

10,600

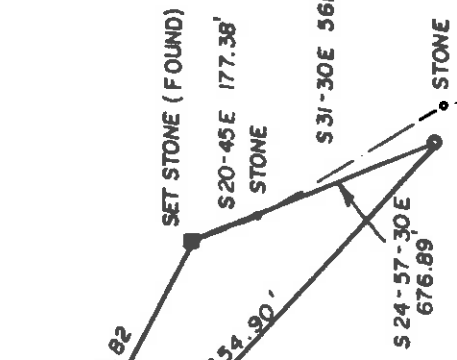
LATITUDE 39° 17' 30"

LONGITUDE 80° 45' 00"

SPURGEON #5

DILLEY

HUB ONEAST SIDE OF TURNPIKE



E. PROPERTIES, LTD.

C.O. ON KNOB

S 20-30W 321.75'

C.O.

S 11-30W 742.50'

H. SPURGEON MRS. 88 1/8 AC.

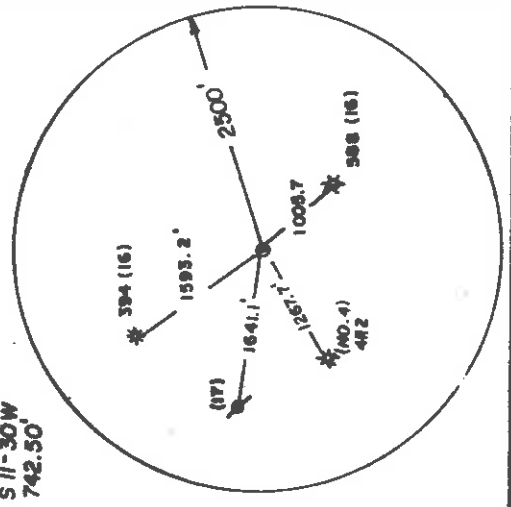
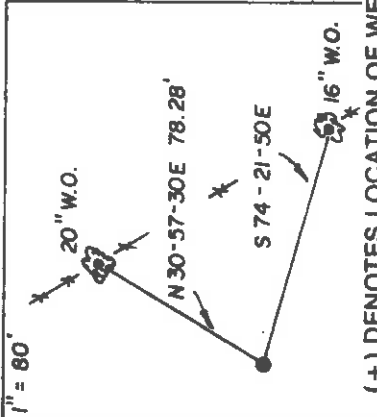
STONE

S 76W 404.25'

N 88W 57.75'

MEYER

REFERENCES



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

FILE NO. _____
 DRAWING NO. _____
 SCALE 1" = 500'
 MINIMUM DEGREE OF ACCURACY 1 IN 200
 PROVEN SOURCE OF ELEVATION BM ELEV. 866'
 2100' NW OF LOCATION

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 ENERGY.
 (SIGNED) *Robert S. Harlan*
 R.P.E. _____ L.I.S. 600

PLACE SEAL HERE



STATE OF WEST VIRGINIA DEPARTMENT OF ENERGY OIL AND GAS DIVISION

DATE APRIL 27 19 94

OPERATOR'S WELL NO. SPURGEON #5
 API WELL NO. 47-017-4127

WELL TYPE: OIL GAS LIQUID INJECTION WASTE DISPOSAL
 (IF "GAS,") PRODUCTION STORAGE DEEP SHALLOW
 LOCATION: ELEVATION 1120' WATER SHED MIDDLE ISLAND CREEK

DISTRICT WEST UNION COUNTY DODDRIDGE
 QUADRANGLE WEST UNION 415 61 ACREAGE 140
 SURFACE OWNER HARLAN SPURGEON HEIRS
 OIL & GAS ROYALTY OWNER HARLAN SPURGEON HEIRS LEASE ACREAGE 140

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

PLUG AND ABANDON CLEAN OUT AND REPLUG
 TARGET FORMATION ALEXANDER ESTIMATED DEPTH 5400'
 WELL OPERATOR RARE EARTH ENERGY INC. DESIGNATED AGENT SAM S. SPATAFORE
 ADDRESS P.O. BOX 172 740 ADDRESS P.O. BOX 172
CLARKSBURG, WV 26301 CLARKSBURG, WV 26301

Doddridge COUNTY NAME

PERMIT

MAY 18 1994

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

Well Operator's Report of Well Work

Farm name: SPURGEON, LAURA j. Operator Well No.: SPURGEON #5

LOCATION: Elevation: 1,120.00 Quadrangle: WEST OFFICE OF OIL AND GAS

District: WEST UNION
Latitude: 2180 Feet South of 39 Deg. 17' Min. 30" Sec.
Longitude 10600 Feet West of 80 Deg. 45' Min. Sec.

Company: RARE EARTH ENERGY, INC.

P. O. BOX 172
CLARKSBURG, WV 26301-0000

Agent: SAMUEL S. SPATAFORE

Inspector: MIKE UNDERWOOD
Permit Issued: 05/13/94
Well work Commenced: 06/08/94
Well work Completed: 06/13/94
Verbal Plugging
Permission granted on: N/A
Rotary X Cable Rig
Total Depth (feet) 5450'
Fresh water depths (ft) 166'

Salt water depths (ft) NONE

Is coal being mined in area (Y/N)? N
Coal Depths (ft): NONE

OPEN FLOW DATA

Producing formation: Alexander, Benson, Balltown pay zone depth (ft) 3417-5357
Gas: Initial open flow MCF/d Oil: Initial open flow Bbl/d
Final open flow 750 MCF/d Final open flow Bbl/d
Time of open flow between initial and final tests Hours
Static rock Pressure 1,500 psig (surface pressure) after 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.

For: RARE EARTH ENERGY, INC.

By: 

Date: SEPT 15 1994

0076 1994

Environment Protection			
Casing & Tubing	Used in Drilling	Left in Well	Cement Fill Up Cu. Ft.
Size			
9 5/8	1124	1124	377/A ³ CTS
7	1740	1740	118/ft ³ 500'
4 1/2	--	5441	350/ft ³ 2000'

1st STAGE: Perfs (5303-5357) - 11 Holes - Frac with 510 BBLs of water, 10,000# 80/100 sand, 34,000# 20/40 sand, 75,000 SCF of N₂, 500 gal. Acid.

2nd STAGE: Perfs (3782-5046) - 10 Holes - Frac with 372 BBLs of water, 6,300# 80/100 sand, 16,000# 20/40 sand, 59,000 SCF of N₂, 700 gal. Acid.

3rd STAGE: Perfs (3417-3567) - 12 Holes - Frac with 470 BBLs of water, 8,800# 80/100 sand, 25,000# 20/40 sand, 65,000 SCF of N₂, 300 gal. Acid.

FORMATION LOG

Soil & Red Rock	0 - 15	Fresh H ₂ O 166' - 1" stream
Sand, Shale, & Red Rock	15 - 1165	
Sand & Shale	1165 - 2008	
LH ₆ Lime	2008 - 2024	
Sand & Shale	2024 - 2045	
Big Lime	2045 - 2160	
Injun	2160 - 2187	
Sand & Shale	2187 - 5039	GAS 4138 - 10/10 H ₂ O - 1"
Benson	5039 - 5047	4605 - 10/10 H ₂ O - 1"
Sand & Shale	5047 - 5450	GAS 5130 - 12/10 H ₂ O - 1"
		5436 - 16/10 H ₂ O - 1"
TD	5450	@ DC's 18/10 H ₂ O - 1"

R5161

017-4127

FORM WW-2B

1 3

STATE OF WEST VIRGINIA

Page 3 of 7
Dated 05/13/94

DEPARTMENT OF ENERGY, DIVISION OF OIL AND GAS

WELL WORK PERMIT APPLICATION

Expired 05/13/96

740
3

1) Well Operator: Rare Earth Energy, Inc. 40900

2) Operator's Well Number: Spurgeon #5 3) Elevation: 1120'

Well type: (a) Oil X / or Gas X /
(b) If Gas: Production / Underground Storage
Deep X / Shallow

19158

Proposed Target Formation(s): 439
Alexander

Proposed Total Depth: 5400 feet

Approximate fresh water strata depths: 30

8) Approximate salt water depths: 1875

9) Approximate coal seam depths: 0

10) Does land contain coal seams tributary to active mine? Yes / No X

11) Proposed Well Work:

12)

CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft.	For drilling	Left in well	
Conductor	11-3/4"		47 lb.	32'	32'	
Fresh Water						
Coal						
Intermediate	8-5/8"		20 lb.	1120'	1120'	CTS15%Excess
Production	4-1/2"		10.5 lb.		320'	CTS15%Excess
Tubing						
Liners						

OK M.J.

PACKERS : Kind _____
Sizes _____
Depths set _____

1204
16

For Division of Oil and Gas Use Only
 Fee(s) paid: Well Work Permit Reclamation Fund WPCF
 Plat WW-9 WW-2B Bond _____ Agent _____
(Type)

1) Date: May 5, 1994
2) Operator's well number _____
3) API Well No: 47 - 017 - 4127
Spurgeon #5
State - County - Permit

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS

NOTICE AND APPLICATION FOR A WELL WORK PERMIT

4) Surface Owner(s) to be served:

(a) Name Laura J. Spurgeon
Address Rt. 1, Box 38
West Union, WV 26456

5) (a) Coal Operator:
Name None
Address _____

(b) Name _____
Address _____

(b) Coal Owner(s) with Declaration
Name None
Address _____

(c) Name _____
Address _____

Name None
Address _____

6) Inspector Mike Underwood

Address Rt. 2, Box 135

(c) Coal Lessee with Declaration
Name _____

Salem, WV 26426

Address _____

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

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 7 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 Rare Earth Energy, Inc.

By: Sam S. Spatafore II

Its: Designated Agent

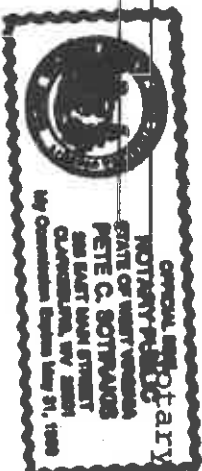
Address P. O. Box 172

Clarksburg, WV 26302-0172

Telephone (304) 622-4001

Subscribed and sworn before me this 5th day of May, 1994

My commission expires May 31, 1999



Public