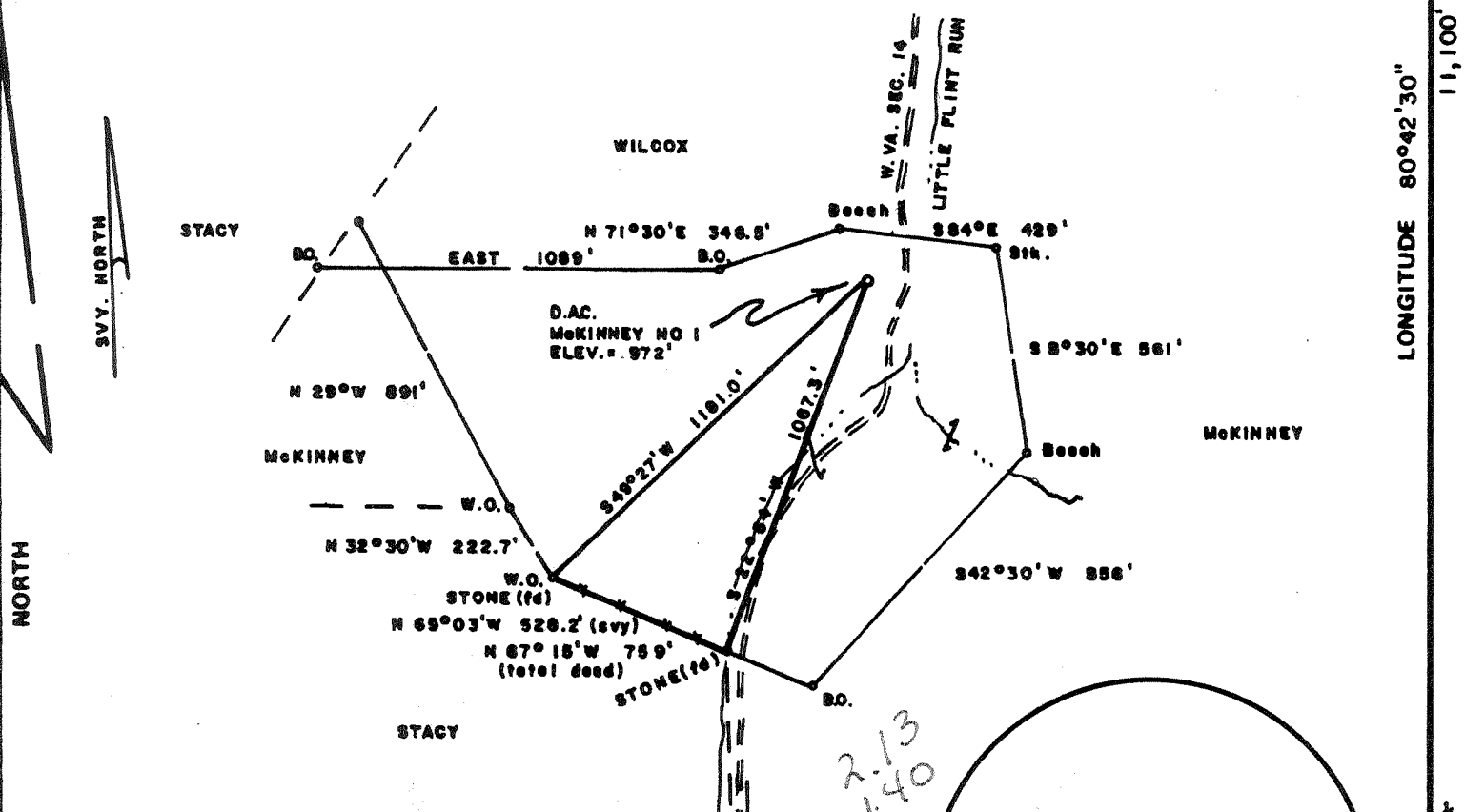


McKINNEY LEASE 35.5 AC.

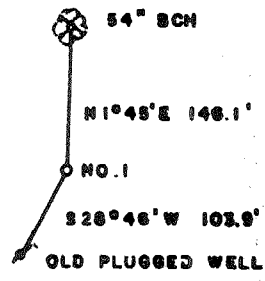
LESTER D. AND LEOTA B. McKINNEY 35.5 AC. SURFACE



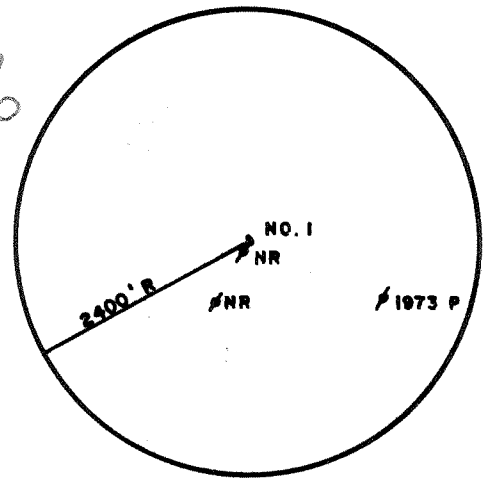
LONGITUDE 80°42'30"

11,100' S

WELL REFERENCES



1" = 200'



FILE NO. _____

DRAWING NO. _____

SCALE 1" = 500'

MINIMUM DEGREE OF ACCURACY 1/200

PROVEN SOURCE OF ELEVATION B.M. NORTH OF LEASE ELEV. = 894'

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DEPARTMENT OF MINES. Mark C. Echard

(SIGNED) MARK C. ECHARD

R.P.E. _____ L.L.S. 490



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS

FORM IV-6 (8-78)



DATE OCTOBER 16, 1992

OPERATOR'S WELL NO. ONE

API WELL NO. 47-017-3995

STATE WV COUNTY WOOD PERMIT 3995

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES
OIL AND GAS DIVISION

WELL TYPE: OIL GAS LIQUID INJECTION WASTE DISPOSAL
(IF "GAS,") PRODUCTION STORAGE DEEP SHALLOW

LOCATION: ELEVATION 972' WATER SHED LITTLE FLINT RUN
DISTRICT GRANT COUNTY DODDRIDGE
QUADRANGLE SMITHBURG 7.5' Centerpoint (WC)

SURFACE OWNER LESTER D. AND LEOTA B. McKINNEY ACREAGE 35.5

OIL & GAS ROYALTY OWNER LESTER D. AND LEOTA B. McKINNEY LEASE ACREAGE 35.5
LEASE NO. _____

PROPOSED WORK: DRILL CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE PLUG OFF OLD FORMATION PERFORATE NEW FORMATION OTHER PHYSICAL CHANGE IN WELL (SPECIFY) _____

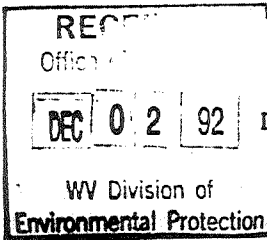
5.015
3.63W = 15'

PLUG AND ABANDON CLEAN OUT AND REPLUG

TARGET FORMATION BENSON-RILEY ESTIMATED DEPTH 5500'

WELL OPERATOR D.A.C. DESIGNATED AGENT KENNETH MASON

ADDRESS P.O. BOX 99 ADDRESS P.O. BOX 99
ALMA, W.VA. 26320 ALMA, W.VA. 26320



State of West Virginia
Division of Environmental Protection
Section of Oil and Gas

Well Operator's Report of Well Work

Farm name: MCKINNEY, LESTER D. Operator Well No.: MCKINNEY #1

LOCATION: Elevation: 972.00 Quadrangle: SMITHBURG

District: GRANT County: DODDRIDGE
Latitude: 11100 Feet South of 39 Deg. 22Min. 30 Sec.
Longitude 7390 Feet West of 80 Deg. 42 Min. 30 Sec.

Company: DRILLING APPALACHIAN CORP
P. O. BOX 99
ALMA, WV 26320-0099

Agent: KENNETH R. MASON

Inspector: MIKE UNDERWOOD
Permit Issued: 10/26/92
Well work Commenced: 10/31/92
Well work Completed: 11/9/92
Verbal Plugging
Permission granted on: _____
Rotary x Cable _____ Rig
Total Depth (feet) 5201
Fresh water depths (ft) 90

Salt water depths (ft) 1550

Is coal being mined in area (Y/N)? N
Coal Depths (ft): _____

Casing & Tubing Size	Used in Drilling	Left in Well	Cement Fill Up Cu. Ft.
8-5/8"	1096	1096	245 sks CTS
4-1/2"		5113	175sks

OPEN FLOW DATA

Producing formation Benson Sand Pay zone depth (ft) 5027-31
Gas: Initial open flow 0 MCF/d Oil: Initial open flow 0 Bbl/d
Final open flow 340 MCF/d Final open flow 0 Bbl/d
Time of open flow between initial and final tests 48 Hours
Static rock Pressure 1550 psig (surface pressure) after 72 Hours

Second producing formation Pay zone depth (ft)
Gas: Initial open flow _____ MCF/d Oil: Initial open flow _____ Bbl/d
Final open flow _____ MCF/d Final open flow _____ Bbl/d
Time of open flow between initial and final tests _____ Hours
Static rock Pressure _____ psig (surface pressure) after _____ Hours

NOTE: ON BACK OF THIS FORM PUT THE FOLLOWING: 1). DETAILS OF PERFORATED INTERVALS, FRACTURING OR STIMULATING, PHYSICAL CHANGE, ETC. 2). THE WELL LOG WHICH IS A SYSTEMATIC DETAILED GEOLOGICAL RECORD OF ALL FORMATIONS, INCLUDING COAL ENCOUNTERED BY THE WELLBORE.

Reviewed TMC
Recorded CH

For: DRILLING APPALACHIAN CORP.

MAY 14 1993

By: Kenneth R. Mason
Date: 11-25-92

435

Perforated at a depth of 5027-5031, 16 shots, 0.39.
Fraced with 711 bbls of 20# gel water, nitrogen assist, 122,000 SCF,
10,000# 80/100, 40,000# 20/40 sand, Formation break at 1694 psi,
avg fluid rate 21.09 bbl/min, avg treatment psi, 2557, ISIP 2139

Permian Sands/Shales	0°	500
Pennsylvanian Sands/Shales	500	1881
Big Lime	1882	2003
Big Injun Sand	2004	2098
Weir Sand	2262	2336
Shale	2337	2462
Gantz Sand	2463	2482
Shale/Siltstone	2492	2682
Gordon Sand	2683	2720
Shale/Siltstone	2721	3432
Warren	3433	3480
Shale/Siltstone	3481	4514
Riley	4515	4558
Shale/Siltstone	4559	5009
Benson Sand	5010	5014
Shale	5015	5201
TD		5201

DF - 424

DFT - 435

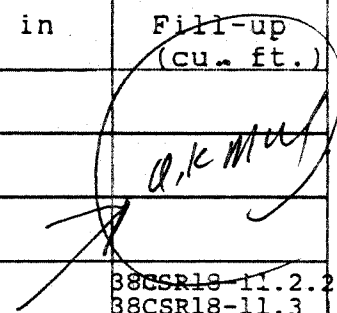
14453

017 3995
 Issued 10/26/92
 Expires 10/26/94
 Page 1 of 4

Permitting Office
 STATE OF WEST VIRGINIA
 DEPARTMENT OF ENERGY, DIVISION OF OIL AND GAS
 WELL WORK PERMIT APPLICATION

- 1) Well Operator: DRILLING APPALACHIAN CORPORATION 14425 (3) 610
- 2) Operator's Well Number: MCKINNEY #1 3) Elevation: 972'
- 4) Well type: (a) Oil / or Gas /
 (b) If Gas: Production / Underground Storage /
 Deep / Shallow /
- 5) Proposed Target Formation(s): Benson-Riley -35
- 6) Proposed Total Depth: 5500'± feet
- 7) Approximate fresh water strata depths: _____
- 8) Approximate salt water depths: _____
- 9) Approximate coal seam depths: _____
- 10) Does land contain coal seams tributary to active mine? Yes / No /
- 11) Proposed Well Work: Drill, perforate, stimulate new formation
- 12) _____

CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft.	For drilling	Left in well	Fill-up (cu. ft.)
Conductor	11-3/4"	H-40	42#	30'	0'	
Fresh Water						
Coal						
Intermediate	8-5/8"	J-55	20#	1100'	1100'	38CSR18-11.2.2 38CSR18-11.3
Production	4-1/2"	J-55	10.5#	5100'	5100'	38CSR18-11.1
Tubing						
Liners						

PACKERS : Kind _____
 Sizes _____
 Depths set _____

For Division of Oil and Gas Use Only

Fee(s) paid: Well Work Permit Reclamation Fund WPCP
 Plat WW-9 WW-2B Bond Agent

14452

8452
 35

ORIGINAL

Page 1 of _____
Form WW2-A
(09/87)

RE
Entered
OCT 23
F. Per...
Office...

- 1) Date: October 19, 1992
- 2) Operator's well number
McKinney #1
- 3) API Well No: 47 - 17 - 3995
State - County - Permit

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

- 4) Surface Owner(s) to be served:
 - (a) Name Lester D. McKinney
Address Route 2, Box 300A
West Union, WV 26456
 - (b) Name _____
Address _____
 - (c) Name _____
Address _____
- 5) (a) Coal Operator:
 - Name --
Address _____
 - (b) Coal Owner(s) with Declaration
Name --
Address _____
 - Name _____
Address _____
 - (c) Coal Lessee with Declaration
Name --
Address _____
- 6) Inspector Mike Underwood
Address Route 2, Box 135
Salem, WV 26426
Telephone (304)- 782-1043

TO THE PERSON(S) NAMED ABOVE TAKE NOTICE THAT:

_____ Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas OR
X Included is the information required by Chapter 22B, Article 1, Section 8(d) of the Code of West Virginia (see page 2)

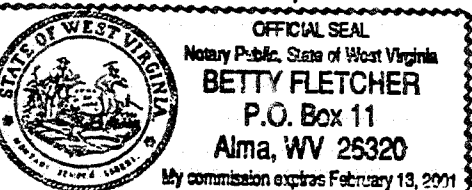
I certify that as required under Chapter 22B of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through 4 on the above named parties; by:
 _____ Personal Service (Affidavit attached)
 _____ Certified Mail (Postmarked postal receipt attached)
 _____ Publication (Notice of Publication attached)

I have read and understand Chapter 22B and 38 CSR 11-18, and I agree to the terms and conditions of any permit issued under this application.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete.

I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Well Operator DRILLING APPALACHIAN CORPORATION
 By: Kenneth Mason
 Its: President
 Address P. O. BOX 99, Alma, WV 26320-0099
 Telephone 304/758-4638



Subscribed and sworn before me this 19th day of Oct., 19 92

My commission expires 2-13-2001
Betty Fletcher Notary Public