

**BEFORE THE
OIL & GAS COMMISSION**

PEOPLES PETROLEUM,

Appellant,

-vs-

DIVISION OF MINERAL RESOURCES
MANAGEMENT,

Appellee.

Appeal No. 770

Review of Chief's Order
2006-118


**ORDER OF THE
COMMISSION GRANTING
JOINT MOTION FOR
CONSENT DECISION**

Appearances: Samuel Buckey, on behalf of Appellant Peoples Petroleum; 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 no. 770, with prejudice.

Date Issued: 1/2/07


WILLIAM J. TAYLOR, Chairman *WJT*


JOHN A. GRAY *JAG*


JAMES H. CAMERON *JHC*

M. HOWARD PETRICOFF, Secretary


TIMOTHY C. McNUTT *TCM*

DISTRIBUTION:

Samuel Buckey, Via Regular Mail
Molly Corey, Via Inter-Office Mail

BEFORE THE
OIL AND GAS COMMISSION
STATE OF OHIO

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DEC 12 2006

**OIL AND GAS
COMMISSION**

PEOPLE'S PETROLEUM,

Appellant,

CASE NO 770

v

Review of Chief's
Order No. 2006-118

DIVISION OF MINERAL
RESOURCES MANAGEMENT,

Appellee.

CONSENT AGREEMENT

Now come the parties, Appellant, People's Petroleum. and Appellee, Division of Mineral Resources Management, in order to settle the presently pending administrative proceeding captioned People's Petroleum Corp. v Division of Mineral Resources Management, Case Number 770, stipulate to the following facts and conditions:

FACTS:

1. People's Petroleum Corp. is the owner of the oil and gas well known as the Robert E. Jones Lease, Well No. 1, Permit 0498, located in Belmont County
2. The Robert E. Jones Lease, Well No. 1 is incapable of producing oil and gas in commercial quantities.
3. Chief's Order No. 2006-43 was issued by the Chief of the Division of Mineral Resources Management (hereinafter "Chief" or "Division") on April 12, 2006 and received by People's Petroleum on May 3, 2006. The Chief's Order required that the

subject well either be placed into production within ten (10) days of receipt of that Order or properly plugged and abandoned within thirty (30) days of receipt of the Order.

4. Chief's order No. 2006-118 was issued by the Chief on September 15, 2006. The Chief's Order was issued for failure to comply with Chief's Order No. 2006-43, and forfeited the entire amount of People's Petroleum's \$15,000 bond (Certificate of Deposit No. 88152).

5 People's Petroleum appealed the issuances of Chief's Order No. 2006-118 to the Oil and Gas Commission on September 26, 2006.

CONDITIONS:

6. By March 1, 2007, People's Petroleum shall either place into production or plug, in accordance with the requirements of R.C. Chapter 1509 and Ohio Admin. Code Chapter 1501, the Robert E. Jones Lease, Well No. 1. If the subject well is not placed into production or plugged by March 1, 2007, People's Petroleum will forfeit the full \$15,000 amount of Certificate of Deposit No. 88152.

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. People's Petroleum shall be responsible to follow-up at the Robert E. Jones Lease, Well No. 1 site 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, People's Petroleum 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 People's Petroleum shall pay Five Thousand Dollars (\$5,000) to the Division. Payment of the Five Thousand Dollar (\$5,000) penalty must be submitted to the Division along with an executed copy 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 along with an executed copy of this Consent Agreement, People's Petroleum will forfeit the full \$15,000 amount of Certificate of Deposit No. 88152 in addition to seeking payment of the \$5,000 penalty plus applicable interest.

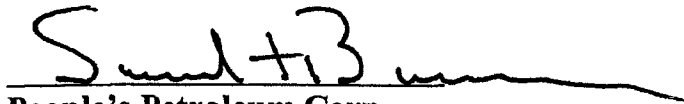
10. Nothing in this Consent Agreement shall be construed so as to prejudice the right of the Division to issue other decisions and orders to enforce the provisions of R.C. Chapter 1509 and Ohio Admin. Code Chapter 1501, including the seeking of civil penalties and/or the forfeiture of the bond for other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

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

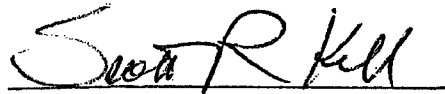
12. Appeal No. 770 is dismissed with prejudice.

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

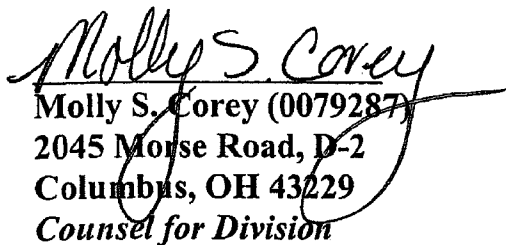
AGREED:



**People's Petroleum Corp.
By Samuel Buckey
President, who has authority
to enter into this agreement
and bind People's Petroleum Corp.**



**Scott Kell, Acting Chief
Division of Mineral Resources Mgmt.
2045 Morse Road, H-3
Columbus, OH 43229**



**Molly S. Corey (0079287)
2045 Morse Road, D-2
Columbus, OH 43229
Counsel for Division**

BEFORE THE OIL & GAS COMMISSION

PEOPLES PETROLEUM,

Appeal No. 770

Appellant,

Review of Chief's Order
2006-118

-vs-

DIVISION OF MINERAL RESOURCES
MANAGEMENT,

**ORDER OF COMMISSION
DENYING MOTION TO
DISMISS APPEAL**

Appellee.

Appearances: Samuel Buckey, on behalf of Appellant Peoples Petroleum; Molly Corey, Assistant Attorney General, Counsel for Appellee Division of Mineral Resources Management.

Date Issued: November 14, 2006

This matter came before the Oil & Gas Commission upon appeal by Peoples Petroleum. The Notice of Appeal, filed on behalf of Peoples Petroleum, is identified as being taken from the "Failure to Comply with Chief's Order 2006-43." This Notice of Appeal was filed with the Commission on September 26, 2006.

Chief' Order 2006-43 was issued on April 12, 2006 and ordered Peoples Petroleum to plug or produce a well known as the R.E. Jones Lease, Well No. 1. Thereafter, on September 15, 2006, the Division issued Chief's Order 2006-118. Chief's Order 2006-118 ordered the forfeiture of bond, and was based upon Peoples Petroleum's alleged failure to comply with Chief's Order 2006-43.

On October 20, 2006, Appellee Division of Mineral Resources Management filed a Motion to Dismiss this appeal, arguing that, if this appeal is taken from Chief's Order 2006-43, then the appeal was filed outside the 30-day statutory time requirement for appealing matters to the Oil & Gas Commission. On November 6, 2006, Peoples Petroleum responded to the Division's Motion to Dismiss, stating that the appeal, which was received by the Commission on September 26, 2006, was taken from Chief's Order 2006-118, the bond forfeiture order.

O.R.C. §1509.36 sets forth the method by which an appeal is perfected to the Oil & Gas Commission. That section of law provides *inter alia*:

Any person claiming to be aggrieved or adversely affected by an order by the chief of the division of mineral resources management may appeal to the oil and gas commission . . . The appeal shall be filed with the commission within thirty days after the date upon which appellant received notice by registered mail of the making of the order complained of. Notice of the filing of such appeal shall be filed with the chief within three days after the appeal is filed with the commission . . .

(Emphasis added.)

The Oil & Gas Commission has reviewed the Notice of Appeal filed in this matter, and **FINDS** that the appeal is taken from Chief's Order 2006-118. This Chief's Order was issued on September 15, 2006. Peoples Petroleum's Notice of Appeal was filed on September 26, 2006. Therefore, this appeal was timely filed and has properly invoked the Commission's jurisdiction.

ORDER

The Oil & Gas Commission has read and considered the Appellee's Motion to Dismiss. The Commission has also reviewed its prior orders and decisions. The Commission finds that the Appellee's arguments are not well taken. WHEREFORE, the Commission **DENIES** Appellee's Motion and appeal no. 770 shall proceed to hearing.

see attached sheets
WILLIAM J. TAYLOR, Chairman

JOHN A. GRAY

JAMES H. CAMERON

M. HOWARD PETRICOFF, Secretary

TIMOTHY C. McNUTT

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ORDER

The Oil & Gas Commission has read and considered the Appellee's Motion to Dismiss. The Commission has also reviewed its prior orders and decisions. The Commission finds that the Appellee's arguments are not well taken. WHEREFORE, the Commission **DENIES** Appellee's Motion and appeal no. 770 shall proceed to hearing.


WILLIAM J. TAYLOR, Chairman

JOHN A. GRAY


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ORDER

The Oil & Gas Commission has read and considered the Appellee's Motion to Dismiss. The Commission has also reviewed its prior orders and decisions. The Commission finds that the Appellee's arguments are not well taken. WHEREFORE, the Commission **DENIES** Appellee's Motion and appeal no. 770 shall proceed to hearing.

WILLIAM J. TAYLOR, Chairman

JOHN A. GRAY

JAMES H. CAMERON



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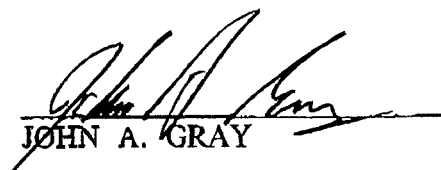
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ORDER

The Oil & Gas Commission has read and considered the Appellee's Motion to Dismiss. The Commission has also reviewed its prior orders and decisions. The Commission finds that the Appellee's arguments are not well taken. WHEREFORE, the Commission **DENIES** Appellee's Motion and appeal no. 770 shall proceed to hearing.

WILLIAM J. TAYLOR, Chairman



JOHN A. GRAY

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ORDER

The Oil & Gas Commission has read and considered the Appellee's Motion to Dismiss. The Commission has also reviewed its prior orders and decisions. The Commission finds that the Appellee's arguments are not well taken. WHEREFORE, the Commission DENIES Appellee's Motion and appeal no. 770 shall proceed to hearing.

WILLIAM J. TAYLOR, Chairman

JOHN A. GRAY

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Peoples Petroleum
Appeal # 770

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