

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

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

In the matter of the failure of Drake) Docket No.: 16-CONS-512-CPEN
Exploration, LLC to comply with K.A.R. 82-3-)
603 at the Mitchell Lease Tank Battery in) CONSERVATION DIVISION
Sumner County, Kansas.)
_____) License No.: 33556

ORDER APPROVING 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 an agreement, which is attached as an exhibit to this Order and incorporated by reference.
2. The agreement provides a fair and efficient resolution of this matter.

THEREFORE, THE COMMISSION ORDERS:

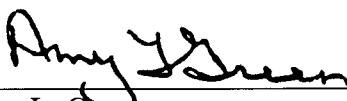
- A. The attached agreement is approved and incorporated into this Order.
- B. Any party affected by this Order may file with the Commission a petition for reconsideration pursuant to K.S.A. 77-529(a). The petition shall be filed within 15 days after service of this Order. If service of this Order is 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.

Emler, Chairman; Albrecht, Commissioner; Apple, Commissioner

Dated: JAN 28 2016



Amy L. Green
Secretary to the Commission

Mailed Date: January 29, 2016

LRP

PAYMENT PLAN AGREEMENT

This Agreement is between Drake Exploration, LLC ("Operator") (License #33556) 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 resolve all matters in Commission Docket Number 16-CONS-512-CPEN.

A. Background

1. On September 3, 2015, the Commission issued a Penalty Order requiring Operator to remediate a spill and pay a \$1,000 penalty. Operator timely appealed. All matters have been resolved except payment of the \$1,000 penalty. Operator withdrew its appeal on January 12, 2016, and emailed Staff Counsel the same day, requesting a payment plan. Although Operator has already withdrawn its appeal, Staff finds a payment plan to be acceptable and believes it appropriate to seek Commission approval of such a plan.

B. Terms of Agreement

2. Of the \$1,000 owed, Operator shall pay \$250 by January 29, 2016; \$250 by February 29, 2016; \$250 by March 31, 2016; and the remaining \$250 by April 29, 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.

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: 1/22/16

Drake Exploration, LLC

By: Darren Broyles

Printed Name: DARREN BROYLES

Title: MANAGER

Date: 1/20/16

CERTIFICATE OF SERVICE

I certify that on 1/29/16, 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:

Jeff Kennedy
Martin Pringle Oliver Wallace & Bauer LLP
100 North Broadway, Suite 500
Wichita, KS 67202
Attorney for Drake Exploration, LLC

Darren Broyles
Drake Exploration, LLC
15894 294th Circle
Arkansas City, KS 67005

Dan Fox
KCC District #2
3450 N. Rock Road, Bldg. 600, Suite 601
Wichita, KS 67226

And delivered by hand to:

Jonelle Rains
Conservation Division Central Office

Jonathan R. Myers
KCC Central Office

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