

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

February 10, 2016

WELL WORK PLUGGING PERMIT Plugging

This permit, API Well Number: 47-4301647, 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.

Upon completion of the plugging well work, the above named operator will reclaim the site according to the provisions of WV Code 22-6-30. The above named operator will also file, as required in WV Code 22-6-23, an affidavit on form WR-38 by two experienced persons in the operator's employment and the Oil and Gas inspector that the work authorized under this permit was performed and a description given. Failure to abide by all statutory and regulatory provisions governing all duties and operations here under may result in suspensions or revocation of this permit and in addition may result in civil and/or criminal penalities being imposed upon the operator.

This permit will expire in two (2) years from date of issue. If there are any questions,

please free to contact me at (304) 926-0499 ext. 1654.

Operator's Well No: 7

Farm Name: SMITH, WILLIAM & REBA

James Martin

API Well Number: 47-4301647

Permit Type: Plugging
Date Issued: 02/10/2016

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. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
- 2. 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.
- 3. Well work activities shall not constitute a hazard to the safety of persons.
- 4. This well is under a consent order and must be plugged under the terms of that agreement.

WW-4B Rev. 2/01

1) Date January 11	20 16
2)Operator's	
Well No. W. T. Harris 7	
3) API Well No. 47-043	- 1647

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

	APPLICATION FOR A PERM	IIT TO PLUG AND ABANDON
4)	Well Type: Oil _X _/ Gas _X _/ Liquid	l injection/ Waste disposal/
		derground storage) Deep/ Shallow_x_
5)	Location: Elevation 701'	Watershed Hayzlett Fork
	District Duval	County Lincoln Quadrangle Garrett's Bend 7.5'
	HG Energy LLC	7)Designated Agent Diane White
6)	Well Operator HG Energy, LLC Address 5260 Dupont Road	Address 5260 Dupont Road
	Parkersburg, WV 26101	Parkersburg, WV 26101
	1 dikelabulg, vv 20101	Tallion Country (1)
8)	Oil and Gas Inspector to be notified	9)Plugging Contractor
0)	Name Jeremy James	Name To Be Determined Upon Approval of Permit
	Address P. O. Box 36	Address
	Clendenin, WV 25045	
	** See Attach	ed Sheet **
		RECEIVED Office of Oil and Gas
		FEB 0 4 2016
		WV Department of Environmental Protection
	fication must be given to the district of can commence.	il and gas inspector 24 hours before permitted
Work	order approved by inspector	Date 1-27-16

Permit

WW-4B - Conti Rev. 2/01

January 12, 2016 1) Date: Operator's Well Number W T Harris 7 1647 API Well No: 47 043

State

County

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

APPLICATION FOR A PERMIT TO PLUG AND ABANDON

4) WELL TYPE:		Gas Production	x	_Liquid Injec _Undergroun		_Waste Dispo) Deep		llow _	<u>x</u>
5) LOCATION:	Elevation: District:	701' Duval		_Watershed:_ _County:	Hayzlett Fork Lincoln		uadrangle	Garret	ts Bend 7.5'
6) WELL OPERAT Address	5260 Duj	gy, LLC cont Road urg, WV 26101		4.94E+08	7) DESIGNATE	ED AGENTAddress	Diane W 5260 Du Parkersb	pont Ro	
8) OIL & GAS INS Name Address		BE NOTIFIED			9) PLUGGING Name Address	CONTRACT To Be Determ		Approval	of Permit
10) WORK ORDER TD- 2,265' Manners of pluggin Plug #1 - 2600' - 194 Located above the lefter point, part and plug # 2 - Approx. 4 Located at 4 1/2" caplug #3 - Elevation Located at elevation Plug #4 - 300' - 0' Located at 8 5/8" capprox 194 Located at 8 5/8" capprox 200 Locat	g; 20' 3 150 nighest perfor 1 pull 4 1/2" ca 800' - 1790' 1 asing stub 750-65	- 2650 170 ation asing at approx 650 - 1550	1750 1750 4	bloð 4 (Tioofre	>50 Cennt loval	plus (acros Cuí

Monument -6" minimum diameter metal pipe 30" above surface 10' in well below surface Sealed with cement API identification (1/2") height numbering

6% Gel between all plugs

REGEIVED Office of Oil and Gas

FEB 0 4 2016

WV Department of Environmental Protection

Well: W.T. Harris #7 Monument to extend 30" above surface. 10' into well. 6" min metal pipe, sealed with cement. API i.D. Elevation: 702' 4 **Casing Information** 75 sacks cement to surface Size Depth Weight Freepoint Cut and Pull Casing 8 5/8" 139' 20#/ft. Approx. Depth 4 1/2" Size 22631 10.5#/ft. 1750 41/2**Cement Plugs** Hole Size 6.75" 3 NO. Bottom Top 2000 1900 1 2 1800 1700 750 650 3 4 300 0 5 **Bottom Hole Cement Level Calculations** # Sacks Used **Cement Depth** 50 1958.079 **Hole Size Casing Size** Depth 4.5 2265 6.75 50 Sks Cement T.O.C. 1960' \leftarrow diameter delta bbls / ft. Conv. Factor 25.3125 0.02459 1029.4 cubic ft. per vertical ft. depth 0.138058122 RECEIVED Office of Oil and Gas Sacks per vertical ft. depth 0.162908584 Highest Perforation 2196' 0 4 2016 **Yield options** WV Department of 50/50 posmix 6% gel = 1.64 Environmental Protection Neat w/ salt flakes = 1.19 50/50 w/ 2% gel = 1.27 TD 2265'

CLASS A CEMENT WITH NO MORE THAN 300 Calls
AND NO OTHER ADDITIVES.

PENNZOIL COMPANY Well Completion Report

75% DeArman - 25% Pzl.

10% Berlinan
Lease: W. T. HARRIS Well No. 7 New Well X Old Well
District: Duval County: Lincoln State: West Virginia
Pool Name: Griffithsville Northeast Pool No. 57 Elevation 702.44' KB:XX
Producing Formation: Berea Depth: From 2184' to 2208'
Date Drilled In: December 12, 1975 Pays: Oil: From 2184' to 2208'
Original Total Depth: 2265'
Plug Back Depth: 2246' Gas: From 2184' to 2208' to to
Production Initial Present After Fracture
0i1
Gas 8-5/8 ¹¹
Surface Csg. set @ 139' KB:GK Gr. H-40 New:Used Wt. 20# Collars ST&C
Cement Reg. Neat Amount 75 Sacks Plug Down @ 12:00 ANXRN Date 12-8-75
Production Csg. set @ 2263' KB:GK Gr. H-40 New:Used Wt. 10.50#Collars ST&C
Cement 50/50 Posmix Amount 50 Sacks Plug Down @ 12:15 AM:PM Date 12-12-75
Logged by: Basin Surveys Date: December 12, 1975
Logs Used:
Perforated by: McC@llough Date: December 19, 1975
Perforations: 2196'-2201' - 4 holes/ft 20 holes
Treatment Data Office of Oil and Gas Breaking Fluid F.R. N.E.
Fluid Sand Acid Solvent Gel Agent Loss Agent Agent Lease
Type Crude 20/40 15% HC1 Parathin 15-N
Amount 555 25,000 500 55 WV Department of
Breakdown Pressure: 1700 Treating Pressure: Max. 2850 Min. 2200 Avg. 2625
Avg. Inj. Rate 25.0 BPM ISIP 1500 @ 11:55 AM:RM 5 min. SIP 1400
10 min. SIP 1200 15 min. SIP 950 0ther 1-3/4 hrs. 400#
EQUIPMENT USED
Service Company: HHP 1608
By: George P. SanFilippo Date Fractured: 12-19-75

WW-4A Revised 6-07

1)	Date:	January 11, 2016	
2)	Operator's	Well Number	
W.T.	Harris 7		

3) API Well No.: 47 -

043 - 1647

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE 0F APPLICATION TO PLUG AND ABANDON A WELL

4) Surface Ow (a) Name	ner(s) to be served: Ashley Medley & Mark McDavid	5) (a) Coal Operator Name	NA
Address	1911 Garrett's Bend Road	Address	
	Sod, WV 25564		
(b) Name		(b) Coal Owne	er(s) with Declaration
Address		Name 1	NA .
		Address	
(c) Name		Name _	
Address		Address	
6) Inspector	Jeremy James	(c) Coal Lesse	e with Declaration
Address	PO Box 36		NA
	Clendenin, WV 25045	Address	
Telephone	304-951-2596	-	
Telephone	304-951-2596		

TO THE PERSONS NAMED ABOVE: You should have received this Form and the following documents:

- (1) The application to Plug and Abandon a Well on Form WW-4B, which sets out the parties involved in the work and describes the well its and the plugging work order; and
- (2) The plat (surveyor's map) showing the well location on Form WW-6.

The reason you received these documents is that you have rights regarding the application which are summarized in the instructions on the reverses side. However, you are not required to take any action at all.

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 permit to plug and abandon a well with the Chief of the Office of Oil and Gas, West Virginia Department of Environmental Protection, with respect to the well at the location described on the attached Application and depicted on the attached Form WW-6. Copies of this Notice, the Application, and the plat 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 mailing or delivery to the Chief.

		Well Operator	HG Energy, LLC				
	ARRIGANARARANARA	Bana	Diane White	Diane	White		
WEST	OFFICIAL SEAL	Its:	Agent			MEC	IEIVED
1 a 1 1	NOTARY PUBLIC STATE OF WEST VIRGINIA TIMOTHY P. ROUSH	Address	5260 Dupont Road			Office of (Oil and Can
			Parkersburg, WV 26	101			and Gas
	P. O. Box 5519 Vienna, West Virginia 26109	Telephone	304-420-1119			FFR I	1 4 2010
My starte with My	Commission Expires Apr. 26,					. 20 (7 4 ZUID
Subscribed an	nd swormhetore methis on Expires		y of January		Notary Pu	WV Depa	artment of tal Protection

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 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 depprivacyoffier@wv.gov.

WW-9 (5/13)

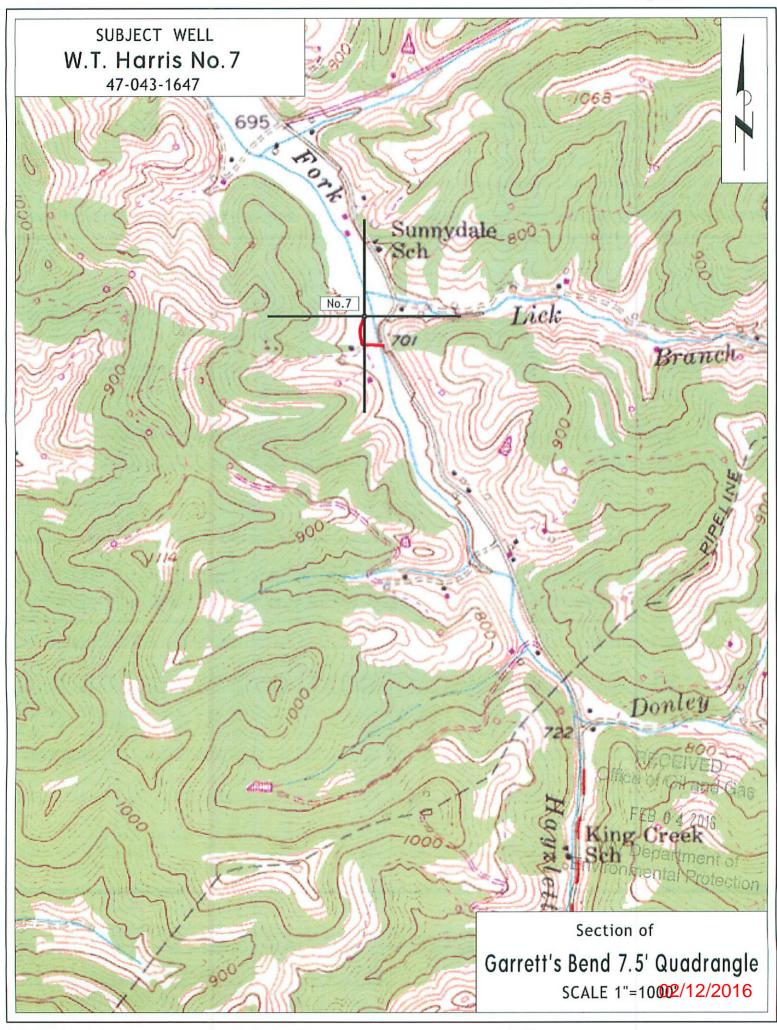
	Pa	age		_ of	
API Number 47 -	043	-	01647		
Operator's	Well No.	WT	Harris 7		

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

TECIDIS, COTTINGO BISI CONTE O RECEINANTICA VI EN A	
Operator Name HG Energy, LLC OP Code 494497948	
Watershed (HUC 10) Hayzlett Fork Quadrangle Garrett's Bend 7.5'	
Elevation 701' County Lincoln District Duval	
Do you anticipate using more than 5,000 bbls of water to complete the proposed well work? Yes No Will a pit be used for drill cuttings? Yes No If so, please describe anticipated pit waste: Fluids recovered while plugging subject well	
Will a synthetic liner be used in the pit? Yes _ X _ No If so, what ml.? 30 Mil	
Proposed Disposal Method For Treated Pit Wastes:	
Land Application Underground Injection (UIC Permit Number Reuse (at API Number Off Site Disposal (Supply form WW-9 for disposal location) Other (Explain)
Will closed loop system be used? No	
Drilling medium anticipated for this well? Air, freshwater, oil based, etc. NA	
-If oil based, what type? Synthetic, petroleum, etcNA	
Additives to be used in drilling medium? NA	
Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. NA	
-If left in pit and plan to solidify what medium will be used? (cement, lime, sawdust) NA	
-Landfill or offsite name/permit number? NA	
I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUT on August 1, 2005, by the Office of Oil and Gas of the West Virginia Department of Environmental Protection. provisions of the permit are enforceable by law. Violations of any term or condition of the general permit at law or regulation can lead to enforcement action. I certify under penalty of law that I have personally examined and am familiar with the information application form and all attachments thereto and that, based on my inquiry of those individuals immediately obtaining the information, I believe that the information is true, accurate, and complete. I am aware that penalties for submitting false information, including the possibility of fine or imprisonment.	I understand that the nd/or other applicable ion submitted on this lately responsible for
	FEB 0 4 2016
Company Official Title Agent	0
WV	Department of
Subscribed and sworn before methis 12th day of January , 20 16	mental Protection
My commission expires November 2, 2021	OFFICIAL SEAL NOTARY PUBILC. STATE OF WEST VIRG MARK J SCHALL H G Energy L L C PO Box 5519, Vienna, WV 28108 My Commission Explres November 2, 20

			Operators	Well No. W T Harris 7
Proposed Revegetation Treatment:	: Acres Disturbed	0.7 acres	Prevegetation	рН
	Tons/acre or to corr	ect to pH 6.5		
Lime	500			
Fertilizer (10-20-20 or eq	uivalent)2	lbs/acre (500 lbs	minimum)	
_{Mulch} Straw		Tons/acre		
		Seed Mixtures		
Area I Seed Type	lbs/acre		Seed Type	Area II lbs/acre
Tall Fescue	40	Tall Fe	scue	40
Ladino Clover	5	Ladino	Clover	5
Plan Approved by: Comments:				
				RECEIVED Office of Oil and Ga



WW-7 5-02

West Virginia Department of Environmental Protection Office of Oil & Gas

WELL LOCATION FORM: GPS

API: 47	7- 043 - 1647	WELL NO:	7
FARM NAME:	W.T. Harris No.7		
RESPONSIBLE PARTY N	NAME: H.G. En	ergy, LLC	
COUNTY:	Lincoln	DISTRICT:D	uval
QUADRANGLE:	Garrett's Bend 7.5	5 '	
SURFACE OWNER:	Ashley Medley & l	Mark McDavid	
ROYALTY OWNER:	H.G. Energy, LLC	et al.	
UTM GPS NORTHING:	4,238,405	(NAD 83)	
UTM GPS EASTING:	421,554	(NAD 83) GPS ELEVATION:	214 m. 702.
preparing a new well local Oil & Gas will not accept 1. Datum: Na height abo 2. Accuracy	tion plat for a plugging perm GPS coordinates that do not AD 1983, Zone:17 North, C ve mean sea level (MSL) - m to Datum - 3.05 meters	mit GPS coordinates in lieu of it on the above well. The Office of meet the following requirements: Coordinate Units: meters, Altitude: neters.	
3. Data Colle Survey Grade C	ection Method: GPS Post Processed Di Real-Time Differe		
Mapping Grade	e GPS X Post Processed Di Real-Time Differe	fferential X PEC	EIVED
	formation required by law ar	the best of my knowledge and nd the regulations issued and FEB	Oil and Gas 0 4 2016 artment of
Diane White	Diane C. White	Designated Agent	
Signature	Zimie Oi iiiiii	Title	
Novembe	r 24, 2015		
Date		_	