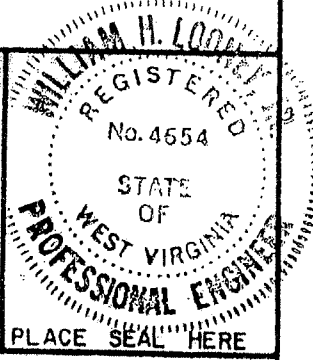


FILE NO. 01079  
 DRAWING NO. 2  
 SCALE 1"=1000'  
 MINIMUM DEGREE OF ACCURACY 1/200  
 PROVEN SOURCE OF ELEVATION BM 1312

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 DEPARTMENT OF MINES.  
 (SIGNED) Wm. H. Loope, Jr.  
 R. P. E. # 4654 L. L. S.



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS  
 FORM IV-6  
 (8-78)



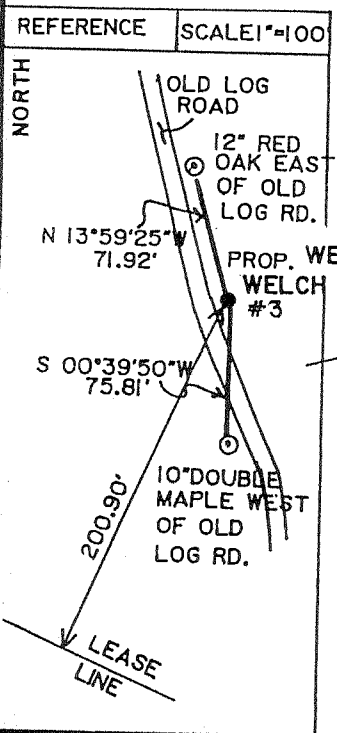
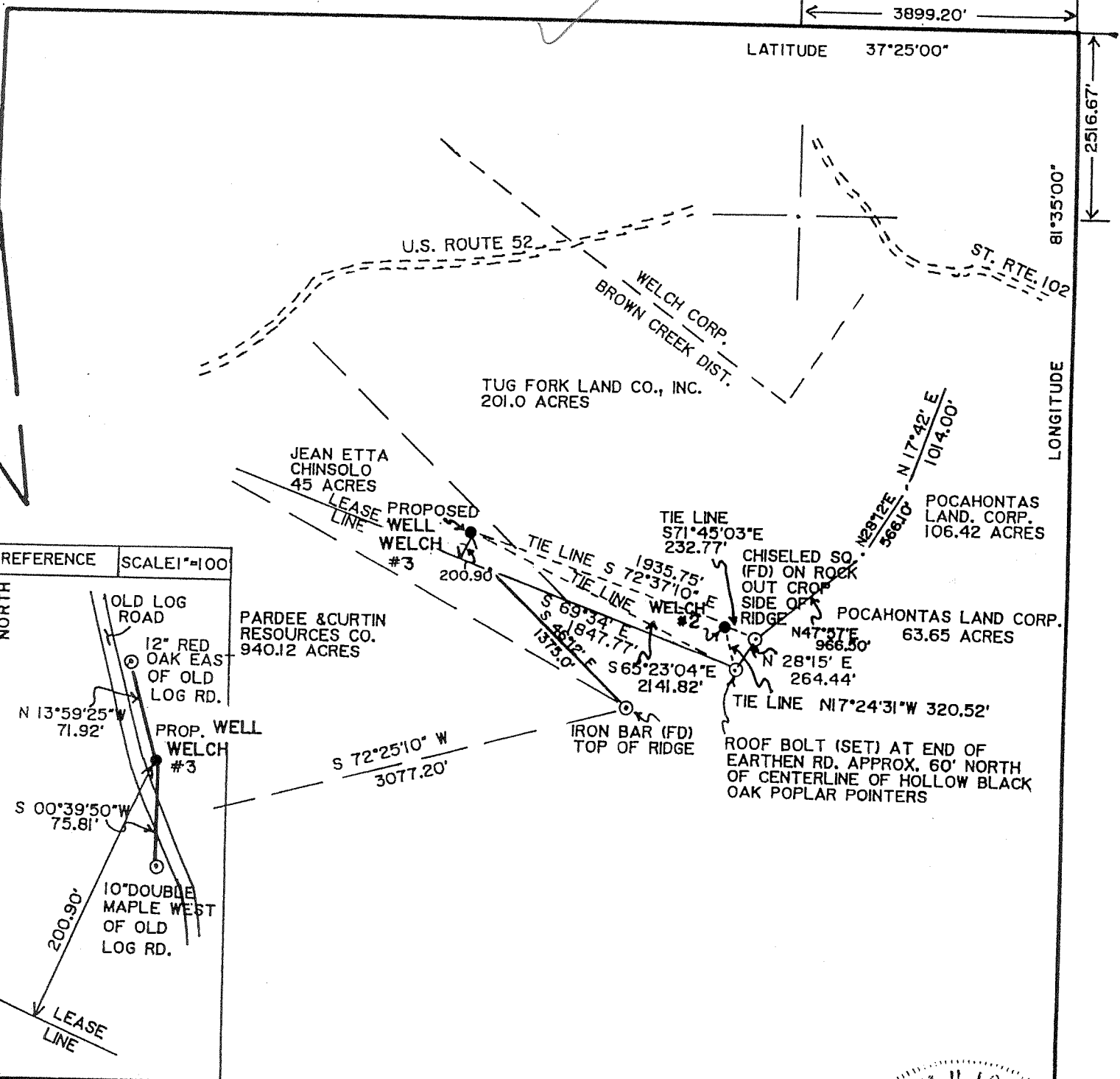
DATE JUNE 12, 2008  
 OPERATOR'S WELL NO. 3  
 API WELL NO. 47-047-01798 F  
 STATE COUNTY PERMIT

Division of Environmental Protection  
 Office of Oil & Gas

WELL TYPE: OIL  GAS  LIQUID INJECTION  WASTE DISPOSAL   
 (IF "GAS", PRODUCTION  STORAGE  DEEP  SHALLOW   
 LOCATION: ELEVATION 2057' WATER SHED TUG FORK WATERSHED  
 DISTRICT BROWNS CREEK COUNTY MCDOWELL  
 QUADRANGLE WELCH  
 SURFACE OWNER JEAN ETTA CHINSOLO ACREAGE 45±  
 OIL & GAS ROYALTY OWNER ENERGY DEVELOPMENT CORP. LEASE ACREAGE 624.04  
 LEASE NO. \_\_\_\_\_  
 PROPOSED WORK: DRILL  CONVERT  DRILL DEEPER  REDRILL  FRACTURE OR STIMULATE  PLUG OFF OLD FORMATION  PERFORATE NEW FORMATION  OTHER PHYSICAL CHANGE IN WELL (SPECIFY) \_\_\_\_\_  
 PLUG AND ABANDON  CLEAN OUT AND REPLUG   
 TARGET FORMATION BEREA, GORDON ESTIMATED DEPTH 4787' JUL 25 2008  
 WELL OPERATOR ENERGY DEVELOPMENT CORP. DESIGNATED AGENT SANDRA K. BELCHER  
 ADDRESS 534 VIRGINIA AVENUE ADDRESS RTE. 3 BOX 425  
BLUEFIELD, VA, 24605 BLUEFIELD, WV 24701

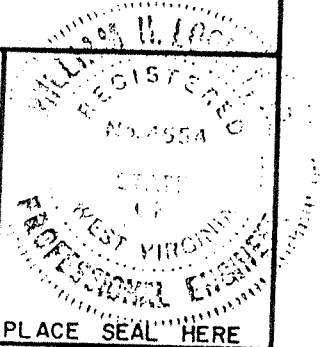
(Blue Creek 267) 6-6

McDOW 1798F



FILE NO. 01079  
 DRAWING NO. 3  
 SCALE 1"=1000'  
 MINIMUM DEGREE OF ACCURACY 1/200  
 PROVEN SOURCE OF ELEVATION BM 1312

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 DEPARTMENT OF MINES.  
 (SIGNED) Wm. H. Honey Jr.  
 R.P.E. # 4654 L.L.S.



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS  
 FORM IV-6  
 (8-78)



DATE 10-10-02 20 02  
 OPERATOR'S WELL NO. WELCH # 3  
 API WELL NO. 47 - 47 - 01798  
 STATE COUNTY PERMIT

Division of Environmental Protection  
 Office of Oil & Gas

WELL TYPE: OIL  GAS  LIQUID INJECTION  WASTE DISPOSAL   
 (IF "GAS", PRODUCTION  STORAGE  DEEP  SHALLOW   
 LOCATION: ELEVATION 2057' WATER SHED TUG FORK WATERSHED  
 DISTRICT BROWNS CREEK COUNTY MCDOWELL  
 QUADRANGLE WELCH  
 SURFACE OWNER JEAN ETTA CHINSOLO ACREAGE 45±  
 OIL & GAS ROYALTY OWNER ENERGY DEVELOPMENT CORP. LEASE NO. \_\_\_\_\_ LEASE ACREAGE 624.04  
 PROPOSED WORK: DRILL  CONVERT  DRILL DEEPER  REDRILL  FRACTURE OR STIMULATE  PLUG OFF OLD FORMATION  PERFORATE NEW FORMATION  OTHER PHYSICAL CHANGE IN WELL (SPECIFY) \_\_\_\_\_  
 PLUG AND ABANDON  CLEAN OUT AND REPLUG   
 TARGET FORMATION BEREA, GORDON ESTIMATED DEPTH 4992'  
 WELL OPERATOR ENERGY DEVELOPMENT CORP. DESIGNATED AGENT SANDRA K. BELCHER  
 ADDRESS 534 VIRGINIA AVENUE ADDRESS RTE. 3 BOX 425  
BLUEFIELD, VA, 24605 ADDRESS BLUEFIELD, WV 24701

JUN 27 2003

McDow 1798

State of West Virginia
DEPARTMENT OF ENERGY
Division of Oil and Gas
Well Operator's Report of Well Work

Farm Name: Jean Etta Chinsolo
Operator Well No. Welch #3
Location: Elevation: 2057'
District: Browns Creek
County: McDowell
Latitude: 2,517 Feet South of 37 Degrees 25 Minutes 0 Seconds
Longitude: 3,899 Feet West of 81 Degrees 35 Minutes 0 Seconds

Company: Energy Development Corp.
534 Virginia Avenue
Bluefield Va. 24605

Agent: Sandra Belcher
Inspector: Carlos Hively / Bill Hatfield
Permit Issued: 6/25/2003
Well work Commenced: 6/3/2005
Well work Completed: 6/14/2005
Verbal Plugging Permission granted on: NA
Rotary X Cable Tool Rig
Total Depth (ft): LTD- 6408' DTD- 6427'
Fresh Water Depths (ft): 930', 1030'
Salt Water Depths (ft): none
Is coal being mined in area: No
Coal Depths: 80-82', 370-375' opening, 450-452', 715-717'

Table with 4 columns: Casing & Tubing, Used in Drilling, Left in Well, Cement Fill Up Cu. Ft.
Rows: 18, 13 3/8, 9 5/8, 7, 4 1/2

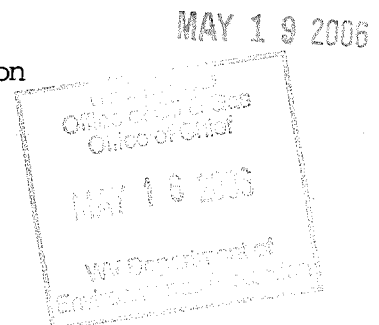
OPEN FLOW DATA:

Producing formation(s): Lower Huron, Middle Huron Pay zone depth (ft) See back
Gas: Initial open flow trace MCF/D Oil: Initial open flow 0 Bbl/d
Final open flow 250 MCF/D Final open flow 0 Bbl/d
Time of open flow between initial and final tests: 36 Hours
Static rock pressure 650# psig (surface pressure) after 72 Hours

Second producing formation(s): NA Pay zone depth (ft) See back
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 THE BACK OF THIS FORM PUT THE FOLLOWING; 1). DETAILS OF PERFORATED INTERVALS, FRACTURING OR STIMULATING, PHYSICAL CHANGE, ETC. 2.)THE WELL LOG WHICH IS A SYSTEMATIC DETAILED GEOLOGICAL RECORD OF ALL FORMATIONS INCLUDING COAL ENCOUNTERED BY THE WELLBORE.

FOR: Energy Development Corporation
BY: [Signature], Pres
DATE: May 10, 2006



Mc Dow 1798

**6-27-2005**

MIRU Key Energy, run GR/CCL bond log. Cased Logger's TD – 6329'. Calc TOC – 3935'.  
Actual TOC – 3980'. MIRU swab rig at a later date, swab well dry.

**9-8-2005**

MIRU Superior Well Services and Key Energy Services to conduct 2-stage completion.  
Test lines to 4171 psi, top pressure set at 4000 psi. Perforate Lower Huron (1<sup>st</sup> Stage)

**1st Stage – Lower Huron (6024.5-6223', 23 holes), N<sub>2</sub> Frac**

9 Bbls. (375 gals) 15% HCl, 877 Mscf N<sub>2</sub>, 18 perf balls dropped in 6 stages  
BKDN – 2,533 psi, ATP – 2,911 psi, AIR – 38.5 Mscf/min, ISIP – 2,394 psi

RIHUp, perforate Middle Huron (2<sup>nd</sup> Stage) Set "Large Mouth" frac plug at 5,955'

**2nd Stage – Middle Huron (5690.5-5907.5', 23 holes) N<sub>2</sub> Frac**

12 Bbls. (500 gals) 15% HCl and Frac Ball, 876 Mscf N<sub>2</sub>, 15 perf balls dropped in 4 stages  
BKDN – 2,128 psi, ATP – 3,039 psi, AIR – 40.3 Mscf/min, ISIP - 2,929 psi

RDMO Superior Well Services and Key Energy Services. RU flowback and open well on 1/4" choke.

**Formation Depths taken from Driller's Log Book**

Sandstone	0' - 80'	
<b>Coal</b>	<b>80' - 82'</b>	
Sandy Shale	82' - 130'	
Sandstone	130' - 370'	
<b>Coal (open mine)</b>	<b>370' - 375'</b>	
Sandy Shale	375' - 418'	
Sandstone	418' - 450'	
<b>Coal</b>	<b>450' - 452'</b>	
Streaky Sandy Shale	452' - 715'	
<b>Coal</b>	<b>715' - 717'</b>	
Sandy Shale	717' - 1945'	Wet at 930' - 1" stream, 4" stream at 1030'

**Formation Depths taken from Gamma Ray Log**

<b>Ravencloff</b>	<b>1945' - 2060'</b>	Gas check at 2053'- no show
Sand/Shale	2060' - 2125'	
<b>Avis Lime</b>	<b>2125' - 2171'</b>	
Shale/Sand	2171' - 2609'	
<b>Maxon</b>	<b>2609' - 2697'</b>	
Shale/Sand	2697' - 3191'	
<b>Little Lime</b>	<b>3191' - 3316'</b>	Gas check at 3315'- no show
Shale	3316' - 3363'	
<b>Big Lime</b>	<b>3363' - 4013'</b>	
Shale	4013' - 4044'	
<b>Weir</b>	<b>4044' - 4260'</b>	
Shale	4260' - 4618'	
<b>Coffee Shale</b>	<b>4618' - 4634'</b>	
<b>Berea</b>	<b>4634' - 4674'</b>	
Shale	4674' - 6092'	
<b>Lower Huron</b>	<b>6092' - 6229'</b>	
<b>Java</b>	<b>6229' - 6408'</b>	LTD Gas check at 6408'- trace

Total Depth 6408' LTD

Well Logged by Allegheny Wireline Services

MAY 19 2006

McDow 1798