

BOARD OF OIL AND GAS REVIEW

DIVISION OF OIL & GAS

DEPARTMENT OF NATURAL RESOURCES, STATE OF OHIO

PEP DRILLING COMPANY
123 South Tenth St., Room 210
P.O. box 824
Mt. Vernon, Illinois 62864

APPEAL NO. 371

Appellant

vs

J. MICHAEL BIDDISON, CHIEF
Division of Oil & Gas
Ohio Department of Natural Resources
Fountain Square, Columbus
Ohio 43224

Appellee

Appearances:

For Appellant: Mr. Randy Ile
Drilling Superintendent
Pep Drilling Company

For Appellee: Anthony J. Celebrezze, Jr
Attorney General
By: Todd Musheff, Esq.
Assist. Attorney General
Building A,
Fountain Square, Columbus
Ohio, 43224

ENTRY

This matter came on for hearing before the Oil and Gas Board of Review on March 13, 1990 at the the Department of Natural Resources, Building E. Conference Room, Fountain Square, Columbus, Ohio pursuant to a timely Notice of Appeal filed by the Appellant. The appeal was taken from the Order of the Chief, Division of Oil and Gas, # 89-525, dated August 1, 1989 issued to Pursie E. Pipes prohibiting the owner from withdrawing the 11 3/4 inch conductor pipe from the Sunny Hill No.5 well, Brimfield Township, Portage County, Ohio.

The Appeal called into question whether the Oil and Gas Inspector in fact ever informed an employee of Pep Drilling Co. in a position of responsibility and authority of this on site order. At the hearing, Mr. Ile repeated the demand to know the name of the person informed of what appeared to be a new procedure for withdrawal of surface conductor pipe after surface cementing.

At the time of the hearing, the Appellant was in compliance with Order 89-525. Mr. Dennis Watson, Oil and Gas Inspector for Portage County stated under oath that he had informed a Mr. Randy Hoover of the required procedure. Mr. Hoover was one of the persons cited in the letter of appeal by P. Pipes, Appellant, as person authorized to receive such communications. Mr. Hoover was not available as a witness at the hearing before the Board.

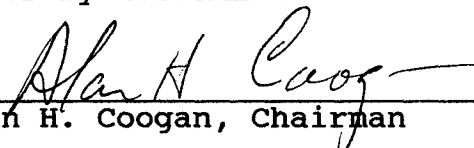
ISSUES


The question in this Appeal may be surmised to be one of reasonableness in the manner of communication of verbal orders by on site inspectors during drilling operations. The written order merely confirmed the oral order after the fact and after the cementing was completed.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

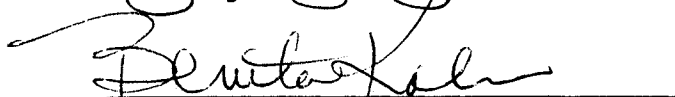
Based on the testimony at the hearing, the Board finds that although there clearly was a misunderstanding at the drilling site, there was no evidence that the order of the Chief was unreasonable or unlawful.

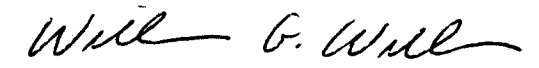
Wherefore, the Board of Oil and Gas Review finds that Order No. 89-525 to have been lawful and reasonable and the Board **ORDERS**, that Appeal 371 is hereby **DISMISSED** and that the Adjudication Order No. 89-525 is hereby **AFFIRMED**.


Alan H. Coogan, Chairman


Robert H. Alexander
Secretary


Gail Ignatz-Hoover


Benita Kahn


William G. Williams