

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

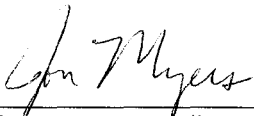
Before Commissioners: Pat Apple, Chairman
Shari Feist Albrecht
Jay Scott Emler

In the Matter of the Notice of Denial of)	Docket No. 17-CONS-3425-CMSC
License Renewal Application issued to)	
Northstar Investments, Inc.)	CONSERVATION DIVISION
)	
)	License No. 30601

MOTION TO APPROVE SETTLEMENT AGREEMENT

Commission Staff moves for the Commission to adopt and approve the attached Settlement Agreement, which has been signed by both parties. Staff notes that approval of the Agreement will render the scheduled June 15, 2017, hearing unnecessary. Staff believes the Agreement represents an appropriate manner of resolving the issues described therein.

Respectfully submitted,



Jonathan R. Myers, #25975
Litigation Counsel
Kansas Corporation Commission
266 N. Main, Suite 220
Wichita, Kansas 67202
Phone: 316-337-6200; Fax: 316-337-6211

SETTLEMENT AGREEMENT

This Agreement is between Northstar Investments, Inc. ("Operator") (License #30601) and Commission Staff ("Staff"). If the Commission does not approve this Agreement by a signed order, this Agreement shall not be binding on either party. This Agreement shall settle the proceedings in Commission Docket Number 17-CONS-3425-CMSC.

A. Background

1. On December 14, 2016, Operator submitted a license renewal application. The application was denied on December 19, 2016, because individuals associated with Operator are also associated with H-30, Inc., License #5107, which has an unplugged well remaining on its expired and suspended license, in violation of Commission regulations. Operator timely appealed the denial of its license renewal application. Rather than engage in litigation, Operator and Staff agree to the following, which shall resolve the compliance issue regarding the unplugged well remaining on License #5107.

B. Terms of Settlement Agreement

2. Staff shall immediately process Operator's December 14, 2016, license renewal application, resulting in Operator's license being renewed through December 30, 2017.

3. Operator shall either cause the Jacobs A #1 ("the subject well"), API #15-063-20864, to be transferred to an active KCC operator's license, or shall cause the subject well to be plugged, by December 30, 2017. If Operator fails to comply with this deadline, then Operator shall be assessed a \$2,500 penalty.

4. If the subject well is not listed on an active KCC operator's license or plugged by January 31, 2018, then Operator shall be assessed an additional \$5,000 penalty and Staff may plug the subject well and assess the costs to Operator.

5. If Operator fails to comply with the deadline in Paragraph 3, or if penalties or costs are owed, then Staff shall suspend Operator's license until compliance is obtained and the penalties or costs are paid. If Staff suspends Operator's license, then Staff shall send its standard notice of license suspension letter to Operator. If Staff finds Operator conducting oil and gas operations after 10 days from the date of a notice of license suspension letter, and Operator's license is still suspended, then Staff is authorized to seal all of Operator's oil and gas operations and to assess an additional \$5,000 penalty.

6. Operator agrees to waive its right to appeal the Commission's Order approving this Agreement, any penalties or costs assessed under this Agreement, and any suspension of

Operator's license implemented by Staff due to Operator's failure to comply with this Agreement.

Commission Staff

By: Jon Myers

Printed Name: JON MYERS

Title: LITIGATION COUNSEL

Date: 5/18/17

Northstar Investments, Inc.

By: Dean Britting

Printed Name: Dean Britting

Title: President

Date: May 17, 2017

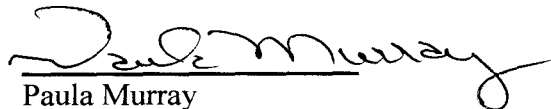
CERTIFICATE OF SERVICE

I certify that on 5/18/17, 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:

Joseph A. Schremmer
Depew Gillen et al.
8301 E. 21st St. North, Suite 450
Wichita, KS 67206
Attorney for Northstar Investments, Inc.

And delivered by email to:

Rich Williams, KCC District #4
Michael Duenes, KCC Prehearing Officer



Paula Murray
Legal Assistant
Kansas Corporation Commission