

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
President

Date

3-18-15

Jim Byers

Lane R. Palmateer

Lane R. Palmateer
Commission Staff

Date

3/20/15

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