REQUEST FOR EXTENSION OF TEMPORARY ABANDONMENT STATUS

After due notice and public hearing in Fort Smith, Arkansas, on January 23, 2013, the Arkansas Oil and Gas Commission (the “Commission”), in order to prevent waste, carry out an orderly program of development and protect the correlative rights of each owner in the common source(s) of supply in this unit, has found the following facts and issued the following Order.

STATEMENT OF THE CASE

Galaxy Energy, Inc. (the “Applicant”) is seeking reinstatement and extension of Temporary Abandonment Status for its US Forest #1-33 Well located in Section 33-T10N-R17W, , Van Buren County, Arkansas.

FINDINGS OF FACT

Based upon the Application as filed, the exhibits as introduced and made a part of the record inclusive of those offered on behalf of the Commission, and the testimony of the witness for and on behalf of the Applicant in said proceeding, the Commission finds:

1. That the Applicant was granted Temporarily Abandonment status for its US Forest #1-33 Well located in Section 33-T10N-R17W, , Van Buren County, Arkansas, in Order No. 175-2009-03 on April 8, 2009.
2. That, General Rule B-7 (h) requires that temporary abandonment status shall be valid for a period not to exceed three years.
3. That Applicant requests that the temporary abandonment status for the well described in Finding No. 1 be extended for three (3) additional years.
4. That, on August 14, 2012 a Notice of Noncompliance was issued to Operator for failing to plug the well after temporary abandonment status was revoked by operation of General Rule B-7(h) (4).
5. That on October 17, 2012 a Notice of Violation was issued to Operator for failing to plug the well as required under General Rule B-7(h) (4).
6. That an objection was filed by SEECO, Inc., by and through its attorney, Michael Daily.
7. That a request for determination and plugging of this well was filed in Docket No. 015-2013-01.

CONCLUSIONS OF LAW

1. That this Commission has jurisdiction over said parties and the matter herein considered.
2. That this Commission has authority to grant or deny the Application under the provisions of Act No. 105 of 1939, as amended.
ORDER

Now, therefore, the Applicants request for reinstatement and extension of temporary abandonment status for its US Forest #1-33 Well located in Section 33-T10N-R17W, , Van Buren County, Arkansas is hereby denied.

The Applicant shall properly plug the well identified in Finding No. 1 above in accordance with the requirements of General Rule B-7(h) (4) within 30 days of this Order.

This Order shall be effective from and after February 06, 2013; and the Commission shall have continuing jurisdiction for the purposes of enforcement, and/or modifications or amendments to the provisions of this Order.

ARKANSAS OIL AND GAS COMMISSION

[Signature]

Lawrence E. Bengal
Director