

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

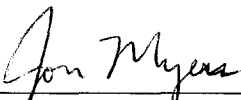
Before Commissioners: Pat Apple, Chairman
Shari Feist Albrecht
Jay Scott Emler

In the matter the failure of Tontol, LLC)	Docket No. 17-CONS-3394-CSHO
("Operator") to comply with K.A.R. 82-3-407)	
at the Fussman #19 in Allen County, Kansas.)	CONSERVATION DIVISION
)	
)	License No. 34525
)	

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 eliminate the need for the currently-scheduled April 6, 2017, prehearing conference. 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 Tontol, LLC (“Operator”) (License #34525) and Commission Staff (“Staff”). If the Commission does not approve this Agreement by a signed Order, then this Agreement shall not be binding on either party. This Agreement shall settle the proceedings in Commission Docket Number 17-CONS-3394-CPEN.

A. Background

1. On December 8, 2016, the Commission issued a Penalty Order assessing a \$1,000 penalty, finding one violation of K.A.R. 82-3-407, and directing Operator to either plug the Fussman #19 well, or to conduct a successful mechanical integrity test on it.
2. Operator timely appealed and subsequently conducted a successful mechanical integrity test. Operator admits to the violation, but requests additional time to make payments on the penalty. Staff finds the request to be acceptable.

B. Terms of Settlement

3. Of the \$1,000 owed, Operator shall pay \$500 by February 28, 2017, and the remaining \$500 by March 31, 2017. If Operator fails to comply with either deadline, then Staff shall suspend Operator’s license until compliance is obtained. 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 the 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.
4. Operator agrees to waive its right to appeal the Commission’s Order approving this Agreement, any penalties 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: 2/27/17

Tontol, LLC

By: Donald Bisbee

Printed Name: Donald Bisbee

Title: Managing Member

Date: February 22, 2017

CERTIFICATE OF SERVICE

I certify that on 2/27/17, 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:

Donald Bisbee
Tontol, LLC
7807 E. Buena Terra Way
Scottsdale, Arizona 85250

And delivered by email to:

Michael Duenes
KCC Prehearing Officer


Paula Murray
Legal Assistant
Kansas Corporation Commission
