

BEFORE THE OIL & GAS COMMISSION

EASTLAND ENERGY GROUP,

Appellant,

-vs-

DIVISION OF MINERAL RESOURCES
MANAGEMENT,

Appellee.

Appeal Nos. 743 & 749


Review of Chief's Orders
2004-104 & 2004-104 (corrected)

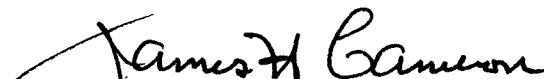
ORDER OF THE COMMISSION GRANTING JOINT MOTION FOR CONSENT DECISION

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. 743 and 749, with prejudice.

Date Issued: 9/16/05


WILLIAM J. TAYLOR, Chairman


JOHN A. GRAY


JAMES H. CAMERON


M. HOWARD PETRICOFF


MARILYN ENNIS

DISTRIBUTION:

Michael J. Belaj (Via Fax: [740-439-0792] & Regular Mail)
Holly N. Deeds (Via Fax: [614-268-8871] & Regular Inter-Office Mail)

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

EASTLAND ENERGY GROUP, INC.,)	APPEAL NO. 743 & 749
)	
Appellant,)	REVIEW OF CHIEF'S ORDER
)	No. 2004-104 and No. 2004-104
v.)	(corrected)
)	
OHIO DEPARTMENT OF)	
NATURAL RESOURCES,)	
DIVISION OF MINERAL)	
RESOURCES MANAGEMENT,)	
)	
Appellee.)	

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CONSENT AGREEMENT

Now come the parties, the Division of Mineral Resources Management (hereinafter the "Division"), and Eastland Energy Group, Inc. (hereinafter Eastland), and submit the following Joint Motion for Consent Order to the Oil and Gas Commission of Ohio ("Commission") to conclude the immediate appeal, and stipulate to the following facts, conditions, and terms:

FACTS

1 Eastland is the "owner," as that term is defined in Ohio Revised Code 1509.01(K), of the following oil and gas well:

<u>Well Name</u>	<u>Permit No.</u>	<u>County</u>	<u>Township</u>
Lawrence Lease	No. 1437	Noble	Sharon

2. The well listed in Paragraph 1 ("subject well") is incapable of producing commercially and, therefore, pursuant to Ohio Revised Code 1509.12 and Ohio Revised

Code 1509.072(B), respectively, the subject well is required to be plugged and the well site restored.

3 Division Issued Order No. 2000-14 requiring the subject well be plugged.

4. Eastland failed to plug subject well.

5 Chief issued Order No. 2004-104 and No. 2004-104 (Corrected) ordering the forfeiture of Eastland's surety bond.

CONDITIONS

6. By **May 30, 2005**, Eastland shall pay \$3,250.00 to the Division.

7. By **June 30 2005**, Eastland shall have obtained all necessary permits and plugged back the subject well to the approved formation.

8. By **August 30, 2005**, the subject well shall be producing in commercial quantities or plugged.

9 By **November 30, 2005**, Eastland shall pay an additional \$3,250.00 to the Division.

10. Within six months from the date that the subject well is plugged, Eastland shall restore the well site of the subject well, as required by Ohio law

11 Failure to meet any of the deadlines set forth by this agreement shall result in Eastland paying a penalty of \$2,000 immediately and \$200.00 for each and every month or part of a month until the deadline is met.

12. The deadlines set forth above are based upon the fact that the subject well is currently not presenting evidence of immediate danger to humans, animals or the environment. In the event that the Division discovers conditions that it concludes are evidencing immediate danger to humans, animals or the environment, the above-

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established deadlines are not applicable and Eastland shall take immediate action to eliminate the immediate danger to humans, animals and/or the environment.

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

14. If Eastland timely performs all of these conditions, the Division will rescind its bond forfeiture order – Chief’s Order 2004-104 and 2004-104(Corrected).

15. 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 Admin. Code Chapter 1501, including the seeking of civil penalties, injunctive relief, and bond forfeiture for the failure to comply with this Consent Agreement or other violations.

16. In the event of any default of the terms set forth herein, the Division may elect any and all remedies it deems appropriate. Further, in the event of default, Eastland, its heirs, assigns, and successors-in-interest agree that in any litigation brought by the Division to enforce this Consent Agreement: a) venue shall be proper in the Franklin County Ohio Court of Common Pleas and b) service of process and summons thereof are hereby waived.

17 The above captioned appeal is hereby dismissed subject to the provisions of this Consent Agreement.

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AGREED:

Michael J. Belaj
Michael Belaj, President
Eastland Energy Group, Inc.
Authorized Representative
for Appellant.

4-28-05
Date

AGREED:

Michael Sponsler
Michael Sponsler, Chief
Division of Mineral Resources
Management

5-10-05
Date

APPROVED:

Holly N. Deeds 5/10/05
Holly N. Deeds Date
Assistant Attorney General
Environmental Enforcement
Section

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