

**BEFORE THE
OIL & GAS COMMISSION**

CENTURY WELL SERVICES,

Appellant,

-vs-

DIVISION OF MINERAL RESOURCES
MANAGEMENT,

Appellee.

Appeal No. 751

Review of Chief's Order
2005-41

**ORDER OF THE
COMMISSION
DISMISSING APPEAL**

Appearances: Richard D. Wetzel, Jr., Counsel for Appellant Century Well Services; Robert Eubanks, Assistant Attorney General, Counsel for Appellee Division of Mineral Resources Management.

The Oil & Gas Commission has received and reviewed the parties' Consent Agreement and finds it well taken. Accordingly, the Commission hereby **ADOPTS** the Consent Agreement. There being no outstanding issues of law or fact, the Commission hereby **DISMISSES** appeal no. 751, with prejudice.

Date Issued: December 2, 2005


WILLIAM J TAYLOR, Chairman


JOHN A. GRAY


JAMES H. CAMERON


M. HOWARD PETRICOFF

MARILYN ENNIS

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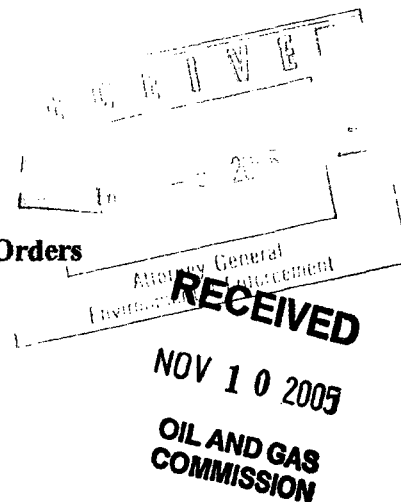
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**BEFORE THE OIL AND GAS COMMISSION
STATE OF OHIO**

CENTURY WELL SERVICE)
)
APPELLANT,)
)
VS.)
)
DIVISION OF MINERAL)
RESOURCES MANAGEMENT,)
)
APPELLEE.)

APPEAL No.
Review of Chief's Orders
2005-41



CONSENT AGREEMENT

Now come the parties, Appellant **CENTURY WELL SERVICE** ("Appellant") and Appellee Division of Mineral Resources Management ("Division"), and in order to settle the instant appeal stipulate to the following facts and conditions.

A. FACTS:

1. The Chief of Division is charged with the responsibility of administering, implementing and enforcing Ohio Revised Code Chapter 1509 and Ohio Administrative Code Chapter 1501:9.

2. Appellant is an "owner," as that term is defined in Ohio Revised Code 1509.01(K), of the following oil and gas wells ("subject wells"):

<u>Permit No.</u>	<u>Well Name</u>	<u>County</u>	<u>Chief's Order</u>
Permit No. 115-2582	Palmer/Nicewanger #1	Morgan	2005-02
Permit No. 167-8831	Kucik #2	Washington	2005-03
Permit No. 167-8653	Ashcraft #1	Washington	2005-04
Permit No. 167-9163	Norris #2	Washington	2005-05
Permit No. 167-8713	Venham/Turner #1-A	Washington	2005-13

3. On August 22, 2005 representatives of Appellant, Ms. Leslie Gearhart, Mr. Pat Arneault, and counsel, Mr. Richard D. Wetzel, Jr. met with Mr. Joe Hoerst,

representing Appellee, Division of Mineral Resources Management., the purpose of this meeting being to construct a schedule providing for the timely compliance of the referenced Chiefs Orders and outstanding Notices of Violation.

B. CONDITIONS

1. **Century Well Service** initiated final remediation of the Hastings and Morgenstern tank battery site in Union Township, Morgan County on August 29, 2005 and completed disposal of contaminated soil, placement of fresh topsoil, grading, seeding, mulching, in order to establish vegetative cover. As of the date of this Agreement, remediation is completed and the tank battery site is compliant with Spill Prevention Control and Countermeasures requirements, and the Division has approved the production of the Hastings-Morgenstern wells.

2. **Century Well Service** shall plug or place into commercial production the wells as outlined in the following schedule. Due to operational needs or weather, Century Well Service may substitute a well for one listed on the schedule. **Century Well Service** shall notify the Division of the planned change in a prompt manner. The substitution will not decrease the number of wells committed to be plugged or placed into production for a given quarter.

3. The Division will provide written confirmation to **Century Well Service** when a well is brought into compliance.

4. Prior to plugging any of the subject wells, Appellant shall file with the Division all necessary paperwork and fees necessary to obtain permits to plug and abandon the subject wells pursuant to R.C.1509 and Ohio Administrative Code 1501:9.

I. SCHEDULE

1. On **August 29, 2005** Appellant initiated the remaining remediation of the Hasting-Morgenstern site. On September 15, 2005, remediation work on the site was approved by the Division. Appellant shall place the five wells in the Hasting-Morgenstern field back into production.

2. By **December 15, 2005** the Appellant shall have plugged or placed into commercial production the following wells:

<u>Permit No.</u>	<u>County</u>	<u>Lease Name</u>
4401	Morgan Co.	Gladden#4
2582	Morgan Co.	Palmer-Nicewanger #1
8831	Washington Co.	Kucik 2
8653	Washington Co.	Ashcraft 1
9163	Washington Co.	Norris #2
8713	Washington Co.	Venham-Turner #1-A

3. By **March 15,2006** Appellant shall have plugged or placed into commercial production the following wells:

<u>Permit No.</u>	<u>County</u>	<u>Lease Name</u>
3637	Athens	Pinkerton #448
3649	Athens	Pinkerton #449
3658	Athens	Augenstein #486
3660	Athens	Augenstein #496
3357	Morgan	Eppley #2
8832	Washington	R. Williams #1

4. By **June 15,2006** Appellant shall have plugged or placed into commercial production the following wells:

<u>Permit No.</u>	<u>County</u>	<u>Lease Name</u>
3470	Washington	R. J. Wynn #1
3540	Washington	R. J. Wynn #2
3515	Athens	Harris #1
3540	Athens	Harris #2A

5. By September 15, 2006 Appellant shall have plugged or placed into commercial production the following wells:

<u>Permit No.</u>	<u>County</u>	<u>Lease Name</u>
3606	Athens	Bedford 392
3624	Athens	Bedford 424
3356	Athens	Pinkerton #1
3609	Athens	Bennett #399

6. Appellant shall perform final restoration as required under Chapter 1509.072(B) of the Ohio Revised Code in a timely manner.

7. The deadlines set forth above are based upon the fact that the subject wells are not currently presenting evidence of immediate danger to humans, animals or the environment. In the event that the Division discovers conditions that it concludes may present a threat to public health, safety or the environment, the above-established deadlines are not applicable and the Appellant shall take immediate action to eliminate the threat to public health, safety or the environment.

8. All work on the wells and the well sites shall be performed in a prudent and workmanlike manner and in compliance with the requirements of R.C. Chapter 1509 of the Ohio Revised Code and Section 1501:9 of the Ohio Administrative Code.

9. On or about September 15, 2006 all parties shall meet to construct a plan of work for all remaining non-compliant well sites.

10. In the event the Appellant fails to meet the conditions set forth in this Consent Agreement, the Division will forfeit Appellant's bond without further notice by the Division. Appellant waives any rights to appeal such bond forfeiture.

II. RESERVATION OF RIGHTS

Nothing in this Consent Agreement shall be construed so as to limit the authority of the Division to issue other decisions and orders to enforce the provisions of R.C. Chapter 1509 and Ohio Administrative Code Chapter 1501, including the seeking of injunctive relief and civil penalties for the failure to comply with this Consent Agreement.

In the event of any default of the conditions set forth herein, the Division may elect all remedies it deems appropriate. Further, in the event of default Appellant, its officers, assigns and successors-in-interest agree that, in any litigation brought by the Division to enforce this Consent Agreement, venue shall be proper in the Court of Common Pleas for Franklin County, Ohio.

III. AMENDMENTS TO THE AGREEMENT

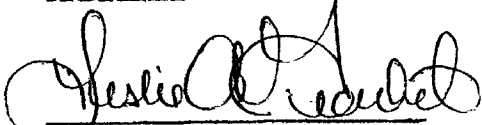
The terms in this consent agreement are not properly amended by oral agreements made previous to or after the signing of this agreement. All amendments made to this agreement shall only be accomplished through a written amended agreement signed by the Chief of the Division of Mineral Resources Management and an authorized representative of Century Well Services. The written amended agreement shall state that its purpose is to substitute in whole or in part for this signed original agreement.

III. SIGNATORIES

11. The parties hereby acknowledge that they have read this Consent Agreement, understand its terms and intend to be fully bound thereby.

12. Signed and subscribed on behalf of the parties hereto.

AGREED:



Leslie Gearhart
PO Box 150.
Bartlett, Ohio 45713

Date

President, Century Well Service.



Michael Sponsler, Chief

10/25/05
Date

Division of Mineral Resources
Management
Enforcement Section


APPROVED:



Richard D. Wetzel, Jr.
Attorney at Law
Crabbe, Brown & James L.L.P.
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Columbus, OH 43215

Date

Attorney for Century Well Service



Robert Eubanks

11-10-05
~~10-10-05~~
Date

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