FORM IV-2(B)
(Obverse)
7-83

FILE COPY

1) Date: February 28, 19 84
2) Operator's Well No. Tacy No. 1
3) API Well No. 47 - 001 - 2044
State County Permit

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES, OIL AND GAS DIVISION
APPLICATION FOR A WELL WORK PERMIT

4) WELL TYPE: A Oil ____ / Gas X /
B (If "Gas", Production X / Underground storage ____ / Deep ____ / Shallow X /)
5) LOCATION: Elevation: 1712.90 Watershed: Laurel Creek
District: Cove County: Barbour Quadrangle: Nestorville 7.5' (1976)
6) WELL OPERATOR Chesterfield Energy Corporation
Address 319-320 Professional Bldg.
Clarksburg, WV 26301
7) DESIGNATED AGENT Stanley N. Pickens
Address 319-320 Professional Bldg.
Clarksburg, WV 26301
8) OIL & GAS INSPECTOR TO BE NOTIFIED
Name Phillip Tacy
Address General Delivery
Ellamore, WV 26267
9) DRILLING CONTRACTOR:
Name Unknown
Address ____

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10) PROPOSED WELL WORK: Drill X / Drill deeper ____ / Redrill ____ / Stimulate X /
Plug off old formation ____ / Perforate new formation ____ /
Other physical change in well (specify) ____
11) GEOLOGICAL TARGET FORMATION, Alexander
12) Estimated depth of completed well, 4500' feet
13) Approximate trata depths: Fresh, 20, 125 feet; salt, -- feet.
14) Approximate coal seam depths: 20,140,212,530 Is coal being mined in the area? Yes ____ / No X /
15) CASING AND TUBING PROGRAM

CASING OR TUBING TYPE	SPECIFICATIONS Size	Grade	Weight per ft.	New	Used	FOOTAGE INTERVALS For drilling	Left in well	CEMENT FILL-UP OR SACKS (Cubic feet)	PACKERS
Conductor	11 3/4	H-40	42		X	16	16		Kinds
Fresh water									
Coal									
Intermediate	8 5/8	J-55	23	X		1100	1100	Circulate To surface NEAT	Sizes
Production	4 1/2	J-55	10.5	X			4450	as req. by rule 15.01	Depths set
Tubing									
Liners									Perforations:
									Top Bottom

OFFICE USE ONLY
DRILLING PERMIT

Permit number 47-001-2044

May 3, 19 84
Date

This permit covering the well operator and well location shown below is evidence of permission granted to drill in accordance with the pertinent legal requirements subject to the conditions contained herein and on the reverse hereof. **Notification must be given to the District Oil and Gas Inspector, (Refer to No. 8) Prior to the construction of roads, locations and pits for any permitted work.** In addition, the well operator or his contractor shall notify the proper district oil and gas inspector 24 hours before actual permitted work has commenced.)

The permitted work is as described in the Notice and Application, plat, and reclamation plan, subject to any modifications and conditions specified on the reverse hereof.

Permit expires May 3, 1986 unless well work is commenced prior to that date and prosecuted with due diligence.

Bond:	Agent:	Plat:	Casing	Fee
BLANKET	ls	MH	MH	3573

Administrator, Office of Oil and Gas

NOTE: Keep one copy of this permit posted at the drilling location.

See the reverse side of the APPLICANT'S COPY for instructions to the well operator.

File

FORM IV-2(B) **FILE COPY**
Reverse

OFFICE USE ONLY

PERMIT MODIFICATIONS AND CONDITIONS (IF ANY) TO THE PROPOSED WELL WORK

OFFICE USE ONLY

This part of Form IV-2(b) is to record the dates of certain occurrences and any follow-up inspections.

	Date	Date(s)
		Follow-up inspection(s)
Application received		
Well work started	,,	,,
Completion of the drilling process	,,	,,
Well Record received	,,	,,
Reclamation completed	,,	,,

OTHER INSPECTIONS

Reason: _____

Reason: _____

File

FORM IV-2(A)
Obverse
[8-83]

1) Date: April 5, 19 84
2) Operator's Well No. Tacy #1
3) API Well No. 47 - 001 - 2044
State County Permit

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES, OFFICE OF OIL & GAS

NOTICE OF APPLICATION FOR A WELL WORK PERMIT

4) SURFACE OWNER(S) OF RECORD TO BE SERVED

(i) Name Marvin White, Jr.
Address Rt. #2, Box 631
Bell, FL 32619

(ii) Name
Address

(iii) Name
Address

5(i) COAL OPERATOR
Address

5(ii) COAL OWNER(S) WITH DECLARATION ON RECORD:
Name
Address N/A

Name
Address

5(iii) COAL LESSEE WITH DECLARATION ON RECORD:
Name
Address

TO THE PERSON(S) NAMED ABOVE: You should have received this Form and the following documents:

(1) The Application for a Well Work Permit on Form IV-2(B) (or Form IV-4 if the well is to be plugged, which sets out the parties involved in the drilling or other work, and describes the well and its location and, if applicable, the proposed casing and cementing program;
(2) The plat (surveyor's map) showing the well location on Form IV-6; and
(3) The Construction and Reclamation Plan on Form IV-9)unless the well work is only to plug a well), which sets out the plan for erosion and sediment control and for reclamation for the site and access road.

THE REASON YOU RECEIVED THESE DOCUMENTS IS THAT YOU HAVE RIGHTS REGARDING THE APPLICATION WHICH ARE SUMMARIZED IN THE "INSTRUCTIONS" ON THE REVERSE SIDE OF THE COPY OF THE APPLICATION (FORM IV-2(B) OR FORM 4, DESIGNATED FOR YOU. HOWEVER, YOU ARE NOT REQUIRED TO TAKE ANY ACTION AT ALL.

Take notice that under Chapter 22 of the West Virginia Code, the undersigned well operator proposes to file or has filed this Notice and Application and accompanying documents for a Well Work Permit with the Administrator of the Office of Oil and Gas, West Virginia Department of Mines, with respect to a well at the location described on attached Application and depicted on attached Form IV-6. Copies of this Notice, the Application, the plat, and the Construction and Reclamation Plan have been mailed by registered or certified mail or delivered by hand to the person(s) named above (or by publication in certain circumstances) on or before the day of mailing or delivery to the Administrator.

6) EXTRACTION RIGHTS
Check and provide one of the following:
☑ Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil or gas.
☐ The requirement of Code 22-4-1-(c)(1) through (4). (See reverse side for specifics.)

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DEPT. OF MINES

7) ROYALTY PROVISIONS
Is the right to extract, produce or market the oil or gas based upon a lease or leases or other contract or contracts providing for flat well royalty or any similar provision for compensation to the owner of the oil or gas in place which is not inherently related to the volume of oil or gas so extracted, produced or marketed? Yes (No)

If the answer above is No, nothing additional is needed. If the answer is Yes, you may use Affidavit Form IV-60.

See the reverse side for line item instructions, and for instructions concerning the required copies of the Notice and Application, plat, and Construction and Reclamation Plan.

The truth of the information on the Notice and Application is verified and sworn to and the Notice is signed on behalf of the Well Operator in my County and State by
STANLEY N. PICKENS,
this 5th day of April, 19 84.
My commission expires 12/21, 1987.
Linda M Sumner
Notary Public, Harrison County,
State of W.Va.

WELL OPERATOR CHESTERFIELD ENERGY CORP.
By Stanley N. Pickens
Its President
Address 320 Professional Bldg.
Clarksburg, WV 26301
Telephone (304) 623-5467

INSTRUCTIONS TO APPLICANT

CONCERNING THE LINE ITEMS:

1) Date of Notice.

2) Your well name and number.

3) To be filled out by the Office of Oil & Gas.

4) & 5) Use separate sheet if necessary.

4) Surface owner(s) of record to be served with Notice and Application. However, see also Code § 22-4-1b(b) if "more than three tenants in common or other co-owners of interest described in subsection (a) of this section hold interests in such lands".

5(i) "Coal Operator" means any person, firm, partnership, partnership association or corporation that proposes to or does operate a coal mine.

5(ii, iii) See Code § 22-4-20.

6) See Code § 22-4-11(c). However, in lieu of filing the lease(s) or other continuing contract(s), the Applicant may fill out the information in the space provided below.

7) See Code § § 22-4-11(d, e).

CONCERNING THE REQUIRED COPIES FOR FILING AND SERVICE:

Filing. Code § 22-4-1k and Regulation 7.02 provide that the original and required copies of the Notice and Application must be filed with the Administrator, accompanied by (i) a plat in the form prescribed by Regulation 11, (ii) a bond in one of the forms prescribed by Regulation 12, or in lieu thereof the other security allowed by Code § 22-4-1k(d) and the reclamation required by Code § 22-4-12b and Regulation 23, (iv) unless previously paid on the same well, the fees required by Code § 22-4-1a(c) and 22-3-12a, and (v) if applicable, the consent required by Code § 22-4-8a from the owner of any water well on dwelling within 200 feet of the proposed well.

Service. In addition, service must be made on the surface owner(s) and the person(s) with an interest in the coal. See Code § § 22-4-1m, 22-4-2, 22-4-2a, and 22-4-2b.

INFORMATION SUPPLIED UNDER CODE § 22-4-11(d)
IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on the obverse side of this Notice, I depose and say that I am the person who signed the Notice for the Applicant, and that--

(1) the tract of land is the same tract described in the Application to which this Notice applies, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;

(2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc.	Grantee, lessee, etc.	Royalty	Book	Page

FORM IV-2(B)
(Obverse)
7-83

SURFACE OWNER'S COPY

1) Date: February 28, 19 84
2) Operator's Well No. Tacy No. 1
3) API Well No. 47 — 001
State — County — Permit

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES, OIL AND GAS DIVISION
APPLICATION FOR A WELL WORK PERMIT

4) WELL TYPE: A Oil ____/ Gas X /
B (If "Gas", Production X / Underground storage ____/ Deep ____/ Shallow X /)

5) LOCATION: Elevation: 1712.90 Watershed: Laurel Creek
District: Cove County: Barbour Quadrangle: Nestorville 7.5' (1976)

6) WELL OPERATOR Chesterfield Energy Corporation
Address 319-320 Professional Bldg.
Clarksburg, WV 26301

7) DESIGNATED AGENT Stanley N. Pickens
Address 319-320 Professional Bldg.
Clarksburg, WV 26301

8) OIL & GAS INSPECTOR TO BE NOTIFIED
Name Phillip Tacy
Address General Delivery
Ellamore, WV 26267

9) DRILLING CONTRACTOR:
Name Unknown
Address ____

10) PROPOSED WELL WORK: Drill X / Drill deeper ____/ Redrill ____/ Stimulate ____/
Plug off old formation ____/ Perforate new formation ____/
Other physical change in well (specify) ____

11) GEOLOGICAL TARGET FORMATION, Alexander

12) Estimated depth of completed well, 4500' feet

13) Approximate trata depths: Fresh, 20, 125 feet; salt, -- feet.

14) Approximate coal seam depths: 20,140,212,530 Is coal being mined in the area? Yes ____/ No X /

15) CASING AND TUBING PROGRAM

CASING OR TUBING TYPE	SPECIFICATIONS Size	Grade	Weight per ft.	New	Used	FOOTAGE INTERVALS For drilling	Left in well	CEMENT FILL-UP OR SACKS (Cubic feet)	PACKERS
Conductor	11 3/4	H-40	42		X				Kinds
Fresh water									
Coal									Sizes
Intermediate	8 5/8	J-55	23	X		1100	1100	Circulate	
Production	4 1/2	J-55	10.5	X			4450		Depths set
Tubing									
Liners									Perforations:
									Top Bottom

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APR 18 1984
OIL & GAS DIVISION
DEPT. OF MINES

The law requires a comment period for surface owners. However, the permit can be issued in less than 15 days from the filing of the Application if the surface owner(s) of record sign(s) the following "Voluntary Statement of No Objection" on a facsimile of this surface owner's copy of the Application.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners on the reverse side of this Application for a Well Work Permit, and that I have received copies of (1) a Notice of Application for a Well Work Permit on Form IV-2(A), (2) an Application for a Well Work Permit on Form IV-2(B), (3) a survey plat on Form IV-6, and (4) a Construction and Reclamation Plan on Form IV-9, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued based on those materials.

(For execution by corporation, partnership, etc.)

NAME: ____

By ____

Its ____ Date ____

(For execution by natural persons)

X Marvin White Jr. Date: 4/12/84
(Signature)

Gloria D. White Date: 4/12/84
(Signature)

Surface Owner

FORM IV-2(B) **SURFACE OWNER'S COPY**
Reverse

INSTRUCTIONS TO SURFACE OWNERS AND EXPLANATION OF METHODS AND TIME LIMITS TO COMMENT ON OIL AND GAS WELL WORK PERMIT

The well operator named in the Notice and this Application and the attached materials is applying for a permit from the State to do oil or gas well drilling or other well work. You are being served with these materials because surface owners have the right to file comments before the permit is issued. (**NOTE:** If the surface tract is owned by more than three persons, in multiple heirship for example, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22, Article 4 of the W. Va. Code. Permits are valid for 24 months.

If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator named in the materials and the Administrator of the Office of Oil and Gas in the West Virginia Department of Mines immediately.

NOTE: **You are not required to file any comment at all.**

Where to file comments and obtain additional information:

Administrator of the Office of Oil and Gas
West Virginia Department of Mines
1615 Washington Street East
Charleston, West Virginia 25311
(304) 348-2057

Who may file comments? If you wish to file comments, you must be an owner of record of (1) an interest in the surface tract on which the well already is or is about to be located, or (2) an interest in any other surface tract under the same oil or gas lease which will be utilized for roads or other land disturbances.

Time limits for comments. The law requires these materials to be delivered on or before the date the operator files his Application. You have **FIFTEEN (15) DAYS** after the filing date to file your comments as provided in **Methods for Filing Comments** below. You may call the Administrator's office at the above telephone number to be sure of the date. However, if you have been contacted by the well operator, and if you have signed a "voluntary statement of no objection" to any of the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number, and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

Methods for filing comments. Comments must be filed in person or received in the mail at the Administrator's office by the time stated above. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling.

The Administrator for Oil and Gas has the power to deny or condition a well work permit based on your comments on the following grounds:
"(1) The proposed well work will constitute a hazard to the safety of persons; or
"(2) The plan for soil erosion and sediment control is not adequate or effective; or
"(3) Damage would occur to publicly owned lands or resources; or
"(4) The proposed well work fails to protect fresh water sources or supplies."

If you want a copy of the permit as it is finally issued, or a copy of the order denying the permit, you should request a copy from the Administrator.

List of Water Testing Laboratories. The Administrator maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Adminisatrator's office or an Oil and Gas Inspector to obtain a copy of the list.

Surface Owner

(REV 8-81)

WELL NO. Tacy No. 1

FARM C. Tacy DISTRICT Cove COUNTY Barbour SCALE 1" = 200

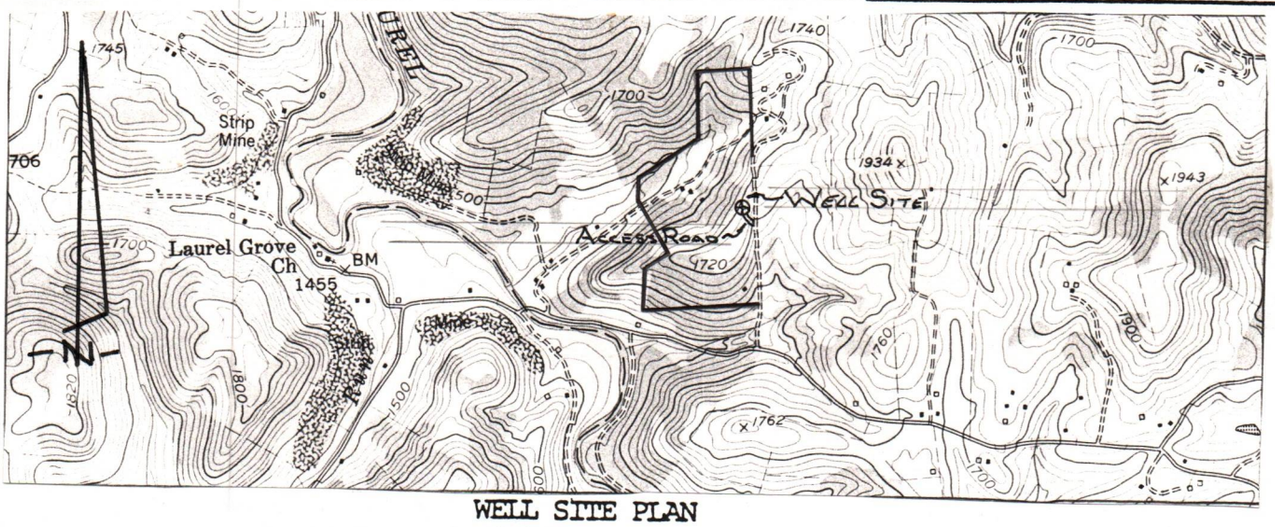
ATTACH OR PHOTOCOPY SECTION OF INVOLVED TOPOGRAPHIC MAP.

QUADRANGLE Nestorville 7.5' (1976)

LEGEND

Well Site ⊕

Access Road ———



WELL SITE PLAN

Sketch to include well location, existing access road, roads to be constructed, wellsite, drilling pits and necessary structures numbered or lettered to correspond with the first part of this plan. Include all natural drainage.

LEGEND

Property boundary

Road

Existing fence

Planned fence

Stream

Open ditch

Diversion

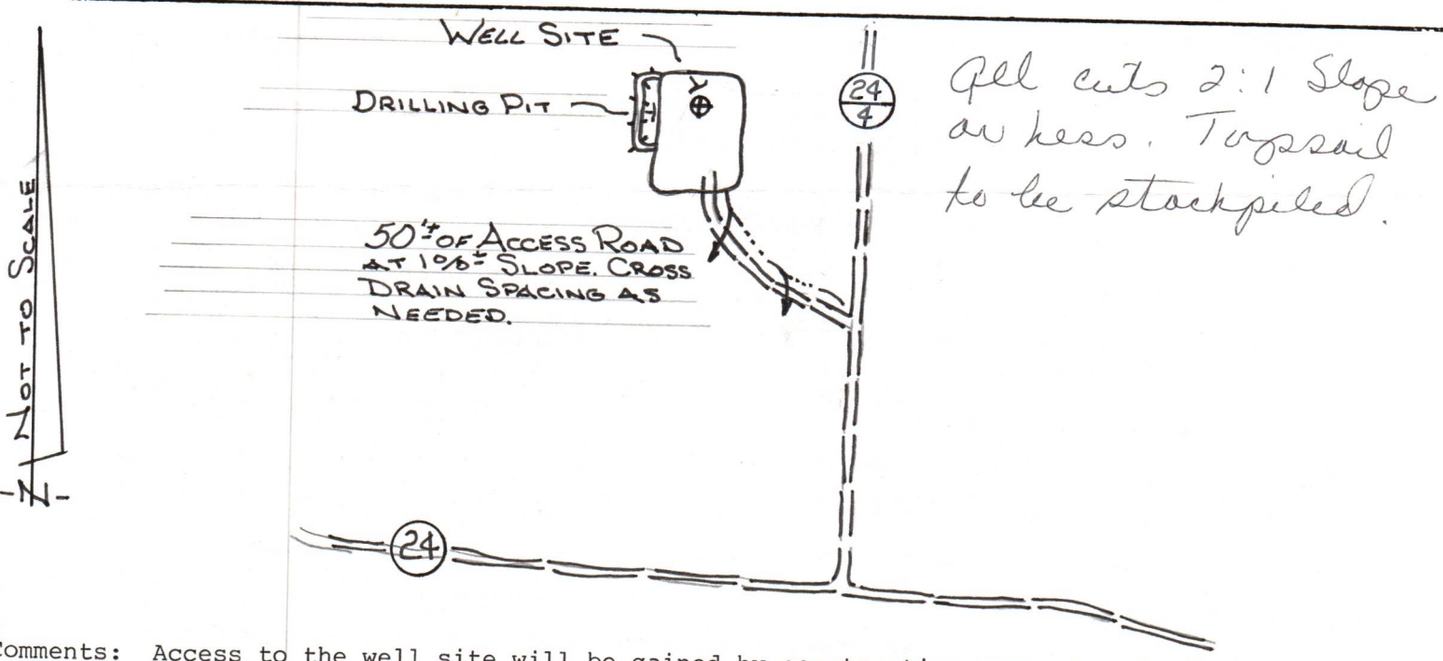
Spring

Wet spot

Building

Drain pipe

Waterway



Cut cuts 2:1 Slope on hess. Topsoil to be stockpiled.

Comments: Access to the well site will be gained by constructing approximately 50 feet of new access road, beginning at a junction point in the Barbour County Route 24/4. The access road will be sloped at 2-3% towards the open ditch. All outlets of drainage structures and ditches will be to stable areas. The well location will be located in a flat cleared area. All brush and timber will be removed from the area to be disturbed prior to any earth moving activities. The road and well site will be brought to desired grade with erosion control structures being installed in conjunction with the grading. Natural vegetation (filter strip) will remain undisturbed in areas between construction and natural water courses. Under most conditions, the preceeding plan will be followed; however, due to lease restrictions, surface owner request and weather conditions, etc., the plan may be altered. Subsequently, the proper erosion and sediment control measures will be installed and a revised plan will be submitted.

IV-9
(Rev 8-81)

RECEIVED
MAR 1 1984
Tygart Valley Soil Conservation District

State of West Virginia
Department of Mines
Oil and Gas Division

DATE February 28, 1984
WELL NO. Tacy No. 1
API NO. 47 - 001 - 2044

CONSTRUCTION AND RECLAMATION PLAN

COMPANY NAME Chesterfield Energy Corp.
Address 319-320 Professional Bldg. Clarksburg, WV 26301
Telephone 304/623-5467
LANDOWNER Marvin White, Jr.

DESIGNATED AGENT Stanley N. Pickens
Address 319-320 Professional Bldg. Clarksburg, WV 26301
Telephone 304/623-5467
SOIL CONS. DISTRICT Tygart Valley

Revegetation to be carried out by Stanley N. Pickens (Agent)

This plan has been reviewed by Tygart Valley SCD. All corrections and additions become a part of this plan: 3/4/84 (Date)

Jean Freeman
(SCD Agent)

ACCESS ROAD

Structure Drainage Ditch (A)
Spacing Along Access Road
Page Ref. Manual 2-12 to 2-14

Structure Cross Drains (B)
Spacing As Needed
Page Ref. Manual 2-1 to 2-4

Structure (C)
Spacing
Page Ref. Manual

LOCATION

Structure (1)
Material
Page Ref. Manual

Structure (2)
Material
Page Ref. Manual

Structure (3)
Material
Page Ref. Manual

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DEPT. OF MINES

All structures should be inspected regularly and repaired if necessary. All commercial timber is to be cut and stacked and all brush and small timber to be cut and removed from the site before dirt work begins.

REVEGETATION

Treatment Area I

Lime 3.0 Tons/acre
or correct to pH 6.5
Fertilizer 600 lbs/acre
(10-20-20 or equivalent)
Mulch Hay or straw 2.0 Tons/acre
Seed* Ky 31 Tall Fescue 40 lbs/acre
Birdsfoot Trefoil 10 lbs/acre
Dom Rye Grass 10 lbs/acre

Treatment Area II

Lime 3.0 Tons/acre
or correct to pH 6.5
Fertilizer 600 lbs/acre
(10-20-20 or equivalent)
Mulch Hay or straw 2.0 Tons/acre
Seed* Ky 31 Tall Fescue 40 lbs/acre
Birdsfoot Trefoil 10 lbs/acre
Dom Rye Grass 10 lbs/acre

**Inoculate all legumes such as vetch, trefoil and clovers with the proper bacterium. Inoculate with 3X recommended amount.*

PLAN PREPARED BY MSES Consultants
ADDRESS 609 West Main Street
Clarksburg, WV 26301
PHONE NO. 304-624-9700, 842-3325

NOTES: Please request landowner's cooperation to protect new seedling for one growing season. Attach separate sheets as necessary for comments.

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES, OIL AND GAS DIVISION

DESIGNATION OF AGENT BY WELL OWNER OR OPERATOR

Well Operator XX / Owner ___ / Chesterfield Energy Corporation
Address 320 Professional Building
Clarksburg, WV 26301

Pursuant to the provisions of Code § 22-4-1k, and subject to the requirements of Regulation [illegible], the undersigned hereby designates the following person to be the agent of the undersigned for the purpose of receiving process, notices, orders and other communications which may be issued under Chapter 22 of the Code of West Virginia:

Designated Agent Samuel J. Cann, V.P. Land & Contracts
Address 320 Professional Building
Clarksburg, WV 26301
Telephone (304) 623-5467

The undersigned represents that said designated agent is a bona fide resident of the State of West Virginia, and has agreed to accept the designation. This designation applies to the following wells:

XX all wells owned or operated by the undersigned in West Virginia

____ the wells listed below *(Use space below or reverse side, or attach list)*

[COMPLETE AS APPLICABLE]

____ The undersigned is hereby recording an existing designation of agent made prior to the initial adoption of Form IV-1.

____ The undersigned is proposing to own or operate wells in West Virginia for the first time, so that this designation should also be considered the registration by the undersigned with the Deputy Director.

____ The undersigned has owned and operated a well or wells in West Virginia since the year 19____, but has not heretofore appointed a designated agent.

____ This designation substitutes a new designated agent for the undersigned, who has owned or operated a well or wells in West Virginia since the year 19____. The present designated agent of the undersigned, who will continue as such, if he is able, until this new designation has been approved, is--

Agent being replaced _____
Address _____

Chesterfield Energy Corporation
Well Owner or Operator
By: Samuel J. Cann
Its: Vice President Land & Contracts

Signed this September 7, 19 84

Samuel J. Cann
(Signature of designated agent)

Sworn, subscribed and sworn to before me this 7th day of September, 19 84.
Notary Public Brenda L Hammond My commission expires June 14th, 19 94

[illegible] owner or operator must be a responsible officer of the corporation, trustee, individual or legally [illegible] representative of owner of the well(s).

(c) Shut-In Royalty:

If the Lessee drills a productive well upon the demised premises and, for any reason, does not turn the same into pipelines within six (6) months after the completion of the well, or if the Lessee, for any reason, including but not being limited to, unavailability of markets, coal operations in the area of the well, or production problems, temporarily suspends production from a producing well and such suspension continues for a period of more than ninety (90) days, then the Lessee shall pay a shut-in royalty to the Lessor. The shut-in royalty, in such events, shall be equal to the delay rental herein provided for each acre of the lease held by the well and shall continue until such time as production is resumed. In no event shall this lease terminate or become void for non-payment of shut-in royalty. However, the Lessor shall have right of action against the Lessee for the amount of shut-in royalty and interest thereon. Shut-in royalty shall not be recoupable against production royalties.

(d) Free Gas:

If Lessor owns the surface overlying the gas herein leased, then Lessor hereby excepts and reserves from one well on said land producing gas an amount of gas not to exceed two hundred thousand (200,000) cubic feet per year for his own use for heat and light in one (1) dwelling house on said land at Lessor's own risk. Lessor shall be entitled to receive the free gas when and as long as Lessee may elect to produce or operate a well on the aforesaid leased premises. Lessor shall lay the necessary lines and make connections at Lessor's expense at such point on the demised premises as may be designated by the Lessee, provided said gas is used with economical appliances and is measured by meter furnished by Lessee. The regulation of such gas will be by regulator furnished by Lessor and approved by Lessee, placed at the top on the well or other designated point of connection. Gas shall be used at Lessor's own risk. Lessee shall not be liable for any interruption or insufficient supply of such gas caused by mechanical problems, breakage of lines, shut-in of wells for any purpose or for any reason whatsoever. If more than two hundred thousand (200,000) cubic feet per year is used, the excess shall be paid for by the Lessor at the same rate at which Lessee sells other gas produced from the well. In case of default in payment of gas used in excess of said two hundred thousand (200,000) cubic feet, Lessee is hereby authorized to deduct the amount thereof from any royalty or other payments that are then due or may later become due under the terms of this lease. If Lessor does not own the surface, then Lessee may furnish the free gas to the surface owner at its election, but, in such event, Lessor shall not be liable for gas useage over the free gas limit.

(e) Manner of Payment:

All payments hereunder may be made direct to the Lessor or by check payable and mailed to Cleo Tacy and/or Ruth Tacy, as agent of the Lessor, who is hereby appointed agent to receive and receipt for the same and to receive notices given by the Lessee as provided herein. All checks shall be mailed to the following address:
P.O. Box 109
Elkins, W. Va. 26241
SS# 233-26-8142

4. DAMAGES AND RECLAMATION: Lessee shall pay to Lessor a reasonable amount for damages to fences or gates, or, in the alternative, Lessee may repair or replace the same at its expense. Lessee shall reclaim disturbed areas in a manner as required by its drilling permit and state law.

5. DRILLING NEAR DWELLING: No wells shall be drilled, without the consent of the Lessor, within a radius of two hundred (200) feet around any dwelling house existing at the time of drilling.

6. UNITIZATION: Lessee shall have the right to pool or unitize the leased acreage, or any part or parts thereof, with other tracts so as to form a drilling unit or pool not to exceed 180 acres for formations shallower than 4,000 feet and 640 acres for formations deeper than 4,000 feet. Operations upon the pooled acreage, for all purposes except royalty and free gas, shall be deemed to have occurred upon the demised premises. Lessor shall receive as royalties for minerals produced and marketed from the pooled area an amount equal to the proportion that Lessor's acreage placed in the pooled area bears to the total acreage in the pooled area.

7. SURRENDER: Lessee may at any time, upon the payment or tender of $1.00 and all royalties and rentals then due hereunder, surrender this lease as to all or any part of the land demised.

8. OUTSTANDING INTERESTS: The rentals, royalties and payments herein specified are intended to be paid for a 100% ownership of the oil and gas. If Lessor owns less than a 100% interest in the oil and gas, the rental, royalty and payments shall be reduced to equal the interest of Lessor (i.e., if Lessor owns only a 50% interest in the oil and gas, then the rental, royalty and payments shall automatically be reduced to 50% of the amounts herein specified).

9. ASSIGNMENT: The entire or part of the interest or estate of either party hereto may be assigned. Upon such an assignment by the Lessee, the assignee shall be solely liable for all obligations of the Lessee hereunder.

10. PARTIAL EXECUTION: Should any of the parties named herein as Lessor fail to execute this lease, it shall, nevertheless, be binding upon all such parties who do execute it as Lessor.

11. OTHER PROVISIONS: Drilling Commitment

Furthermore, Union Drilling, Inc. agrees to drill a minimum of one gas or oil well on said leased premises before the expiration of the primary term; provided, however, that there is adequate spacing is available and that there are no producing gas or oil wells on said leased premises. This drilling commitment shall only be applicable if and only if Union Drilling, Inc. has under lease a 100% interest in the oil and gas.

This is a Paid Up Lease, and subject to other provisions hereof, this lease shall be and continue in force for the primary term hereof and as long thereafter as provided herein, whether or not Lessee commences, continues, ceases or resumes drilling, production, or other operations on said land or on land pooled therewith, and without rental payments or further payments other than royalties herein provided.

FORM IV-35
(REVERSE)

DETAILS OF PERFORATED INTERVALS, FRACTURING OR STIMULATING, PHYSICAL CHANGE, ETC.

Haverty & Fox	10,000# 80/100; 25,000# 20/40 590 BBLS Sand Laden FLuid
Elks	10,000# 80/100; 30,000# 20/40 710 BBLS Sand Laden Fluid
Alexander & Benson	10,000# 80/100; 45,000# 20/40 672 BBLS Sand Laden Fluid

WELL LOG

FORMATION COLOR HARD OR SOFT	TOP FEET	BOTTOM FEET	REMARKS Including indication of all fres and salt water, coal, oil and ga
Sand & Shale	0	25	
Coal	25	28	
Sand & Shale	28	102	
Coal	102	107	
Sand	107	140	
Coal	140	150	½" stream water @ 150'
Sand & Shale	150	353	
Coal	353	359	
Sand	359	740	1" stream water @ 590'
Red Rock	740	940	
Sand & Shale	940	1168	
Little Lime	1168	1190	
Big Lime	1190	1244	
Big Injun	1244	1288	
Sand & Shale	1288	1338	
Squaw	1338	1382	
Sand & Shale	1382	2254	Gas Ck @ 1440' 20/10-¼" w/w
Fifth Sand	2254	2304	Gas Ck @ 1784' 2/10-¼" w/w
Sand & Shale	2304	2402	Gas Ck @ 2187' 2/10-¼" w/w
Elizabeth	2402	2412	Gas Ck @ 2281' 12/10-¼" w/w
Sand & Shale	2412	2900	Gas Ck @ 2469' 4/10-¼" w/w
Upper Balltown	2900	2912	Gas Ck @ 2939' 12/10-¼"w/w
Sand & Shale	2912	3034	Gas Ck @ 3126' 8/10-¼" w/w
Lower Balltown	3034	3055	Gas Ck @ 3468' 10/10-¼" w/w
Sand & Shale	3055	3972	Gas Ck @ 3747' 8/10-¼" w/w
Benson	3972	3980	Gas Ck @ 3901' 14/10-¼" w/w
Sand & Shale	3980	4228	Gas Ck @ 4087' 18/10-1" w/w
Alexander	4228	4232	Gas Ck @ 4527' 10/10-¼" w/w
Sand & Shale	4232	4875	Gas Ck @ 4714' 10/10-¼" w/w
2nd Elk	4875	4878	Gas Ck @ 4934' 10/10-¼" w/w
Sand & Shale	4878	5032	Gas Ck @ 5399' 14/10-½" w/w
3rd Elk	5032	5035	
Sand & Shale	5035	5218	
4th Elk	5218	5224	Gas Ck @ 15 down
Sand & Shale	5224	5302	10/10 - ½" w/w
Haverty	5302	5308	
Sand & Shale	5308	5430	
Fox	5430	5433	
Shale	5433	5528	
TD	5528		

(Attach separate sheets as necessary)

Chesterfield Energy Corporation
Well Operator

By: Stanley N. Pickens

Date: August 27, 1984

Note: Regulation 2.02(i) provides as follows:
"The term 'log' or 'well log' shall mean a systematic detailed geological record of all formations, including coal, encountered in the drilling of a well."

Tacy #1

FORM IV-48WC
(02-84)

STATE OF WEST VIRGINIA

DEPARTMENT OF MINES, OIL AND GAS DIVISION

SEP 28 1984

COVER SHEET, STATE APPLICATION FOR WELL CLASSIFICATION

Date: Sept. 7, ,19 84

Applicant's Name: Chesterfield Energy Corporation

Address: 320 Professional Building

Clarksburg, WV 26301

Gas Purchaser Contract No. 1481

Date of Contract April 19, 1984
(Month, day and year)

AGENCY USE ONLY

WELL DETERMINATION FILE NUMBER

840910 -103-001-2044

Use Above File Number on all Communications Relating to This Well

First Purchaser: Tenneco Attn: Kathy Schooley

Address: P. O. Box 2511
(Street or P.O. Box)

Houston, TX 77001
(City) (State) (Zip Code)

FERC Seller Code 003449

Designated Agent: Samuel J. Cann

Address: 320 Professional Building

Clarksburg, WV 26301

FERC Buyer Code

NAME AND TITLE OF PERSON TO WHOM QUESTIONS CONCERNING THIS APPLICATION SHALL BE ADDRESSED:

Name: Samuel J. Cann (Print) Vice President Land & Contract (Title)

Signature: Samuel J. Cann

Address: 320 Professional Building
(Street or P.O. Box)

Clarksburg, WV 26301
(City) (State) (Zip Code)

Telephone: (304) 623-5467
(Area Code) (Phone Number)

(Certificate of Proof of Service to Purchaser)

NGPA Catagory Applied For

NGPA SECTION/SUBSECTION

102 New Natural Gas
- ____ 102-2 2.5 Mile Test
- ____ 102-3 1000 Foot Deeper Test
- ____ 102-4 New Onshore Reservoir

103 New Onshore Production Well
- XX 103 New Onshore Production Well

107 High Cost Natural Gas
- ____ 107-0 Deep (more than 15,000 feet)
- ____ 107-1 Geopressured Brine
- ____ 107-2 Coal Seams
- ____ 107-3 Devonian Shale
- ____ 107-5 Production enhancement
- ____ 107-6 New Tight Formation
- ____ 107-7 Recompletion Tight Formation

108 Stripper Well Natural Gas
- ____ 108- Stripper Well
- ____ 108-1 Seasonally Affected
- ____ 108-2 Enhanced Recovery
- ____ 108-3 Temporary Pressure Build

RECEIVED
SEP 10 1984
OIL & GAS DIV.
DEPT. OF MINES

AGENCY USE ONLY

APPROVED
OCT -2 1984

Date Received

Determination Date

FORM IV-56WC
(12-78)

Date September 7, 19 84

Operator's Well No Tacy #1 Well

API Well No 47 - 001 - 2044
State County Permit

STATE OF WEST VIRGINIA

DEPARTMENT OF MINES, OIL AND GAS DIVISION

WELL CLASSIFICATION FORM

NEW ONSHORE PRODUCTION WELL

NGPA Section 103

DESIGNATED AGENT Samuel J. Cann

ADDRESS 320 Professional Building
Clarksburg, WV 26301

WELL OPERATOR Chesterfield Energy Corp.

ADDRESS 320 Professional Building
Clarksburg, WV 26301

GAS PURCHASER Tenenco Attn: Kathy Schooley

ADDRESS P. O. Box 2511
Houston, TX 77001

LOCATION Elevation 1712.90'

Watershed Laurel Creek

Dist Cove County Barbour Quad Nestorville 7.5'

Gas Purchase Contract No 1481

Meter Chart Code N/A

Date of Contract April 19, 1984

* * * * * * * * * * * * * * * * * *

Date surface drilling was begun: August 15, 1984

Indicate the bottom hole pressure of the well and explain how this was calculated

$$P_2 = \frac{P_1 T_2}{T_1} = \frac{\text{(Surface Pressure)(Bottom Hole Pressure)}}{\text{(Surface Temperature)}} = \text{B.H.P.}$$

$$BHP = P1 + P1\,(e^X - 1)$$

$P1 = 1300$ $X = GL/53.34T$

$G = 65$ $BHP = 1407.92$

$T = 574$

AFFIDAVIT

I, Samuel J. Cann, having been first sworn according to law state that surface drilling of the well for which this determination is sought was begun on or after February 19, 1977, the well satisfies applicable state or federal well spacing requirements and the well is not within a proration unit, in existence at the time surface drilling began, which was applicable to the reservoir from which gas is or will be produced and which applied to any other well producing gas in commercial quantities or on which surface drilling began on or after February 19, 1977, and which was capable of producing gas in commercial quantities. I state, further, that I have concluded, to the best of my information, knowledge and belief, that the well for which this determination is sought is a new onshore production well and that I am not aware of any information not described in the application which is inconsistent with this conclusion.

Samuel J. Cann

STATE OF WEST VIRGINIA,

COUNTY OF Harrison, TO WIT:

I, Brenda Drummond, a Notary Public in and for the state and county aforesaid, do certify that Samuel J. Cann whose name is signed to the writing above, bearing date the 7th day of September, 19 84, has acknowledged the same before me, in my county aforesaid.

Given under my hand and official seal this 7th day of Septemebr, 19 84.

My term of office expires on the 14th day of June, 19 94.

Brenda Drummond
Notary Public

[NOTARIAL SEAL]

FERC-121

1.0 API well number: (If not available, leave blank. 14 digits.)	47-001-2044
2.0 Type of determination being sought. (Use the codes found on the front of this form!)	107 Section of NGPA ____ Category
3.0 Depth of the deepest completion location. (Only needed if sections 103 or 107 in 2.0 above.)	5528 feet
4.0 Name, address and code number of applicant: (35 letters per line maximum. If code number not available, leave blank.)	Chesterfield Energy Corporation — Name; 0034149 — Seller Code; 320 Professional Building — Street; Clarksburg — City; WV — State; 26301 — Zip Code
5.0 Location of this well: [Complete (a) or (b).] (a) For onshore wells (35 letters maximum for field name.)	Tacy #1 Well — Field Name; Barbour County — County; WV — State
(b) For OCS wells:	Not Applicable — Area Name; ____ Block Number; Date of Lease ___ Mo. Day Yr.; ____ OCS Lease Number
(c) Name and identification number of this well: (35 letters and digits maximum.)	Tacy #1 Well 47-001-2044
(d) If code 4 or 5 in 2.0 above, name of the reservoir: (35 letters maximum.)	Not Applicable
6.0 (a) Name and code number of the purchaser: (35 letters and digits maximum. If code number not available, leave blank.)	Tenneco — Name; ____ Buyer Code
(b) Date of the contract.	04 19 84 — Mo Day Yr
(c) Estimated annual production:	____ MMcf.

	(a) Base Price ($/MMBTU)	(b) Tax	(c) All Other Prices [Indicate (+) or (-).]	(d) Total of (a), (b) and (c)
7.0 Contract price: (As of filing date. Complete to 3 decimal places.)	5.850	.585	.___	6.435
8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)	5.850	.585	.___	6.435

9.0 Person responsible for this application:

Chesterfield Energy Corporation
Samuel J. Cann — Name
V.P. Land & Contracts — Title
Signature
September 7, 1984 — Date Application is Completed
(304) 623-5467 — Phone Number

Agency Use Only
Date Received by Juris. Agency: SEP 10 1984
Date Received by FERC:

RECEIVED SEP 10 1984 OIL & GAS DIV. DEPT. OF MINES

Tacy #1 Well

FORM IV-48WC
(02-84)

STATE OF WEST VIRGINIA

DEPARTMENT OF MINES, OIL AND GAS DIVISION

SEP 28 1984

COVER SHEET, STATE APPLICATION FOR WELL CLASSIFICATION

Date: Sept. 7, ,19 84

Applicant's Name: Chesterfield Energy Corporation

Address: 320 Professional Building

Clarksburg, WV 26301

Gas Purchaser Contract No. 1481

Date of Contract April 19, 1984
(Month, day and year)

AGENCY USE ONLY

WELL DETERMINATION FILE NUMBER

840910 -107-001-2044

Use Above File Number on all Communications Relating to This Well

First Purchaser: Tenneco Attn: Kathy Shcooley

Address: P. O. Box 2511
(Street or P.O. Box)

Houston TX 77001
(City) (State) (Zip Code)

FERC Seller Code 003449

Designated Agent: Samuel J. Cann

Address: 320 Professional Building

Clarksburg, WV 26301

FERC Buyer Code

NAME AND TITLE OF PERSON TO WHOM QUESTIONS CONCERNING THIS APPLICATION SHALL BE ADDRESSED:

Name: Samuel J. Cann
(Print)

Vice President Land & Contract
(Title)

Signature: Samuel J. Cann

Address: 320 Professional Building
(Street or P.O. Box)

Clarksburg, WV 26301
(City) (State) (Zip Code)

Telephone: (304) 623-5467
(Area Code) (Phone Number)

(Certificate of Proof of Service to Purchaser)

NGPA Catagory Applied For

NGPA SECTION/SUBSECTION

102 New Natural Gas
- ____ 102-2 2.5 Mile Test
- ____ 102-3 1000 Foot Deeper Test
- ____ 102-4 New Onshore Reservoir

103 New Onshore Production Well
- ____ 103 New Onshore Production Well

107 High Cost Natural Gas
- ____ 107-0 Deep (more than 15,000 feet)
- ____ 107-1 Geopressured Brine
- ____ 107-2 Coal Seams
- XX 107-3 Devonian Shale
- ____ 107-5 Production enhancement
- ____ 107-6 New Tight Formation
- ____ 107-7 Recompletion Tight Formation

108 Stripper Well Natural Gas
- ____ 108- Stripper Well
- ____ 108-1 Seasonally Affected
- ____ 108-2 Enhanced Recovery
- ____ 108-3 Temporary Pressure Build

AGENCY USE ONLY

APPROVED

OCT -3 1984

RECEIVED

SEP 10 1984

OIL & GAS DIV.
DEPT. OF MINES

Date Received

Determination Date

FORM IV-55WC
(12-78)

STATE OF WEST VIRGINIA

DEPARTMENT OF MINES OIL AND GAS DIVISION

Date September 7, 1984

Operator's
Well No. Tacy #1 Well

API Well No.

47 - 001 - 2044
State County Permit

WELL CLASSIFICATION FORM

HIGH COST GAS WELL - DEVONIAN SHALE

NGPA Section 107

DESIGNATED AGENT Samuel J. Cann, VP Land & Contra

ADDRESS 320 Professional Building
Clarksburg, WV 26301

LOCATION Elevation 1712.90'

Watershed Laurel Creek

Dist. Cove County Barbour Quad. Nestorville

Gas Purchase
Contract No. 1481

Meter Chart Code N/A

Date of Contract April 19, 1984

WELL OPERATOR Chesterfield Energy Corp.

ADDRESS 320 Professional Building
Clarksburg, WV 26301

GAS PURCHASER Tenneco Attn: Kathy Schooley

ADDRESS P. O. Box 2511
Houston, TX 77001

* * * * * * * *

Date surface drilling began: August 15, 1984

Indicate the bottom hole pressure of the well and explain how this was calculated.

$BHP = P1 + P1\ (e^X - 1)$

P1 = 1300
G = 65
T = 574
X = GL/53.34T
BHP = 1407.92

AFFIDAVIT

I, Samuel J. Cann, having been first sworn according to law, state that I have calculated the percentage of footage of the producing interval which is not Devonian Shale as indicated by a Gamma Ray index of less than 0.7 if a Gamma Ray log described in subparagraph (3)(i) or (3)(ii)(A) has been filed, or as indicated by the report described in subparagraph (3)(ii)(B); I have demonstrated that the percentage of potentially disqualifying non-shale footage is equal to or less than five (5) percent of the gross Devonian age interval; and I have no knowledge of any information not described in the application which is inconsistent with a conclusion that the well qualifies as a high-cost natural gas well.

Samuel J. Cann
Samuel J. Cann, V. P. Land and Contracts

STATE OF WEST VIRGINIA

COUNTY OF Harrison, TO-WIT:

I, Brenda Drummond, a Notary Public in and for the state and county aforesaid, do certify that Samuel J. Cann, whose name is signed to the writing above, bearing date the 7th day of September, 19 84, has acknowledged the same before me, in my county aforesaid.

Given under my hand and official seal this 7th day of September, 19 84.
My term of office expires on the 14th day of June, 19 94.

(NOTARIAL SEAL)

Brenda Drummond
Notary Public

Chesterfield Energy Corporation
SUITE 319-320 PROFESSIONAL BUILDING
SOUTH THIRD STREET
CLARKSBURG, WEST VIRGINIA 26301

PHONE (304) 623-5467

CERTIFICATE OF SERVICE

I, Stanley N. Pickens, hereby certify that I have this 7th day of September, 19 84 served the foregoing documents upon the following named party of record in this proceeding by mailing a copy thereof properly addressed as follows:

Kathy Schooley
Tenneco
P. O. Box 2511
Houston, TX 77001

Certified Receipt #P-528-449-340

CHESTERFIELD ENERGY CORPORATION

BY Stanley N. Pickens
Stanley N. Pickens, President

DEVONIAN SHALE GAMMA RAY LOG ANALYSIS
APPLICATION FOR DETERMINATION OF THE MAXIMUM LAWFUL PRICE UNDER THE NATURAL GAS POLICY ACT

Operator: Chesterfield Energy Corp. Agent: Samuel J. Cann, VP Land/Contrac

Type Determination being sought - 107 (Devonian Shale)

API Well No.: 47-001-2044 Well Name: Tacy #1 Well

West Virginia Office of Oil and Gas References: SJA File No. County: Barbour

Vol. _____ Page _____ Line _____

I. NOTE: A Gamma Ray Log has been marked with the (a) Shale Base Line, (b) a line representing 0.7 x (Shale Base Line), (c) intervals with Gamma Ray units less than 0.7 x (Shale Base Line) and that log is included with this analysis.

II. Gamma Ray elevation indices:

A. Shale Base Line (API Units)

1. GR Value at Base Line = 140 *API Units
2. Remarks:

B. Gamma Ray Log Value at 0.7 x Value at Base Line

1. GR Value = 140 *API Units
2. Calculation: 0.7 (GR Value at Base Line)
   0.7 (140 *) = 112 API Units

. Intervals with GR index less than 0.7 x (Value at Base Line):

Interval From**	Interval To***	Thickness of Interval Feet	Feet of less than* 0.7 (Shale Base Line) Feet
2000	2000	384	54
3000	3000	1000	104
4000	4000	1000	10
5000	5000	1000	6
	5528	528	0

Total Devonian Interval 3912

Less Than 0.7 (Shale Base)

s Than 0.7 (Shale Base Line) = $\frac{170}{3412} \times 100 = 4.34$ %

170

ked on log included with analysis.
of Devonian Section Recorded on First Interval in this Column.
ser of TD or Bottom of Devonian Section Recorded as last Interval
his Column.