

**FILED**

JUN 01 2015

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

COURT CLERK'S OFFICE - OKC  
CORPORATION COMMISSION  
OF OKLAHOMA

<b><u>APPLICANT:</u></b>	<b>COBALT ENVIRONMENTAL SOLUTIONS, LLC</b>	)	
		)	<b>CAUSE PD NO.</b>
		)	<b>201400129</b>
		)	
<b><u>RELIEF SOUGHT:</u></b>	<b>COMMERCIAL DISPOSAL WELL (FORM 1015)</b>	)	
		)	<b>APPLICATION</b>
		)	<b>NO.</b>
		)	<b>1500180133</b>
		)	
<b><u>LEGAL DESCRIPTION:</u></b>	<b>COBALT MARIETTA SWD #1, NE/4 NW/4 NW/4 SECTION 24 T7S, R1W, LOVE COUNY, OKLAHOMA</b>	)	
		)	
		)	
		)	

**CORRECTED REPORT OF THE OIL AND GAS APPELLATE REFEREE**

This Cause came on for hearing before **Michael Porter**, Administrative Law Judge for the Corporation Commission of the State of Oklahoma, on the 26<sup>th</sup> day of November, 2014, at 8:30 a.m. in the Commission's Courtroom, Jim Thorpe Building, Oklahoma City, 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.

**APPEARANCES:** **Russell Walker**, attorney, appeared on behalf of applicant, Cobalt Environmental Solutions, LLC ("Cobalt"); **Eric King**, attorney, appeared on behalf of Turner School District and Luther and Doris Malone (collectively "Turner"); **Darryl Roberts**, attorney, appeared on behalf of Falconhead Home Property Association ("Falconhead"); **Sally Shipley**, Deputy General Counsel, appeared on behalf of the Underground Injection Control Department ("UIC"), Oil and Gas Division, Oklahoma Corporation Commission ("OCC" or "Staff"); and **James L. Myles**, Deputy General Counsel for Deliberations, filed notice of appearance.

The Administrative Law Judge ("ALJ") filed his Report of the Administrative Law Judge on the 26<sup>th</sup> day of February, 2015 to which Exceptions were timely filed and proper notice given of the setting of the Exceptions.

The Appellate argument concerning the Oral Exceptions was referred to **Patricia D. MacGuigan**, Oil and Gas Appellate Referee ("Referee"), on the 13<sup>th</sup> day of April, 2015. The Referee issued her Report on May 8, 2015. The Referee has been informed that there are two errors in the Referee's Conclusions and issues this Corrected Report of the Oil and Gas Appellate Referee to address those errors.

### **CORRECTIONS**

Paragraph #7 on page 10 of the Referee's Conclusions in her Report of the Oil and Gas Appellate Referee should be corrected to read:

7) The ALJ found that the expert, Mr. Charles Lord, a petroleum geologist and the Program Manager of Underground Injection Control for the Oklahoma Corporation Commission and Cobalt's witness, Mr. Oscar Goode, an oil and gas expert on the subject of petroleum engineering and geology, had sufficient rational basis in support of their expert opinions. *Haymaker v. Oklahoma Corporation Commission*, 731 P.2d 1008 (Okl.Civ.App. 1986).

Paragraph #8 on page 10 of the Referee's Conclusions in her Report of the Oil and Gas Appellate Referee should be corrected to read:

8) These experts also addressed the concerns expressed by Falconhead concerning the seismic activity producing earthquakes in the area.

Except for the corrections stated above, the Report of the Oil and Gas Appellate Referee issued on May 8, 2015, shall remain the same.

**RESPECTFULLY SUBMITTED THIS 1st day of June, 2015.**

  
Patricia D. MacGuigan  
OIL & GAS APPELLATE REFEREE

PM:ac

xc: Commissioner Anthony  
Commissioner Murphy  
Commissioner Hiatt  
James L. Myles  
ALJ Michael E. Porter  
Russell Walker  
Eric King  
Darryl Roberts  
Sally Shipley  
Michael L. Decker, OAP Director  
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