

#### 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

June 29, 2015

#### WELL WORK PERMIT

#### Vertical Well

This permit, API Well Number: 47-4303499, 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: NATHANIEL MASON 225

Farm Name: BRUMFIELD, JOSHUA D.

API Well Number: 47-4303499

Permit Type: Vertical Well Date Issued: 06/29/2015

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. Failure to adhere to the specified permit conditions may result in enforcement action.

#### **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.
- 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.

WW - 2B (Rev. 8/10)

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

1) Well Operato	r: HG E	nergy, L	LC	494497948	Lincoln	Duval	Griffithsville 7.5'
		_		Operator ID	County	District	Quadrangle
2) Operator's W	/ell Numb	er:Nath	aniel Mason 225	<u> </u>	3) Elevation:	800'	
4) Well Type: (a	) Oil <u>X</u>	or Ga	as				
(b	) If Gas:	Produ	iction/ Und	derground Sto	rage		
			p/ S	Shallow X			
<ul><li>5) Proposed Ta</li><li>6) Proposed To</li><li>7) Approximate</li><li>8) Approximate</li></ul>	tal Depth fresh wa	: 2750' TM ter strata	MDFeet a depths: 190'	Formation at I	Proposed Tar Proposed Tota	get Depth: 2 al Depth: Ber	750' TMD ea
9) Approximate	coal sea	m depths	s: <u>240'</u>				
10) Approximate	e void de	pths,(coa	al, Karst, other):	NA			
11) Does land c	ontain co	al seam	s tributary to act	ive mine? N	Α		<del></del>
			nd fracturing meth in the Big Injun.				
<del></del>							
40)						<del>.</del>	
13) <u>TYPE SI</u>	PECIFIC		ASING AND TUI	FOOTAGE		CEME	NT
	<u>Size</u>	Grade		For Drilling	Left in Well		<del>_</del>
Conductor			-				1
Fresh Water	7"	LS	17#	340'	340'	CTS	R7/1/15
Coal							03/
Intermediate					······································		
Production	4 1/2"	J-55	10.5#	2720'			kemno1vn∃
Tubing						artment of	d∍G VW
Liners						9 2012	YAM
Packers: Kind Sizes Dept						Oil and Gas	

WW-2A		1). 🗅	ate: N	May 6. 2015		
(Rev. 6-14)		2.) C	perator's V	Vell Number State	Nathaniel M County	ason 226 Permit
		3.) A	PI Well No	47		
		STATE OF WEST V	IRGINIA			
DEP	ARTMENT OF ENVIRO	NMENTAL PROTE	CTION, C	OFFICE OF	OIL AND GAS	
	NOTICE AND A	PPLICATION FOR	A VVELL V	VOKK PEKI	VII I	
4) Surface Ow	vner(s) to be served:	5) (a) Coal				
(a) Name	Joshua Brumfield	Name Address	N/A			
Address	31 Vandalia Drive	Addres	S			
(b) Name	Yawkev, WV 25573 Thurmon Caudill	(b) Coa	Owner(s)	with Declara	tion	
Address	4946 Straight Fork R		N/A			
Addicos	Yawkev, WV 25573	Addres				
(a) Nama		Name				
(c) Name Address		Addres	s			
7,144,145						
6) Inspector	Ralph Triplett			vith Declaration	on	
Address	5539 McClellan Hwy		NA			
	Branchland, WV 255	06 Addres	S			
Telephone	304-389-0350	ONS NAMED ABOV	F TAKE N	OTICE THAT		
Included is t	the lease or leases or other	continuing contract or c	ontracts by	which I hold the	e right to extract o	il and gas
OD						
In alread in t	the information required by	Chapter 22, Article 6, Se	ction 8(d) o	f the Code of V	Vest Virginia (see	notice and
I certify	that as required under Ch cation plat, and accompany	apter 22-6 of the <u>vvest</u>	hrough	on the above	named parties by	inolioc and
application, a lo	Personal Service (Af	fidavit attached)		- 40 80 80 80 80 80 80	Control of Marie	
_	Certified Mail (Postm	arked postal receipt atta	iched)			
	Publication (Notice of	f Publication attached)		to the terms	and conditions of	any nermit
The second secon	ead and understand Chapte					
issued under thi	under populty of law that I	have personally exami	ned and arr	familiar with	the information su	ibmitted on
this application	form and all attachments.	and that based on my I	iquiry of the	ose marviduais	immediately resp	onsible for
abtaining the inf	formation I halique that the	information is true, accu	rate and co	mpiete.		
I am aw	vare that there are significant	nt penalties for submittir	g talse into	rmation, includ	ing the possibility	or fine and
imprisonment.	We	Il Operator HG Energ	v IIC			
	Contractor Contractor	By: Diane Wh		ciane White		
ALL DE	OFFICIAL SEAL	Its: Agent				
ST ST	NOTARY PUBLIC TATE OF WEST VIRGINIA	Address: 5260 Dur	ont Road			
B STATE OF THE STA	S. DIANNE DULANEY	Parkersb Telephone: 304-420- Email: day of Ma	ura. WV 2	6101	Λίτοππειπα	13
Page 1	5260 Dupont Road tersburg, West Virginia 26101	Telephone: 304-420-	1119	rotection	WY Departal I	
My Co	ommission Expires Oct. 4, 2016	Email: dwhite(a)	ngeneravi	icicom 10 Ino	3015	
~Subscribed and	swom before me this	th day of Ma	Υ	2-, -	a I IHW	
50	Blama Gelary	$\sim$		Notary Publi	OS GI YAM	
My Commission	Expires Oct	4,2016			ice of Oil and	ìOOf
Oil and Gas Privac				CRD I	OUR IIO 3	

The Office of Oil and Gas processes your personal information, such as name, address and phone number, Barbard 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

WW.	-2A	1
(Rev.	1/1	1)

Operator's Well Number Nathaniel Mason 225

#### 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

\*\* See Attached Sheet \*\*

#### 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 he reby 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 overrides, replaces, or nullifies the need for other permits/approvals that may be necessary and further affirms that all needed permits/approvals should be ac quired from the appr opriate aut hority before the approval should be ac quired from the appr opriate aut hority before the approval should be ac quired from the appr opriate aut hority before the approval should be ac quired from the appr opriate aut hority before the approval should be ac quired from the appr opriate aut hority before the approval should be ac quired from the appr opriate aut hority before the approval should be ac quired from the appr opriate aut hority before the approval should be accordanced by the approv Done Myter to Thepartment of Journal My initiated.

Diane White Well Operator: HG Energy, LLC CIUS & I YAM By:Its: Agent

> Office of Oil and Gas **BECEINED** 07/03/2015

## 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.	Grantce, Lessee, etc.	Royalty	Book/Page
Nathaniel and Rhoda Mason	South Penn Oil Company	1/8	39/123

Merger and Conveyance dated July 3, 1963, from South Penn Oil Company to Penzoil Company, Kanawha County, Book 153, Page 35,

Assignment, Conveyance and Bill of Sale dated December 28, 1998, from Pennzoil Company to Pennz Energy Exploration and Production, Wetzel County, Book 12, Page 177.

Certificate of Merger filed with the WV Secretary of State, December 31, 1999, whereby Pennz Energy Exploration and Production, successor in interest to; to Penzoil Company, merged with Devon Energy Production Company, LP, Wetzel County, Book 12, Page 278.

Deed, Assignment and Bill of Sale dated June 1, 2000, from Devon Energy Production Company, LP to East Resources, Inc., recorded in Wetzel County, Book 370, Page 580.

Assignment, Conveyance and Bill of Sale, dated January 1, 2011, from East Resources, Inc., to HG Energy, LLC, Wetzel County, Book 118A, Page 253.

Upon information and belief, Operator's lease and/or other real property rights permit it to conduct drillingerations for the subject well in the location shown on the plat, including 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 ackowledges 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 US Fish and Wildlife Service County Floodplain Coordinator

WV Department of Environmental Protection

2102 **6 I** YAM

Office of Oil and Gas

Well Operator:	HG Energy, LLC	ΛED	RECEI
Ву:	Diane C. White	Diane C White	07/03/2015
Ite	Acont		01/03/2013

WW-2B1 (5-12)

Well No. Nathaniel Mason 225

#### 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 Labs Sampling Contractor

Sturm Environmental Labs

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.

- See Attached Sheet -

Environmental Protection WV Department of

2102 **6 I YAM** 

Office of Oil and Gas **HECEINED** 

WW-2B1
Page 2 - Continued

Well No.

Nathaniel Mason 225

## 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.

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.

#### Surface Owners Identified With Water Sources to be Sampled and Tested:

- Joshua Brumfield
   Vandalia Drive
   Yawkey, WV 25573
- Ruth Jones Smith
   59 Bear Fork Road
   Yawkey, WV 25573
- Linda Owsley
   PO Box 246
   Griffithsville, WV 25521
- Harvey Kelley
   P. O. Box 189
   Griffithsville, WV 25521
- Therman Caudill
   4946 Straight Fork Road
   Yawkey, WV 25573
- \* Sarah Fletcher 1940 Allens Fork Road Charleston, WV 25320

- Arthur & Romaline White
   7564 Plum Orchard Road
   Munith, MI 49259
- David Lawson
   1 First American Way
   Westlake, TX 76262
- Venita Gail Hager
   38 Bear Fork Road
   Yawkey, WV 25573
- Fred Adkins
   P. O. Box 96
   Griffithsville, WV 25521
- \* Ralph Tudor 204 Jarvis Ridge Griffithsville, WV 25521
- \* Franklin Kilburn 4933 Straight Fork Road Yawkey, WV 25573

- Deanna Miller
   4975 Straight Fork Road
   Griffithsville, WV 25521
- David Pauley
  P. O. Box 198
  Griffithsville, WV 25521
- \* Lorena Dunlap
  P. O. Box 227
  Griffithsville, WV 25521
- \* Timothy Antill 4925 Straight Fork Road Yawkey, WV 25573
- Tackie Stowers

  Find Independent Of

  Find Independent Of

  AND Department Of

  AND Department Of

  AND Department Of

2:02 **6 I** YAM

PECEIVED
Office of Oil and Gas

07/03/2015

WW-9 (5/13)

	Page of	
API Number 47 -		
Operator's We	II No. Nathaniel Mason 225	

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

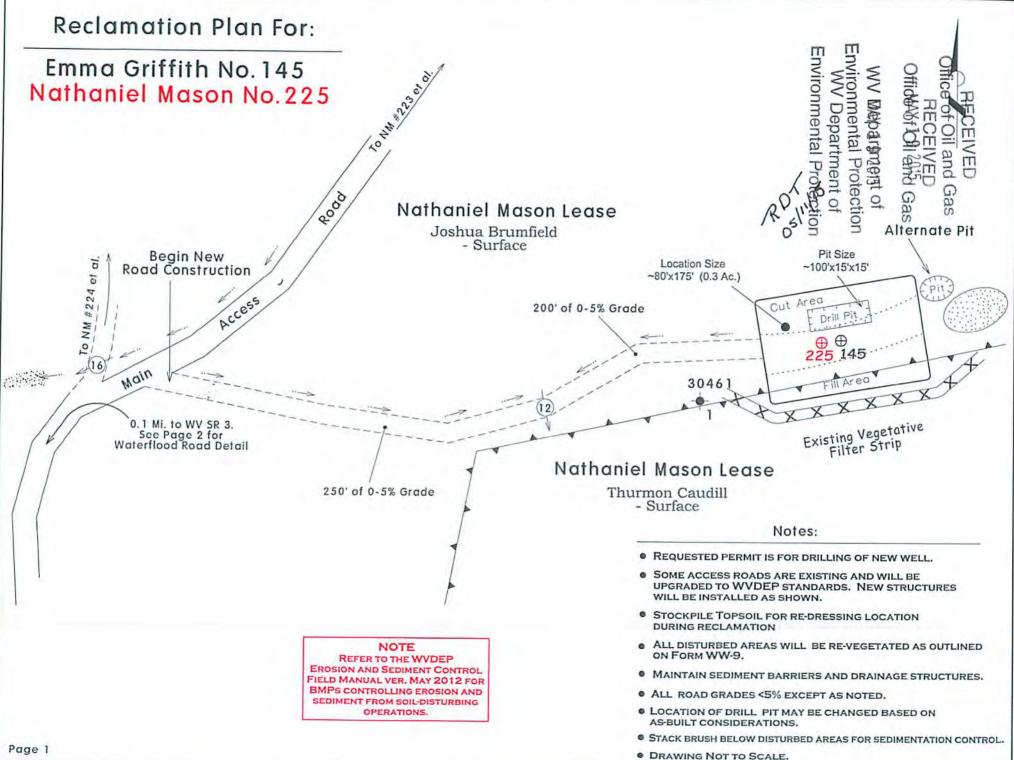
#### FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

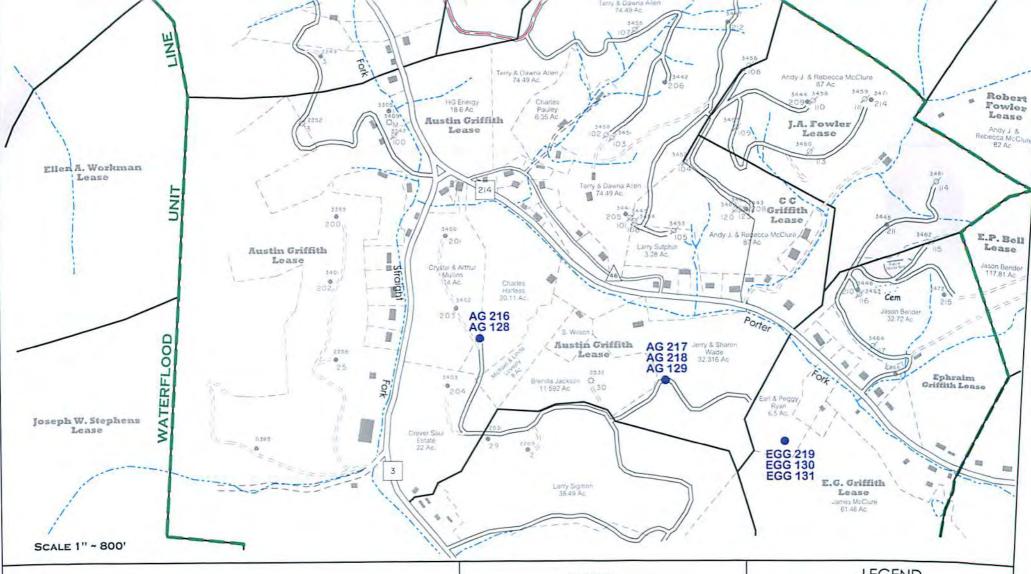
Operator Name_HG Energy, LLC	OP Code 494497948
Watershed (HUC 10) Straight & Bear Fork	Quadrangle Griffithsville 7.5'
Elevation 800' County Lincoln	District_Duval
Do you anticipate using more than 5,000 bbls of water to complete t	he proposed well work? Yes No X
Will a pit be used for drill cuttings? Yes X No	
If so, please describe anticipated pit waste: Fluids encour	ntered while drilling subject well
Will a synthetic liner be used in the pit? Yes X. No	
Proposed Disposal Method For Treated Pit Wastes:	
Land Application	
Underground Injection ( UIC Permit Nur	mber)
Reuse (at API Number_	
Off Site Disposal (Supply form WW-9 for Other (Explain	or disposal location)
Will closed loop system be used? No	
Drilling medium anticipated for this well? Air, freshwater, oil based	I, etc. Air, Fresh Water
-If oil based, what type? Synthetic, petroleum, etc. NA	
Additives to be used in drilling medium? Water, Soap, KCI	
Drill cuttings disposal method? Leave in pit, landfill, removed offsi	te, etc. Leave in pit
-If left in pit and plan to solidify what medium will be used	? (cement, lime, sawdust) Native soil, cement, lime
-Landfill or offsite name/permit number?	
on August 1, 2005, by the Office of Oil and Gas of the West Virgini provisions of the permit are enforceable by law. Violations of any law or regulation can lead to enforcement action.  I certify under penalty of law that I have personally exa application form and all attachments thereto and that, based on obtaining the information, I believe that the information is true, penalties for submitting false information, including the possibility of	term or condition of the general permit and/or other applicable mined and am familiar with the information submitted on this my inquiry of those individuals immediately responsible for accurate, and complete. I am aware that there are significant
Company Official Signature Diane White	:nvironmental Protection
Company Official (Typed Name) Diane White	TVV Department of
Company Official Title_Agent	OFFICIAL SEAL
Subscribed and sworn before me this 5th day of May	STATE OF DESTRUCTION OF THE PUBLIC STATE OF THE STATE OF THE PUBLIC STATE OF THE PUBLI
My commission expires Oct . 4 3016	- Anna San San Carlotte
11	07/03/2

		Operat	or's Well No. Nathaniel Mason
Proposed Revegetation Trea		C F	ion pH
Lime	rous/acte of to correc	.: то ріт	
	o or equivalent)	lbs/acre (500 lbs minimum)	
<sub>Mulch</sub> Straw	2	_Tons/acre	
		Seed Mixtures	
	геа I		Area II
Seed Type	lbs/acre	Seed Type	lbs/acre
Tall Fescue	40	Tall Fescue	40
Ladino Clover	5	Ladino Clover	5
** Sediment Conto	ol should be in plac	re at all times **	· · · · · · · · · · · · · · · · · · ·
	lved 7.5' topographic sheet.		
Plan Approved by: <b>Roly</b> Comments:	•		
•	•		
•	•		
•	•		
•	•		
•	•		
•	•		
•	•		
•	•		
•			0/5

WAY 1 9 2015

RECEIVED Office of Oil and Gas







#### GRIIFTHSVILLE WATERFLOOD

Lincoln County, W.Va.

RECLAMATION PLAN SHOWING ROAD SYSTEMS TO BE USED FOR 2015 **DRILLING PROGRAM** (NORTH)

#### NOTES

- 1. REFER TO THE WVDEP EROSION AND SEDIMENTATION CONTROL MANUAL (VER. MAY 20, 2013) FOR BMP'S CONTROLLING **EROSION AND SEDIMENTATION FROM ALL** SOIL-DISTURBING OPERATIONS.
- 2. SEE PAGE ONE OF RECLAMATION PLAN FOR DETAILS OF NEW ROAD CONSTRUCTION AND ROAD UPGRADES FROM POINT A TO DRILL SITE LOCATION.
- 3. EXISTING WATERFLOOD ACCESS ROADS WILL BE MAINTAINED IN PRESENT CONDITION. THESE ROADS WERE CONSTRUCTED UNDER CONDITIONS SET FORTH IN VARIOUS DRILLING PERMITS ISSUED BY WVDEP-OOG PRIOR TO 2015 (AS SHOWN). SEE PERMITS ON FILE FOR MORE DETAIL.

#### LEGEND

EXISTING WATERFLOOD ROADS TO BE USED. OTHER EXISTING MAIN WATERFLOOD ROADS (Possible Access). EXISTING LEASE OR

FARM ROADS TO BE UPGRADED.

NEW ROADS TO BE CONSTRUCTED.

LOCATION FOR PROPOSED WELLS

AG 216

POTENTIAL WATER SUPPLY SOURCE TO BE SAMPLED (LOC. APPROX.)

PAGE 2

MARCH 3, 2015

