

Ohio Department of Natural Resources

JOHN R. KASICH, GOVERNOR

JAMES ZEHRINGER, DIRECTOR

Division of Oil and Gas Resources Management

Ohio Department of Natural Resources 2045 Morse Road, Building F-2 Columbus, OH 43229-6693

Fax: (614) 265-6910

June 17, 2015

Douglas Adams, Owner Adams Oil & Gas 209 Bluebird Drive Washington, WV 26181

Re: Annual Statement of Production

Dear Mr. Adams:

This is a notification pursuant to Ohio Revised Code ("R.C.") 1509.04(B)(2)(b) that you have failed to submit to the Ohio Department of Natural Resources, Division of Oil and Gas Resources Management ("Division") an annual statement of production, as required by R.C. 1509.11(A)(1). This statute requires the owner of any non-horizontal well to file on or before March 31 of each year an annual statement of production for each well producing or capable of producing for the preceding calendar year.

Our records indicate that Adams Oil & Gas has 56 producing wells and the Division has received statements of production from Adams Oil & Gas for only 8 wells for calendar year 2014. All oil, gas, and brine that was produced during 2014 must be reported to the Division for each well. If a well is capable of producing, but did not produce during calendar year 2014, report zero for each category. The number of storage tanks and the capacity of each tank must be reported as well.

Electronic filing is encouraged but not required for producers with fewer than 100 wells. If you choose to file electronically, send your production to: o&g.production@dnr.state.oh.us. You may also submit your production to the address or fax number above. Failure to submit the required annual statements of production to the Division within thirty (30) days of receipt of this notice is a material and substantial violation of the Ohio Revised Code and will result in enforcement action by the Division. Thank you for your prompt attention to this matter.

Sincerely,

Steve Opritza, Permitting Manager

Division of Oil and Gas Resources Management

c: Dan Goins, District Supervisor Megan Delisi, Enforcement Coordinator

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