

A&L Energy Operations LLC

October 28, 2015

Shari Feist Albrecht, Chair
Jay Scott Emaler
Pat Apple
Conservation Division
Kansas Corporation Commission
266 N. Main St., Suite 220
Wichita, Kansas 67202
By Priority mail

RECEIVED
KANSAS CORPORATION COMMISSION
NOV 02 2015
LEGAL SECTION

Re: Docket No. : 16-CONS-566-CPEN
License No. 34648
A & L Energy Operations, Thoren Lease
Douglas County, Kansas

Dear Madam/Sir,

A & L Energy Operations LLC (A&L) is hereby requesting a hearing before the Kansas Corporation Commission on Penalty Order dated October 13, 2015 in this docket which required A & L to pay \$7,500 for violations of K.A.R. 82-3-603 at six wells on the Thoren Lease in Douglas County (the "Penalty Order", the "Wells", and the "Thoren Lease").

Hearing on the Penalty Order is requested based on the following grounds –

A&L and its contract lease operator Ace Energy, LLC (the "Operator") is in the opinion that the claimed leaks in the Wells on the Thoren Lease should not be regarded as oil spills that require notification.

According to K.A.R. 82-3-603(b)(3), "...The notification requirement for spills in paragraph (b)(2) shall not apply to very minor amounts of saltwater, oil, or refuse, that unavoidably or unintentionally leak or drip from pumps, machinery, pipes, valves, fittings, or well rods or tubing during the conduct of normal prudent operations and that are not confined in dikes or pits or within the vicinity of the well."

The leaks around the wellhead in the Wells in questions were unintentional minor leaks, which occurred while conducting of normal operations, and therefore should not be regarded and/or treated as oil spills that require notification. Accordingly, the penalty is not justified and should be cancelled.

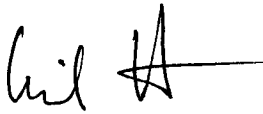
Without limiting the generality of the above, once the leaks were brought to Operator's attention by the State Staff, Operator responded immediately and diligently and made any effort to quickly clean up and fix any oil found around the wellheads.

Furthermore, Operator worked closely with State Staff (on a daily basis) to resolve all outstanding issues related to the cleanup, and meet the appropriate conditions and deadline.

Once cleanup has been completed, State Staff informed Operator that the conditions were met and the issues were resolved accordingly.

Based on the above mentioned grounds, A&L request a hearing on the Penalty Order. Mr. Jonathan Freiden and Mr. Jeffry Coppaken, Esq. will attend the hearing. Mr. Jonathan Freidan can be contacted at phone no. (773) 209-8602 and Mr. Jeffry Coppaken, Esq. can be contacted at phone no. (913)205-5007.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gil Wevart', with a long horizontal stroke extending to the right.

A & L Energy Operations, LLC

By: Gil Wevart

Cc: Ace Energy, LLC