

west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Earl Ray Tomblin, Governor Randy C. Huffman, Cabinet Secretary www.dep.wv.gov

August 20, 2013

WELL WORK PERMIT

Secondary Recovery Well

This permit, API Well Number: 47-3305758, issued to HG ENERGY, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, Well Operators Report of Well Work is to be submitted to this office within 90 days completion of permitted well work, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

In addition to the applicable requirements of this permit, and the statutes and rules governing oil and gas activity in WV, this permit may contain specific conditions which must be followed. Permit conditions are attached to this cover letter.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin

Chief

Operator's Well No: W.B. CARPENTER #135

Farm Name: JUNKINS, EARL & BELVA

API Well Number: 47-3305758

Permit Type: Secondary Recovery Well

Date Issued: 08/20/2013

WW-3B 10/07



1) Date			May 20, 2013					
2) Operator's Well No.		V	Vo. 135					
3) API Well No.	47	-	033					
-31.5 T	State		County		Permit			
4) UIC Permit No		J	ЛС2R033	01AP				

STATE OF WEST VIRGINIA NOTICE OF LIQUID INJECTION OR WASTE DISPOSAL WELL WORK PERMIT APPLICATION FOR THE DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS

5) WELL TYP:	E:	Liquid	Injection	X		Gas Injection	n (not	storag	;e)	- Waste L	Disposal		
6) LOCATION		Elevation	1390'			Wa	tersh	ed	Branch	of Lick Run			
, 200111201	Distric	t	Tenmile	00	Cou	inty Har	rison	33		Quadrangle	5	Salem 7.5'	596
7) WELL OPE	DATOD.	HG Ener	av LLC		494497	948 8) D	ESIG	VATE	AGENT:	Mil	ce Kirsc	h	
7) WELL OPE	5260 Dupont Road								5260 Dupont Road				
			urg, WV 2	26101			-				Parkersburg, WV 26101		
9) OIL & GAS	INCDECT					10)	10) DRILLING CONTRACTOR:						
o) OIL & GAS	OIL & GAS INSPECTOR TO BE NOTIFIED: Name Sam Ward					10)			Name				
		s P. O. Box		_					Address				
	6300000		non, WV 2	26201									
11) PROPOSEI	WELL W	ORK.	Drill	x		Drill Deepe	or.		Redrill	St	imulate	X	
II) PROPOSEI	1) PROPOSED WELL WORK: Drill X Plug Off Old Fo			ld Forma									
				-		e in Well (specify	7)			-		-	
12) Geological t	arget form	ation		Fifth S	Sand	Dep	th		3,385	Ft. (Top) to		3,392 Ft. (Bottom)
13) Estimated d	lepth of co	mpleted we	ell (or actu	al dept	h of exist	ing well)	322	5' TVD	3525' TI	MD Ft.			
14) Approximat	e water st	rata depths	3:	Fresh		100	Ft.			Salt	1,49	8 Ft.	
15) Approximat	e coal sear	n depths:			780		Ft.						
16) Is coal being	g mined in	the area?			Y	es		X	No				
17) Virgin reser	voir press	ure in targ	et formati	on:			1,250		psig.	Source		Estimated	
18) Estimated r	eservoir fr	acture pre	ssure:				2,650		psig.				
19) MAXIMUM	PROPOSI	ED INJEC	TION OPI	ERATIO	ONS:	Volume per hou	r 2	5 BBL		Bottom Hole P	ressure	2,400 j	psi
						NJECTED, INC	LIDII	VIC AD	— DITIVES	Fresh water	r produ	ced water, bac	tericides
20) DETAILED and other cl	nemicals a	s needed to	maintain	water	quality a	nd improve oil r	ecover	y.	DITIVEO	- I Tesh water	, proud	oca mater, bar	310110100
21) FILTERS (I	FANY)		Cartridge	filters	and/or co	oal bed filters						4	
22) SPECIFICA	TION FO	R CATHOI	DIC PROT	ECTIO	N AND C	THER CORRO	SION	CONT	ROL				
-			Charles and the same of the sa										
23) CASING AT	ND TUBIN	IG PROGR	AM										
CASING OR		SPECI	FICATION	NS		FOOTAGE	INTE	RVALS		CEMENT FI	LLUP	PACKI	ERS
TUBING TYPE	Size	Grade	Weight		Used	For Drilling	_	Left in		OR SACKS (C	U. FT.)		
Conductor				11 1								Kinds	
Fresh Water	7"	L.S.	17#	X		855'		855		Cement to Sur	face	Tension	
Coal												Sizes	
ntermediate			1									$2.375" \times 4.5"$	
Production	4 1/2"	J-55	10.5#	X		3525'		352	5'	150 sacks 🕥	15	Depths Set	
Tubing	2 3/8"	J-55	4.6#	X		3225'		322	5'			3125'	
iners												Perforations	
												Top Bott	111111111111111111111111111111111111111
											F	eceived of Oil & G	as
La constant			111								Office	of Oll or	
24) APPLICAN	TS OPERA	ATING RIC	HTS were	e acqui	red from	W. 3	B. Car	penter	, et ux				
by Dee		Lease			ther Cont	-	Dat			t 17, 1896		of record in t	he



1) Date:	May 20, 2013
	*** ** **

2) Operator's Well No. W. B. Carpenter No. 135
3) API Well No. 47
033 - 05

State County Permit

4) UIC Permit No. UIC2R03301AP

STATE OF WEST VIRGINIA NOTICE OF LIQUID INJECTION OR WASTE DISPOSAL WELL WORK PERMIT APPLICATION FOR THE DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS

5) Surface Owner	r(s) To Be Served	1	7 (a)	Coal Operator		# 1
(a) Name	Earl & Belva Junkins	<u> </u>		Name	NA	
Address	RR 5, Box 1226			Address		
	Salem, WV 26426	1				
(b) Name	Edgar Lee Myers		7 (b)	Coal Owner(s) With Declaration Of Record	
Address	RR 4, Box 532			Name	NA	
-	Salem, WV 26426	1		Address		
(c) Name	Brian V. Huffman	1				
Address	RR 4, Box 530			Name		
	Salem, WV 26426			Address		
	Salem, WV 26426					
6) Inspector	Sam Ward		7(c)	Coal Lessee W	ith Declaration Of Record	1
Address	P. O. Box 2327				Wolf Run Mining Co.	1
	Buckhannon, WV 26201				2708 Cranberry Square	
Telephone	389-7583				Morgantown, WV 26505	
				1.11.0	1.1 0.11 . 1	

TO THE PERSON(S) NAMED ABOVE: You should have received this form and the following documents:

- (1) The Application for a Liquid Injection or Waste Disposal Well Work Permit on Form WW-3(B), which sets out the parties involved in the drilling or other work;
- (2) The plat (surveyor's map) showing the well location on Form WW-6; and
- (3) The Construction and Reclamation Plan on Form WW-9 (unless the well work is only to plug a well), which sets out the plan for erosion and sediment control and for reclamation for the site and access road.

The date proposed for the first injection or waste disposal is To be determined

THE REASON YOU RECEIVED THESE DOCUMENTS IS THAT YOU HAVE RIGHTS REGARDING THE APPLICATION WHICH ARE SUMMARIZED IN THE "INSTRUCTIONS" ON FORM WW-3(A) DESIGNATED TO YOU. HOWEVER YOU

Take notice that under Chapter 22-6 of the West Virginia Code, the undersigned well operator proposes to file or has filed this Notice and Application and accompanying documents for a Well Work Permit with the Chief of the Office of Oil and Gas, West Virginia Department of Environmental Protection, with respect to a well at the location described on the attached Application and depicted on the attached Form WW-6. Copies of this Notice, the Application, the plat, and the Construction and Reclamation Plan have been mailed by registered or certified mail or delivered by hand to the person(s) named above (or by publication in certain circumstances) on or before the day of the mailing or delivery to the Chief.

The person signing this document shall make the following certification:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document 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."

ARE NOT REQUIRED TO TAKE ANY ACTION AT ALL.

Well Operator
Address
HG Energy, LLC
5260 Dupont Road
Parkersburg, WV 26101

By: Diane C. White Its: Accountant

Signature

Oil and Gas Privacy Notice

The Office of Oil and Gas processes your personal information, such as name, address and phone number, as a part of our regulatory duties. Your personal information may be disclosed to other State agencies or third parties in the course of business or as needed to comply with statutory or regulatory requirements, including Freedom of Information Act requests. Our office will appropriately secure your personal information, please contact DEP's Chief Privacy Officer at:

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Well No. W. B. Carpenter No. 135

WW-2B1

West Virginia Department of Environmental Protection Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

X Contractor Name	Sturm Environmental Services
Well operator's	private laboratory
Well Operator	HG Energy, LLC
Address	5260 Dupont Road
	Parkersburg, WV 26101
Telephone Telephone	304-420-1119

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underlining which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

No known Water Supply Sources are located within 1000' of proposed well but many water sources have been tested in conjunction with this Wolf Summit drilling program

Earl & Belva Junkins RR 5, Box 1226 Salem, WV 26426	Brian Huffman RR 4, Box 530 Salem, WV 26426	Susan Junki RR 2, Box Bristol, WV	119A	Gary Win RR 2, Box Bristol, W		Claude & Jean Tetrick RR 2, Box 40 Bristol, WV 26426
John & Brenda Scotchie RR 2, Box 42 Salem, WV 26426	Linda Smith 9046 Westville Camden Wyom		Dennis M RR 2, Bo Bristol, W		Mazza Donna Devericks RR 2, Box 80 Bristol, WV 26332	Received Office of Oil & Gas

Additional testing authorized on 5/13/2013:

Oville MyersDaniel SouthernEdgar Lee MyersEdith Jean MyersRR 4, Box 531RR 4, Box 540RR 4, Box 532RR 4, Box 534Salem, WV 26426Salem, WV 26426Salem, WV 26426Salem, WV 26426

3057585

Form WW-9 Rev. 10/94

	Page	3	of	3
API	Number 47-	033		
Operator's Well No.	W. B. Car	rpenter	No. 135	

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION OFFICE OF OIL AND GAS

CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Watershed				OP	Code 494497948	
	Branch of l	Lick Run		Quadrangle		
Elevation	1390'	County	Harrison	District	Tenmile	2
Description of	fanticipated Pit Waste:	Fluids encou	intered in drilling shallo	w well.		-
Do you anticip	pate more than 5,000 bbls	of water to com	plete the proposed well wo	rl Yes	No X	
Will a synthe	tic liner be used in pit?	Yes	If so, what mil.?	10 Mil. 20 M	i L	5 DU
Proposed Disj	oosal Method For Treated	Pit Wastes:				5/2/2
	X Land Applic					5 23
			C Permit Number)
	Reuse (at Al		orm WW-9 for disposal loca	ation))
-	Other	(Explain	orm www-3 for disposar loca	ttion))
Duilling modi	um anticipated for this we	_	oton oil board etc. Air	r, Fresh Water		_
Control of the contro	- If oilbased, what type? S			, Fiesh Water		-
Additives to b						-
Drill cuttings	disposal method? Leave i	n pit, landfill, re	emoved offsite, etc.			
	- If left in pit and plan to s	olidify, what me	edium will be used? Ceme	nt, lime, sawdust Na	tive soil, cement, lime	_
	- Landfill or offsite name/p	ermit number?				_
	or regulation can lead to					
this application	certify under penalty of lonform and all attachment the information, I believe t	aw that I have p ts thereto and th that the informa	personally examined and a hat, based on my inquiry o ation is true, accurate and e possibility of fine or impr	f those individuals im complete. I am aware	nediately responsible	-
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WW9_Back

Legend

Property Boundary	A	Spring	<u> </u>
Road	=========	Spring) , y.k.
Existing Fence	xx	Wet Spot	V ₀ -
Planned Fence	<u> </u>	Drain Pipe	(12)
Stream		Waterway	
		Cross Drain	77,1111111111
Open Ditch	460000	Filter Strip	XXXXXXXXX
Rock		Pit: Cut Walls	Current
		Pit: Cut Watts	Vi i i i i i i i i i i i i i i i i i i
North'	N	Pit: Compacted	
Buildings '	200	Fill Walls	A TOTAL OF THE PARTY OF THE PAR
Water Wells	W	Area of Land	
	\oplus	Application of Pit Waste	(1 1 7 2 - 1 3 - 1 - 1
Drill Site	<u> </u>	OI Pit Wasto	
,			
	Area	αI	
Proposed Revegetation Treatmo		1.5 Ac. Pro	evegetation pH
Toposed Revegeration Treatme	Area	ıII	·
	Approx.	1.0 Ac.	
Lime	2_Tons/Acre or Co	orrect to pH 6.5	
	er (10-20-20 or Equivalent) 50	0 Lbs./Acre (500	lbs. Minimum)
Mulch		ere	
	SEED MU	XTIRES	
Δirea	I (Location)		Area II (Road)
Seed Type	Lbs/Ac.	Seed Type	Lbs/Ac. 40
Tall Fescue	40	Tall Fescue	5
Ladino Clover	5	Ladino Clover	
	<u> </u>		· · · · · · · · · · · · · · · · · · ·
Attach:			
Descripcion of road location, 1	pit and proposed area for land application	n .	
Photocopied section of involv	ed 7.5' topographic sheet.		
Plan approved by:	· P Debutt		
Comments:	Seed of Mulch . Upgmale EdS	as necessary p	er WU DEP EXS manual +
Commonto The	grand and	, Lydenkin Frien	
Title	18 Gas Inspector		Date: 5/23/2013
11110_1		,) No
Field Reviewed?	(X) Yes	(.	, 110

NEW ROADS TO BE CONSTRUCTED

08/23/2013

W.B.Carpenter Lease Earl & Belva Junkins - Surface Owner Reclamation Plan For: 250' of New Road Construction 250' of 15% Grade Cut Area W.B. Carpenter No. 135 141 135 250' of 5/10/ Grade ⊕⊕⊕⊕ 237 238 300' of 12% Grade ...WBC-5 ····· Access Road to Follow. Fill Area **Existing Farm Road** 900' of <5% Grade Existing Vegetative Filter Strip NOTE REFER TO THE WVDEP **EROSION AND SEDIMENT CONTROL** FIELD MANUAL VER. MAY 2012 FOR Re-locate fence below location during drilling. BMPs CONTROLLING EROSION AND SEDIMENT FROM SOIL-DISTURBING OPERATIONS. Farmed by 150' of 18% Grade Edgar Myers 250' of 12% Grade 300' of 15/ Grade New Road Construction Brian V. Huffman - Surface Owner W.F.Williams Lease Edgar Lee Myers Jr. - Surface Owner 350' of 15-20/ Grade Location for 2013 Wells To Additional Wells to be Drilled in 2013 No. 117, 142, 243 & 244 J.M. Fultz Lease 150' of 8% Grade Access Road to Follow. Existing Farm Road 300' of 5% Grade `250' of 10% Grade Edgar Lee Myers Jr. - Surface Owner Notes: REQUESTED PERMIT IS FOR DRILLING OF NEW WELLS. ACCESS ROAD FROM CO. RD. 31/1 TO LOCATION IS EXISTING.
 ROAD WILL BE UPGRADED TO WYDEP STANDARDS AND STRUCTURES. 250' of 10-15% Grade Location for 2013 Wells INSTALLED AS SHOWN. No.245 & 246 ALL DISTURBED AREAS WILL BE RE-VEGETATED AS OUTLINED **LEGEND** ON FORM WW-9. **Existing Highway Approach** EXISTING WATERFLOOD MAINTAIN SEDIMENT BARRIERS AND DRAINAGE STRUCTURES. EXISTING LEASE OR FARM ROADS TO BE UPGRADED. ■ ALL ROAD GRADES <5% EXCEPT AS NOTED.
</p> **® LOCATION OF DRILL PIT MAY BE CHANGED BASED ON**

AS-BUILT CONSIDERATIONS.

• DRAWING NOT TO SCALE.



