

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

October 16, 2014

WELL WORK PERMIT

Vertical Well

This permit, API Well Number: 47-3305839, 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

Operator's Well No: HIRAM LYNCH NO. 55

Farm Name: JOHNSON, WILLIAM R. ET UX

API Well Number: 47-3305839 Permit Type: Vertical Well Date Issued: 10/16/2014

Promoting a healthy environment.

PERMIT CONDITIONS

West Virginia Code §22-6-11 allows the Office of Oil and Gas to place specific conditions upon this permit. Permit conditions have the same effect as law. <u>Failure to adhere to the specified permit conditions may result in enforcement action.</u>

CONDITIONS

- 1. If the operator encounters an unanticipated void, or an anticipated void at an unanticipated depth, the operator shall notify the inspector within 24 hours. Modifications to the casing program may be necessary to comply with W. Va. Code §22-6-20, which requires drilling to a minimum depth of thirty feet below the bottom of the void, and installing a minimum of twenty (20) feet of casing. Under no circumstance should the operator drill more than fifty (50) feet below the bottom of the void or install less than twenty (20) feet of casing below the bottom of the void.
- 2. Pursuant to 35 CSR 4-19.1.a, at the request of the surface owner all water wells or springs within 1000 feet of the proposed well that are actually utilized for human consumption, domestic animals or other general use shall be sampled and analyzed.
- 3. Pursuant to 35 CSR 4-19.1.c, if the operator is unable to sample and analyze any water well or spring with one thousand (1,000) feet of the permitted well location, the Office of Oil and Gas requires the operator to sample, at a minimum, one water well or spring located between one thousand (1,000) feet and two thousand (2,000) feet of the permitted well location.
- 4. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
- 5. In the event of an accident or explosion causing loss of life or serious personal injury in or about the well or while working on the well, the well operator or its contractor shall give notice, stating the particulars of the accident or explosion, to the oil and gas inspector and the Chief within twenty-four (24) hours.
- 6. During the surface casing and cementing process, in the event cement does not return to the surface, or any other casing string that is permitted to circulate cement to the surface and does not return to the surface, the oil and gas inspector shall be notified within twenty-four (24) hours
- 7. Well work activities shall not constitute a hazard to the safety of persons.
- 8. Operator shall provide the Office of Oil & Gas notification of the date that drilling commenced on this well. Such notice shall be provided by sending an email to DEPOOGNotify@wv.gov within 30 days of commencement of drilling.

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS WELL WORK PERMIT APPLICATION

| Mall Opposed | T. 191 | | | | | | |
|--|--------------------------|---------------------------|---|--|--|------------------------|---------------------------------------|
| I) Well Operat | or: HG | Energy, | LLC | 494497948 | Harrison | Ten Mile | Wolf Summit 7.5 |
| | | | | Operator ID | County | District | Quadrangle |
| 2) Operator's \ | Well Numb | oer: Hira | m Lynch 55 | | 3) Elevation: | 1176' | _ |
|) Well Type: (| a) Oil X | or Ga | as | | | | |
| | | | uction/ Un | derground Sto | orage | | |
| | | | p/ \$ | | - A- III | | |
|) Proposed To | otal Depth e fresh wa | n: TMD 310 ater strata | a depths: 375' | Formation at I | Proposed Tar Proposed Tota | | |
|) Approximate | e coal sea | m depth | s: 450' | | | | |
| | | | | NIA | | | |
| 0) Approxima | te void de | epths,(co | al, Karst, other) | : NA | | | |
| 1) Does land | contain co | oal seam | s tributary to ac | tive mine? _ | No | | |
| | | See also a Children | dames rates was | concrete describe | 11 - 1 - 1 (2) | | .carcay |
| 2) Describe pro | oposed we | II work at | nd fracturing met | nods in detail (a | attach additiona | ii sneets ii ne | eaea) |
| 12) Describe pro Drill and st | 7.00 to 10.00 | | nd fracturing metlell in the Fifth Sand | and the second s | attach additiona | ai sneets ii ne | eeaea) |
| | 7.00 to 10.00 | | | and the second s | attach additiona | ar sneets if he | eeded) |
| | 7.00 to 10.00 | | | and the second s | attach additiona | ar sneets if ne | eeded) |
| Drill and st | 7.00 to 10.00 | duction we | | | | ai sneets ii ne | eeded) |
| Drill and st | 7.00 to 10.00 | duction we | ell in the Fifth Sand | | | | |
| Drill and st | imulate pro | duction we | ell in the Fifth Sand | BING PROGR | RAM. | | <u>NT</u> |
| Drill and st | SPECIFIC | CATIONS | ASING AND TU | BING PROGR FOOTAGE | RAM INTERVALS | S CEME | <u>INT</u> |
| Drill and st 3) TYPE S Conductor | SPECIFIC | CATIONS | ASING AND TU | BING PROGR FOOTAGE | RAM INTERVALS | S CEME | :NT 1. Ft.) S |
| Drill and st TYPE S Conductor Fresh Water | SPECIFIC Size | CATIONS Grade | ASING AND TU | BING PROGR FOOTAGE For Drilling | RAM INTERVALS Left in Well | S CEME Fill -up (Cu | :NT 1. Ft.) S |
| Drill and st TYPE Conductor Fresh Water Coal | SPECIFIC Size | CATIONS Grade | ASING AND TU | BING PROGR FOOTAGE For Drilling | RAM INTERVALS Left in Well | E CEME Fill -up (Cu | :NT J. Ft.) S 9/18 |
| Drill and st TYPE S Conductor Fresh Water Coal Intermediate | SPECIFIC Size | CATIONS Grade | ASING AND TU | BING PROGR FOOTAGE For Drilling | RAM INTERVALS Left in Well | E CEME Fill -up (Cu | :NT J. Ft.) S 9/18 |
| Drill and st TYPE S Conductor Fresh Water Coal Intermediate Production | SPECIFIC Size 7" | CATIONS Grade | ASING AND TU Weight per ft 17# | BING PROGR FOOTAGE For Drilling 500' | Left in Well | Fill -up (Cu | S S S S S S S S |
| Drill and st 3) TYPE Conductor Fresh Water Coal Intermediate Production Tubing | SPECIFIC Size 7" | CATIONS Grade | ASING AND TU Weight per ft 17# | BING PROGR FOOTAGE For Drilling 500' | EAM INTERVALS Left in Well 500' | CEME Fill -up (Cu | S S S S S S S S S S S S S S S S S S S |
| Drill and st TYPE S Conductor Fresh Water Coal Intermediate Production Tubing Liners | SPECIFIC Size 7" 4 1/2" | CATIONS Grade | ASING AND TU Weight per ft 17# | BING PROGR FOOTAGE For Drilling 500' | EAM INTERVALS Left in Well 500' | CEME Fill -up (Cu | S S S S S S S S S S S S S S S S S S S |
| Drill and st 3) TYPE Conductor Fresh Water Coal Intermediate Production Tubing | SPECIFIC Size 7" 4 1/2" | CATIONS Grade | ASING AND TU Weight per ft 17# | BING PROGR FOOTAGE For Drilling 500' | EAM INTERVALS Left in Well 500' | CEME Fill -up (Cu | S S S S S S S S |

| WW-2 | 2A |
|-------|-------|
| (Rev. | 6-14) |

1). Date: August 28, 2014

2.) Operator's Well Number

3.) API Well No .:

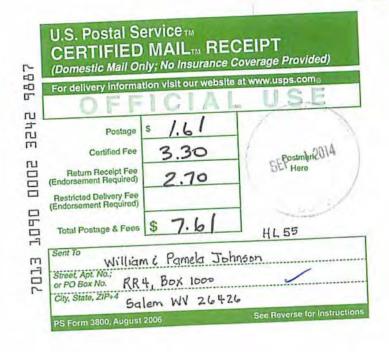
Hiram Lynch 55

State 47County 33 Permit

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE AND APPLICATION FOR A WELL WORK PERMIT

| (a) Name | William & Pame | | Name | | lountaineer E | Heruy |
|--|---|--|--|--|--|--|
| Address | RR 4. Box 100 | 0 / | Address | Rt. 2. Box 4 | | 1/ |
| | Salem, WV 26 | 426 | | Clarksburg, | | |
| (b) Name | | | (b) Coal Ov | vner(s) with Dec | claration | |
| Address | 3 | | Name | | 2.5 | |
| | | | Address | Y | | |
| (c) Name | | | Name | | | |
| Address | 1 | | Address | - | | |
| | The same | | | | | |
| 6) Inspector | Sam Ward | | (c) Coal Le | ssee with Decla | ration | |
| Address | P. O. Box 2327 | | Name | | | |
| | Buckhannon, W | V 26201 | Address | | | |
| Telephone | | | Sa Warrana | | | |
| | | | MED ABOVE TA | | | |
| The second secon | ne lease or leases or o | ther continuing o | contract or contra | cts by which I hol | ld the right to ex | tract oil and gas |
| OR | | | | | | |
| The second secon | | | AND THE RESERVE AND THE RESERV | and the second second | | |
| x Included is the | ne information required | | | | | |
| x Included is the certify to | that as required under | Chapter 22-6 d | of the West Virgin | nia Code I have | served copies of | of this notice and |
| x Included is the certify to | that as required under ation plat, and accomp | Chapter 22-6 canying docume | of the West Virgin nts pages 1 throu | nia Code I have | served copies of | of this notice and |
| x Included is the certify to | that as required under ation plat, and accomp Personal Service | Chapter 22-6 coanying document (Affidavit attack | of the <u>West Virgir</u> nts pages 1 throu hed) | nia Code I have gh on the ab | served copies of | of this notice and |
| x Included is the I certify | that as required under ation plat, and accomp Personal Service X Certified Mail (Po | Chapter 22-6 of chapter 22-6 of chapter 22-6 (Affidavit attact postage) | of the <u>West Virgir</u> nts pages 1 throu hed) al receipt attached | nia Code I have gh on the ab | served copies of | of this notice and |
| x Included is the supplication, a local supplication, a local supplication. | that as required under ation plat, and accomp Personal Service X Certified Mail (Po Publication (Noti | Chapter 22-6 of chapter 22-6 of chapter 22-6 | of the <u>West Virgir</u> nts pages 1 throu hed) al receipt attached n attached) | nia Code I have gh on the ab | served copies o ove named part | of this notice and ies by: |
| Included is the state of the st | that as required under ation plat, and accomp Personal Service X Certified Mail (Po Publication (Noti ad and understand Ch | Chapter 22-6 of chapter 22-6 of chapter 22-6 | of the <u>West Virgir</u> nts pages 1 throu hed) al receipt attached n attached) | nia Code I have gh on the ab | served copies o ove named part | of this notice and ies by: |
| Included is the supplication, a local supplication, a local supplication. I have resissued under this | that as required under ation plat, and accomp Personal Service Certified Mail (Population (Notical and understand Chapplication. | Chapter 22-6 of canying documents (Affidavit attack ostmarked postace of Publication apter 22-6 and | of the West Virgir nts pages 1 throu hed) al receipt attached n attached) 35 CSR 4, and I | nia Code I have gh on the ab agree to the ter | served copies of ove named part | of this notice and ies by: ons of any permit |
| Included is the supplication, a local supplication, a local supplication. I have resissued under this local supplication. | that as required under ation plat, and accomp Personal Service Certified Mail (Population (Notical and understand Chapplication. | Chapter 22-6 of canying documents (Affidavit attack ostmarked postance of Publication apter 22-6 and the transfer that I have person to canying the transfer that I have person to canying the transfer that I have person to canying the transfer transfer that I have person to canying the transfer trans | of the West Virginal pages 1 throughed) all receipt attached attached) 35 CSR 4, and I anally examined a | nia Code I have gh on the ab agree to the terend am familiar was a single control or control o | served copies of ove named part over named part over the condition of the | of this notice and ies by: ons of any permit tion submitted on |
| Included is the supplication, a local supplication, a local supplication in the supplication is the supplication in the suppli | that as required under ation plat, and accomp Personal Service Certified Mail (Population (Notical and understand Chapplication). under penalty of law the form and all attachmen | Chapter 22-6 of canying documer (Affidavit attack ostmarked postace of Publication apter 22-6 and that I have personts, and that bas | of the West Virginal pages 1 throughed) all receipt attached attached) 35 CSR 4, and I consulty examined assed on my inquiry | nia Code I have gh on the ab agree to the terend am familiar way of those individiant. | served copies of ove named part over named part over the condition of the | of this notice and ies by: ons of any permit tion submitted on |
| Included is the supplication, a local supplication, a local supplication, a local supplication, a local supplication for supplication frobtaining the information of the supplication frobtaining the information of the supplication frobtaining the su | that as required under ation plat, and accomp Personal Service Certified Mail (Population (Notical and understand Chapplication. | Chapter 22-6 of canying documer (Affidavit attack ostmarked postace of Publication apter 22-6 and that I have personts, and that basthe information | of the West Virginal pages 1 throughed) all receipt attached attached) 35 CSR 4, and I consulty examined a sed on my inquiry is true, accurate a | nia Code I have gh on the ab agree to the terend am familiar way of those individuand complete. | served copies of ove named part and condition with the informaticals immediately | of this notice and ies by: ons of any permit tion submitted on y responsible for |
| Included is the latest application, a local policy of the latest application from the | that as required under ation plat, and accompanion personal Services Certified Mail (Population (Notical and understand Chapplication) under penalty of law the form and all attachments and the formation, I believe that | Chapter 22-6 of canying documer (Affidavit attack ostmarked postace of Publication apter 22-6 and that I have personts, and that basthe information | of the West Virginals pages 1 throughed) all receipt attached attached) 35 CSR 4, and I conally examined a sed on my inquiry is true, accurate a for submitting false. | nia Code I have gh on the ab agree to the terend am familiar way of those individuand complete, se information, in | served copies of ove named part and condition with the informaticals immediately | of this notice and ies by: ons of any permit tion submitted on y responsible for |
| Included is the last of the la | that as required under ation plat, and accompanion personal Services Certified Mail (Population (Notical and understand Chapplication) under penalty of law the form and all attachments and the formation, I believe that | Chapter 22-6 of canying documer (Affidavit attack ostmarked postace of Publication apter 22-6 and that I have personts, and that basthe information | of the West Virginal pages 1 throughed) ald receipt attached attached) 35 CSR 4, and I consulty examined a sed on my inquiry is true, accurate a for submitting false. | nia Code I have gh on the ab agree to the terend am familiar way of those individuand complete, se information, incomplete. | served copies of ove named part ms and condition with the informationals immediated cluding the possi | of this notice and ies by: ons of any permit tion submitted on y responsible for |
| Included is the large of the la | that as required under ation plat, and accomp Personal Service Certified Mail (Population (Notical and understand Character penalty of law the form and all attachments are that there are signi | Chapter 22-6 of panying documents (Affidavit attack postance of Publication apter 22-6 and that I have personate, and that basthe information ficant penalties | of the West Virginal pages 1 throughed) al receipt attached attached) 35 CSR 4, and I consult examined a sed on my inquiry is true, accurate a for submitting fals HG Energy, Diane White | nia Code I have gh on the ab agree to the terend am familiar way of those individuand complete, se information, incomplete. | served copies of ove named part ms and condition with the informationals immediated cluding the possi | of this notice and ies by: ons of any permit tion submitted on y responsible for |
| Included is the large of the la | that as required under ation plat, and accomp Personal Service Certified Mail (Popular Publication (Notical and understand Charapplication). Sunder penalty of law thorm and all attachment ormation, I believe that are that there are signi | Chapter 22-6 of panying documents (Affidavit attack ostmarked postage of Publication apter 22-6 and that I have personate, and that base the information ficant penalties.) | of the West Virginal pages 1 throughed) al receipt attached attached) 35 CSR 4, and I could be sed on my inquiry is true, accurate a for submitting fals HG Energy, Diane White Agent | nia Code I have gh on the ab agree to the teres and am familiar way of those individuand complete, se information, included the second complete. | served copies of ove named part ms and condition with the informationals immediated cluding the possi | of this notice and ies by: ons of any permit tion submitted on y responsible for |
| Included is the latest control of the latest | that as required under ation plat, and accompanion plat, and accompanion personal Service Certified Mail (Popular Publication (Notical and understand Chapplication). The same are that there are signification of the same that the same | Chapter 22-6 of panying documents (Affidavit attack ostmarked postage of Publication apter 22-6 and that I have personate, and that base the information ficant penalties well Operator By: | of the West Virginal of the West Virginal of the West Virginal of the Medical of | nia Code I have gh on the ab agree to the teres and am familiar way of those individuand complete. See information, in the LLC | served copies of ove named part ms and condition with the informationals immediated cluding the possi | of this notice and ies by: ons of any permit tion submitted on y responsible for sibility of fine and |
| Included is the certify of application, a local polication, a local polication, a local polication, a local polication for a polication of the certify of this application for a polication of the certify of the certification o | that as required under ation plat, and accomp Personal Service Certified Mail (Popular Publication (Notical and understand Charapplication). Sunder penalty of law thorm and all attachment ormation, I believe that are that there are signi | Chapter 22-6 of panying documents (Affidavit attack ostmarked postage of Publication apter 22-6 and that I have personate, and that base the information ficant penalties well Operator By: | of the West Virginal of the West Virginal of the West Virginal of the Medical of | nia Code I have gh on the ab agree to the terend am familiar way of those individual complete. se information, included the code was a complete. See information, included the code was a complete. See information, included the code was a complete was a complete was a complete. See information, included the code was a complete was | served copies of ove named part ms and condition with the informationals immediated cluding the possi | of this notice and ies by: ons of any permit tion submitted on y responsible for |
| Included is the certify of application, a local polication, a local polication, a local polication, a local polication for a polication of the certify of this application for a polication of the certify of the certification o | that as required under ation plat, and accomp Personal Service Certified Mail (Population (Notical and understand Chapplication). Under penalty of law thorm and all attachment ormation, I believe that are that there are signification. OFFICIAL SEAL NOTARY PUBLIC TE OF WEST VIRGINIA TINA L. PETHTEL HG Energy, LLC | Chapter 22-6 of panying documents (Affidavit attack ostmarked postage of Publication apter 22-6 and that I have personate, and that base the information ficant penalties well Operator By: | of the West Virginal of the West Virginal of the West Virginal of the Medical of | nia Code I have gh on the ab agree to the terend am familiar way of those individual complete. se information, included the code was a complete. See information, included the code was a complete. See information, included the code was a complete was a complete was a complete. See information, included the code was a complete was | served copies of ove named part ms and condition with the informationals immediated cluding the possi | of this notice and ies by: ons of any permit tion submitted on y responsible for sibility of fine and |
| Included is the certify of application, a local polication, a local polication, a local polication, a local polication from the certify of this application from the certify of the certification of the certifica | that as required under ation plat, and accompration plat, and accompration personal Services Certified Mail (Popular Publication (Notication) and and understand Charapplication. Under penalty of law thorm and all attachment ormation, I believe that are that there are signification. OFFICIAL SEAL NOTARY PUBLIC TE OF WEST VIRGINIA TINA L. PETHTEL HG Energy, LLC 5260 Dupont Road sburg, West Virginia 26101 | Chapter 22-6 of panying documer a (Affidavit attack ostmarked postate of Publication apter 22-6 and that I have personate, and that bas the information ficant penalties well Operator By: Its: Address: | of the West Virgir nts pages 1 throu hed) al receipt attached n attached) 35 CSR 4, and I mally examined a sed on my inquiry is true, accurate a for submitting fals HG Energy, Diane White Agent 5260 Dupont Parkersburg 304-420-111 | nia Code I have gh on the ab gh on the ab gh on the ab gh on the ab gh of those individed and complete. See information, in the last complete with the last complet | served copies of ove named part over named part over named part over named in the information of the possible of the control o | of this notice and ies by: ons of any permit tion submitted on y responsible for sibility of fine and the sibility of Gas |
| Included is the certify of application, a local polication, a local polication, a local polication, a local polication from the certify of this application from the certify of the certification o | that as required under ation plat, and accompute Personal Service Certified Mail (Power Publication (Notical and understand Chapplication. Under penalty of law thorm and all attachment ormation, I believe that are that there are signious OFFICIAL SEAL NOTARY PUBLIC TE OF WEST VIRGINIA TINA L PETHTEL HG Energy, LLC 5260 Dupont Road | Chapter 22-6 of panying document (Affidavit attack ostmarked postation apter 22-6 and that I have personate, and that base the information ficant penalties (Well Operator By: Its: Address: Telephone: | of the West Virgir nts pages 1 throu hed) al receipt attached n attached) 35 CSR 4, and I mally examined a sed on my inquiry is true, accurate a for submitting fals HG Energy, Diane White Agent 5260 Dupont Parkersburg 304-420-111 | nia Code I have gh on the ab gh on the ab gh on the ab gh on the ab gh of those individed and complete. See information, in the last complete with the last complet | served copies of ove named part over named part over named part over named in the information of the possible of the control o | of this notice and ies by: ons of any permit tion submitted on y responsible for sibility of fine and sibility of Gas |
| Included is the certify of application, a local polication, a local polication, a local polication, a local polication from the certify of this application from the certify of the certification of the certifica | that as required under ation plat, and accompration plat, and accompration personal Services Certified Mail (Popular Publication (Notication) and and understand Charapplication. Under penalty of law thorm and all attachment ormation, I believe that are that there are signification. OFFICIAL SEAL NOTARY PUBLIC TE OF WEST VIRGINIA TINA L. PETHTEL HG Energy, LLC 5260 Dupont Road sburg, West Virginia 26101 | Chapter 22-6 of panying document (Affidavit attack ostmarked postation apter 22-6 and that I have personate, and that base the information ficant penalties (Well Operator By: National Company of the | of the West Virginal pages 1 throughed) all receipt attached attached) 35 CSR 4, and I consulty examined a sed on my inquiry is true, accurate a for submitting fals HG Energy, Diane White Agent 5260 Dupont Parkersburg 304-420-111 dwhite@hge | nia Code I have gh on the ab gh on the ab gh on the ab gh on the ab gh of those individed and complete. See information, in the last complete with the last complet | served copies of ove named part over named part over named part over named in the information of the possible of the control o | of this notice and ies by: ons of any permit tion submitted on y responsible for sibility of fine and the sibility of Gas |
| Included is the certify of application, a local polication, a local polication, a local polication, a local polication from the certify of this application from the certify of the certification of the certifica | that as required under ation plat, and accompute Personal Service Certified Mail (Power Publication (Notical and understand Chapplication. Under penalty of law thorm and all attachment ormation, I believe that are that there are signification. OFFICIAL SEAL NOTARY PUBLIC TE OF WEST VIRGINIA TINA L. PETHTEL HG Energy, LLC 5260 Dupont Road sburg, West Virginia 26101 | Chapter 22-6 of panying document (Affidavit attack ostmarked postation apter 22-6 and that I have personate, and that base the information ficant penalties (Well Operator By: National Company of the | of the West Virginal pages 1 throughed) all receipt attached attached) 35 CSR 4, and I consulty examined a sed on my inquiry is true, accurate a for submitting fals HG Energy, Diane White Agent 5260 Dupont Parkersburg 304-420-111 dwhite@hge | nia Code I have gh on the ab gh on the ab gh on the ab gh on the ab gh of those individed and complete. See information, in the last complete with the last complet | served copies of ove named part over named part over named part over named in the information of the post of the color of | of this notice and ies by: ons of any permit tion submitted on y responsible for sibility of fine and the sibility of Gas |

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 normal 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. If you have any questions about our use of your personal information, please contact DEP's Chief Privacy Officer at depprivacyofficer@wv.gov 10/17/2014





| WW- | -2A1 |
|-------|-------|
| (Rev. | 1/11) |

| Operator's | Well | Number | Hiram Lynch 55 |
|------------|------|--------|----------------|
|------------|------|--------|----------------|

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that -

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

| Grantor, Lessor, etc. | Grantee, Lessee, etc. | Royalty | Book/Page |
|---------------------------------------|--|--------------------|--------------|
| Hiram J Lynch et ux | South Penn Oil Company | 1/8 | 105/143 |
| Merger and Conveyance dated July | 3,1963, from South Penn Oil Company | to Penzoil Comp | any, 153/35 |
| Assignment, Conveyance and Bill of | f Sale dated 12/28/98, from Penzoil to P | ennz Energy, We | tzel, 12/177 |
| | enzoil Co., merged with Devon Energy | | 12/278 |
| Deed, Assignment, Bill of Sale 6/1/2 | 000, from Devon to East Resources, We | etzel County, | 370/580 |
| Assignment, Conveyance, Bill of Sal | e 1/1/2011, East Resources to HG Energ | gy, LLC, Wetzel, | 118A/253 |
| | ator's lease and/or other real property ri | | nduct |
| drilling operations for the subject w | ell in the location shown on the plat, in | cluding the use of | access |
| roads, pipelines and utilities. | | | |

Acknowledgement of Possible Permitting/Approval In Addition to the Office of Oil and Gas

The permit applicant for the proposed well work addressed in this application hereby a cknowledges the possibility of the need for permits and/or approvals from local, state, or federal entities in addition to the DEP, Office of Oil and Gas, including but not limited to the following:

- WV Division of Water and Waste Management
- WV Division of Natural Resources
- WV Division of Highways
- U.S. Army Corps of Engineers
- U.S. Fish and Wildlife Service
- County Floodplain Coordinator

The applicant further acknowledges that any Office of Oil and Gas permit in no way overnous, concluding the need for other permits/approvals that may be necessary and further affilings that all heeded permits/approvals should be ac quired from the appropriate aut hority before the affected activities and Gas permit in no way overnous, concluding the needed permits/approvals should be ac quired from the appropriate aut hority before the affected activities and Gas permit in no way overnous, concluding the needed permits/approvals should be ac quired from the appropriate aut hority before the affected activities and Gas permit in no way overnous, concluding the needed permits/approvals should be ac quired from the appropriate aut hority before the affected activities.

Diane White WV Department of Environmental Protection
10/17/2014 HG Energy, LLC Well Operator: By: Its: Diane White, Agent

| WW-2B1 | |
|--------|--|
| (5-12) | |

| Well No. | Hiram Lynch 55 | |
|----------|----------------|--|
| | | |

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.

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

Listed below is the laboratory chosen by operator to perform analysis, and contactor chosen to collect sample.

Certified Laboratory Name

Sturm Environmental Lab

Sampling Contractor

Sturm Environmental Lab

Well Operator

HG Energy, LLC

Address

5260 Dupont Road

Parkersburg, WV 26101

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 underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site, the Chief may require the operator to test wells up to 2000 feet from the proposed site.

William & Pamela Johnson RR 4, Box 1000 Salem, WV 26426 510 OF WELL

Environmental Protection

WW-9 (5/13)

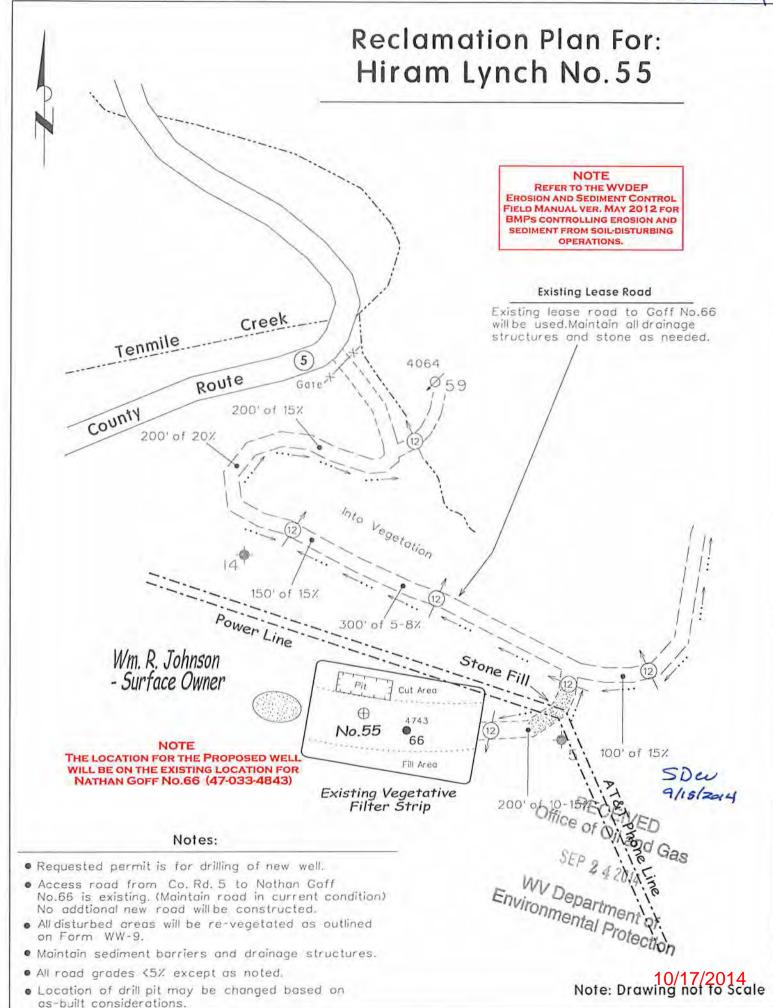
| | Pa | ige of | |
|-----------------|---------|----------------|--|
| API Number 47 - | 33 | - 05839 | |
| Operator's W | ell No. | Hiram Lynch 55 | |

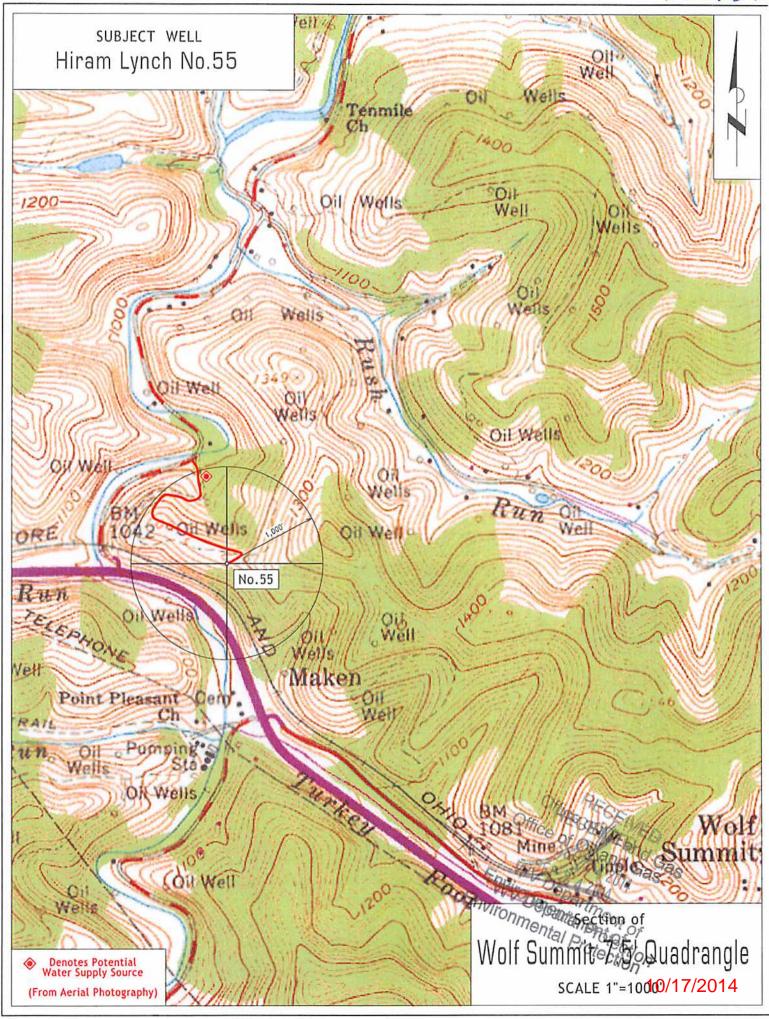
STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION OFFICE OF OIL AND GAS

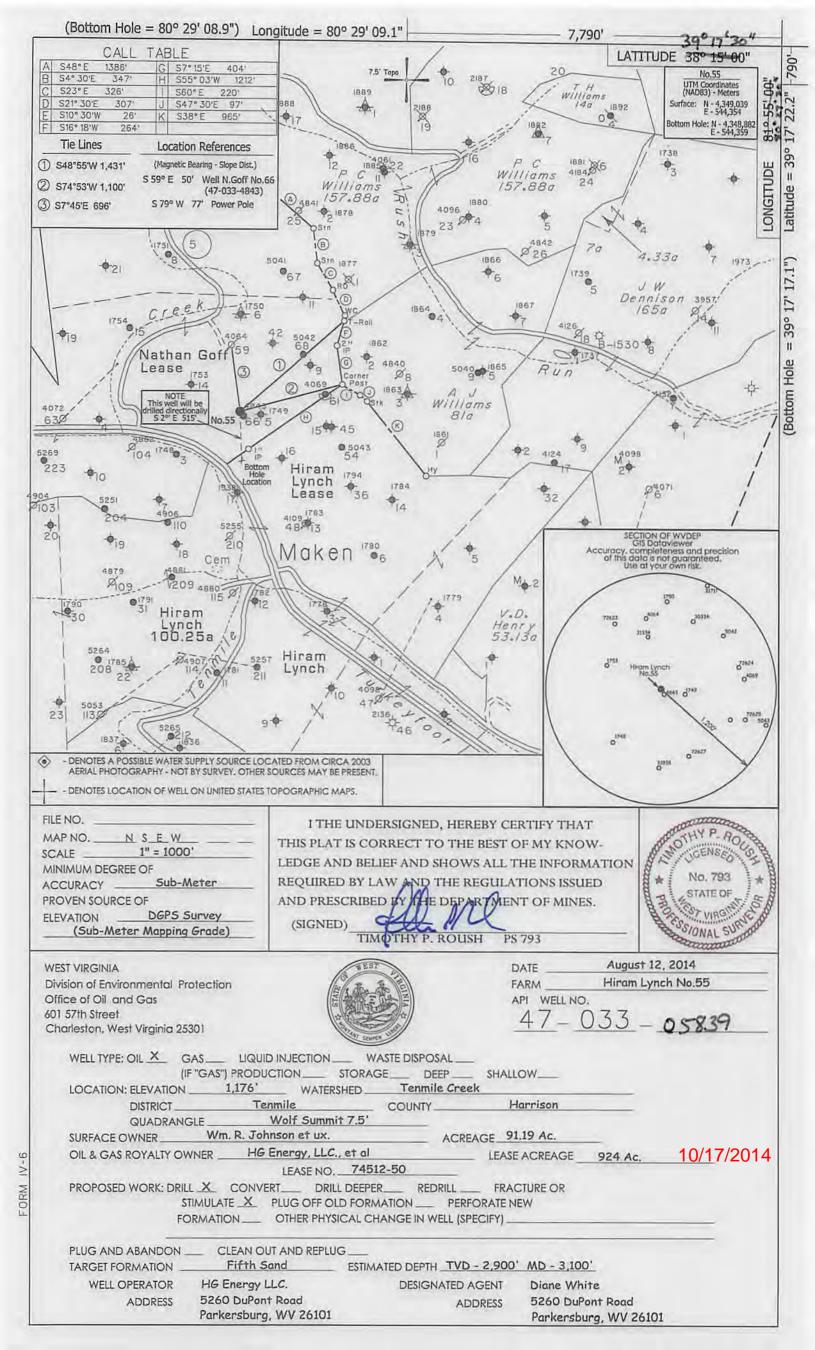
FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

| Operator Name HG | Energy, LLC | | | OP Code494497948 | |
|---|--|--|---|--|--|
| Watershed (HUC 10) | Tenmile Creek | | Quadrangle | Wolf Summit 7.5' | |
| Elevation 1176 | | _ County Ha | rrison | DistrictTen Mile | _ |
| Will a pit be used for | drill cuttings? You | bbls of water to completes X No | _ | well work? YesNo Xing shallow well | |
| Will a synth | etic liner be used in | the pit? Yes X | No If | so, what ml.? 20 mil | |
| | | Treated Pit Wastes: | | | 5DW |
| | Reuse (at AP | Injection (UIC Permit I Number osal (Supply form WW | | | 9/15/200 |
| Will closed loop syst | tem be used? No | | | | |
| | | | | esh water | |
| | | etic, petroleum, etc. NA | | | |
| Additives to be used | | | | | |
| Dell auttings dispos | al method? Leave i | n nit Jandfill, removed | offsite, etc. Leav | ve in pit | |
| Drift cuttings dispos | a medida. Beave. | what medium will be | used? (cement,) | lime, sawdust)_Native soil, cement, lim | в |
| -Landfill or | offsite name/permi | t number? | | | |
| on August 1, 2005, 1 provisions of the pe law or regulation ca I certify un application form an abtaining the inform | by the Office of Oil crmit are enforceable in lead to enforcemender penalty of law and all attachments mation, I believe the ting false information | and Gas of the West Vie e by law. Violations on that I have personally thereto and that, base nat the information is on, including the possib | f any term or con y examined and d on my inquiry true, accurate, as | GENERAL WATER POLLUTION nt of Environmental Protection. I un ndition of the general permit and/or am familiar with the information sy of those individuals immediately nd complete. I am aware that the aprisonment. | other applicable submitted on this responsible for re are significant |
| Company Official S | | iane White | | Office OF CEIVED | |
| Company Official | (Typed Ivanie) | ane White | | OF OH and | 2 |
| Company Official T | TitleA | countant | | Office of Oil and o | 12 8 |
| Subscribed and swo | orn before me this_ | day of | August | NOTARY PUBLIC WEST V | LIC PIRGINIA |
| My commission ex | pires | 1.12 2018 | • | HG Energy/LU 5280 Dupont Ro Parkersburg, West Virgi My Commission Expires N | ad nia 26101 lov 13/207/20 |

| Area II Type e | lbs/acre 40 5 |
|-----------------------------|---------------|
| Area II Type • | lbs/acre 40 |
| Area II Type e | 40 |
| Area II Type e | 40 |
| Туре С | 40 |
| | |
| over | 5 |
| | |
| 5 95 800 | au as |
| necessary | |
| | |
| | S as soc |









HG Energy, LLC 5260 Dupont Road Parkersburg, WV 26101 (304) 420-1100 - Office (304) 863-3172 - Fax



August 28, 2014

Mr. Jeff McLaughlin WVDEP Division of Oil & Gas 601 57th Street Charleston, West Virginia 25304

RE: Hiram Lynch No. 55

Ten Mile District, Harrison County

West Virginia

Dear Mr. McLaughlin:

Enclosed are Forms WW-3A, WW-3B, WW-9, WW-3(B1), mylar of plat, reclamation plan, topo map and copies of the certified mailing receipts for a permit to drill a production well. Also enclosed is our check in the amount of \$650.00 to cover the associated permit fees.

Very truly yours,

Diane CWhite

Diane C. White

Enclosures

ce: William & Pamela Johnson - Certified

American Mountaineer Energy - Certified

Sam Ward - Inspector

Office of Oil and Gas

SEP 2 4 2014

WV Department of
Environmental Protection