

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

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

In the matter of the failure of John Horton to) Docket No.: 17-CONS-3470-CPEN
comply with K.A.R. 82-3-400 at the)
Casement #1 well in Chautauqua County,) CONSERVATION DIVISION
Kansas)
_____) License No.: 35037

MOTION TO APPROVE SETTLEMENT AGREEMENT

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

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

SETTLEMENT AGREEMENT

This Agreement is between John Horton (“Operator”) (License #35037) 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 17-CONS-3470-CPEN.

A. Background

1. The February 2, 2017, Penalty Order in this docket required Operator to pay \$1,000 for a violation of K.A.R. 82-3-400. Operator admits to the violations, but requests a payment plan on the penalty assessed. Staff finds Operator’s request to be acceptable.

B. Terms of Settlement

2. Of the \$1,000 owed, Operator shall pay \$250 by April 28, 2017, and \$250 by the end of each calendar month thereafter until the full \$1,000 is paid, which shall result in the final payment being due by July 31, 2017.

3. As described in the Penalty Order, Staff remains authorized to seal the subject well to prevent additional unauthorized injection, and the well shall remain shut-in and disconnected until such time as the well is plugged, Operator receives injection authority, or the well is converted into a producing well.

4. If Operator fails to comply with any payment deadline, then Staff shall suspend Operator’s license until compliance is obtained. 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 the 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.

5. Operator agrees to waive its right to appeal the Commission's Order approving this Agreement, any penalties assessed under this Agreement, and any suspension of Operator's license implemented due to Operator's failure to comply with this Agreement.

Commission Staff

By: Joshua D. Wright

Printed Name: Joshua D. Wright

Title: Litigation Counsel

Date: 4-5-17

John Horton

By: John Horton

Printed Name: John Horton

Title: Operator

Date: 4/5/17

CERTIFICATE OF SERVICE

I certify that on 4/6/17, 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:

John Horton
P.O. Box 314
Sedan, Kansas 67361

And delivered by email to:

John Almond
KCC District #3

Rene Stucky
KCC Wichita Central Office

Joshua D. Wright, Litigation Counsel
KCC Wichita Central Office

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