

**BEFORE THE CORPORATION COMMISSION OF THE STATE OF
OKLAHOMA**

**APPLICANT: LORI WROTENBERY, DIRECTOR
 OIL AND GAS CONSERVATION DIVISION
 OKLAHOMA CORPORATION COMMISSION**

**RESPONDENT: MAYABB OIL COMPANY, INC.
 OPERATOR #02483**

**LEGAL: N/2 NE/4 NW/4 NW/4,
 SECTION 05,
 TOWNSHIP 25 NORTH,
 RANGE 16 EAST,
 NOWATA COUNTY, OK**

RELIEF SOUGHT:	MONITARY FINES) & COMPLIANCE) WITH COMMISSION) RULES)	CAUSE OGC NO. 200600029T CITATION # 1-0702 ORDER NO. <u>528245</u>
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DEFAULT CITATION ORDER

This cause came on for hearing before an Administrative Law Judge on the Enforcement Docket on August 8, 2006, in the Commission's Courtroom, Kerr State Office Building, Tulsa, Oklahoma, pursuant to notice given as required by law and the rules of the Commission for the purpose of taking testimony and reporting to the Commission.

At the time of the hearing, Jim Hamilton, attorney for the Oil and Gas Conservation Division, appeared for the Applicant, Lori Wrotenbery, Director of the Oil and Gas Conservation Division of the Corporation Commission.

FINDINGS

1. The Commission has jurisdiction over the subject matter, and notice has been given in all respects as required by law and rules of the Commission.

2. This matter relates to the Hathcoat North well located in the N/2 NE/4 NW/4 NW/4 NW/4 of Section 05, Township 25 North, Range 16 East, Nowata County, Oklahoma. Respondent's agent was served with a copy of the citation on June 21, 2006. Further, a copy of the ticket was also sent via certified mail on July 3, 2006, to the last-known address of Respondent. Evidence introduced and accepted by the Administrative Law Judge showed Commission oil and gas field inspector Billy Shufeldt has alleged that the Respondent operated the Hathcoat North well as a salt-water disposal well without first obtaining a Commission order. The Respondent was alleged to be in violation of Commission Rule OAC 165:10-5-2, failure to obtain a permit for injection or disposal well, which provides on Schedule A for a contempt fine of Five Thousand Dollars (\$5,000.00).

3. The Administrative Law Judge finds, that the Respondent is in contempt of OCC-OAC165:10-5-2, which provides on Schedule A for a contempt fine of Five Thousand Dollars (\$5,000.00) for having used the Hathcoat North well as a salt water disposal well without having first obtained Commission approval. The Administrative Law Judge recommends that a Default Citation Order issue in this cause assessing the Respondent a monetary fine in the sum of Five Thousand Dollars (\$5,000.00). The Administrative Law Judge further finds that the Commission Cashier has acknowledged the receipt of Respondent's check in payment of said monetary fine on July 10, 2006.

ORDER

IT IS THEREFORE THE ORDER OF THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA:

1. That the findings and recommendation of the Administrative Law Judge are incorporated herein.

2. That the Respondent, Mayabb Oil Company, Inc., is found in contempt of OCC-OAC 165:10-5-2 and is assessed a monetary fine of Five Thousand Dollars (\$5,000.00) for disposing salt water into the Hathcoat North well located in the N/2 NE/4 NW/4 NW/4 NW/4 of Section 05, Township 25 North, Range 16 East, Nowata County, Oklahoma, without having first obtained a Commission order as set forth in Commission Rules.

3. That the Respondent has fulfilled its obligation under this Default Citation Order by the tender of its check in payment of the assessed monetary fine to the Commission Cashier.

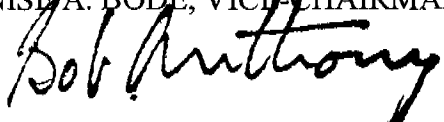
OKLAHOMA CORPORATION COMMISSION



JEFF CLOUD, CHAIRMAN



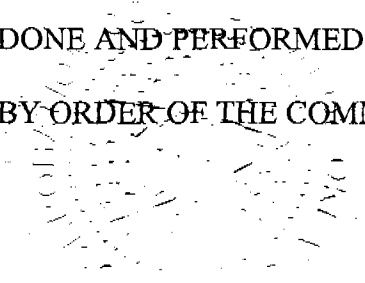
DENISE A. BODE, VICE-CHAIRMAN



BOB ANTHONY, COMMISSIONER

DONE AND PERFORMED this 10 day of August 2006.

BY ORDER OF THE COMMISSION:






PEGGY MITCHELL, SECRETARY

REPORT OF THE ADMINISTRATIVE LAW JUDGE

The foregoing is the report and recommendation of the Administrative Law Judge.



ADMINISTRATIVE LAW JUDGE



Jim Hamilton
Attorney for Applicant
OBA #3762