

BEFORE THE OIL & GAS COMMISSION

PAUL A. GRIM,

Appellant,

-vs-

DIVISION OF MINERAL RESOURCES
MANAGEMENT,

Appellee.

Appeal No. 750

Review of Chief's Order
2005-20

ORDER OF THE COMMISSION GRANTING JOINT MOTION FOR CONSENT DECISION

Appearances: John H. Pettorini, Counsel for Appellant Paul A. Grim; Mark G. Bonaventura, Assistant Attorney General, Counsel for Appellee Division of Mineral Resources Management.

The Oil & Gas Commission has received and reviewed the parties' Consent Agreement, and the Modification to Consent Agreement, and finds these items well taken. Accordingly, the Commission hereby **ADOPTS** the Consent Agreement, as modified. There being no outstanding issues of law or fact, the Commission hereby **DISMISSES** appeal no. 750, with prejudice.

Date Issued: May 25, 2006


WILLIAM J. TAYLOR, Chairman


JOHN A. GRAY


JAMES H. CAMERON


M. HOWARD PETRICOFF, Secretary

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Mark G. Bonaventura (Via Fax: [614-268-8871] & Regular Inter-Office Mail)

BEFORE THE
OIL & GAS COMMISSION

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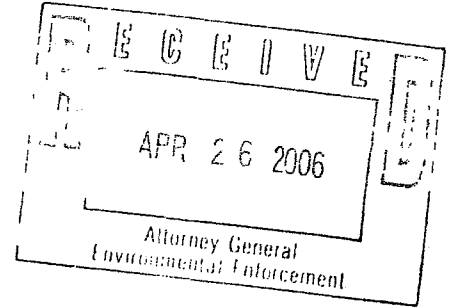
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**OIL AND GAS
COMMISSION**

PAUL A. GRIM,)
)
 Appellant,)
)
 v)
)
 DIVISION OF MINERAL RESOURCES)
 MANAGEMENT,)
)
 Appellee.)

Case No. 750

Review of Chief's Order
No. 2005 - 20



CONSENT AGREEMENT

Now come the parties, Appellant Paul A. Grim ("Appellant") and Appellee Division of Mineral Resources Management ("Division"), and in order to settle the instant appeal stipulate to the following facts and conditions.

FACTS:

1. Paul A. Grim is the "owner", as that term is defined in R.C. 1509.01(K), of the following oil and gas wells ("subject wells") which are located in Falls Gore and Ward Townships, Hocking County, Ohio.

- | | |
|-----------------|--------------------|
| Permit No. 297 | Bozett No. 3 |
| Permit No. 298 | Bozett No. 2 |
| Permit No. 299 | Bozett No. 8 |
| Permit No. 300 | Bozett No. 7 |
| Permit No. 301 | Starr No. 6 |
| Permit No. 1239 | Grim-Kistler No. 1 |

2. Inspections by the Division found the subject wells to be incapable of production; therefore, pursuant to Revised Code 1509.12 and Revised Code 1509.072(B), these wells are required to be plugged and the well sites restored if not placed into

production. As a result of these inspections, Chief's Order 2005-20 was issued ordering Appellant to place the subject wells into production or to plug the wells.

3. The subject wells have not been plugged or placed into production as required by law

CONDITIONS:

4. Prior to plugging the wells by the time set forth below, Paul A. Grim shall obtain permits from the Division to plug the subject wells.

5. Paul A. Grim shall plug the subject wells and restore their well sites in accordance with the requirements of Ohio's oil and gas laws. Paul A Grim will plug one well per month commencing February, 2006 and ending July, 2006. Exercising his best professional judgment, Paul A. Grim shall select the order of the wells to be plugged. All well sites shall be restored by the end of September, 2006.

6. Paul A. Grim agrees to pay \$1500 as a penalty for violating Revised Code 1509.12. However, the Division will waive the penalty if Paul A. Grim fully performs all conditions of this Consent Agreement. If Paul A. Grim fails to perform any condition of this Consent Agreement, a check made payable to Division in the amount of \$1500 shall be mailed to counsel for the Division, three (3) days after failing to timely perform.

7. In addition to the \$1500 penalty, for each deadline regarding the plugging of a well which is not met and/or for each deadline regarding the restoration of a well site which is not met, Paul A. Grim shall pay \$500 for each well which is not plugged or each well site which is not restored as required by the above-established deadlines. In

addition, for each additional month or part of a month in which a deadline for the plugging of a well or restoration of a well site is not met, Paul A. Grim shall pay an additional \$100 for each month or part of a month in which a deadline is not met.

8. Paul A. Grim shall be responsible to follow-up at each well site to insure full compliance with the requirements of R.C. Chapter 1509 and Ohio Administrative Code Chapter 1501, including but not limited to the establishment of vegetative cover to bind the soil and prevent substantial erosion. If necessary, Paul A. Grim will reseed the sites until proper growth occurs.

9. The schedule established by this Consent Agreement is based upon the fact that, at the present time, there is not evidence of contamination, pollution or substantial erosion occurring. In the event, contamination, pollution or substantial erosion is discovered at any of the wells or well sites, the terms of this agreement for that particular well or well site is not applicable and Paul A. Grim will take immediate action to prevent future contamination, pollution or substantial erosion and will take required actions to remediate any contamination, pollution or substantial erosion which has occurred.

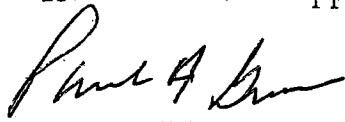
10. All work on the wells or well sites shall be performed in a prudent and workmanlike manner and in compliance with the requirements of R.C. Chapter 1509 and Chapter 1501 of Ohio Administrative Code.

11. 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

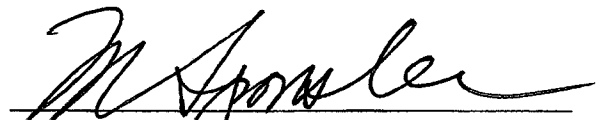
1501, including the seeking of injunctive relief and civil penalties for the failure to comply with this Consent Agreement.

12. In the event of any default of the conditions set forth herein, the Division may elect all remedies it deems appropriate. Further, in the event of default, Paul A. Grim, its officers, assigns and successors-in-interest agree that, in any litigation brought by the Division to enforce this Consent Agreement, venue shall be proper in the Court of Common Pleas for Franklin County, Ohio.

13. The instant appeal is dismissed with prejudice.



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Counsel for Division

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Appellant,)	
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MODIFICATION TO
CONSENT AGREEMENT

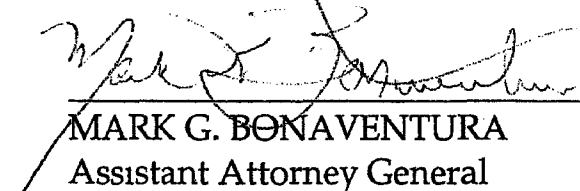
Now come the parties, Appellant Paul A. Grim ("Appellant") and Appellee Division of Mineral Resources Management ("Division"), and through their counsel agree to modify in writing the commencement and completion dates set forth in Paragraph 5 of the Consent Agreement. As modified, Paragraph 5 shall state:

5. Paul A. Grim shall plug the subject wells and restore their well sites in accordance with the requirements of Ohio's oil and gas laws. Paul A. Grim will plug one well per month commencing May, 2006 and ending October, 2006. Exercising his best professional judgment, Paul A. Grim shall select the order of the wells to be plugged. All well sites shall be restored by the end of October, 2006.

Per Telephone Authorization 4/24/06

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