2015.06.16 14:26:29 Kansas Corporation Commission 787 Amy L. Gilbert

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Shari Feist Albrecht, Chair Jay Scott Emler Pat Apple

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In the matter of the failure of Belport Oil, Inc. ("Operator") to comply with K.A.R. 82-3-107 and K.A.R. 82-3-130 at the Ohnmacht #4 in Ellis County, Kansas.

Docket No.: 15-CONS-833-CPEN

CONSERVATION DIVISION

License No.: 33809

ORDER APPROVING SETTLEMENT 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. The Staff of the Kansas Corporation Commission and the captioned operator have

executed a settlement agreement, which is attached to and incorporated into this Order.

2. The Commission finds and concludes that the settlement agreement provides a

fair and efficient resolution of the issues in this docket.

THEREFORE, THE COMMISSION ORDERS:

A. The attached Settlement 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 of

further proceedings.

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.

Albrecht, Chair; Emler, Commissioner; Apple, Commissioner

| Dated: | | JUN | 16 | 2015 | |
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Amy L. Gilbert Secretary

Mailed Date: _____ June 16, 2015

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SETTLEMENT AGREEMENT

This Settlement Agreement is between Belport Oil, Inc. ("Operator") (License #33809) and the Staff of the Corporation Commission of the State of Kansas ("Staff"). The effective date of this Settlement Agreement shall be the date it is approved by an Order of the Commission. If the Commission does not approve this Settlement Agreement by a signed Order, then this Settlement Agreement shall not be binding on either party. This Settlement Agreement shall settle the proceedings instituted in Commission Docket Number 15-CONS-833-CPEN.

A. Background

1. The April 30, 2015, Penalty Order in this docket required Operator to pay \$500 for one violation of K.A.R. 82-3-107 and K.A.R. 82-3-130, and also required Operator to submit a Well Completion ("ACO-1") Report. Operator filed a timely appeal, and has submitted the ACO-1 Report. The parties wish to settle this matter, rather than engage in litigation.

B. Terms of Settlement

2. Instead of paying \$500, Operator shall pay \$200 in this docket, which shall be due within 30 days from the date this Settlement Agreement is approved by an Order of the Commission. If Operator fails to comply with the payment deadline, then Staff shall suspend Operator's license until compliance is obtained.

3. Operator agrees to waive its right to appeal any future orders of the Commission regarding this matter, or any suspension of Operator's license implemented by Commission Staff due to Operator's failure to comply with this Settlement Agreement.

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C. Conclusion

Both parties believe that this Settlement Agreement represents a fair and appropriate resolution to the matters in this docket, and that the Settlement Agreement accomplishes the Commission's duty to enforce Kansas laws pertaining to the protection of usable waters and the prevention of pollution caused by oil and gas activities.

This Settlement Agreement has been agreed to by the undersigned:

Commission Staff for Myers By: Printed Name: JON MYERS Title: LITIGATION COUNSEL

619 Date:

Belport Oil, Inc. Bv Printed Name: 1001 Title: Date:

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CERTIFICATE OF SERVICE

I certify that on <u>lellelis</u>, 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:</u>

George L. Davenport Belport Oil, Inc. 1443 S. Norfolk Ave. Tulsa, OK 74120-5610

And delivered by hand to:

Jon Myers, Rene Stucky Conservation Division

<u>/s/ Lane R. Palmateer</u> Lane R. Palmateer Prehearing Officer and Assistant General Counsel Kansas Corporation Commission