



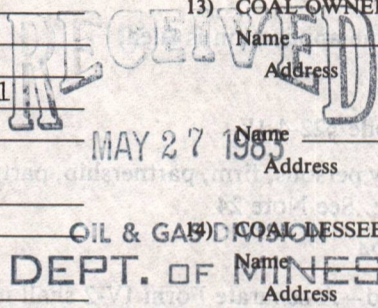
1) Date: May 24, 1983  
 2) Operator's Well No. Powers B-80-1  
 3) API Well No. 47 021 4055  
 State County Permit

DRILLING CONTRACTOR:  
Gene Stalnaker, Inc.  
P.O. Box 178

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

OIL AND GAS WELL PERMIT APPLICATION

Glenville, WV 26351  
 4) WELL TYPE: A Oil        / Gas X /  
 B (If "Gas", Production        / Underground storage        / Deep        / Shallow X /)  
 5) LOCATION: Elevation: 1102 Watershed: Tanner Creek  
 District: Dekalb County: Gilmer Quadrangle: Tanner 7.5  
 6) WELL OPERATOR Gene Stalnaker, Inc. 11) DESIGNATED AGENT Gene Stalnaker  
 Address P.O. Box 178 Address P.O. Box 178  
Glenville, WV 26351 Glenville, WV 26351  
 7) OIL & GAS ROYALTY OWNER Geneva Powers et.al. 12) COAL OPERATOR n/a  
 Address Box 333 Address         
Anmoore, WV 26323  
 Acreage 10 of 24  
 8) SURFACE OWNER Scott Schimmel 13) COAL OWNER(S) WITH DECLARATION ON RECORD:  
 Address P.O. Box 396 Name n/a  
Glenville, WV 26351 Address         
 Acreage 24 Name         
 9) FIELD SALE (IF MADE) TO: Address         
 Address         
 10) OIL & GAS INSPECTOR TO BE NOTIFIED Name Deo Mace Address         
 Address Rt. 1 Box 5 Sand Ridge, WV Address         
655-7398  
 15) PROPOSED WORK: Drill X / Drill deeper        / Redrill        / Fracture or stimulate         
 Plug off old formation        / Perforate new formation         
 Other physical change in well (specify)         
 16) GEOLOGICAL TARGET FORMATION, Marcellus  
 17) Estimated depth of completed well, 5300 feet  
 18) Approximate water strata depths: Fresh, 140 352 feet; salt,        feet.  
 19) Approximate coal seam depths: n/a Is coal being mined in the area? Yes        / No X



20) CASING AND TUBING PROGRAM

CASING OR TUBING TYPE	SPECIFICATIONS					FOOTAGE INTERVALS		CEMENT FILL-UP OR SACKS (Cubic feet)	PACKERS
	Size	Grade	Weight per ft.	New	Used	For drilling	Left in well		
Conductor	11 3/4				X	40'			Kinds
Fresh water									
Coal									Sizes
Intermediate	8 5/8	CW	20.1	X		400-300'	400-300'	To Surface	NEAT
Production	4 1/2	ERW	10.50	X			5300'	2000' Fill	Depths set
Tubing								Up	
Liners									Perforations:
									Top Bottom

21) 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.)  
 22) ROYALTY PROVISIONS  
 Is the right to extract, produce or market the oil or gas based upon a lease or other continuing 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.  
 23) Required Copies (See reverse side.)

24) Copies of this Permit Application and the enclosed plat and reclamation plan have been mailed by registered mail or delivered by hand to the above named coal operator, coal owner(s), and coal lessee on or before the day of the mailing or delivery of this Permit Application to the Department of Mines at Charleston, West Virginia.  
 Notary: Steven B Duffield Signed: Gene Stalnaker  
 My Commission Expires August 6, 1992 Its: President

OFFICE USE ONLY  
**DRILLING PERMIT**  
 Permit number 47-021-4055 Date June 7 1983

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. 10) 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.)  
 Permit expires February 7, 1984 unless drilling is commenced prior to that date and prosecuted with due diligence.

Bond: <u>Blanket</u>	Agent: <u>ok</u>	Plat: <u>      </u>	Casing: <u>      </u>	Fee: <u>13588</u>
----------------------	------------------	---------------------	-----------------------	-------------------

Administrator, Office of Oil and Gas

Line Item Explanation

- 1) Date of Application
- 2) Your well name and number
- 3) To be filled out by office of oil & gas
- 4A) "Oil" means natural crude oil or petroleum and other hydrocarbons, regardless of gravity, which are produced at the well in liquid form by ordinary production methods and which are not the result of condensation of gas after it leaves underground reservoirs: "Gas" means all natural gas and all other fluid hydrocarbons not defined as oil.
- 4B) "Shallow well" means any well drilled and completed in a formation above the top of the uppermost member of the "Onondaga Group" or a depth less than six thousand feet, whichever is shallower.  
 "Deep well" means any well drilled and completed in a formation at or below the top of the uppermost member of the "Onondaga Group" or at a depth less than six thousand feet, whatever is shallower.
- 5) Where well is located
- 6) Before a permit can be issued in a corporation, company partnership, or fictitious name, the name must be registered with the Secretary of State Office
- 7) Use separate sheet if necessary
- 8) Present surface owner at time application is filed.
- 9) Optional
- 11) See Reg. 7.01 relating to code §22-4-1k
- 12) "Coal Operator" means any persons, firm, partnership, partnership association or corporation that proposes to or does operate a coal mine. See Note 24
- 13 & 14) As per §22-4-20; See Note 24
- 15) Work that will be attempted—A separate Form IV-2 shall not be required for fracturing or stimulating a well where fracturing or stimulating is to be part of the work for which a permit is sought and is noted as such on the Form IV-2 filed in connection therewith.
- 16) Anticipated formation for which well will be completed
- 17) Self explanatory
- 18) Depth to deepest freshwater, and shallowest salt water, taken from nearby wells corrected for differences in elevation
- 19) All coal seam depths
- 20) Proposed casing program and cementing refer to Code 22-4-5, 22-4-6, 22-4-7, 22-4-8, 22-4-8a Reg 9.01, 15.01, 15.02, 15.03, 15.04, 25.01, 25.02, 25.03, 25.04
- 21) Code 22-4-11(c) - In lieu of filing the lease or leases or other continuing contract or contracts, the applicant for a permit described herein may file the following:
  - (1) A brief description of the tract of land including the district and county wherein the tract is located;
  - (2) The identification of all parties to all leases or other continuing contractual agreements by which the right to extract, produce or market the oil or gas is claimed;
  - (3) The book and page number wherein each such lease or contract by which the right to extract, produce or market the oil or gas is recorded;
  - (4) A brief description of the royalty provisions of each such lease or contract.
- 22) Code 22-4-11(d) and 22-4-11(e).
- 23) Regulation 7.02 of the Department of Mines provides that the original and four copies of Form IV-2 must be filed with the Department, 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 §22-4-2, (iii) Form IV-9, "Reclamation Plan", applicable to the reclamation required by Code §22-4-12b and Regulation 23, (iv) unless previously paid on the same well, the fee required by Code §22-4-12a, and (v) if applicable, the consent required by Code §22-4-8a from the owner of any water well or dwelling within 200 feet of the proposed well.
- 24) **The above named coal operator, coal owner(s), and coal lessee are hereby notified that any objection they wish to make or are required to make by Code §22-4-3 must be filed with the Department of Mines within fifteen (15) days after the receipt of this Application by the Department.**

The following waiver must be completed by the coal operator and by any coal owner or coal lessee who has recorded a declaration under Code 22-4-20, if the permit is to be issued within fifteen (15) days of receipt thereof.

WAIVER

The undersigned coal operator \_\_\_\_\_/ owner \_\_\_\_\_/ lessee \_\_\_\_\_/ of the coal under this well location has examined this proposed well location. If a mine map exists which covers the area of the well location, the well location has been added to the mine map. The undersigned has no objection to the work proposed to be done at this location, provided, the well operator has complied with all applicable requirements of the West Virginia Code and the governing regulations.

Date: \_\_\_\_\_, 19\_\_\_\_\_

By \_\_\_\_\_

Its \_\_\_\_\_



DATE December 17, 1982

WELL NO. B80-1

State of West Virginia  
Department of Mines  
Oil and Gas Division

API NO. 47 - 021 - 4055

CONSTRUCTION AND RECLAMATION PLAN

COMPANY NAME Gene Stalnaker Inc.

DESIGNATED AGENT Gene Stalnaker

Address P.O. Box 178 Glenville, WV 26351

Address P.O. Box 178 Glenville, WV 26351

Telephone 304-462-5701

Telephone 304-462-5701

LANDOWNER Scott Schimmel

SOIL CONS. DISTRICT West Fork

Revegetation to be carried out by Gene Stalnaker Inc. (Agent)

This plan has been reviewed by West Fork SCD. All corrections and additions become a part of this plan:

5/16/83  
(Date)

Kenneth E Knight  
(SCD Agent)

ACCESS ROAD

LOCATION

Structure Drainage Ditch (A)

Structure Diversion Ditch (1)

Spacing N/A Inside road cuts

Material Earthen

Page Ref. Manual 2-12

Page Ref. Manual 2-12

Structure Cross Drain (B)

Structure Sediment Barrier (2)

Spacing as required per grade (see back)

Material Brush & Stone

Page Ref. Manual 2-1

Page Ref. Manual 2-16

Structure Road Culvert (C)

Structure \_\_\_\_\_ (3)

(according to Oil & Gas Manual)  
Spacing one 20"

Material \_\_\_\_\_

Page Ref. Manual 2-7

Page Ref. Manual \_\_\_\_\_

All structures should be inspected regularly and repaired if necessary. 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.

RECEIVED  
MAY 27 1983  
OIL & GAS DIVISION  
DEPT. OF MINES

REVEGETATION

Treatment Area I & II

~~Treatment Area III~~

Lime\* \_\_\_\_\_ Tons/acre  
or correct to pH 6.5

Lime\* \_\_\_\_\_ Tons/acre  
or correct to pH \_\_\_\_\_

Fertilizer 600 lbs/acre  
(10-20-20 or equivalent)

Fertilizer \_\_\_\_\_ lbs/acre  
(10-20-20 or equivalent)

Mulch Hay 2 Tons/acre

Mulch \_\_\_\_\_ Tons/acre

Seed\* KY-31 35 lbs/acre

Seed\* \_\_\_\_\_ lbs/acre

Crownvetch 10 lbs/acre

\_\_\_\_\_ lbs/acre

\_\_\_\_\_ lbs/acre

\_\_\_\_\_ lbs/acre

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

\*Lime according to pH test PLAN PREPARED BY Smith Land Surveying Co.

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

ADDRESS 111 South Street

Glenville, WV 26351

PHONE NO. 304-462-5634



STATE OF WEST VIRGINIA, COUNTY OF Gilmer To-wit:  
 I, J. R. Kennedy  
 a Notary Public of said county of West Virginia do certify  
 that Lee N. Rogers and Gene C. Rogers  
 his wife, whose name is Lee N. Rogers signed to the writing above bearing date the 17th day of  
Feb. A. D. 1982 have this day acknowledged the same before me in my said county.  
 Given under my hand this 17th day of Feb. A. D. 1982

Prepared by:  
Gene Stalnaker



J. R. Kennedy  
 Notary Public  
 My Commission expires Aug 21, 1990

STATE OF WEST VIRGINIA, COUNTY OF \_\_\_\_\_ To-wit:  
 I, \_\_\_\_\_



STATE OF WEST VIRGINIA,  
 GILMER COUNTY COMMISSION CLERK'S OFFICE November 15, 1982

The foregoing writing, together with the certificate thereto annexed, was this day admitted to record in said office.

TESTE: Luella Stalnaker, CLERK.

CASTO & HARRIS INC., SPENCER, W. VA. RE-ORDER NO. 76779

STATE OF WEST VIRGINIA, COUNTY OF \_\_\_\_\_ To-wit:  
 I, \_\_\_\_\_  
 a \_\_\_\_\_ of said county of \_\_\_\_\_ do certify  
 that \_\_\_\_\_ and \_\_\_\_\_  
 his wife, whose name \_\_\_\_\_ signed to the writing above bearing date the \_\_\_\_\_ day of  
 \_\_\_\_\_, A. D. 19\_\_\_\_ ha\_\_\_\_\_ this day acknowledged the same before me in my said county.  
 Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_ A. D. 19\_\_\_\_  
 My Commission expires \_\_\_\_\_

**Oil and Gas Lease**

No. \_\_\_\_\_

FROM \_\_\_\_\_

TO \_\_\_\_\_

Date \_\_\_\_\_, 19\_\_\_\_

Term, Ten Years \_\_\_\_\_

Number of Acres \_\_\_\_\_

LOCATION \_\_\_\_\_

District \_\_\_\_\_

County \_\_\_\_\_

Received for Record \_\_\_\_\_, 19\_\_\_\_

Recorded \_\_\_\_\_, 19\_\_\_\_

In Book 330 Page 412

DEPT. OF MINES  
OIL & GAS DIVISION

MAY 27 1983

(Seal)  
(Seal)  
(Seal)  
(Seal)

*W. H. Hogue*  
*Geo. H. Hogue*

In Witness Whereof, the parties of this agreement have hereunto set their hands and seals the day and year first above written.  
All provisions of this lease shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.  
Lessor agrees that the recordation of a deed of surrender in the proper county, and the mailing in the postoffice of a check payable as above provided, for said last mentioned sum and all amounts then due hereunder, shall be a full surrender and termination of this lease.  
It is agreed that the Lessee is to have the privilege of using free sufficient water and gas from the said premises to run all machinery necessary for drilling and operating thereon and at any time to remove all machinery and fixtures placed on said premises; and further, upon the payment of (\$1.00) One Dollar at any time, by the party of the second part, or by its successors and assigns; it or they shall have the right to surrender this lease for cancellation, after which all payments and liabilities thereafter to accrue under and by virtue of its terms shall cease and determine, and this lease becomes absolutely null and void.

State of \_\_\_\_\_; such payments may also be made in the same manner to \_\_\_\_\_ County, \_\_\_\_\_ P. O. \_\_\_\_\_ at \_\_\_\_\_ or by check mailed to \_\_\_\_\_ Bank of \_\_\_\_\_ and assigns in the \_\_\_\_\_

months from this date, until, but not after, a well yielding royalty to the Lessor on the leased premises, and any rental paid for time beyond the date of completion of a gas well shall be credited upon the first royalty due upon the same and all rentals shall cease after the surrender of the lease as hereinafter provided for. All payments for delay, for gas produced and marketed, for gasoline and other by-products may be made direct to the Lessor or be deposited to their credit, or to the credit of their heirs and assigns in the \_\_\_\_\_

The said Lessee covenants and agrees to pay a rental at the rate of three dollars per acre per year (\$3.00) Dollars quarterly in advance, beginning in \_\_\_\_\_ or by check mailed to \_\_\_\_\_ Bank of \_\_\_\_\_ and assigns in the \_\_\_\_\_

and that the consideration and rentals paid and to be paid constitute adequate compensation for such privilege.  
Lessor covenants and agrees to locate all wells so as to interfere as little as possible with the cultivated portion of the farm. And it is agreed that the leased premises may be fully and freely used by the Lessor for farming purposes, excepting such parts as are used by the Lessee in operating hereunder, and further, that the said Lessee may drill or not drill on said land, as it may see fit, and subject to the use, operation, pumping and right of abandonment of the well by Lessee, its successors and assigns; Lessor is to provide and use economical appliances and to use said gas at their own risk, subject to the reasonable rules and regulations of said Lessee, its successors and assigns, published at such time relating to such use of gas.

The Lessor may lay a line to any gas well drilled on said land and take gas therefrom free for their own use for heat and light in one dwelling house on said land, out of any surplus gas over and above what Lessee, its successors and assigns, may require to operate the lease, and subject to the use, operation, pumping and right of abandonment of the well by Lessee, its successors and assigns; Lessor is to provide and use economical appliances and to use said gas at their own risk, subject to the reasonable rules and regulations of said Lessee, its successors and assigns, published at such time relating to such use of gas.  
The Lessee shall not be required in any event to increase the rate of said gas well payments or said royalty of oil by reason of any royalty or interest in said oil or gas that may have been heretofore sold, reserved or conveyed by Lessor or their predecessors; Lessor shall have the right to use off the farm for such purposes as it may desire, " casing head gas," (being gas produced from wells on the premises), but if said " casing head gas" or any part thereof should be manufactured into gasoline or other by-products by said company, said Lessor shall receive one-eighth of the net value at the factory of the gasoline and other by-products so manufactured.

and saved from the leased premises; and second, to pay their proportional share of one-eighth of the value at the well of the gas from each and every gas well drilled on said premises, the product from which is marketed and used off the premises, said gas to be measured at a meter set on the farm.  
The Lessee shall not be required in any event to increase the rate of said gas well payments or said royalty of oil by reason of any royalty or interest in said oil or gas that may have been heretofore sold, reserved or conveyed by Lessor or their predecessors; Lessor shall have the right to use off the farm for such purposes as it may desire, " casing head gas," (being gas produced from wells on the premises), but if said " casing head gas" or any part thereof should be manufactured into gasoline or other by-products by said company, said Lessor shall receive one-eighth of the net value at the factory of the gasoline and other by-products so manufactured.

In consideration of the premises the said party of the second part, covenants and agrees: 1st—to deliver to the credit of the Lessor, their heirs or assigns, free of cost, in the pipe line to which the Lessee may connect with its wells \_\_\_\_\_ gas, or either of them, is produced from the said lands by the said Lessee, its successors and assigns.  
It is agreed that this lease shall remain in force for the term of ten years from this date and as long thereafter as oil or other party except by mutual consent.  
Containing \_\_\_\_\_  
On the West by lands of Lucy-Jay \_\_\_\_\_  
On the South by lands of \_\_\_\_\_  
On the East by lands of \_\_\_\_\_  
On the North by lands of \_\_\_\_\_  
West Virginia, on the waters of \_\_\_\_\_

County and State of Lincoln District Lincoln bounded as follows:  
all that certain tract of land situated in \_\_\_\_\_  
this and other land of Lessor.  
lines on, over and to wells and pipe lines on the premises and on adjoining and adjacent farms, and rights of way for road ways over building tanks, stations, power plants, water stations and structures thereon to take care of the said products, and of laying pipe grant and demise, unto the said Lessee, its successors and assigns, for the purpose of mining and operating for oil and gas, and of let and by these presents do grant, demise, lease and let with covenants of quiet possession, and that they have the sole right so to Dollars to them in hand well and truly paid by said Lessee, the receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of the said Lessee, to be paid, kept and performed, have granted, demise, leased and witnessed, that the said Lessor for and in consideration of the sum of one (\$1.00) Dollars to the said Lessee, whether one or more, and hereinafter called Lessor, hereinafter called Lessee.

parties of the first part, West Virginia and state of West Virginia County of Lincoln  
Geo. H. Hogue  
W. H. Hogue

AGREEMENT, made and entered into the \_\_\_\_\_ day of February 1983 by and between Geo. H. Hogue and W. H. Hogue

1983 by and  
No 4766  
Date

6. PAYMENTS. All payments hereunder may be made direct to the Lessor or by check payable and mailed to

H. Scott Schimmel at PO Box 396 Glenville State of West Virginia,

or in either of said methods to.....S.S. or Ident. # 236-74-4879  
who is hereby appointed agent to receive and receipt for the same and to receive notices given by the Lessee as provided herein.

7. FREE GAS. The Lessor reserves <sup>Free unlimited</sup> ~~200,000 cu-ft.~~ of gas for domestic use, to be taken through his own appliances at any producing gas well and to pay Lessee the local prevailing domestic rate for any gas used in excess of the reserved amount. Lessor further covenants and agrees that his taking and use of gas shall be at his own risk, the Lessee not to be held liable for any accident or damage caused thereby, nor shall Lessee be liable for any shortage or failure in the supply of gas for said domestic use.

8. STORAGE. Lessee shall have the right to use any formation underlying the lease premises for the storage of gas and shall have all rights and rights-of-way necessary to store and produce such store gas. As full payment for such storage rights, the Lessee shall pay the Lessor a rental at the rate of.....per acre per year, while premises are so used, and so long as storage payment is made, all provisions of this lease shall remain in full effect. The Lessee agrees to pay seventy-five dollars each three months in advance for each and every well used or classified as a gas storage well by the Lessee, payable within thirty days after completion of such well and each three months thereafter until the Lessee shall give written notice to the Lessor of its intention to abandon the well or shall plug and abandon same.

9. POOLING. For the purposes of conserving oil, gas, natural gasoline, casing-head gas, condensate, and related hydrocarbons, protecting the interests of the parties hereto, and preventing unnecessary drilling for and excessive depletion of such natural resources, the Lessor grants unto the Lessee the right and power during the term hereof to pool the above-described land or any part or parts thereof and the leasehold estates therein with other lands in the vicinity thereof and the leasehold estates therein held by the Lessee or by other lessees, at any time before the drilling of a well is completed on the lands to be pooled and as to any one or more formations therein, when in Lessee's judgement it is necessary or advisable to create or form such pool or pools to properly develop and operate such lands for said minerals. The pools shall not exceed three hundred and twenty acres in formation above the top of the Huntersville Chert and six hundred and forty acres in formations below the top of said Huntersville Chert; provided, however, that larger pools may be created to conform to any well-spacing or unit pattern prescribed by any government authority having jurisdiction. The Lessee, alone or with other lessees, may form any pool by executing, acknowledging, and filing for record in the office of the clerk of the county court in which the pooled land is located a declaration of such pooling identifying and describing the pooled area and formation or formations, a copy of which said declaration shall be mailed to the Lessor. Such pooling shall be effective on and after the date of the declaration. Neither the pooling nor the provisions hereof shall operate as a transfer of title to any interest in said land. All of the rights and privileges in and upon said land herein granted by the Lessor to the Lessee shall extend to other lands with which all or part of the above-described land may be pooled; and the pooled formation or formations and the entire pooled area shall be treated and considered for all purposes, except the right to take free gas and the delivery and payment of royalties for the minerals produced from the pool, as if such area and the pooled formation or formations therein were included in and subject to the terms of this agreement. The drilling of a well on the pooled area shall extend the terms of the leases covering all or parts of the lands so pooled as to all of the tracts of land described in such leases to the same and like effect as if a well had been drilled on each of the tracts of land described in each of said leases and under the terms thereof. The royalties provided for in article 4 hereof shall accrue and be delivered or paid to the Lessor for the minerals produced and marketed from such pooled area in the proportion that the Lessor's acreage placed in the pooled area bears to the total acreage in said area. A reduction in the size of or interest in such pooled area resulting from failure of title or other cause shall not terminate or affect the validity of the declaration of pooling, but the royalties delivered or payable thereafter shall be adjusted to and based upon the acreage and interests remaining in the pooled area. During the time any portion of the above described land is subject to and bound by such declaration of pooling the Lessee shall continue to pay to the Lessor, in the manner and at the times provided under the terms of article 5 hereof, a rental of one dollar per acre per annum for the remaining acreage in that part of said land not subject to such pooling until a producing well is completed on said remaining acreage or said acreage is pooled or surrendered under the terms hereof. At any time the pooled area is not being operated in the search for or production of said minerals the Lessee or the Lessees creating the pool may surrender and cancel the declaration of pooling in the same manner by which this lease may be surrendered under the terms of article 9 hereof, after which surrender the Lessee or such lessees may then hold the leasehold estates created by this and the other leases free and clear of such pooling.

10. SURRENDER. It is agreed that the Lessee, upon the payment of one dollar and all amounts due hereunder, shall have the right to surrender this lease at any time as to all or any part or parts of the above-described land and thereupon shall be released and discharged from all payments, obligations, covenants, and conditions herein contained and this lease shall be null and void as to the land in respect to which a surrender is made. The Lessor agrees that in recordation of a deed of surrender in the proper county and the mailing in the Post Office of a check payable as above provided for said last mentioned sum and all amounts then due hereunder, shall be and be accepted as full and legal surrender of the Lessee's rights under this lease as to the land in respect to which the surrender is made.

11. CONVEYANCE OF PREMISES. In case of a conveyance of all or a part of the above-described land, the lessee may continue to make all payments to the Lessor until furnished with a certified copy of any such deed of conveyance or other documents or proof to enable the Lessee to identify the land conveyed as being all or part of said land; or on written notice of any such conveyance the Lessee may hold all payments until furnished with such copy or other documents or proof, and in case of any division shall apportion the rental according to acreage.

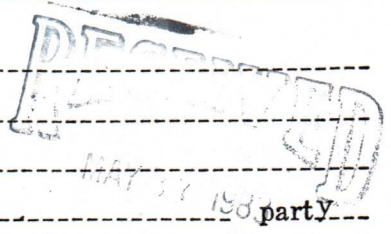
12. FEDERAL AND STATE LAWS. All express and implied covenants of this lease shall be subject to all Federal and State laws, executive orders, rules, and regulations, and this lease shall not be terminated in whole or in part nor the Lessee held liable in damages for failure to comply therewith, if compliance is prohibited by, or if such failure is the result of, any such law, order, rule or regulation; whether or not subsequently determined to be invalid.

13. OUTSTANDING INTERESTS. Said lessee shall not be required in any event to increase the delay rental, storage rental, or the oil or gas royalty payments hereunder by reason of any royalty or interest in said oil or gas that may have been heretofore sold, reserved or conveyed by said Lessor or by his predecessors in title or otherwise; and if the Lessor does not have title to all the oil and gas lease premises there shall be refunded such part of all payments made by the Lessee hereunder, as shall be proportionate to the outstanding title, and payments thereafter to be made shall be reduced in the same proportion.

Date 00.

No 4453

THIS AGREEMENT, Made and entered into the 15 th day of November, 1982  
by and between Geneva Powers, a widow



of the first part, hereinafter called the Lessor, and Gene Stalnaker party  
party of the second part, hereinafter called the Lessee.

Prepared By Brad Duffield for Gene Stalnaker.

Witnesseth, That the Lessor in consideration of One Dollar in hand paid by the Lessee, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained, hereby grants and warrants generally the title to all the oil and gas in and under, and grants, demises and leases with covenants of quiet possession, and of sole right to convey, all that certain tract of land hereinafter described, for the sole and only purpose of operating for and producing oil and gas, together with the rights of way and servitudes for pipe lines, structures, plants, drips, tanks, stations, telephone, telegraph and electric power lines, houses for gates, meters and regulators, and all other rights and privileges necessary, incident to and convenient for the economic operation, including the drilling of wells, of this land for oil and gas, with the right to use free oil, gas and water for such purposes and with the right of removing either during or after the term hereof all and any property and improvements placed or erected on the premises by Lessee; also with the right of operating as one entire tract, or subdividing the premises situate in Dekalb District, Gilmer County, and State of West Virginia, on the waters of Bull Fork bounded and described as follows:

On the North by lands of  
On the East by lands of Being shown on tax map 11 as parcel 17.3  
On the South by lands of and described as lot #4 in book 195/296  
On the West by lands of  
Containing Twenty-four (24) acres, more or less,  
reserving, however 200 feet from the resident building now on the premises, on which no well shall be drilled by either party except by mutual consent.

To have and to hold unto and for the use of the Lessee for the term of 5 years from this date, and as long thereafter as the said land is operated by the Lessee in the search for or production of oil or gas, with the extension of term by payment of rentals as hereinafter set forth.

IN CONSIDERATION OF THE PREMISES the said Lessee covenants and agrees: 1st—To deliver to the credit of the Lessor, her heirs or assigns, free of cost, in the pipe line to which said Lessee may connect its wells, a royalty of the equal one-eighth (1/8) part of all oil produced and saved from the leased premises; 2nd—To pay the equal one-eighth (1/8) of all money received from sale of gas from each and every gas well drilled on said premises, the product from which is marketed and used off the premises, said payment to be made within sixty days after commencing to market the gas therefrom as aforesaid and to be paid each three months thereafter while the gas from said well or wells is so marketed and used.

Said Lessee shall not be required in any event to increase the rate of said gas well payments or said royalty of oil or the delay rental payments hereinafter provided by reason of any royalty or interest in said oil or gas that may have been heretofore sold, reserved or conveyed by said Lessor or her predecessors in title or otherwise; and if the Lessor does not have title to all the oil and gas in the leased premises, there shall be refunded such part of all delay rental and gas well payments made by the Lessee under this lease, as shall be proportionate to the outstanding title, and payments thereafter to be made for such purposes shall be reduced in the same proportion.

The leased premises may be fully and freely used by the Lessor for farming purposes, excepting such parts as are used by Lessee in operating hereunder.





STATE OF WEST VIRGINIA  
COUNTY OF *Harrison*

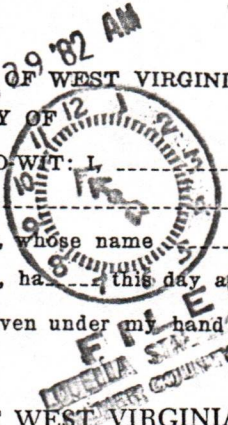
TO-WIT: I, *Sharon Posey*, a Notary Public in and for said County and State, do certify that *Geneva Powers* and \_\_\_\_\_ his wife, whose name *is* signed to the writing above, bearing date the *15th* day of *November* 19-*82*, ha-*s* this day acknowledged the same before me in my said County.

Given under my hand this *20th* day of *November*, 19-*82*  
My Commission expires *August 18, 1985*, *Sharon Posey*, Notary Public

STATE OF WEST VIRGINIA  
COUNTY OF \_\_\_\_\_

TO-WIT: I, \_\_\_\_\_, a Notary Public in and for said County and State, do certify that \_\_\_\_\_ and \_\_\_\_\_ his wife, whose name \_\_\_\_\_ signed to the writing above, bearing date the \_\_\_\_\_ day of \_\_\_\_\_ 19-\_\_\_\_\_, ha-\_\_\_\_ this day acknowledged the same before me in my said County.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, 19-\_\_\_\_\_



STATE OF WEST VIRGINIA,  
GILMER COUNTY COMMISSION CLERK'S OFFICE *November 29, 1982*

The foregoing writing, together with the certificate thereto annexed, was this day admitted to record in said office.

TESTE: *Luella Ataluker*, CLERK.

CASTO & HARRIS INC., SPENCER, W. VA. RE-ORDER NO. 76779

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, 19-\_\_\_\_\_

My Commission expires \_\_\_\_\_, Notary Public

STATE OF WEST VIRGINIA  
COUNTY OF \_\_\_\_\_

TO-WIT: I, \_\_\_\_\_, a Notary Public in and for said County and State, do certify that \_\_\_\_\_ and \_\_\_\_\_ his wife, whose name \_\_\_\_\_ signed to the writing above, bearing date the \_\_\_\_\_ day of \_\_\_\_\_ 19-\_\_\_\_\_, ha-\_\_\_\_ this day acknowledged the same before me in my said County.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, 19-\_\_\_\_\_

My Commission expires \_\_\_\_\_, Notary Public

STATE OF WEST VIRGINIA  
COUNTY OF \_\_\_\_\_

TO-WIT: I, \_\_\_\_\_, a Notary Public in and for said County and State, do certify that \_\_\_\_\_ and \_\_\_\_\_ his wife, whose name \_\_\_\_\_ signed to the writing above, bearing date the \_\_\_\_\_ day of \_\_\_\_\_ 19-\_\_\_\_\_, ha-\_\_\_\_ this day acknowledged the same before me in my said County.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, 19-\_\_\_\_\_

My Commission expires \_\_\_\_\_, Notary Public



RECEIVED  
APR 10 1984  
OIL & GAS DIVISION  
DEPT. OF MINES

State of West Virginia

Department of Mines

Charleston 25305

April 4, 1984

JOHN D. ROCKEFELLER, IV.  
Governor

WALTER N. MILLER  
Director

Gene Stalnaker, Inc.  
P. O. Box 178  
Glenville, West Virginia 26351

In Re: Permit No. 021-4055  
Farm: Geneva Powers #3-20-1  
Well No: B-80-1  
District: Dekalb  
County: Gilmer  
Issued 6-7-83

Gentlemen:

Please send an original and two copies of the completion drilling record for the above described well location. This record must be submitted before we can request the district inspector to make a "Final Inspection".

Administrative Regulations - Rule 16.02 Filing of Well Record and Related Forms.  
(a) Within 90 days after the completion of permitted work, three copies of Form IV-35, "Well Operator's Report of Drilling, Fracturing and/or Stimulating or Physical Change", containing the geological information required by Code 22-4-8b in the form specified . . . . . shall be filed with the Administrator, Office of Oil & Gas-Dept. Mines.

Sincerely,

Theodore M. Streit  
Administrator-Oil & Gas

RECEIVED

APR 07 1984

Gene Stalnaker, Inc.  
Glenville, WV 26351

IF WELL WAS NOT DRILLED, PLEASE ADVISE. PERMIT EXPIRED ON 2-7-84.

The above well was never drilled.

RECEIVED

APR 10 1984

OIL & GAS DIVISION

DEPT. OF MINES

RECEIVED

APR 07 1984

Gene Stokker, Inc.  
Glennville WV 26031

STATE OF WEST VIRGINIA  
 DEPARTMENT OF MINES  
 OIL AND GAS DIVISION  
STATUS INSPECTION REQUEST  
INSPECTOR'S COMPLIANCE REPORT

**RECEIVED**  
 MAR 20 1985

OIL & GAS DIVISION  
 DEPT. OF MINES

Permit No. 47-021-4055 County. GILMER  
 Company. GENE STALNAKER, INC Farm. SCHIMMEL  
 Inspector. GLEN P. ROBINSON Well No. #B-80-1  
 Date. 15 MARCH 1985 Issued. 24 MAY 1983

RULE	DESCRIPTION	IN COMPLIANCE	
		YES	NO
23.06	Notification Prior to starting Work	_____	_____
25.04	Prepared before Drilling to prevent Waste	_____	_____
25.03	High-Pressure Drilling	_____	_____
16.01	Required Permits at Wellsite	_____	_____
15.03	Adequate Fresh Water Casing	_____	_____
15.02	Adequate Coal Casing	_____	_____
15.01	Adequate Production Casing	_____	_____
15.04	Adequate Cement Strength	_____	_____
23.02	Maintained Access Roads	_____	_____
25.01	Necessary Equipment to prevent Waste	_____	_____
23.03	Reclaimed Drilling Site	_____	_____
23.04	Reclaimed Drilling Pits	_____	_____
23.05	No Surface or Underground Pollution	_____	_____
7.03	Identification Markings	_____	_____

COMMENTS: NOT DRILLED: CANCEL

I have inspected the above well and (Have/~~HAVE NOT~~) found it to be in compliance with all of the rules and regulations of the Office of Oil and Gas-Department of Mines of the State of West Virginia.

SIGNED: GLEN P. ROBINSON

DATE: 15 MARCH 1985

RECEIVED

MAR 3 0 1935

DEPT. OF MINES  
OIL & GAS DIVISION

TO: [Illegible]

FROM: [Illegible]

SUBJECT: [Illegible]

[Illegible text]

[Illegible text]

[Illegible text]

[Illegible text]

[Illegible text]

[Illegible text]



State of West Virginia

Department of Mines  
Oil and Gas Division  
Charleston 25305

THEODORE M. STREIT  
ADMINISTRATOR

BARTON B. LAY, JR.  
DIRECTOR

March 21, 1985

Gene Stalnaker, Inc.  
P.O. Box 178  
Glenville, W.V 26351

In Re: Permit No: 47-021-<sup>4055</sup>055  
 Farm: Schimmel  
 Well No: B-80-1  
 District: DeKalb  
 County: Gilmer  
 Issued: 5-24-83

Gentlemen:

The FINAL INSPECTION REPORT for the above captioned well has been received in this office. Only the column checked below applies:

XXXXX The well designated by the above captioned permit number has been released under your Blanket Bond. (PERMIT CANCELLED - NEVER DRILLED)

Please return the enclosed cancelled single bond which covered the well designated by the above permit number to the surety company who executed said bond in your behalf, in order that they may give you credit on their records.

Your well record was received and reclamation requirements approved. In accordance with Chapter 22, Article 4, Section 2, the above captioned well will remain under bond coverage for life of the well.

Very truly yours,

*Theodore M. Streit*  
Theodore M. Streit, Administrator  
Dept. Mines-Office of Oil & Gas

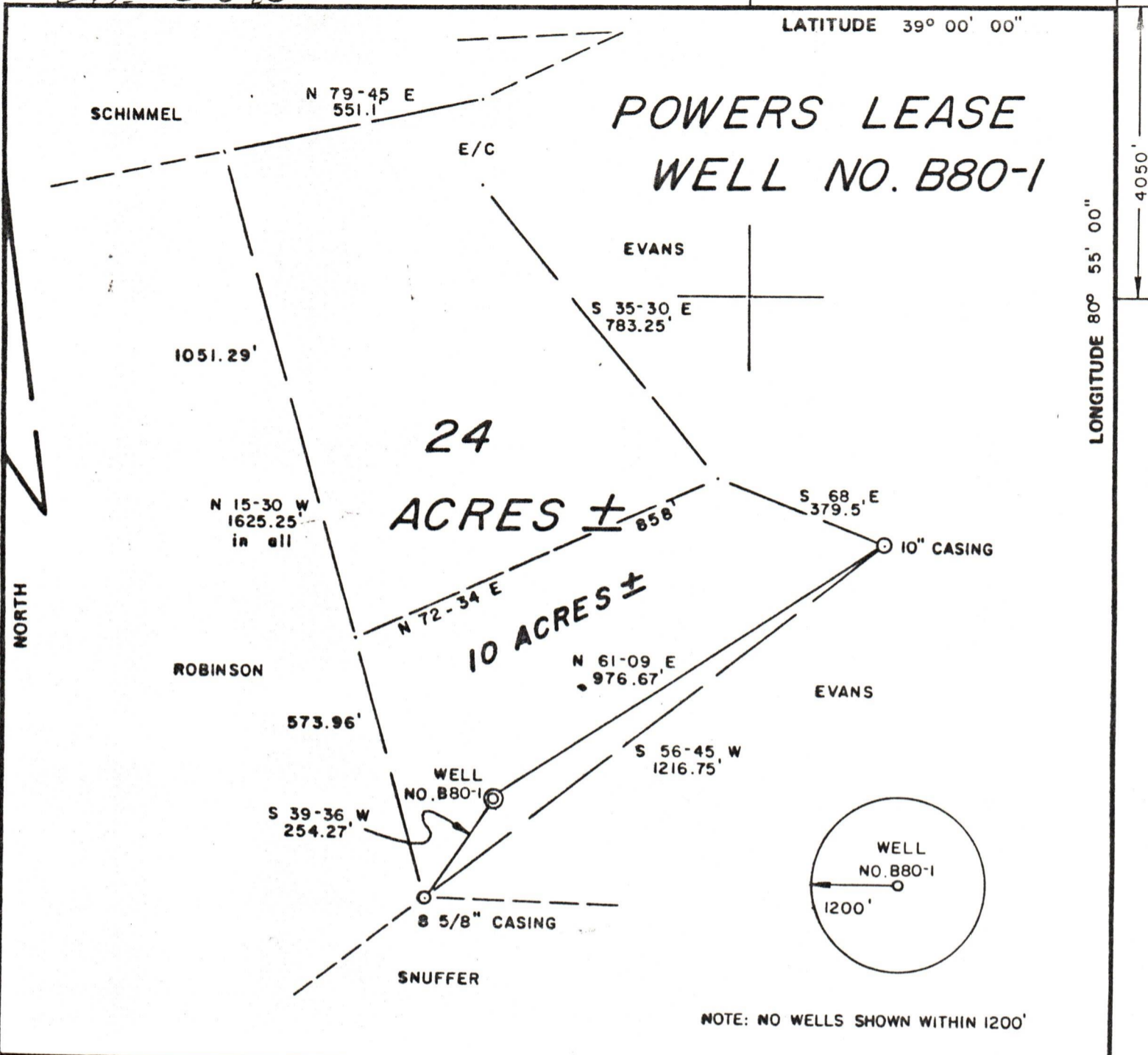
6-3-83

5140'

LATITUDE 39° 00' 00"

LONGITUDE 80° 55' 00"

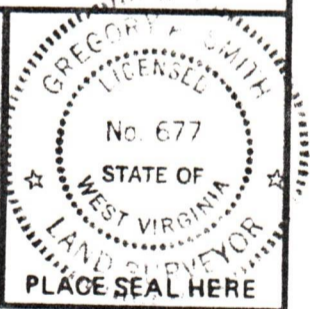
4050'



NOTE: NO WELLS SHOWN WITHIN 1200'

FILE NO. 10-6  
 DRAWING NO. \_\_\_\_\_  
 SCALE 1" = 300'  
 MINIMUM DEGREE OF ACCURACY 1 / 200  
 PROVEN SOURCE OF ELEVATION TOP OF KNOB  
ELEV. 1131'

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.  
 (SIGNED) Gregory A. Smith  
 R.P.E. \_\_\_\_\_ L.L.S. 677



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS  
 FORM IV-6 (8-78)



STATE OF WEST VIRGINIA  
 DEPARTMENT OF MINES  
 OIL AND GAS DIVISION

DATE DEC. 18, 1982  
 OPERATOR'S WELL NO. B80-1  
 API WELL NO. \_\_\_\_\_

47 - 021 - 4055  
 STATE COUNTY PERMIT

*plat out to cancelled*  
*Greg Smith*

WELL TYPE: OIL  GAS  LIQUID INJECTION  WASTE DISPOSAL   
 (IF "GAS,") PRODUCTION  STORAGE  DEEP  SHALLOW   
 LOCATION: ELEVATION 1102' WATER SHED TANNER CREEK  
 DISTRICT DEKALB COUNTY GILMER  
 QUADRANGLE TANNER 7.5'  
 SURFACE OWNER SCOTT SCHIMMEL ACREAGE 24  
 OIL & GAS ROYALTY OWNER GENEVA POWERS et. al. LEASE ACREAGE 10 of 24  
 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) \_\_\_\_\_

PLUG AND ABANDON  CLEAN OUT AND REPLUG   
 TARGET FORMATION MARCELLUS ESTIMATED DEPTH 5300'  
 WELL OPERATOR GENE STALNAKER INC. DESIGNATED AGENT GENE STALNAKER  
 ADDRESS P.O. BOX 178 ADDRESS P.O. BOX 178  
GLENVILLE, W.V. 26351 ADDRESS GLENVILLE, W.V. 26351

4055