket No.: 15-CONS-779-CEXC  
Energy Services for an exception to the 10-year    )  
time limitation of K.A.R. 82-3-111 for its Peters   ) CONSERVATION DIVISION  
1-15 well located in the SW/4 Section 15,        )  
Township 33 South, Range 33 West, Seward      ) License No.: 34089  
County, Kansas.                                    )

**ORDER APPROVING SETTLEMENT AGREEMENT**

The above-captioned matters come 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.        The Staff of the Kansas Corporation Commission and the captioned operator have executed a settlement agreement, which is attached to and incorporated into this Order.
2.        The Commission finds and concludes that the settlement agreement provides a fair and efficient resolution of the issues in these dockets.

**THEREFORE, THE COMMISSION ORDERS:**

- A.        The attached Settlement Agreement is approved and incorporated into this Order.

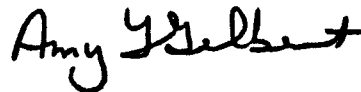
B. Any party affected by this Order may file with the Commission a petition for reconsideration pursuant to K.S.A. 77-529(a). The petition shall be filed within 15 days after service of this Order. If service of this Order is by mail, three days are added to the deadline. The petition shall be addressed 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 of further proceedings.

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: AUG 6 2015



Amy L. Gilbert  
Secretary to the Commission

Mailed Date: August 6, 2015

LRP

## SETTLEMENT AGREEMENT

Agricultural Energy Services, Inc., ("AES") and the Commission Staff agree as follows:

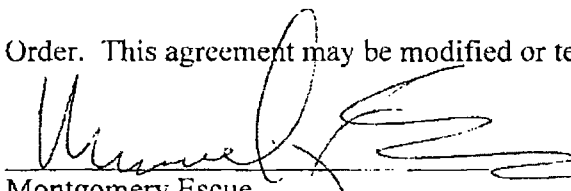
1. On March 26, 2015, AES filed applications in KCC Dockets 15-CONS-777-CEXC, 15-CONS-778-CEXC, and 15-CONS-779-CEXC, requesting an exception to the 10-year limit on temporary abandonment status pursuant to K.A.R. 82-3-100(b) and K.A.R. 82-3-111 for the Mueller D #2-30, Carter #3-36, and Peters #1-15, all in Seward County ("subject wells").

2. To date, notice of the applications has not been published in the official county newspaper or the Wichita Eagle as required by K.A.R. 82-3-135a, and the subject wells have not passed casing integrity tests. In lieu of completing the pending applications, AES and Staff have agreed to the following schedule to address the subject wells:

- a. Operator shall plug the Carter #3-36 by August 15, 2015.
- b. Operator shall address the Mueller D #2-30 and Peters #1-15 by November 15, 2015, by either plugging the wells or returning them to service. The parties agree that this deadline provides sufficient time after the corn harvest.

3. Failure to comply with the above deadlines shall be punishable by license suspension, until such time as compliance with the missed deadline is obtained.

4. This agreement shall be effective only if it is incorporated into a Commission Order. This agreement may be modified or terminated only by subsequent Commission Order.

  
Montgomery Escue  
Agricultural Energy Services, Inc.

Date

7/27/2015

  
Lane R. Palmateer  
Kansas Corporation Commission

Date

7/27/2015

**CERTIFICATE OF SERVICE**

I certify that on August 6, 2015, 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:

Michael Radovcic  
Hirsch, Heath & White, PLLC  
901 Cedar Lake Boulevard  
Oklahoma City, OK 73114  
*Attorney for Agricultural Energy Services*

Montgomery Escue  
Agricultural Energy Services  
PO Box 31865  
Edmond, OK 73003

Steve Pfeifer  
KCC District #1  
210 E. Frontview, Suite A  
Dodge City, Kansas 67801

and hand-delivered to:

Lane R. Palmateer  
KCC Central Office

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