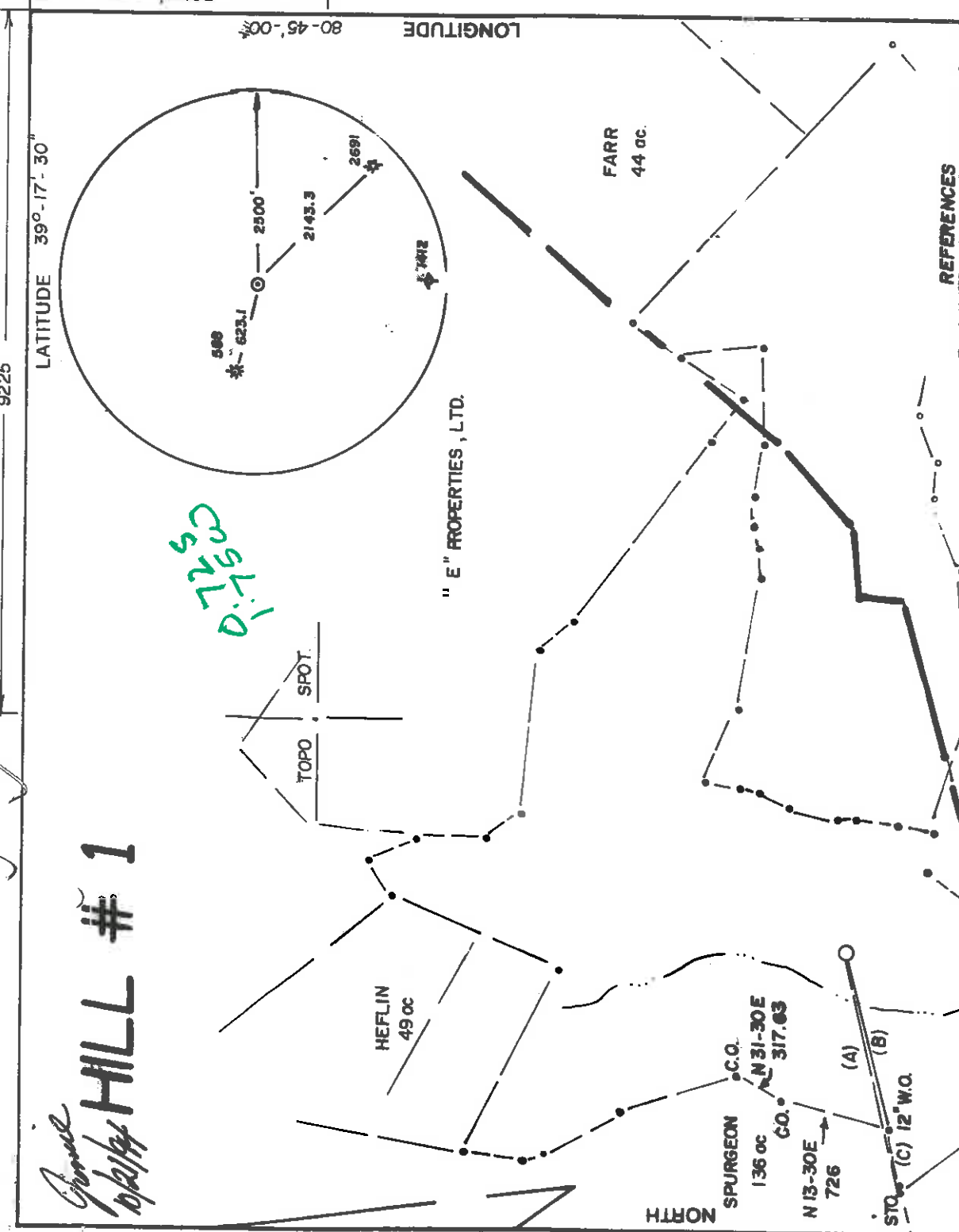


General
HILL # 1

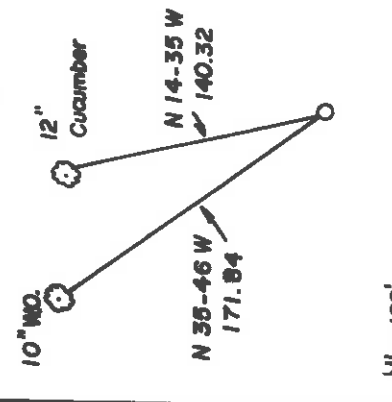


0.7250
0.7500

LATITUDE 39°-17'-30"
LONGITUDE 80°-45'-00"

" E" PROPERTIES, LTD.

REFERENCES



PIERCE
1498 ac.

(A)	N 77-50-50 E	1629.31'
(B)	S 77-58-10 W	1177.23'
(C)	N 77-31-40 E	452.09'

3.60
1.75

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

FILE NO. _____
DRAWING NO. _____
SCALE 1" = 1000'
MINIMUM DEGREE OF ACCURACY 1' IN 200
PROVEN SOURCE OF ELEVATION B.M. = 866 AT INTERS. OF ROADS

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 J. Davis
R.P.E. _____ I.L.S. 800

PLACE SEAL HERE

STATE OF WEST VIRGINIA
DEPARTMENT OF ENERGY
OIL AND GAS DIVISION



DATE OCTOBER 19 94
OPERATOR'S WELL NO. 1 (ONE)
API WELL NO. 47-017-4164

WELL TYPE: OIL GAS LIQUID INJECTION _____ WASTE DISPOSAL _____
(IF "GAS.") PRODUCTION STORAGE DEEP SHALLOW
LOCATION: ELEVATION 1036 WATER SHED MIDDLE ISLAND CREEK
DISTRICT WEST UNION COUNTY DODDRIDGE
QUADRANGLE WEST UNION OLS SL
SURFACE OWNER "E" PROPERTIES LTD.
OIL & GAS ROYALTY OWNER CHEVYRONT HEIRS LEASE NO. _____
LEASE ACREAGE 194 ACREAGE 188

PROPOSED WORK: DRILL CONVERT _____ DRILL 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 5500
WELL OPERATOR RARE EARTH MINERALS, INC DESIGNATED AGENT SAM SPATAFORE
ADDRESS P.O. BOX 390, CLARKSBURG WV 790 ADDRESS P.O. BOX 390 CLARKSBURG WV

Doddridge
COUNTY NAME

PERMIT



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

DEC 27 1994

Well Operator's Report of Well Work

Farm name: "E" PROPERTIES, LTD. Operator Well No.: HILL #1

Office of Oil & Gas LOCATION: 1,036.00 Quadrangle: WEST UNION

District: WEST UNION County: DODDRIDGE
Latitude: 3875 Feet South of 39 Deg. 17Min. 30 Sec.
Longitude 9225 Feet West of 80 Deg. 45 Min. 0 Sec.

Company: RARE EARTH Minerals, Inc.
P. O. BOX 390
CLARKSBURG, WV 26301-0000

Agent: SAMUEL S. SPATAFORE

Inspector: MIKE UNDERWOOD
Permit Issued: 10/21/94
Well work Commenced: 10/25/94
Well work Completed: 10/29/94
Verbal Plugging
Permission granted on: N/A
Rotary X Cable Rig
Total Depth (feet) 5424'
Fresh water depths (ft) 40'

Salt water depths (ft) None

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

OPEN FLOW DATA

Casing & Tubing Size	Used in Drilling	Left in Well	Cement Fill Up Cu. Ft.
8 5/8	1016'	1016'	CTS 275ft ³
4 1/2	None	5361'	2000 515ft ³

Producing formation

Gas: Initial open flow _____ MCF/d Oil: _____ MCF/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 1650 psig (surface pressure) after _____ Hours

Second producing formation

Gas: Initial open flow _____ MCF/d Oil: _____ MCF/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 MINERALS, INC.

BY:

Date: DECEMBER 15, 1994

2016 1995

Completion Information

1st Stage Perfs - 5136-5200 - 18 Holes - Fracture with 500 BBLS Gel
 Fluid and 40,000# sand @ 30 BPM

2nd Stage Perfs - 3814-4878 - 13 Holes - Fracture with 425 BBLS Gel
 Fluid and 30,000# sand @ 20 BPM

3rd Stage Perfs - 3262-3390 - 10 Holes - Fracture with 450 BBLS Gel
 Fluid and 35,000# sand @ 25 BPM

Formation	Top/Bottom	Comments
Fill	0/10	
Red Rock	10/15	
Shale	15/25	1/2" stream H2O @ 40'
Red Rock	25/30	
Shale	30/40	
Coal	40/45	
Shale	45/71	
Sand	71/150	
Red Rock	150/161	
Sand & Shale	161/210	
Red Rock	210/223	
Sand & Shale	223/250	
Sand	250/275	
Coal	275/281	
Shale	281/301	
Sand & Shale	301/377	
Red Rock & Shale	377/530	
Red Rock & Shale	530/558	
Sand	558/1829	
Shale & Red Rock	1829/1850	
Little Lime	1850/1870	
Shale	1870/2068	Gas Check @ 2022 6/10 - 1" B2O
Big Lime	2068/2106	Gas Check @ 2548 6/10 - 1" W/W
Sand & Shale	2106/2123	Gas Check @ 3607 6/10 - 1" W/W
Injun	2123/4860	Gas Check @ 4166 6/10 - 1" W/W
Sand & Shale	4860/4870	Gas Check @ 4602 6/10 - 1" W/W
Benson	4870/5394	Gas Check @ 5007 6/10 - 1" W/W
Sand & Shale		Gas Check @ TD 6/10 - 1" W/W
		Gas Check @ Collars 6/10 - 1" W/W
		26 MCFPD

Balltown	3230-3400	2nd Riley	4784-4820
Bradford	4402-4484	Benson	4868-4900
1st Riley	4692-4720	Alexander	5124-5206

STATE OF WEST VIRGINIA
DEPARTMENT OF ENERGY, DIVISION OF OIL AND GAS
Office of Oil & Gas Well Work Permit Application

Well Operator: Rare Earth Minerals, Inc. 40900 3 671

Operator's Well Number: Hill #1 3) Elevation: 1036'

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

Proposed Target Formation(s): Alexander 429

Proposed Total Depth: 5500' feet

Approximate fresh water strata depths: 80 - 120

Approximate salt water depths: 1700

Approximate coal seam depths: 0

Does land contain coal seams tributary to active mine? Yes / No x

Proposed Well Work: Drill and Stimulate New Well

CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft.	For drilling	Left in well	
Conductor	11 3/4"		47lb	30'		
Fresh Water						
Coal						
Intermediate	8 5/8"		201b	1000'	1000'	CTS 15% Excess
Production	4 1/2"		10 1/2 lb		5450'	CTS 15% Excess
Tubing						
Liners						

PACKERS : Kind

Sizes

Depths set

10/21/94

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

UCT 20 1994

Permitting
Office of Oil & Gas

STATE OF WEST VIRGINIA

DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS

1) Date: October 14, 1994
2) Operator's well number Hill #1
3) API Well No: 47 - 017 - 4164
State - County - Permit

NOTICE AND APPLICATION FOR A WELL WORK PERMIT

4) Surface Owner(s) to be served:

(a) Name "E" Properties, Ltd.
Address c/o David E. Bowyer
P. O. Box 202
(b) Name West Union, WV 26456
Address (304)782-2400

(c) Name _____
Address _____

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

Name NONE
Address _____

(c) Coal Lessee with Declaration
Name NONE
Address _____

6) Inspector Mike Underwood
Address Rt. 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

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 Minerals, Inc.
By: Sam S. Spatafore II
Its: Designated Agent
Address P.O. Box 390
Clarksburg, WV 26302-0390

Telephone (304) 622-4001

Subscribed and sworn before me this 14th day of October, 1994
My commission expires September 28, 2001

