

JAN 24 2017

CONSERVATION DIVISION
WICHITA, KS

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

Before Commissioners:

Jay Scott Emler, Chairman
Shari Feist Albrecht
Pat Apple

In the matter of the failure of Peak Energy,
L.L.C. ("Operator") to comply with K.A.R. 82-
3-111 at the Bahruth #1 in Cowley County,
Kansas.

) Docket No.: 17-CONS-3393-CPEN

) CONSERVATION DIVISION

) License No.: 32776

**APPLICATION TO SET ASIDE
NOTICE OF LICENSE SUSPENSION
AND REQUEST FOR HEARING**

COMES NOW the Operator, Peak Energy, LLC and for its Application and Request states:

1. A Penalty Order was entered herein on December 6, 2016 directing the Operator to pay a \$100 penalty plus, return to service, or T.A. the Bahruth #1 well.
2. Operator chose not to contest the order even though Operator had previously ejected from the lease by a third party operator by judicial decree. The reason for no contest was the modest amount of the penalty and the expected low cost of bringing the well into compliance.
3. The penalty has been paid by the Operator.
4. The Bahruth Lease long ago expired. By reason of the prior ejectment and expiration of the lease, Operator has no legal right under applicable property law to enter the lease. Operator is negotiating with the current land owner to secure access so that the Bahruth #1 well may be plugged.
5. On January 10, 2017 Commission Legal Staff issued the attached, undersigned notice to Operator that "Your license is hereby suspended".
6. With its license suspended, the Operator is unable to conduct the operations necessary to comply with the Commission order, namely to plug the Bahruth #1 well.
7. Further, the order of suspension imposes an extreme economic hardship on Operator as it is precluded from operating its other wells, and earning a livelihood.

WHEREFORE, Operator applies for reinstatement of its license, for reasonable time in which to secure access and complete plugging of the Bahruth #1 well, and requests hearing upon such application.



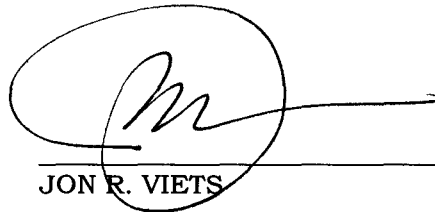
JON R. VIETS #9675
201 N. Penn Ave., Suite 604
P.O. Box 1176
Independence, KS 67301
(620) 331-0144
Attorney for Peak Energy, LLC

RD CERTIFICATE OF MAILING

I certify that on 23 day of January, 2017, I mailed (via Federal Express) seven (7) copies of the within Application addressed to the following:

Amy Green
Secretary to the Commission
Kansas Corporation Commission
266 N. Main St., Suite 220
Wichita, KS 67202

Dated this 23rd day of January, 2017



JON R. VIETS