BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

- APPLICANT: MICHAEL S. BATTLES, DIRECTOR OIL & GAS CONSERVATION DIVISION OKLAHOMA CORPORATION COMMISSION
- RESPONDENT: DRB OIL COMPANY RT. 1 BOX 1246 OCHELATA, OK 74051

RELIEF SOUGHT: FINE) CAUSE OGC NO. 200100051) CITATION NO. 10305-A

- APPLICANT: MICHAEL S. BATTLES, DIRECTOR OIL & GAS CONSERVATION DIVISION OKLAHOMA CORPORATION COMMISSION
- RESPONDENT: DRB OIL COMPANY RT. 1 BOX 1246 OCHELATA, OK 74051

RELIEF SOUGHT: FINE) CITATION NO. 10115-B

45'7400

ORDER NO.

FINAL COMBINED DEFAULT ORDER

This Cause came on for hearing before Curtis M. Johnson, Administrative Law Judge for the Corporation Commission of the State of Oklahoma, on the Citation Docket, on the 2nd day of October, 2001, at 9:30 a.m., in the Commission's Courtroom, Tulsa Regional Office, 440 S. Houston, 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, Kent D. Talbot, Assistant General Counsel for the Oil and Gas Conservation Division, appeared for the Applicant, Michael S. Battles, Director of the Oil & Gas Conservation Division of the Corporation Commission; and, Attorney No one was present in the courtroom for the Respondent/Operator, DRB Oil Company.

The Administrative Law Judge proceeded to hear the Cause and reports as follows:

FINDINGS

1. That Mr. Talbot called Mr. Billy Shufeldt, Commission Field Inspector, to the witness stand and Mr. Shufeldt identified Staff Exhibit No. 1 for these combined causes as consisting of five pages, the first two pages being copies of an affidavit of service by Ms. Gracie Hicks, of the Commission Staff, showing that she had mailed copies оf said citations to the Respondent/Operator, DRB Oil Company; and, that the final three pages of the exhibit consisted of a three page sheriff's incident

report which summarized a visit by Mr. Shufeldt accompanied by a deputy sheriff to the residence of the partner-brothers who operate the Respondent/Operator, DRB Oil Company. Mr. Shufeldt testified that after a period of time and discussion, that he was able to present copies of said citations to Delmer Garrett, who refused to accept them. He further stated that he believed Delmer Garrett to be the brother-partner of Dwayne Garrett and that they were the persons who owned and operated the Respondent/Operator, DRB Oil Company. Mr. Shufeldt then stated that as to OGC 200100051 regarding the A Schedule Citation #10305-A that he found that the Respondent/Operator, DRB Oil Company. was disposing of produced water down an illegal injection/disposal well that had no records on file with the Corporation Commission. He recommended a default finding of contempt guilt and the assessment of the prescribed fine of Five Thousand Dollars for violation of OCC-OAC 165:10-5-2(a) which provides a Schedule A fine for "failure to obtain permit for injection or disposal well." Mr. Shufeldt then further stated that as to OGC 200100053 regarding the A Schedule Citation #10114-B that he found that the Respondent/Operator, DRB Oil Company. had an non-producing and unplugged well in the NW/4 SW/4 SW/4 OF Section 03, Township 28 North, Range 15 East in Nowata County, Oklahoma. Pursuant to this citation, he gave the Respondent/Operator, DRB Oil Company until the 30th of August, 2001 to bring this well into compliance with the Oil & Gas Rules of the Corporation Commission, by either

plugging or producing this well. He recommended a default finding of contempt guilt and the assessment of the prescribed fine of One Thousand Dollars for violation of OCC-OAC 165:10-11-3(f) which provides said Schedule B fine for "failure to plug well in rule time frame."

2. That 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.

The Administrative Law Judge announced his recommendation in Combined Causes OGC No. 200100050 and 200100053; (1) that the he Respondent/Operator, DRB Oil Company, upon failure to appear is found in contempt of OCC-OAC 165:10-5-2(a) which provides in Schedule A for a contempt fine of Five Thousand Dollars for failure to obtain permit for injection or disposal well at a site located in the NW/4 SW/4 SW/4 OF Section 03, Township 28 North, Range 15 East in Nowata County, Oklahoma; and, (2) that the Respondent/Operator, DRB Oil Company, upon failure to appear is found in contempt of OCC-OAC 165:10-11-3(f) which provides in Schedule B for a contempt fine of One Thousand Dollars for failure to plug well in rule time frame at a site located in the NW/4 SW/4 SW/4 OF Section 03, Township 28 North, Range 15 East in Nowata County, Oklahoma

<u>ORDER</u>

IT IS THEREFORE ORDERED BY THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA:

1. That the Respondent/Operator, DRB Oil Company, is found in contempt of OCC-OAC 165:10-5-2(a) which provides in Schedule A for a contempt fine of Five Thousand Dollars for failure to obtain permit for injection or disposal well at a site located in the NW/4 SW/4 SW/4 OF Section 03, Township 28 North, Range 15 East in Nowata County, Oklahoma; and, (2) that the Respondent/Operator, DRB Oil Company, upon failure to appear is found in contempt of OCC-OAC 165:10-11-3(f) which provides in Schedule B for a contempt fine of One Thousand Dollars for failure to plug well in rule time frame at a site located in the NW/4 SW/4 SW/4 OF Section 03, Township 28 North, Range 15 East in Nowata County, Oklahoma. Said fines shall total \$6,000.00.

2. That the fine shall be paid to the Cashier, Finance Department, Corporation Commission, 2101 N. Lincoln Boulevard, P.O. Box 52000-2000, Oklahoma City, OK 73152-2000 within 30 days from the date of this order.

3. THAT PAYMENT OF THIS FINE IS DUE WITHIN THE TIME PROVIDED AND FAILURE TO PAY SHALL RESULT IN A STATE COURT JUDGMENT AND COLLECTION ACTION BEING FILED AGAINST THE RESPONDENT.

OKLAHOMA CORPORATION COMMISSION

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A. BODE, CHAIRMAN

DONE AND PERFORMED this 18 day of OCTOBER, 2001. BY ORDER OF THE COMMISSION:

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

10-9-2001 m CURTIŠ M. JOHNSON,

Administrative Law Judge

Approved: Kent Talbot, OBA# 8828 Ass't. Gen. Counsel