

**BEFORE THE
OIL & GAS COMMISSION**

ROCKWELL RESOURCES, INC.,	.	Case Nos. 765 & 767
	:	
Appellant,	:	
	:	Review of Chief's Orders 2005-111
-vs-	:	and 2006-93
	:	
DIVISION OF MINERAL RESOURCES	:	
MANAGEMENT,	:	
	:	<u>ORDER OF THE</u>
	:	<u>COMMISSION ADOPTING</u>
Appellee.	:	<u>CONSENT AGREEMENT</u>


Appearances: William L. Burton, Counsel for Appellant Rockwell Resources, Inc., Molly Corey, 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 nos. 765 & 767, with prejudice.

Date Issued: 12/11/06



WILLIAM J. TAYLOR, Chairman

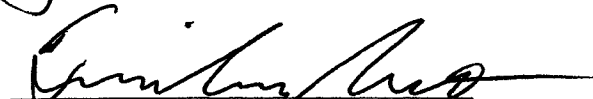


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BEFORE THE
OIL AND GAS COMMISSION
STATE OF OHIO

RECEIVED

DEC 8 2006

OIL AND GAS
COMMISSION

ROCKWELL RESOURCES, INC.

Appellant,

v

DIVISION OF MINERAL
RESOURCES MANAGEMENT,

Appellee.

Case Nos. 765, 767

Review of Chief's
Order Nos. 2005-111
and 2006-93

CONSENT AGREEMENT

Now come the parties, Appellant, Rockwell Resources, Inc. and Appellee, Division of Mineral Resources Management, in order to settle the presently pending administrative proceedings captioned Rockwell Resources, Inc. v Division of Mineral Resources Management, Case Numbers 765 and 767, stipulate to the following facts and conditions:

FACTS:

1. Rockwell Resources, Inc. (hereinafter "Rockwell") is the owner of the oil and gas wells known as the Jolles Well No. 1, Permit 3494, and Jolles Well No. 2, Permit 3495, both located in Noble County.

2. The Jolles Well No. 1 and Jolles Well No. 2 are both incapable of producing oil and gas in commercial quantities.

3. Chief's Order No. 2005-111 (Amended) was issued by the Chief of the Division of Mineral Resources Management (hereinafter "Chief" or "Division") on

February 1, 2006 and received by Rockwell on February 3, 2006. The Chief's Order required that the Jolles Well No. 1 and Jolles Well No. 2 be placed into commercial production or plugged by June 1, 2006.

4. Chief's order No. 2006-93 was issued by the Chief on August 3, 2006 and received by Rockwell on August 7, 2006. The Chief's Order was issued for failure to comply with Chief's Order No. 2005-111, and forfeited the entire amount of Rockwell's \$15,000 bond (Bond No. 13-0130-10381-88-7).

5. Rockwell appealed the issuances of Chief's Order No. 2005-111 and Chief's Order No. 2006-93 to the Oil and Gas Commission on September 6, 2006.

CONDITIONS:

6. By May 1, 2007, Rockwell shall either place into production or plug, in accordance with the requirements of R.C. Chapter 1509 and Ohio Admin. Code Chapter 1501, the Jolles Well No. 1 and Jolles Well No. 2. If the Jolles Well No. 1 and Jolles Well No. 2 are not placed into production or plugged by May 1, 2007, Rockwell will forfeit the full \$15,000 amount of Bond No. 13-0130-10381-88-7

7. In the event the well is plugged pursuant to the requirements of R.C. Chapter 1509, the well site shall be reclaimed within six (6) months of the plugging. Rockwell shall be responsible to follow-up at the Jolles Well No. 1 and Jolles Well No. 2 sites to insure full compliance with the requirements of R.C. Chapter 1509 and Ohio Admin. Code Chapter 1501, including but not limited to the establishment of vegetative cover to bind the soil and prevent substantial erosion. If necessary, Rockwell will reseed the site until proper growth occurs.

8. All work on the well site will be performed in a prudent and workmanlike manner and in compliance with the requirements of R.C. Chapter 1509 and Ohio Admin. Code Chapter 1501.

9. Rockwell shall pay Seven Thousand Five Hundred Dollars (\$7,500) to the Division. Payment of the Seven Thousand Five Hundred Dollar (\$7,500) penalty must be made to the Division within thirty (30) days of Rockwell's execution of this Consent Agreement, and shall be made by certified check or cashier's check, payable to the order of Treasurer, State of Ohio, and delivered to counsel for the Division, Assistant Attorney General Molly S. Corey, Ohio Attorney General's Office, Environmental Enforcement Section, 2045 Morse Road, Building D-2, Columbus, Ohio 43229-6693. If such payment is not received by Assistant Attorney General Corey within thirty (30) days of Rockwell's execution of this Consent Agreement, Rockwell will forfeit the full \$15,000 amount of Bond No. 13-0130-10381-88-7 in addition to seeking payment of the \$7,500 penalty plus applicable interest.

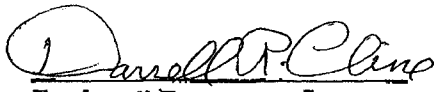
10. Nothing in this Consent Agreement shall be construed so as to prejudice the right of the Division to issue other decisions and orders to enforce the provisions of R.C. Chapter 1509 and Ohio Admin. Code Chapter 1501, including the seeking of civil penalties and/or the forfeiture of the bond for other violations.

11. Nothing in this Consent Agreement shall be construed to contradict the oil and gas laws of the State of Ohio.

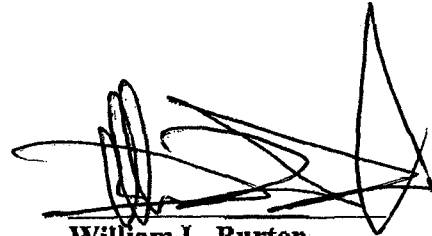
12. Appeal Nos. 765 and 767 are dismissed with prejudice.

IN WITNESS WHEREFORE, The parties hereby acknowledge that they have read and understood the terms and conditions of this Consent Agreement and with full awareness of the legal consequences, make a voluntary, knowing, and intelligent commitment, and intend to be fully bound thereby

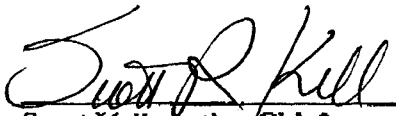
AGREED:



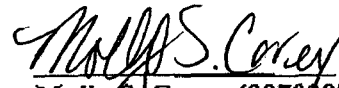
Rockwell Resources, Inc.
By Darrell R. Cline
ident ~~TITLE~~, who has authority
to enter into this agreement
and bind Rockwell Resources, Inc.



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