

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

Before Commissioners: Mark Sievers, Chairman  
Thomas E. Wright  
Shari Feist Albrecht

In the matter of the failure of Kansas	)	Docket No.: 13-CONS-472-CPEN
Resource Exploration & Development, LLC	)	
to comply with K.A.R. 82-3-107 and K.A.R.	)	CONSERVATION DIVISION
82-3-130 at 8 wells on the Guetterman lease	)	
<u>in Johnson County, Kansas.</u>	)	License No.: 34592

**ORDER RESCINDING IN PART**

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. On June 18, 2013, the Commission issued a penalty order against the Operator. The Penalty Order required the Operator to pay a \$4,000 monetary penalty within 30 days and submit the forms and information required by K.A.R. 82-3-107 and K.A.R. 82-3-130 for each of eight wells.

2. Shortly after the penalty order was issued, the Operator called Staff and presented information demonstrating that two of the violations (Guetterman #KRI-11 and Guetterman #KRI-7) were corrected before the order was sent to the Commission for its consideration. KCC records indicate the remaining forms and information have been filed as required since that time.

3. Staff has recommended that the penalty should be rescinded for two of the eight wells, and that the remaining six violations and \$3,000 fine should be affirmed.

**THEREFORE, THE COMMISSION ORDERS:**

A. The Order assessing a penalty in this docket is hereby rescinded with regard to two of the eight violations and \$1,000 of the \$4,000 monetary penalty.

B. The \$3,000 penalty shall be paid within 30 days of service of this Order.

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.**

Sievers, Chmn; Wright, Com.; Albrecht, Com.

Dated: AUG 01 2013

  
\_\_\_\_\_  
Kim Christiansen  
Executive Director

Mailed Date: 8-2-2013

LRP

I CERTIFY THE ORIGINAL  
COPY IS ON FILE WITH  
The State Corporation Commission

AUG 01 2013



**CERTIFICATE OF SERVICE**

I certify that on 8-2-2013, 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:

Kansas Resource Exploration & Development, LLC  
Attn: C. Stephen Cochennet  
9393 W. 110<sup>th</sup> Street Ste. 500  
Overland Park, KS 66210

John Almond  
KCC District Office No. 3  
1500 W. Seventh  
Chanute, KS 66720

And delivered by hand to:

Steve Bond  
KCC Production Department

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