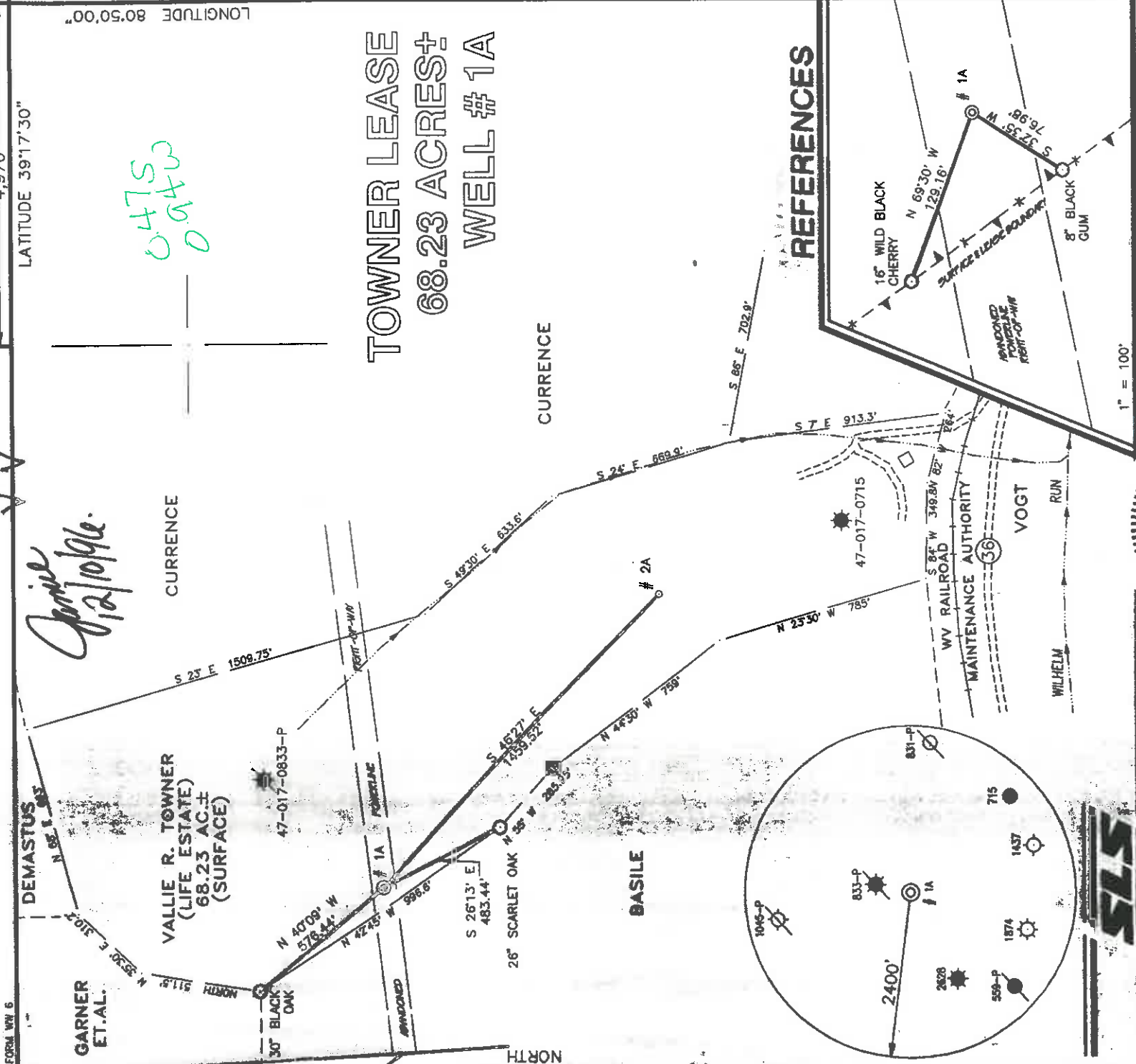


LATITUDE 39°17'30" LONGITUDE 80°50'00"



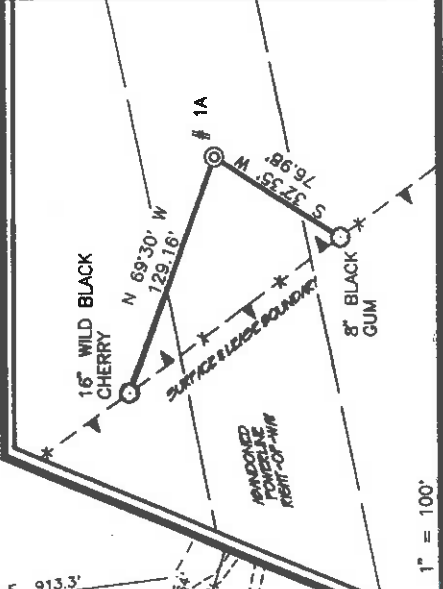
0475
0.9475

TOWNER LEASE
68.23 ACRES ±
WELL # 1A

CURRENCE

BASILE

REFERENCES



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.
DATE DECEMBER 4, 19 96
OPERATORS WELL NO. TOWNER # 1A
API WELL NO. 47-017-04333



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.

P.S. Gregory A. Smith
677

STATE COUNTY PERMIT
47-017-04333



STATE OF WEST VIRGINIA
DEPARTMENT OF ENERGY
OIL AND GAS DIVISION

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 3630P1A (58-68)
PROVEN SOURCE OF ELEVATION BENCH MARK ELEVATION 904'
SCALE 1" = 500'

WELL TYPE : OIL GAS LIQUID WASTE DISPOSAL IF "GAS" PRODUCTION STORAGE DEEP SHALLOW
LOCATION : ELEVATION 1151' WATERSHED WILHELM RUN
DISTRICT CENTRAL COUNTY DODDRIDGE QUADRANGLE WEST UNION 7.5'
SURFACE OWNER VALLIE R. TOWNER, LIFE ESTATE - (JOSEPH TOWNER) ACREAGE 68.23
ROYALTY OWNER GLENN TOWNER ET.AL. LEASE ACREAGE 68.23 LEASE NO. _____
PROPOSED WORK :
DRILL CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE PLUG OFF OLD
FORMATION _____ PERFORATE NEW FORMATION _____ PLUG AND ABANDON _____ CLEAN OUT AND REPLUG _____ OTHER
PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION ALEXANDER ESTIMATED DEPTH 5750' PERMIT 47-017-04333

WELL OPERATOR PETROLEUM RESOURCES, Inc. DESIGNATED AGENT STAN MASONER
ADDRESS P.O. BOX 1066 WESTON, WV 26452 ADDRESS P.O. BOX 1066 WESTON, WV 26452

6-6 89

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

JAN 22 1997

Permitting

Office of Oil & Gas Well Operator's Report of Well Work

Farm name: TOWNER, VALLIE R. Operator Well No.: TOWNER 1-A

LOCATION: Elevation: 1,151.00 Quadrangle: GLENGARY

District: CENTRAL County: DODDRIDGE
Latitude: 2580 Feet South of 39 Deg. 17Min. 30 Sec.
Longitude 4970 Feet West of 80 Deg. 50 Min. 0 Sec.

Company: PETROLEUM RESOURCES, INC.
P. O. BOX 1066
WESTON, WV 26452-1066

Agent: STANLEY N. MASONER

Inspector: MIKE UNDERWOOD
Permit Issued: 12/10/96
Well work Commenced: 12/14/96
Well work Completed: 01/03/97
Verbal Plugging
Permission granted on: _____ Rig
Rotary Cable _____
Total Depth (feet) 5700'
Fresh water depths (ft) 760'

Salt water depths (ft) 1684'

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.
11 3/4"	20'	0	
8 5/8"	1147'	1147'	CTS
4 1/2"	5552'	5552'	680 sks

Producing formation Alexander & Benson Pay zone depth (ft) 5350'-4966'
Gas: Initial open flow 133 MCF/d Oil: Initial open flow N/S Bbl/d
Final open flow 1,185 MCF/d Final open flow Trace Bbl/d
Time of open flow between initial and final tests N/A Hours
Static rock Pressure 1,350 psig (surface pressure) after 24 Hours

Second producing formation Riley and Balltown Pay zone depth (ft) 4990'-3996'
Gas: Initial open flow N/S MCF/d Oil: Initial open flow N/S Bbl/d
Final open flow 1,185 MCF/d Final open flow Trace Bbl/d
Time of open flow between initial and final tests Hours
Static rock Pressure 1,350 psig (surface pressure) after 24 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: PETROLEUM RESOURCES, INC.

By: Stanley N. Masoner

Date: _____

JAN 24 1997

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

Balltown - 12 Holes - 3496'-4050'				Frac - 600 gals. Hcl Acid 282 bbls. Treated Water Sand - 80/100 5,200# and 20/40 36,500# N2 - 340,000 SCF
Riley - 10 Holes - 4416'-4642'				Frac - 600 gals. Hcl Acid 351 bbls. Treated Water Sand - 20/40 20,400# N2 - 248,000 SCF
Benson - 12 Holes - 4966'-4990'				Frac - 600 gals. Hcl Acid 163 bbls. Treated Water Sand - 36,200# N2 - 412,000 SCF
Alexander - 12 Holes - 5326'-5350'				Frac - 500 gals. Hcl Acid 215 bbls. Treated Water Sand - 37,100# N2 - 331,000 SCF

FORMATION	COLOR	HARD OR SOFT	TOP FEET	BOTTOM FEET	REMARKS
Clay	Red	Soft	0	10	
Sand & Shale	Gray	Med.	10	51	
Sand & Shale	Gray	Soft	51	255	
Sand & Shale	Gray	Med.	255	515	
White Sand	White	Hard	515	550	
Sand & Shale	Gray	Med.	550	626	
Red Rock	Red	Soft	626	680	
Sand & Shale	Gray	Med.	680	835	
Lime	Gray	Hard	835	850	
Sand & Shale	Gray	Med.	850	975	
Red Rock/Shale	Red	Soft	975	1342	
Sand & Shale	Gray	Med.	1342	1818	
Sand & Shale	Gray	Soft	1818	2055	
L. Lime	Gray	Hard	2055	2070	
Sand & Shale	Gray	Med.	2070	2088	
B. Lime	Gray	Hard	2088	2212	
Injun	Dark	Med.	2212	2223	
Sand & Shale	Gray	Med.	2223	3480	Gas check @ 2365' - no show
Balltown	Gray	Med.	3480	3520	Gas check @ 3017' - no show
Sand & Shale	Gray	Soft	3520	4304	Gas check @ 4263' - no show
Sand & Shale	Gray	Soft	4304	4542	
Riley	Dark	Med.	4542	4658	
Sand & Shale	Gray	Soft	4658	5050	Gas check @ 4760' - no show
Benson	Dark	Med.	5050	5078	
Sand & Shale	Gray	Soft	5078	5334	
Alexander	Dark	Med.	5334	5368	
Sand & Shale	Gray	Soft	5368	5700	Gas check @ 5440' 8/10 to 10/10 - 2 w/w

47-017-04333

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

Issued 12/10/96
Expired 12/10/98

0688 38300 (1) 671

Well Operator: Petroleum Resources, Inc.
Operator's Well Number: 38300 Form 1-A 3) Elevation: 1151'

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

- 6) Proposed Target Formation(s): Alexander 431 feet
- 7) Proposed Total Depth: 5750 feet
- 8) Approximate fresh water strata depths: 750'
- 9) Approximate salt water depths: None
- 9) Approximate coal seam depths: None
- 10) Does land contain coal seams tributary to active mine? Yes / No X /
- 11) Proposed Well Work: Drill and Stimulate
- 12) 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"	-		20'		Fill-up (cu. ft.) <u>0.4 million</u>
Fresh Water	8 5/8"	H-40	20#	1150'	1150'	CTS
Coal					38 car 18-11.2	38 car 18-11.3
Intermediate						
Production	4 1/2"	J-55	10.5#	5750'	5750'	700 sks
Tubing						38 car 18-11.1
Liners						

PACKERS: Kind
Sizes
Depths set

For Division of Oil and Gas Use Only

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

WPCP Agent

1) Date: 12-5-96
2) Operator's well number Towner 1-A
3) API Well No: 47 - 017 - 4333
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 Vallie R. Towner
Address Greenwood WV.
- (b) Name Joseph L. Towner
Address P.O. Box 21
Smithburg WV 26436
- (c) Name _____
Address _____
- 5) (a) Coal Operator:
Name _____
Address _____
- (b) Coal Owner(s) with Declaration
Name _____
Address _____
- (c) Coal Lessee with Declaration
Name _____
Address _____
- 6) Inspector Mike Underwood
Address Rt. 2 Box 135
Salem WV 26426
Telephone (304) - 420-4550

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 _____ 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 Petroleum Resources, INC.
By: Seym Stanley N. Masover
Vice-President
Its: P.O. Box 1066
Address Weston WV 26452

Subscribed and sworn before me this 6th day of December, 1996

Andrea Nail Mitchell Notary Public
My commission expires Jan. 26, 2007