

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 16, 2014

WELL WORK PERMIT

Horizontal 6A Well

This permit, API Well Number: 47-5101748, issued to CHEVRON APPALACHIA, 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: HART 2H

Farm Name: HART, JOHN J. & RENEE

API Well Number: 47-5101748

Permit Type: Horizontal 6A Well

Date Issued: 06/16/2014

API Number: 51-01748

PERMIT CONDITIONS

West Virginia Code § 22-6A-8(d) 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. This proposed activity may require permit coverage from the United States Army Corps of Engineers (USACE). Through this permit, you are hereby being advised to consult with USACE regarding this proposed activity.
- 2. 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 § 22-6A-5a (12), 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.
- 3. When compacting fills, each lift before compaction shall not be more than 12 inches in height, and the moisture content of the fill material shall be within limits as determined by the Standard Proctor Density test of the actual soils used in specific engineered fill, ASTM D698, Standard Test Method for Laboratory Compaction Characteristics of Soil Using Standard Effort, to achieve 95 % compaction of the optimum density. Each lift shall be tested for compaction, with a minimum of two tests per lift per acre of fill. All test results shall be maintained on site and available for review.
- 4. Operator shall install signage per § 22-6A-8g (6) (B) at all source water locations included in their approved water management plan within 24 hours of water management plan activation.
- 5. Oil and gas water supply wells will be registered with the Office of Oil and Gas and all such wells will be constructed and plugged in accordance with the standards of the Bureau for Public Health set forth in its Legislative rule entitled Water Well Regulations, 64 C.S.R. 19. Operator is to contact the Bureau of Public Health regarding permit requirements. In lieu of plugging, the operator may transfer the well to the surface owner upon agreement of the parties. All drinking water wells within fifteen hundred feet of the water supply well shall be flow tested by the operator upon request of the drinking well owner prior to operating the water supply well.
- 6. Pursuant to the requirements pertaining to the sampling of domestic water supply wells/springs the operator shall, no later than thirty (30) days after receipt of analytical data provide a written copy to the Chief and any of the users who may have requested such analyses.
- 7. If any explosion or other accident causing loss of life or serious personal injury occurs in or about a well or well work on a well, the well operator or its contractor shall give notice, stating the particulars of the explosion or accident, to the oil and gas inspector and the Chief, within 24 hours of said accident.
- 8. During the casing and cementing process, in the event cement does not return to the surface, the oil and gas inspector shall be notified within 24 hours.
- 9. 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-6B (9/13)

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

1) Well Operat	tor: Chevron A	ppalachia, LLC	4944935	Marshall	Washington	Moundsville
			Operator ID	County	District	Quadrangle
2) Operator's V	Well Number: 21	11	Well P	ad Name: Hart		
3) Farm Name	/Surface Owner:	John Hart	Public Ro	oad Access: Ca	mpbells Run	Rd- 38
4) Elevation, c	urrent ground:	1329' El	evation, propose	d post-construc	tion: 1322'	
5) Well Type	(a) Gas	Oil	Un	derground Stora	ige	
	(b)If Gas Sha	allow _	Deep	-		
6) Existing Pac	Ho d: Yes or No Yes	rizontals		Ū	7N 5/28/14	
	사귀가 모르겠어요? 보다 있다.	s), Depth(s), Antic D: 6534'; anticipated				
8) Proposed To	otal Vertical Dept	th: 6565'				
9) Formation a	t Total Vertical I	Depth: Marcellus				
10) Proposed 7	Total Measured D	Pepth: 15168'				
11) Proposed I	Horizontal Leg Le	ength: 7782'				
12) Approxima	nte Fresh Water S	strata Depths:	247' below final p	ad grade elevatio	n	
	Determine Fresh ate Saltwater Dep	맛이 하는데 하셨다니다요? 그	offset well data, Har on offset well data		r's log, USGS I	ocal stream base level
15) Approxima	nte Coal Seam De	epths: 829' from pr	roposed pad elevat	ion		
		ible Void (coal mi			oossible in Pitt	sburgh Coal Seam
		n contain coal sear an active mine?	ns Yes ✓	N	0 🔲	
(a) If Yes, pro	ovide Mine Info:	Name: Alexa	nder Mine- Closed	& Abandoned		
		Depth: 829' f	rom proposed pad	elevation		
DE	CEIVED	Seam: Pittsb	urgh No. 8 Coal S	eam		
Office of	Oil and Gas	Owner: Reser	ve Coal Propertie	s, LLC		

MAY 28 2014

WW-6B (9/13)

18)

CASING AND TUBING PROGRAM

TYPE	Size	New or Used	Grade	Weight per ft. (lb/ft)	FOOTAGE: For Drilling	INTERVALS: Left in Well	CEMENT: Fill-up (Cu. Ft.)
Conductor	30"	New			40'	40'	141.8 CTS
Fresh Water	20"	New	J-55	94.5#	354'	354'	810 CTS
Coal	13-3/8"	New	J-55	54.5#	941'	941'	950.0 CTS
Intermediate	9-5/8"	New	N-80	40#	2,166'	2166'	840.0 CTS
Production	5-1/2"	New	P-110	20#	15,168'	15,168'	3678 CTS
Tubing							
Liners			7-1				

JN 5/28/14

TYPE	Size	Wellbore Diameter	Wall Thickness	Burst Pressure	Cement Type	Cement Yield (cu. ft./k)
Conductor	30"	36"	0.375			
Fresh Water	20"	26"	0.438"	2,110 psi	Class A	1.18
Coal	13-3/8"	17.5"	0.458"	2,730 psi	Class A	1.18
Intermediate	9-5/8"	12.25"	0.395"	5,750 psi	Class A	1.29
Production	5-1/2"	8.5"	0.361"	12,640 psi	Class A	2.2
Tubing						
Liners						

PACKERS

Kind:	None		
Sizes:			
Depths Set:			

RECEIVED
Office of Oil and Gas

MAY 28 2014

WW-6B (9/13)

JN 5/28/14

19)	Describe propo	sed well work	, including the	drilling and	plugging back	of any pilot hole:
A 1	THE RESIDENCE INCH.					

Drill 26" hole to 354' MD then set and cement 20" casing to surface covering the fresh water. Drill 17.5" hole to 941' MD then set and cement to surface 13-3/8" casing covering Pittsburgh coal. Drilling of the 17.5" hole will stop and 13 3/8" casing will be set no more than 100' past the void. A basket will be run with the 13 3/8" casing to place 20' above the mine void. Cement will be backfilled to surface using volume necessary to get cement to surface. Drill 12.25" hole to 2,166' MD then set and cement to surface 9-5/8" casing, covering the Burgoon (50' below Big Injun). Drill 8-1/2" hole to KOP. Drill 8-1/2" hole curve and lateral to 15,168' MD/ 6,565' TVD. Set 5-1/2" production casing and cement back to surface.

20)	Describe	fracturing	g/stimulating	methods in	detail.	including	anticipa	ated max	pressure an	d max rate:
	- DODOLLE	***********	Dettil ce ice citi	TITOTIO OF ITT	or or court and	TITO TO SETTING	- restanting	see or litteria	DE GOOGLE COLL	or street, reserve

Complete each stage of the well with #50,000's of 100 mesh and #300,000's of 40/70 along with 300,000 gallons of fresh water. The stages in these wells will be fractured at 90 bpm at an anticipated psi of 8,500 psi.

- 21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): 11.1 acres
- 22) Area to be disturbed for well pad only, less access road (acres): 2.27 acres

23) Describe centralizer placement for each casing string:

There will be a bow spring centralizer every two jts on the Water string, Coal string and intermediate. The production string will have two centralizer every it in the lateral and curve, then one every two jts from KOP to surface.

24) Describe all cement additives associated with each cement type:

For the Water String and Coal String the blend will contain class A cement, 3% CaCl2, and flake. The intermediate will contain class A cement, 10% CaCl2, Salt, and flake. The Production cement will have a lead and tail cement. The lead will contain class A cement, KCl, dispersant, suspension agent, and retarder. The tail will contain class A cement, Calcium Carbonate, KCl, dispersant, de-foamer, suspension agent, and friction reducer.

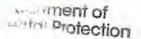
25) Proposed borehole conditioning procedures:

Well will be circulated a minimum of 3 bottoms up once casing point has been reached on all hole sections and until uniform mud properties are achieved.



MAY 28 2014

*Note: Attach additional sheets as needed.



Cement Additives: Hart Unit 2H, 3H, 4H, 5H, 6H, 7H, 8H, 9H

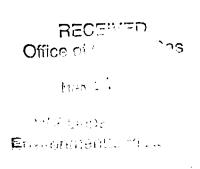
For the Water String and Coal String the blend will contain class A cement, 3% CaCl2, and flake.

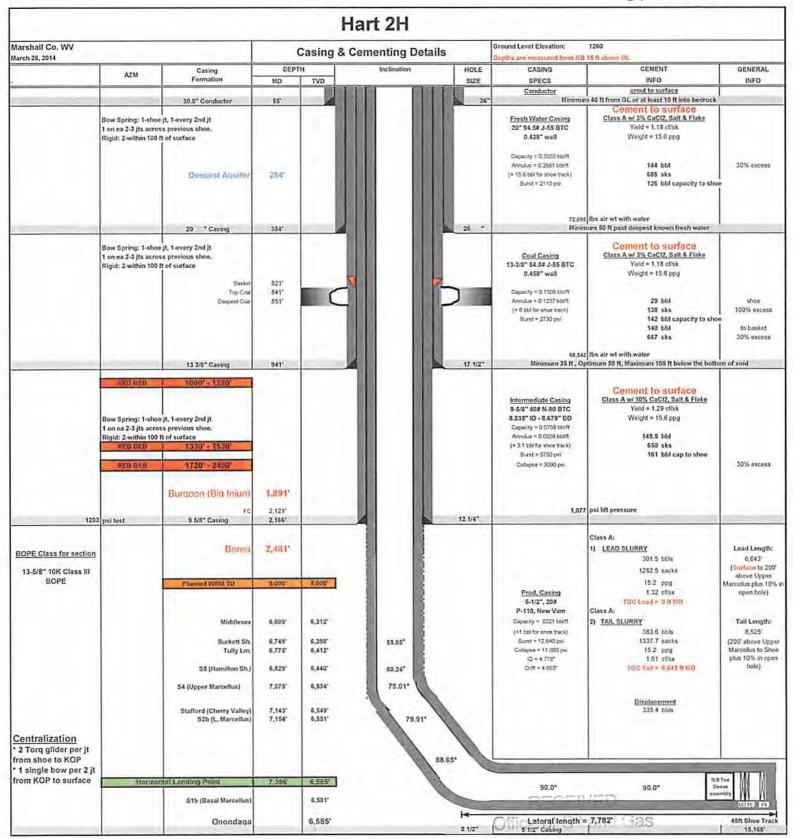
The intermediate will contain class A cement, 10% CaCl2, Salt, and flake.

The Production cement will have a lead and tail cement.

The lead will contain class A cement, KCl, dispersant, suspension agent, and retarder.

The tail will contain class A cement, Calcium Carbonate, KCl, dispersant, de-foamer, suspension agent, and friction reducer.





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API Number 47 - 51	. 01748
Operator's Well	No. Hart 2H

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name Chevron Appala	achia, LLC	OP Code 4944935	
Watershed (HUC 10) Middle	Grave Creek- Grave Creek	Quadrangle Moundsville WV 7.5'	
Elevation 1329.31	County Marshall	District Washington	
Do you anticipate using more Will a pit be used? Yes	than 5,000 bbls of water to complete the	e proposed well work? Yes	No
	anticipated pit waste: N/A		
Will a synthetic liner	be used in the pit? Yes No_	If so, what ml.?	
Proposed Disposal M	lethod For Treated Pit Wastes:		
Und Ret Off	nd Application derground Injection (UIC Permit Numl use (at API Number Site Disposal (Supply form WW-9 for ner (Explain		
Will closed loop system be use	ed? If so, describe: Collect and treat drill cuttin	gs at rigsite, then transport in boxes to approved d	sposal/ land fill location
Drilling medium anticipated for	or this well (vertical and horizontal)? A	ir, freshwater, oil based, etc. Vertical on a	r, Horizontal on oil based
-If oil based, what typ	pe? Synthetic, petroleum, etc.Synthetic		
Additives to be used in drilling	g medium? Fluid loss control, emusifier, shale	a stabilizer	
Drill cuttings disposal method	? Leave in pit, landfill, removed offsite	, etc. Removed Offsite	
	to solidify what medium will be used?		
	ame/permit number? Doll cuttings will be disposed off-		PA. Permit # PADEP 100172
on August 1, 2005, by the Off provisions of the permit are elaw or regulation can lead to electify under pena application form and all atta obtaining the information, I	stand and agree to the terms and conditi- ice of Oil and Gas of the West Virginia enforceable by law. Violations of any tenforcement action. Ity of law that I have personally exam- achments thereto and that, based on a believe that the information is true, ac- information, including the possibility of	Department of Environmental Protect erm or condition of the general perm tined and am familiar with the informal inquiry of those individuals immodurate, and complete. I am aware	ion. I understand that the it and/or other applicable mation submitted on this nediately responsible for
Company Official Signature	Aul AZ	RECEIV	EU
Company Official (Typed Na	nme) Branden Weimer	Office of 1	103
Company Official Title Con-		4000 7	
Subscribed and sworn before	me this 25 day of Febru	Lei I vi i e i	MMONWEALTH OF PENNSYLVANIA NOTARIAL SEAL
My commission expires	1 Stoma Daginger	Notary Public	THOMAS BASINGER Notary Public NELL SVILLE CITY FAYETTE CNTY

Chevron Appalachia, LLC		7		
Proposed Revegetation Treatment: Ac	cres Disturbed 13.6	Prevegetation pH /		
	is/acre or to correct to pH mes, legume stands only, grass stands	5.5-7		
Fertilizer type				
Fertilizer amount 1000	lb	os/acre		
Mulch_2	Tons/a	nere		
	Seed	d Mixtures		
Temporary	,	Permanent		
Seed Type Ibs Annual Ryegrass See	s/acre Pg ES104	Seed Type Ibs/acre Kentucky 31 Fescue See Pg ES104		
Barley or Oats See Pg E	ES104	Red Fescue See Pg ES104		
Millet See Pg ES104		Crownvetch See Pg ES104		
Attach: Drawing(s) of road, location, pit and p				
Attach: Drawing(s) of road, location, pit and p provided) Photocopied section of involved 7.5' to	proposed area for land app	plication (unless engineered plans including this info have bee		
Attach: Drawing(s) of road, location, pit and p provided) Photocopied section of involved 7.5' to	oroposed area for land approposed area for land area for land area for land approposed area for land area for lan	plication (unless engineered plans including this info have bee		
Attach: Drawing(s) of road, location, pit and p provided) Photocopied section of involved 7.5' to Plan Approved by: Comments: The following	oroposed area for land appropriate the land appropr	plication (unless engineered plans including this info have bee August Kayon of Kayon eit conditions required to introus Pistonice to - de		
Attach: Drawing(s) of road, location, pit and p provided) Photocopied section of involved 7.5' to Plan Approved by: Comments: PEP Warren For the following wearant occupie	opographic sheet. Calologe and Farme g well rec	plication (unless engineered plans including this info have bee Aug The eit conditions required to introps: Pistonice to - du g 46=5 from center of		
Attach: Drawing(s) of road, location, pit and p provided) Photocopied section of involved 7.5' to Plan Approved by: Comments: PEP Warren For the following wearant occupie	oroposed area for land approposed area for land appropriate sheet. Colored and Farmer and Farmer and Farmer and Farmer and form the land appropriate sheet.	plication (unless engineered plans including this info have bee Alaya of had eit associations organized to introus: Pistonice to - du g & 6=5 from conter of and to wetlands.		
Attach: Drawing(s) of road, location, pit and p provided) Photocopied section of involved 7.5' to Plan Approved by: Comments: PEP Warren For the following wearant occupie	oroposed area for land approposed area for land appropriate sheet. Colored and Farmer and Farmer and Farmer and Farmer and form the land appropriate sheet.	plication (unless engineered plans including this info have bee Aug The eit conditions required to introps: Pistonice to - du g 46=5 from center of		

Wetland Waiver Request

API Number 5101748

Well Number 2H

Operator Chevron Appalachia, LLC

Pad Name Hart Wells 2H-10H

Submit a conclusive demonstration to justify the proposed activity by addressing the following:

- 1. Demonstrate that there is not a practical alternative to impact the Waters of the U.S. by including other alternatives that were considered but eliminated.
 - a. Include a No-Action Alternative as to show "the future without the project"
 - b. Location Alternatives must be shown
 - c. Must demonstrate why a 100' buffer cannot be maintained

The Hart Well Pad is an existing well pad that has been purchased by Chevron and has been previously constructed by another well operator. In order to add more wells to the existing pad, Chevron is expanding the well pad surface. The Wetland Waiver Request is for a field identified wetland located approximately 46-ft north of the existing well pad. As the well pad is an existing feature, the No-Action Alternative and the proposed project involve an equal amount of disturbance to the wetland. The proposed expansion implements efforts to minimize impact to Waters of the U.S. on site to the greatest extent practicable – the well pad expansion will not be directed in a manner that further encroaches on Waters of the U.S. on site. Additionally, adding wells to the existing pad not only reduces surface area disturbances by reducing the number of well sites, but also results in fewer access driveways being constructed. The 100-ft buffer cannot be maintained due to the pre-existing conditions on site. Please refer to the attached Environmental Exhibit (EX-1).

2. Show that treatment facilities (Erosion and Sediment Control Features) will be located as close as practical to the source(s) with which it is associated.

The edge of the proposed limit of disturbance is shown as close to the E&S control features (access road cross culvert with rip rap apron & rock filter and super silt fence) and the edge of the well pad/cut slope as possible. Runoff from the access road is collected and routed away from the wetland. Please refer to the Erosion and Sediment Control Plan.

- 3. Demonstrate that all proposed activity will not impact Waters of the U.S. more than is necessary to accommodate the proper construction and operation of the facility.
 - a. Specify and identify wetlands using unique identification and/or perennial streams located within 100' of the pad's limit of disturbance (including erosion and sediment controls).

Received

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MAR 3 1 2014

Wetland Waiver Request

API Number 5101748

Well Number 2H

Operator Chevron Appalachia, LLC

Pad Name Hart Wells 2H-10H

b. Is the proposed project the least environmentally damaging practicable alternative to the waters of the United States, so long as the alternative does not have other environmental consequences.

Multiple Unnamed Tributaries to North Fork Middle Grave Creek are located east and south of the existing well pad. No perennial streams are located within 100-ft of the well pad's limit of disturbance. Five (5) field located wetlands (Wetlands 1-6), all Palustrine Emergent (PEM), are located on site. Wetland #6 is located 46-ft north of the well pad. The limit of disturbance has been adjusted to the greatest extent practicable in order to achieve the 100-ft buffer requirement for five out of six (5/6) field located wetlands on site. As the well pad has already been constructed within 100-ft to Wetland #4 by another operator, Chevron is minimizing any further disturbance to the wetlands on site by expanding the well pad in other directions. The proposed well pad expansion will not further encroach on wetland #6. Please refer to the attached Environmental Exhibit (EX-1).

	Field	Located Wetlan	ds On Site	
Wetland ID	USACE Water Type	NWI Classification	Approximate Size (Acres)	Distance from LOD (feet)
Wetland 1	RPWWD	PEM	0.035	101
Wetland 2	RPWWD	PEM	0.018	156
Wetland 3	ISOLATE	PEM	0.010	100
Wetland 4	ISOLATE	PEM	0.014	100
Wetland 5	ISOLATE	PEM	0.005	149
Wetland 6	ISOLATE	PEM	0.008	46

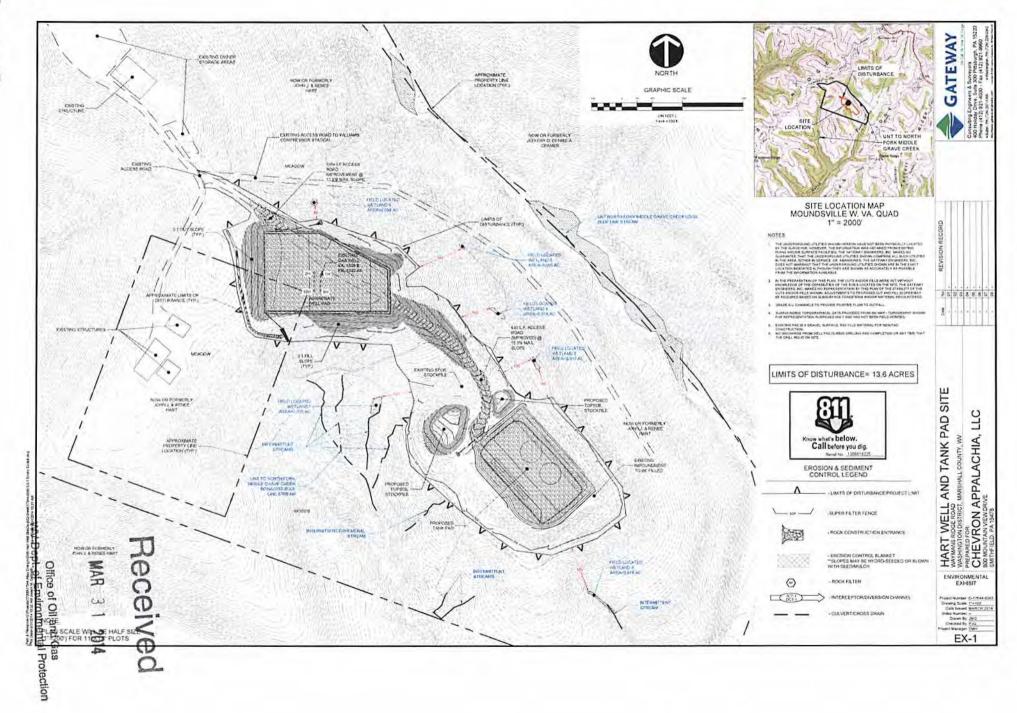
- 4. Provide mapping, plans, specifications and design analysis for the preferred alternative to the project.
 - a. Specify in writing what additional controls, measures, devices, monitoring, etc will be utilized to protect these wetlands and/or perennial streams.

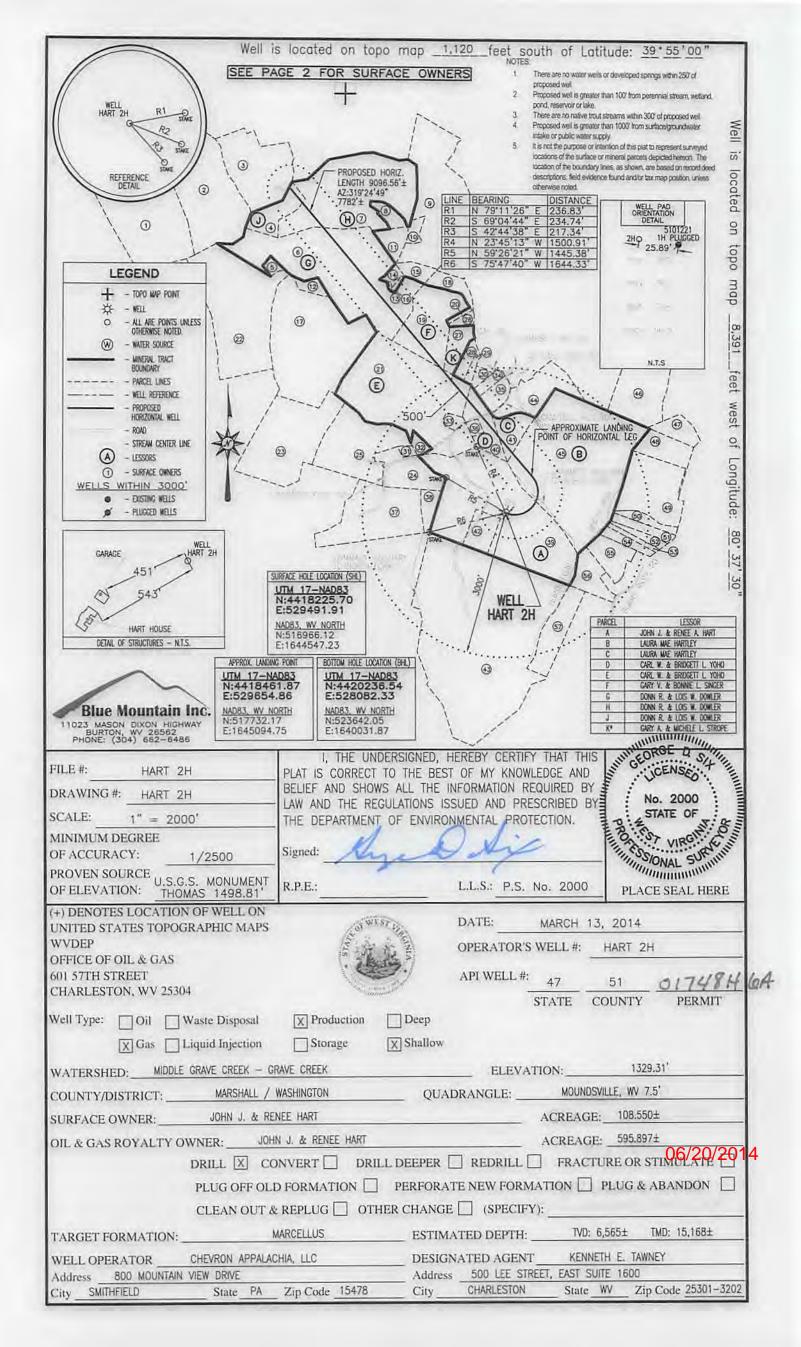
The following controls will be utilized to protect the wetland:

- 1) The upstream grading operations are entirely in cut, no sediment laced runoff will discharge directly to the wetland.
- 2) Super silt fence will act as a sediment barrier.
- 3) An endwall with rip rap and rock filter outlet will divert access road flow away from the wetland.

Received

MAR 3 1 2014





HART 2H

100	SURFACE OWNER	DIST-TM/PAR
1	WILLIAM H. III & LINDA BARDALL	14-7/42
2	WILLIAM H. III & LINDA BARDALL	14-7/41
	MARSHALL COUNTY 4-H LEADERS	14-7/40
	JOHN R. REGAN & CONNIE L. THOMAS	14-6/1
	JEFFREY L. & JANET L. ALLEN	14-6/40
	JEFFREY L. & JANET L. ALLEN	14-6/38
	JOHN R. REGAN & CONNIE THOMAS	14-6/2
	DANIEL R. WOOD - SHAWN ALLMAN	14-6/2.1
_	JOHN R. REGAN & CONNIE L. THOMAS	14-6/3
	ROBERT R. & KATHY D. BROWN	14-6/3.4
	JOHN R. REGAN & CONNIE L. THOMAS	14-6/3.3
_	JEFFREY L. & JANET L. ALLEN	14-6/39
	BERRIDGE L. ALLEN ET UX	14-6/38.1
	BERRIDGE L. ALLEN ET UX	14-6/38.3
_	MARC A. MOLOSKI ET UX	14-6/3.1
	BERRIDGE L. ALLEN ET UX	14-6/38.2
	JEFFREY L. & JANET L. ALLEN	14-6/37
	MARC MOLOSKI	14-6/37
	GARY V. SINGER ET UX	14-6/34.7
	GARY V. SINGER ET UX	14-6/34.9
	CARL W. & BRIDGETT L. YOHO	14-6/35
	JOHN W. & MARY A. MILLER	14-6/41
	DENNIS BLAKE ET UX	14-10/10
	JOHN J. II & JENNA E. HART	14-10/11
	DENNIS & MICHELLE S. BLAKE	14-10/11.3
	BONNIE L. & GARY V. SINGER	14-6/34.8
7	GARY A. STROPE	14-6/34.10
8	JAMES D. & DONNA J. DRAKE	14-6/34
9	JENNIFER B. READ	14-6/34.5
30	JERRY S. WHORTON ET UX	14-6/29.1
51	JAMES E. BLAKE	14-10/11.1
52	JOHN J. HART ET UX	14-6/36
	CARL W. YOHO ET AL	14-6/35.1
	RODNEY J. & CARRIE L. FONNER	14-6/29
	MARTIN D. FONNER JR. ET UX	14-6/29.2
	CARL W. & BRIDGETT L. YOHO	14-6/28.1
	JAMES E. CURRY	14-10/13
	JOHN J. HART ET UX	14-10/14
	JOHN J. & RENEE HART	14-10/19.1
	CARL W. & BRIDGETT L. YOHO	14-6/28
	JEFFREY D. & DENISE A. CRAMER	14-6/27
_	JOHN J. & RENEE HART	14-10/19
_		14-10/18
	JOHN J. HART ET UX	14-6/26
	ANNE E. MORRIS	14-10/20
	JEFFREY D. & DENISE A. CRAMER	14-6/18.4
	JOHN A. BIERCE ET UX	
_	LEROY E. MEADOWS ET UX	15-8/4
	LEROY E. MEADOWS ET UX	15-8/5.10
	STEVE M. BONAR II	15-8/5.1
	REX W. & JANET L. GARRISON	15-8/5
	REX W. & JANET L. GARRISON	15-8/5.8
	REX W. GARRISON	15-8/5.6
	REX W. & JANET L. GARRISON	15-8/5.9
54	EDWARD D. & MALLORY J. FORDYCE	15-8/5.5
55	JOHN E. DRAKE ET UX	15-15/8.16
	HEIKKI & TRISHA YEAGER	15-15/8.6
57	JOHN A. BIERCE II ET UX	15-15/3

06/20/2014

Blue Mountain Inc. 11023 MASON DIXON HIGHWAY BURTON, WY 26562 PHONE: (304) 662-6486

MARCH 13, 2014