

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

**FILED**  
JUL 20 2016

COURT CLERK'S OFFICE - OKC  
CORPORATION COMMISSION  
OF OKLAHOMA

APPLICANT:	COBALT ENVIRONMENTAL SOLUTIONS, LLC	)	
		)	
RELIEF SOUGHT:	AUTHORIZATION TO DRILL AND COMPLETE THE COBALT MADILL SWD NO. 1 AS A COMMERCIAL SALTWATER DISPOSAL WELL	)	APPLICATION NO. 1600480147
		)	
LEGAL DESCRIPTION:	NW/4 NE/4 NE/4 OF SECTION 11, TOWNSHIP 6 SOUTH, RANGE 4 EAST, MARSHALL COUNTY, OKLAHOMA	)	CAUSE PD NO. 201500082
		)	

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

This Cause came on for hearing before **David D. Leavitt**, Administrative Law Judge for the Corporation Commission of the State of Oklahoma, on the 21<sup>st</sup> of October, 2015, 22<sup>nd</sup> and 23<sup>rd</sup> of October, 2015, and the 12<sup>th</sup> day of November, 2015, 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:** **Cheri Wheeler**, attorney, appeared on behalf of Cobalt Environmental Solutions, LLC ("Cobalt"); **Richard J. Gore**, attorney, appeared on behalf of the City of Madill; **Patricia Case**, Assistant General Counsel, appeared on behalf of the Underground Injection Department of the Oil and Gas Conservation Division of the Oklahoma Corporation Commission; and **James L. Myles**, Deputy General Counsel for Deliberations, filed notice of appearance.

Others in attendance at the initial hearing were: Robert Moore and Gary Hucks with the Marshall County Water Corporation; Tommy C. Hardin with Oklahoma House of Representatives. Those appearing Pro Se at the initial hearing included: Paula Ayers; Gary Ayers; Kevin Eppler, Mayor, City of Madill; Don

Melton, Marshall County Commissioner; Josh Brecheen with Oklahoma State Senate; Ronald Nunley; Wesley Eldridge; Megan Louis; Terry Eldridge; and Sam Goodwin. Others appearing were Kelly Goff, Magdalena DeLaPaz, Kasie Pense, Tiffany Robinson and Samantha Await, all from the Madill Public Schools. Also attached to the ALJ's Report is an Exhibit "A", which showed the names of the Protestants that filed a Notice of Protest form. Protestants Diane, Kathryn and Brent Henry wrote letters of protests.

The Administrative Law Judge ("ALJ") filed his Report of the Administrative Law Judge ("ALJ Report") on the 30<sup>th</sup> day of March, 2016, 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 31<sup>st</sup> day of May, 2016. The Report of the Appellate Referee was filed on July 19, 2016. This Corrected Report of the Appellate Referee is being issued to correct an error in the Appearance paragraph on page 1:

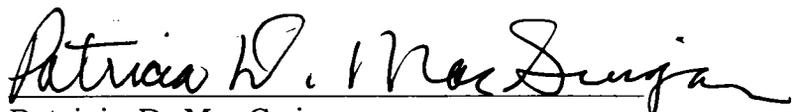
The appearance of **Patricia Case**, Assistant General Counsel, appeared on behalf of the Underground Injection Department of the Oil and Gas Conservation Division of the Oklahoma Corporation Commission should be listed as follows:

**Tracy Case**, Assistant General Counsel, appeared on behalf of the Underground Injection Department of the Oil and Gas Conservation Division of the Oklahoma Corporation Commission;...

Also the XC: part on the last page of the Report is changed to show Tracy Case as receiving a copy of the Appellate Report.

All other aspects of the Report of the Appellate Referee filed on July 19, 2016, remain unchanged.

**RESPECTFULLY SUBMITTED THIS 20<sup>th</sup> day of July, 2016.**



Patricia D. MacGuigan  
OIL & GAS APPELLATE REFEREE

PM:ac

xc: Commissioner Anthony  
Commissioner Murphy  
Commissioner Hiett

James L. Myles  
ALJ David Leavitt  
Cheri Wheeler, Esq.  
Richard J. Gore, Esq.  
Tracy Case, Assistant General Counsel  
Robert Moore, Marshall County Water Corp.  
Gary Hucks, Marshall County Water Corp.  
Tommy C. Hardin, Representative, Dist. 49  
Paula Ayers  
Gary Ayers  
Kevin Eppler, Mayor, City of Madill  
Don Melton, County Commissioner, Dist. #1, Marshall County  
Josh Brecheen, Senator  
Ronald Nunley, City Manager of Madill  
Wesley Eldridge  
Terry Eldridge  
Megan Lollis  
Sam Goodwin  
Kelly Goff, Madill Public Schools  
Magdalena DeLaPaz, Madill Public Schools  
Kasie Pense, Madill Public Schools  
Tiffany Robinson, Madill Public Schools  
Samantha Awalt, Madill Public Schools  
Nancy Kerr  
Michael L. Decker, OAP Director  
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