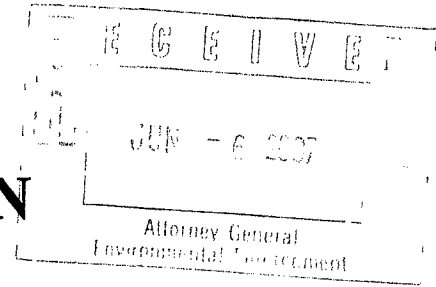


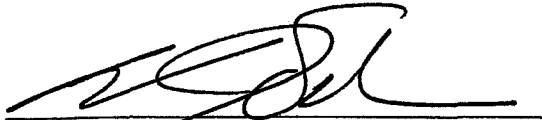
**BEFORE THE
OIL & GAS COMMISSION**



STONEBRIDGE OPERATING CO.,	:	Case No. 764 & 774
	:	
Appellant,	:	Review of Chief's Order 2006-98
	:	& 2006-121
-vs-	:	
	:	<u>ORDER OF THE</u>
DIVISION OF MINERAL RESOURCES	:	<u>COMMISSION GRANTING</u>
MANAGEMENT,	:	<u>JOINT MOTION FOR</u>
	:	<u>CONSENT DECISION</u>
Appellee.	:	

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 nos. 764 & 774, with prejudice.


Date Issued: June 5, 2007


WILLIAM J. TAYLOR, Chairman


JOHN A. GRAY


JAMES H. CAMERON


M. HOWARD PETRICOFF, Secretary


TIMOTHY C. McNUTT

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BEFORE THE
OIL AND GAS COMMISSION
STATE OF OHIO

RECEIVED

MAR 29 2007

**OIL AND GAS
COMMISSION**

STONEBRIDGE OPERATING CO.,)	Case Nos. 764 & 774
)	
Appellant,)	
)	
v)	Review of Chief's Order Nos.2006-98
)	& 2006-121
DIVISION OF MINERAL RESOURCES)	
MANAGEMENT,)	
)	
Appellee.)	

CONSENT AGREEMENT

Now come the parties, Appellant Stonebridge Operating Co. ("Appellant") and Appellee Division of Mineral Resources Management ("Division"), and in order to settle the instant appeal stipulate to the following facts and conditions.

FACTS:

1. Stonebridge Operating Co. is the "owner", as that term is defined in R.C. 1509.01(K), of the following oil and gas wells ("subject wells") which are located in Morgan County, Ohio.

Permit No. 2565
Permit No. 2605

Whitehouse No. 2
Albright No. 2

2. Inspections by the Division found the subject wells to be incapable of production; therefore, pursuant to R.C. 1509.12 and R. C. 1509.072(B), these wells are required to be plugged and the well sites restored if not placed into production. As a result of these inspections, Chief's Order Nos. 2006-98 and 2006-121 were issued ordering Appellant to place the subject wells into production or to plug the wells.

3. The subject wells have not been plugged or placed into production as required by law

CONDITIONS

4. Prior to plugging the wells by the time set forth below, Stonebridge Operating Co. shall obtain permits from the Division to install the necessary plugs, including bottom and rip plugs, in the subject wells.

5. Stonebridge Operating Co. shall plug the subject wells and, if abandoned, restore their well sites in accordance with the requirements of Ohio's oil and gas laws, the inspector's guidance and in accordance to the following time schedule:

Permit No. 2565	Bottom and rip plugs set by January 1, 2007
Permit No. 2565	Completely plugged, abandoned or placed into commercial production by July 1, 2007
Permit No. 2605	Completely plugged, abandoned or placed into commercial production by July 1, 2007
Permit No. 2565	Completely restored by October 1, 2007 (if plugged)
Permit No. 2605	Completely restored by October 1, 2007 (if plugged)

6. Stonebridge Operating Co. shall be responsible to follow-up at each well site to insure full compliance with the requirements of R.C. Chapter 1509 and Ohio Adm. Code Chapter 1501, including but not limited to the establishment of vegetative cover to bind the soil and prevent substantial erosion if the well site is to be abandoned and restored. If necessary, Stonebridge Operating Co. will reseed the sites until proper growth occurs.

7. The schedule established by this Consent Agreement is based upon the fact that, at the present time, there is not evidence of contamination, pollution or substantial erosion occurring. In the event, contamination, pollution or substantial erosion is discovered at any of the wells or well sites, the terms of this agreement for that particular well or well site is not applicable and Stonebridge Operating Co. will take immediate action to prevent future contamination, pollution or substantial erosion and will take required actions to remediate any contamination, pollution or substantial erosion which has occurred.

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

9. If Stonebridge Operating Co. timely performs all of these conditions, the Division will terminate its plugging orders – Chief' s Order Nos.2006-98 & 2006-121.


10. In the event that Stonebridge Operating Co. fails to meet any of these conditions, the Division will issue a bond forfeiture order forfeiting Stonebridge Operating Co.'s bond.

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


12. 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,

Stonebridge Operating Co., 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.

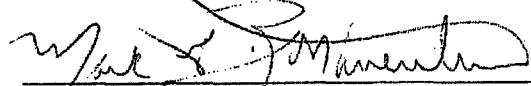
13. The instant appeal is dismissed with prejudice.


MANAGING MEMBER
STONEBRIDGE OPERATING CO., LLC
1635 Warren Chapel Rd.
Fleming, Ohio 45729
(740) 373-6134

As agent for Stonebridge Operating Co.
I have the authority to sign this
Agreement and do so in my
respective capacity.


SCOTT KELL, Acting CHIEF
or Designee
2045 Morse Rd.
Building H-2
Columbus, Ohio 43229-6693
(614) 265-6633

APPROVED AS TO FORM:


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Assistant Attorney General
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Counsel for Division