

**BEFORE THE  
OIL & GAS COMMISSION**

HALWELL COMPANY, INC.,  
(B T Energy, Inc.)

Appellant,

-vs-

DIVISION OF OIL & GAS,

Appellee.

Appeal No. 629

Review of Chief's Order 97-126

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

The Oil & Gas Commission has received and reviewed the parties' Joint Motion for Consent Decision and finds it well taken. Accordingly, the Commission **ADOPTS** the Consent Decision. There being no outstanding issues of law or fact, the Commission hereby **DISMISSES** appeal no. 629, with prejudice.

Date Issued:

9/15/98

  
WILLIAM J. TAYLOR, Chairman

  
JAMES H. CAMERON

  
JOHN A. GRAY

**\*RECUSED\***  
GAIL IGNATZ-HOOVER

  
BENTA KAHN, Secretary

**DISTRIBUTION:**

Thomas A. Lewis  
Karen A. Smith  
Ray Studer

BEFORE THE OIL AND GAS BOARD OF REVIEW.  
DEPARTMENT OF NATURAL RESOURCES  
STATE OF OHIO

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JUL 16 1998

OIL AND GAS  
COMMISSION

HALWELL COMPANY )  
(BT ENERGY CORPORATION) )

Appellant, )

v. )

DONALD L. MASON, Esq., Chief, )  
Division of Oil and Gas )  
Ohio Department of Natural )  
Resources, )

Appellee. )

APPEAL NOS. 624, 626, AND 629

CHIEF'S ORDER NOS. 97-101,  
97-105, AND 97-126

CONSENT AGREEMENT

Now come the parties, appellant, Halwell Company and BT Energy Corporation and appellee, Thomas G. Tugend, Acting Chief of the Division of Oil and Gas, who, in order to settle the presently pending administrative proceedings captioned Halwell Company (BT Energy Corp.) v. Donald L. Mason, Chief, Division of Oil and Gas, Appeal No. 624 (Chief's Order No. 97-101); Halwell Co. (BT Energy Corp.) v. Donald L. Mason, Chief, Division of Oil and Gas, Appeal No. 626 (Chief's Order No. 97-105) and Halwell Co. (BT Energy Corp.) v. Donald L. Mason, Chief, Division of Oil and Gas, Appeal No. 629 (Chief's Order 97-126) and to resolve additional issues pending between the parties, stipulate to the following facts and conditions:

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FACTS

1. BT Energy Corporation is the owner of the following oil and gas wells which are subject to the above referenced appeals plus the additional wells listed below which are subject to previous appeals before the Commission. Halwell Company, Inc. is BT Energy's subcontract operator for the subject wells.

| <u>Well</u>         | <u>Permit No.</u> | <u>County</u> | <u>Appeal</u> |
|---------------------|-------------------|---------------|---------------|
| D. Rodgers #1       | 5008              | Perry         | 624           |
| Gross #2            | 5453              | Perry         | 624           |
| Ray #1              | 5558              | Perry         | 624           |
| Cavinee-Furney #1   | 5784              | Perry         | 624           |
| Harris-Ricketts #5  | 5030              | Perry         | 626           |
| Harris-Ricketts #6  | 5031              | Perry         | 626           |
| Harris-Ricketts #7  | 5032              | Perry         | 626           |
| Barnett #3          | 2927              | Morgan        | 629           |
| Wilkison #1         | 5227              | Muskingum     | 619           |
| County Infirmary #2 | 1927              | Morgan        | 619           |
| Wright #1           | 1877              | Morgan        | 619           |
| Deavers No. 4       | 6131              | Perry         | 619           |
| Schwartzmiller #1-A | 6192              | Muskingum     | 620           |

2. The above listed wells are presently incapable of producing oil and gas in commercial quantities.

3. The above referenced Chief's Orders were issued by the Chief of the Division of Oil and Gas requiring that the subject wells either be placed into production within 10 days of the receipt of that Order or plugged and abandoned within 30 days of receipt of the Order.

4. The subject wells have not been plugged or placed into production as required by the respective Chief's Orders.

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CONDITIONS

5. By June 30, 1998, Halwell Company and BT Energy Corporation shall either place into production or plug in accordance with the requirements of R.C. Chapter 1509. and Ohio Admin. Code Chapter 1501. three of the wells listed above and shall restore, in accordance with the requirements of R.C. 1509. and Ohio Admin. Code 1501., the well site for each well plugged within 6 months of plugging.

6. By September 30, 1998, Halwell Company and BT Energy Corporation shall either place into production or plug in accordance with the requirements of R.C. 1509. and Ohio Admin. Code 1501., five additional wells of the wells listed above and shall restore, in accordance with the requirements of R.C. 1509. and Ohio Admin. Code 1501., the well site for each well plugged within 6 months of plugging.

7. By December 31, 1998, Halwell Company and BT Energy Corporation shall either place into production or plug in accordance with the requirements of R.C. 1509. and Ohio Admin. Code 1501., the remaining five wells of the wells listed above and shall restore, in accordance with the requirements of R.C. 1509. and Ohio Admin. Cod 1501., the well site for each well plugged within 6 months of plugging.

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8. Halwell Company and BT Energy Corporation shall be responsible to follow-up at the subject well 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, Halwell Company and BT Energy will reseed the site until proper growth occurs.


9. All work on the well sites will 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.

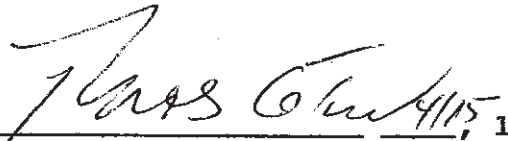
10. Nothing in this CONSENT AGREEMENT shall be construed so as to prejudice the right of the Division of Oil and Gas to issue other decisions and orders to enforce the provisions of R.C. Chapter 1509 and Ohio Admin. Code Chapter 1501. including the seeking of civil penalties for the failure to comply with this Consent Agreement.


11. 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, Halwell Company and BT Energy, their heirs, assigns, and successor-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; b) service of process and summons thereof are hereby waived.

12. Appeals 624, 626 and 629 are dismissed with prejudice.

13. The Division of Oil and Gas reserves all rights to enforce R.C. Chapter 1509. and Ohio Admin. Code Chapter 1501. including but not to the right to file a civil enforcement action seeking injunctive relief and civil penalty for noncompliance with this Consent Agreement.

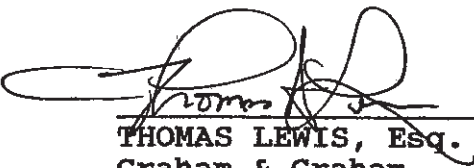
 6-12, 1998  
BT ENERGY CORP.  
By A.T. Stautberg, Jr. its  
President and Director who  
has authority to enter into  
this agreement and bind  
BT Energy Corp.

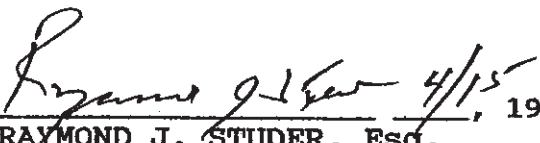
 4/15, 1998  
THOMAS G. TUGEND, Acting Chief  
Division of Oil & Gas  
4383 Fountain Sq., Bldg. B-3  
Columbus, OH 43224-1362

 4/22, 1998  
HALWELL COMPANY, INC.  
By Eddy Biehl, its  
President and Director who  
has authority to enter into  
this agreement and bind  
Halwell Company

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COMMISSION

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