

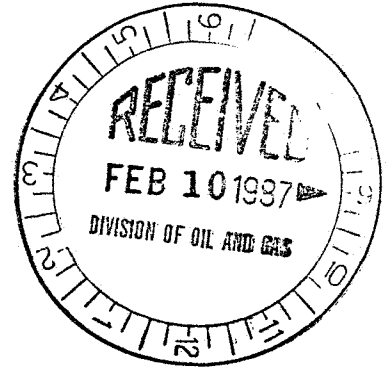
Appeal
#193

BEFORE THE OIL AND GAS BOARD OF REVIEW

MR. KENNER McCONNELL, III, PRESIDENT
MACKENCO, INC.
5850 N. High Street
Worthington, Ohio 43085
Appellant

v.

RENEE J. HOUSER, CHIEF
Division of Oil and Gas
Ohio Department of Natural Resources
Appellee.



ORDER NO. 86-221

ORDER

This cause came on for hearing on December 4, 1986. Upon Appellant's failure to appear, this Board dismissed the instant appeal. Order No. 86-193, the subject of the appeal, is hereby AFFIRMED as reasonable and lawful.

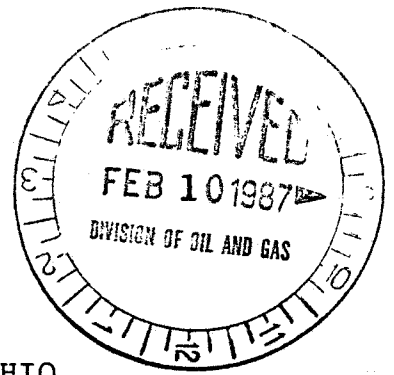
1/29/87
(Date)

Alan H. Coogan
Alan H. Coogan, Chairman

Beatrice E. Wolper
Beatrice E. Wolper

William G. Williams
William G. Williams

Robert H. Alexander
Robert H. Alexander



BOARD OF OIL AND GAS REVIEW
DEPARTMENT OF NATURAL RESOURCES, STATE OF OHIO

Mackenco, Inc.
5850 N. High Street
Worthington, Ohio
43085

Appellant

APPEAL NO. 193

VS

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

Appellee

Appearances:

For Appellant: Mr. Kenner McConnell, III
Mackenco Inc.
5850 N. High Street
Worthington, Ohio
43085

For Appellee: Anthony J. Celebrezze, Jr
Attorney General
By: Mr. McGuire
Assistant Attorney General
Fountain Square, Columbus
Ohio, 43224

ENTRY

This matter came on for hearing before the Oil and Gas Board of Review on September 11, 1986, in the First Floor Conference Room Building E., Fountain Square, Columbus, Ohio pursuant to a Notice of Appeal filed by the Appellant. The appeal was taken from the Order of the Chief, Division of Oil and Gas, # 86-221, to Mackenco, Inc. dated June 4, 1986. regarding the denial of the operators request to dispose of saltwater in the annular space of the Stillions #3 well.

ISSUES

The specific issue raised in this Appeal is whether the Chief of the Divison of Oil and Gas lawfully and reasonably issued the Adjudication Order under the provisions of Section 1501:9-3-11 (B) (1) of the Adminstrative rules to prohibit the annular disposal of brine in the No. E,B Stillions well, where, as here, there was no return of cement to the surface during the cementation of the surface casing and where no other remedy was proposed or approved by the Chief of the Divison of Oil and Gas.

FINDINGS OF FACT

Based on the testimony of the witnesses and the documents submitted and accepted by the Board, the Board makes the following findings of fact:

1. During the cementation of the surface casing, there was no return of cement to the surface.

2. No remedial plan was proposed by the operator nor accepted and approved by Chief, Division of Oil & Gas relevant to protection of the ground water as is provided for in the rules.

3. The operator, Mackenco, Inc. did run various down-hole wireline logs to demonstrate the mechanical integrity of the casing, however, the Board finds that these logs do not in themselves substitute for an approved remedial plan.

4. The provisions of the Ohio Administrative Code section 1501:9-3-11 requires a two step process:

a) Cement is returned to the surface cementation of the surface casing or an approved remedial plan is accepted by the Chief, Division of Oil and Gas.

b) The mechanical integrity of the casing is confirmed by appropriate testing and/or logs.

5. The Stillions well, P-5744, Bedford Township, Coshocton County, Ohio does not meet the construction requirements of the rules for the disposal of brine by annual disposal methods.


6. Consequently, the Board finds that the Adjudication Order 86-221 of the Chief, Division of Oil and Gas is reasonable and lawful and

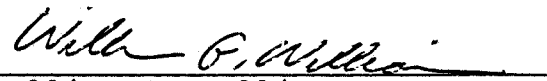
Based on these findings of fact, the Board of Oil and Gas Review

ORDERS, that Appeal 193 is here by DISMISSED .
and that the Adjudication Order No. 86-221 be and hereby is
AFFIRMED.

This order is effective this 11th day of September, 1986,


Alan H. Coogan, Chairman


Robert M. Alexander


William G. Williams


Beatrice E. Wolper