2015.08.06 14:26:46 Kansas Corporation Commission /S/ 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 an agreed compliance schedule for) Docket No. 15-CONS-173-CMSC Joe Brake to plug the wells on the Korte Lease in Butler County, Kansas.

CONSERVATION DIVISION

License No. 31074

MOTION TO APPROVE SETTLEMENT AGREEMENT

The Staff of the Kansas Corporation Commission moves the Commission for an Order

approving the attached Settlement Agreement for the following reasons:

1. The parties to this docket have agreed to the terms of the attached Settlement

Agreement as an appropriate and efficient disposition of the penalty in this matter.

WHEREFORE, Staff moves the Commission to approve the attached Settlement

Agreement and adopt the agreement into a Commission Order.

Respectfully submitted,

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Lane R. Palmateer, #23661 Litigation Counsel Kansas Corporation Commission 266 N. Main, Ste. 220 Wichita, Kansas 67202 Phone: 316-337-6200 Fax: 316-337-6106 Email: l.palmateer@kcc.ks.gov

SETTLEMENT AGREEMENT

Joe Brake dba Brake Inc. ("Operator") and the Commission Staff agree as follows:

1. This settlement agreement resolves the Commission's Penalty Order issued on April 23, 2015, in KCC Docket 15-CONS-173-CMSC, and Operator's appeal thereof. By signing this agreement, Operator waives his appeal of the Penalty Order in consideration of the penalty reduction and payment plan.

2. Operator has completed the plugging of the Korte #5. The only issue remaining in this docket is the outstanding \$10,000 penalty for operating on a suspended license in violation of a Commission Order. Operator admits that the Utt #2 pumped during a period of license suspension but alleges that the purpose of pumping the well was to relieve gas pressure. Staff is without sufficient information to admit or deny the given reason for pumping the well.

3. Operator and Staff agree that the total penalty should be reduced to \$5,000, and that \$500 payments shall be made by the last day of each calendar month until the balance is paid. The first payment shall be due at the end of August 2015.

4. Operator's license suspension shall end on the day the Commission approves this settlement agreement by Order. The failure to comply with a payment deadline shall constitute a violation of the Commission's Order and result in license suspension until the payment is made.

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.

Joe Brake dba Brake Inc.

Palmater

Litigation Counsel

<u>August 6, 2015</u>

CERTIFICATE OF SERVICE

I certify that on $\frac{816}{16}$, I caused a complete and accurate copy of this Motion to be served via United States mail, with the postage prepaid and properly addressed to the following:

Joe Brake Route 1, Box 84 Latham, Kansas 67072

Jeff Klock KCC District #2 3450 N. Rock Road, Bldg. 600, Suite 601 Wichita, KS 67226

And delivered by hand to:

Jonathan R. Myers Conservation Division Central Office

<u>/s/ Paula Murray</u> Paula Murray Legal Assistant Kansas Corporation Commission