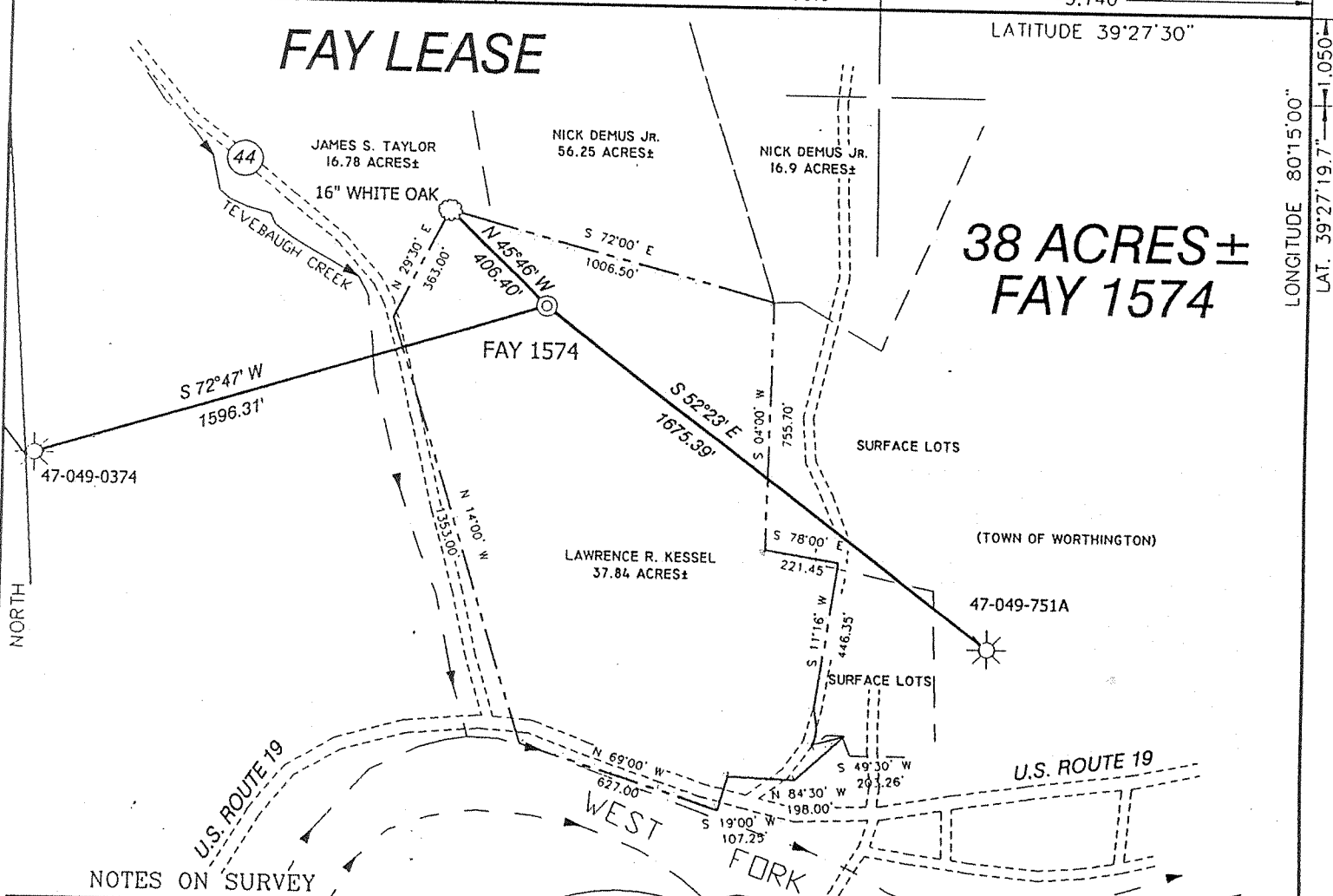


FAY LEASE



38 ACRES± FAY 1574

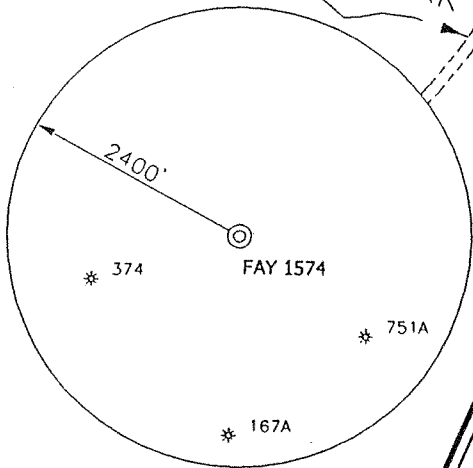
NOTES ON SURVEY

1. TIES TO WELLS AND CORNERS ARE BASED ON STATE PLANE GRID NORTH WV NORTH ZONE NAD '27.
2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 10-07-03.
3. LEASE BOUNDARY SHOWN HEREON TAKEN FROM A DEED RECORDED IN DEED BOOK 973 AT PAGE 927 AND INFORMATION PROVIDED BY WACO OIL & GAS CO., INC.
4. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF HARRISON COUNTY IN OCTOBER, 2003 AND INFORMATION PROVIDED BY WACO OIL & GAS CO., INC.
5. WELL LAT./LONG. ESTABLISHED BY DGPS(SUBMETER MAPPING GRADE).

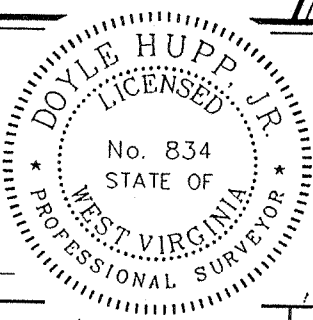
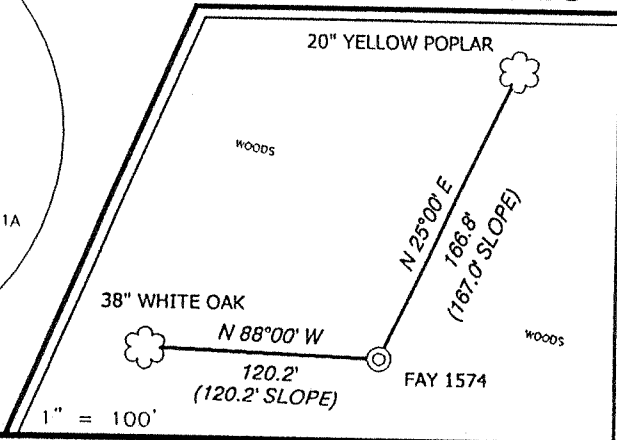
HUPP Surveying & Mapping
 P.O. Box 647 Grantsville, WV 26147
 (304) 354-7035 EMAIL: surveyor@depollid.com

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DIVISION OF ENVIRONMENTAL PROTECTION.

P.S. 834 *Doyle Hupp Jr.*



REFERENCES



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.
 DATE OCTOBER 20, 2003
 OPERATORS WELL NO. FAY 1574
 API WELL NO. 47-049-01460
 STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/2500 FILE NO. W1192 (BK22-66)
 PROVEN SOURCE OF ELEVATION DGPS (SUBMETER GRADE) SCALE 1" = 500'

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

WELL TYPE: OIL GAS LIQUID INJECTION WASTE DISPOSAL IF "GAS" PRODUCTION STORAGE DEEP SHALLOW

LOCATION: ELEVATION 1086' WATERSHED TEVEBAUGH CREEK
 DISTRICT (TOWN OF WORTHINGTON) LINCOLN COUNTY MARION QUADRANGLE SHINNSTON 7.5'

SURFACE OWNER LAWRENCE R. KESSEL ACREAGE 37.84±
 ROYALTY OWNER ROBERT FAY TETRICK & PATRICIA A. JUDY LEASE ACREAGE 38±
 PROPOSED WORK: LEASE NO. _____

DRILL CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE PLUG OFF OLD FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER _____

PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION BALLTOWN
 ESTIMATED DEPTH 4,100'

WELL OPERATOR WACO OIL & GAS CO., INC. DESIGNATED AGENT STEPHEN E. HOLLOWAY
 ADDRESS P.O. BOX 397 GLENVILLE, WV 26351 ADDRESS P.O. BOX 397 GLENVILLE, WV 26351

6-6 Farmington (64)

COUNTY NAME MAR PERMIT 1460

WR-35

API # 47-049-01460

State of West Virginia
Division of Environmental Protection
Section of Oil and Gas

Well Operator's Report of Well Work

Farm name: **Kessel, Lawrence**

Operator Well No.: **Fay 1574**

LOCATION: Elevation: **1086'**

Quadrangle: **Shinnston**

District: **Lincoln**

County: **Marion**

Latitude: **1,050** Feet South of **39** Deg. **27** Min. **30** Sec.

Longitude: **5,140** Feet West of **80** Deg. **15** Min. **00** Sec.

Company: **Waco Oil & Gas Co., Inc.**
P. O. BOX 397
GLENVILLE, WV 26351

Casing & Tubing Size	Used in Drilling	Left in Well	Cement Fill Up Cu. Ft.
11 3/4	390	390	152 sks
8 5/8	1805	1805	100 sks
4 1/2	3640	3640	210 sks

Agent: **STEPHEN E. HOLLOWAY**

INSPECTOR: **Bill Hatfield**

Permit Issued: **12/29/03**

Well work commenced: **2/08/04**

Well Work completed: **2/15/04**

Verbal Plugging

Permission granted on:

Rotary **X** Cable Rig

Total Depth (feet) **3789'**

Fresh water depths (ft) **96'**

Salt water depths (ft) **1379'**

Is coal being mined in area (Y/N)? **N**

Coal Depths (ft): **345-52**

OPEN FLOW DATA

Producing formation **BD, BT, FM, FS, 30', 50', GZ** Pay zone depth (ft) **see treat.**
 Gas: Initial open flow **na** MCF/d Oil: Initial open flow **na** Bbl/d
 Final open flow **235** MCF/d Final open flow **na** Bbl/d
 Time of open flow between initial and final tests **4** Hours
 Static Rock pressure **220** psig (surface pressure) after **48** Hours

Second producing formation _____ pay zone depth (ft) _____
 Gas: Initial open flow _____ MCF/d Oil: Initial open flow _____ Bbl/d
 Final open flow _____ MCF/d Final open flow _____ Bbl/d
 Time of open flow between initial and final tests _____ Hours
 Static rock pressure _____ psig (surface pressure) after _____ Hours

NOTE: ON BACK OF THIS FORM PUT THE FOLLOWING: 1). DETAILS OF PERFORATED INTERVALS, FRACTURING OR STIMULATION, PHYSICAL CHANGE, ETC. 2). THE WELL LOG WHICH IS A SYSTEMATIC DETAILED GEOLOGICAL RECORD OF ALL FORMATIONS, INCLUDING COAL ENCOUNTERED BY THE WELLBORE.

For: **Waco Oil & Gas Co., Inc.**

By: **Stephen E. Holloway**

Date: **9/21/05**

NOV 10 2005
 RECEIVED
 Office of Oil & Gas
 Office of Chief
 OCT 24 2005
 WV Department of
 Environmental Protection

MAR 14 2006

1st Stage: Bradford (3536-3532) 500 HCl, 40,000# 20/40, 317 mcf
N2, 218 bbl H2O

2nd Stage: 5th Sand (2685-2664) 500 HCl 18,000# 20/40, 161 mcf
N2, 141 bbl H2O

3rd Stage: 4th Sand (2600-2593) 500 HCl, 30,000# 20/40, 239 mcf
N2, 171 bbl H2O

4th Stage: 50', Gantz (2256-2172) 40,000# 20/40, 301 mcf N2, 221
bbl H2O

Sand, shale	0	860	Coal @ 345-52
Big Dunkard	860	929	
Sand, shale, RR	929	1145	
Salt Sand	1145	1394	
Sand, Shale	1394	1584	
Little Lime	1584	1598	
Shale - P.C.	1598	1634	
Big Lime	1634	1700	
Big Injun	1700	1790	
Sand, shale	1790	1880	
Wear	1880	1890	
Sand/shale	1890	2156	
Gantz	2156	2184	
Shale	2184	2210	
50'	2210	2294	
Sand/Shale	2294	2584	
4th Sand	2584	2604	
Shale	2604	2654	
5th Sand	2654	2690	
Sand/Shale	2690	3150	
Speechly	3150	3264	
Sand/Shale	3264	3530	
Balltown	3530	3550	
Sand/Shale	3550	3620	
Bradford	3620	3660	

T.D. 3667'