

**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 Apollo Energies,) Docket No. 14-CONS-030-CEXC
Inc. for an exception to the 10-year time limitation)
of K.A.R. 82-3-111 for its Southwestern College) CONSERVATION DIVISION
#11 well located in the W/2 E/2 NW of Section 3,)
Township 26 South, Range 16 West, Edwards) License No. 30481
County, Kansas.)

MOTION TO APPROVE SETTLEMENT AGREEMENT

The Staff of the Kansas Corporation Commission moves the Commission for an Order approving the attached Settlement Agreement for the following reasons:

1. Temporary Abandonment status has been denied for the captioned well, because the well has been inactive for longer than 10 years.
2. The parties to this docket have agreed to the terms of the attached Settlement Agreement as an appropriate and efficient disposition of the wells.

WHEREFORE, Staff moves the Commission to approve the attached Settlement Agreement and adopt the agreement into a Commission Order.

Respectfully submitted,



Lane R. Palmateer, #23661
Litigation Counsel
Kansas Corporation Commission
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SETTLEMENT AGREEMENT

Apollo Energies, Inc. ("Apollo"), Southwestern College, and Commission Staff agree as follows:

1. Apollo is responsible for the Southwestern College #11, 15-047-21000-0001 ("the subject well"), which is located in the W/2 E/2 NW/4 of Sec. 3-26S-R16W, Edwards County, Kansas.

2. Operator shall plug and abandon the subject well. Returning the well to service or obtaining temporary abandonment status shall not be an option. This Settlement Agreement shall be binding upon the successors and assigns of the subject well.

3. The subject well shall be plugged by December 1, 2015. The parties agree that this provides a reasonable time for the Operator to schedule the plugging, allow for occasional inclement weather, and obtain sufficient priority on a contractor's plugging list if necessary. This timeframe will accommodate the surface owner's corn crop and avoid damages to the same.

4. The failure to comply with the plugging deadline in this Settlement Agreement shall constitute a violation of the Commission Order incorporating this agreement and shall subject Operator to immediate license suspension until the subject well is plugged.

5. 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. This agreement shall terminate upon the plugging of the subject well.

6. The adoption of this settlement by the Commission shall resolve the application and protest in KCC Docket No. 14-CONS-030-CEXC, and the docket shall be closed as complete when the subject well is plugged.

7. While this Settlement Agreement is in effect, Apollo shall not be required to file annual temporary abandonment applications for the subject well and, except as otherwise provided for herein, Commission Staff will not pursue Apollo for any violation of Kansas plugging statutes, rules and regulations.

Apollo Energies, Inc.

By: *Jim Byers*
Jim Byers
President
Date
3-18-15

Jim Byers
Lane Palmateer 3/20/15
Lane R. Palmateer
Commission Staff
Date

W. G. Schmitt
Southwestern College
Date

Thomas G. Schmitt
Date
16 March 15
FARM MANAGER

CERTIFICATE OF SERVICE

I certify that on 3/23/15, 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:

Jon Schlatter
Morris Laing et al.
300 N. Mead, Suite 200
Wichita, Kansas 67202
Attorney for Apollo Energies, Inc.

Jeff Kennedy
Martin, Pringle et al.
100 N. Broadway, Suite 500
Wichita, Kansas 67202
Attorney for Southwestern College

And delivered by hand to:

Jon Myers
Conservation Division

/s/ Lane R. Palmateer
Lane R. Palmateer
Litigation Counsel
Kansas Corporation Commission