

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

September 30, 2014

WELL WORK PERMIT

Vertical Well

This permit, API Well Number: 47-5902247, issued to QUALITY NATURAL GAS, 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: 2354

Farm Name: LOGAN COAL & TIMBER CORP.

API Well Number: 47-5902247 Permit Type: Vertical Well

Date Issued: 09/30/2014

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. 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.
- 2. 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.

Form: WW - 2B

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

WELL WORK PERMIT APPLICATION

1)Well Operator	Quality Natural Gas, LLC	494477013	Uingi 059	Magnolia	45 ² Majestic
Tyvveii Operator	Quality Natural Gas, EES	Operator ID	County	District	Quadrangle
2) Operators Well I	Number <u>2354</u>	3) E	levation: _	794.20'	_
4) Well Type: (a) O (b) If (il or Gas <u>X</u>	ground Storage	-		
 Proposed Total I Approximate free 	Formation(s): B.Lime, Weir, Berea, B.Depth: +/- 4257' Feet Formation Coal water depths: NONE EXPEC	n at Proposed To 327'			
11) Does land cont	I seam depths: aid depths, (coal, karst, other): None experiment of the property of the prop		countered s	ee WW-2B /	Attachment
13)	CASING AND TUBING	G PROGRAM	-		4

TIPE :	SPECIFIC	AHUNS		FUUTAGE	INTERVALS	CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	13 3/8"	L.S.	37'	42 '	42'	C.T.S.
Fresh Water	9 5/8"	L.S.	32'	360'	360'	C.T.S.
Coal	9 5/8"	L.S.	32'	360'	360'	C.T.S.
Intermediate	7"	L.S.	17'	2047'	2047'	C.T.S.
Production	4 1/2"	WTC 65	10.5	4257'	4257'	200'up in 7" casing
Tubing						•
Liners						

Packers:

Kind Sizes

Depths Set

AUX: 29 7,14

Form: WW - 2B ATT:

If a mine void is encountered the 13 %" conductor pipe will be pulled allowing us to drill on down with 17 ½" bit to 30' ± below mine floor. This will allow us to set 13 %" below mine void and cement below mine floor and above void using baskets. We can then continue on with 12 ¼" bit to fresh water casing point. The 9 %" casing can be set thru 2nd void if encountered and to fresh water casing point

Received

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Office of Oil and Gas
WV Dept. of Environmental Erotoction

WW2-A (Revised	6/07)

1) Date: APRIL 24, 2014

2) Operator's Well Number

2354

3) API Well No.: 47 -

059 County

Permit

STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE AND APPLICATION FOR A WELL WORK PERMIT

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	ner(s) to be served:	5) (a) Coal C	
(a) Name	SEE ATTCHEMNT WW2-A1	Name	Oran minino, 220.
Address	-	Address	P.O. BOX 1169 PIKEVILLE, KY 41502
(b) Name	\$ 	(b) Coal Ow	ner(s) with Declaration
Address		Name	SEE ATTACHMENT WW2-A2
		Address	
(c) Name		Name	
Address	1	Address	
6) Inspector	Jeremy James		see with Declaration
Address	P.O. BOX 147	Name	CAM OF KENTUCKY REAL ESTATE, LLC.
	Ona, WV 25545	Address	P.O. BOX 1169 PIKEVILLE, KY 41502
Telephone	(304) 951-2596		-
	TO THE PERSON	IS NAMED ABOVE TA	KE NOTICE THAT:
Included is t			y which I hold the right to extract oil and gas
OR			
X Included is t	the information required by Chapter 22	, Article 6, Section 8(d)	of the Code of West Virginia (see page 2)
Lectify that as r	required under Chapter 22-6 of the W	est Virginia Code I hav	e served copies of this notice and application, a location
	panying documents pages 1 through		
prost series sees in p	Personal Service (Affidavit att		
	X Certified Mail (Postmarked po		
-	Publication (Notice of Publica		
I have r			agree to the terms and conditions of any permit issued
under this applica	"NASC" (18.0.) - '' - '' - '' - '' - '' - '' - '' -	nu 55 Con 4, anu i e	agree to the terms and conditions of any permit issued
		nerconally evamined a	and am familiar with the information submitted on this
			se individuals immediately responsible for obtaining the
information I hel	lieve that the information is true, accur	ate and complete	se marriadais infinediately respensible for obtaining the
I am a	ware that there are significant pen	alties for submitting	false information, including the possibility of fine and
imprisonment.	ware that there are eigenbank pan		are members meeting are property of
mpricon micre.	Well Operator	Quality Natura	I Gas, LLC / By: Quality Natural Gas Management,
77751	081100	LLC / Its: Mana	
150	Well Operator By: Its: Address		V
	14 Its:	Manager	Vint
	29 - Address	P.O. Box 460	
A	Address		
		Allen, KY 4160	
	of Oil and Cars Legephone	(606) 874-8041	
Subscribed and	when of Oil and the Protection Telephone sworn before me this	ayof May	, 2014
Atach	6/. 1	50	Notary Public
	19 mil	perar	Notary Fublic
My Commission	Expires 4-27.	2017	
All and Can Drive	au Matias		

Oil and Gas Privacy Notice

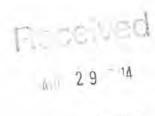
The Office of Oil and Gas processes your personal information, such as name, address and phone number, as a part of our regulatory duties. Your personal information may be disclosed to other State agencies or third parties in the normal course of business or as needed to comply with statutory or regulatory 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 EEP's Chief Privacy Officer at depprivacyofficer@wv.guv

WW2-A1 SURFACE OWNERS

Logan Coal & Timber Corporation 37 North Valley Road, Suite 2-A, Paoli, Pennsylvania 19301

C.W. Campbell Company 848 Fourth Avenue, Suite 301 Huntington, West Virginia 25701

Dingess-Rum Properties, Inc. 723 Kanawha Boulevard, East Union Building, Fourteenth Floor Charleston, West Virginia 25301



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WW-2A Surface Waiver

SURFACE OWNER WAIVER

County	Mingo	Operator	Quality Natural Gas, LLC	
•		Operator well number	2354	

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.
WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas OR District Oil and Gas Inspector Department of Environmental Protection 601 57th St. SE Charleston, WV 25304 (304) 926-0450

<u>Time Limits and methods for filing comments.</u> The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

<u>Comments must be in writing.</u> Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

<u>List of Water Testing Laboratories.</u> The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through ____ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON

FOR EXECUTION BY A CORPORATION, ETC.

	re-ocived		Logan Coal & Timbe	r Corporation
	Date:	Name		<u> </u>
Signature	A ₁ (1) 2 9 1 14	Ву		hompu f
	·	Its	President	
	Oruse of Onland Gas WV Debt. In Enternational Protection		Olorum 2	1 Kompuf 2014-07-13
	MA Debi - Educational Stotection		Signature	Date /
				10/03/2014

10/03/2014

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		SURF	ACE OWN	ER WAIVE	ER		
County	Min	Mingo Operato		or		Quality Natu	ıral Gas, LLC
			Operato	r well num	ber	2:	354
	INSTRUC	CTIONS TO SUF	RFACE OWN	ERS NAME	ON PAG	SE WW2-A	
The well op If the surface tract appeared on the S be the only owner permits are valid for true owner immedia	is owned by me heriff's tax ticked who will actual or 24 months. It ately if you know NOTE	ore than three p t on the land or l lly receive these f you do not own	persons, then because you be materials.) In any interest please notify TREQUIRE	these mate actually occ See Chapte in the surfact the well ope D TO FILE A	rials were upy the su er 22 of th ce tract, ple erator and ANY COMI	served on you be inface tract. In eit he West Virginia lease forward the the Office of Oil a MENT.	her case, you may Code. Well work se materials to the
Chief, Office of Oil	and Gas OR Dis	strict Oil and Gas	s Inspector				
Department of Env	ironmental Prote	ection					
601 57 th St. SE Charleston, WV 25	5304						
(305) 926-0450		elle serve la Contain le	¥0.00000000	to a the same as			refers the date the
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order on Form W described therein.	W2-B, a survey	plat, and a sol	ii and erosioi	n plan, all to	or propose	d well work on h	ly surface failu as
I further st			ne planned w	ork describe	d in these	materials, and I h	ave no objection to
a permit being issu FOR EXECUTION	BY A NATURA	L PERSON		FOR	EXECUT	ION BY A CORPO	DRATION, ETC.
		Ro volv	ed	Maria .	C.W. Can	npbell Company	
Signa	ature	Date:	1.6	Name By Go	ara D	Bald-uin	
9//	VIII. 3	Apr. 29	9		resident	0	71.1
			Cago	×	by D.	Beld	1/7/201
			Transfer.	/ Si	gnature		Date

10/03/2014

WW-2A Surface Waiver

	SU	IRFACE OWNER WA	AIVER	
County	Mingo	Operator		Quality Natural Gas, LLC
		Operator well r	number	2354
	INSTRUCTIONS TO	SURFACE OWNERS NA	MED ON PAGE	WW2-A
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Department of Envi	and Gas OR District Oil and ronmental Protection	d Gas Inspector		
601 57 th St. SE Charleston, WV 25	304			
operator files his A) be filed in person of be sure of the dain handling. If you hat the planned work do Comments must operator's name and the application. You The Chief h 11) The pro 12) The so 13) Damag 14) The pro 15) The approve of If you war request a copy fro List of Wa	poplication. You have FIFTE or received in the mail by the received in the mail by the received in the mail by the received in these materials, be in writing. Your commod well number and the apput may add other documents as the power to deny or composed well work will constitute or an accordance of the rules promulgated under the composed well work fails to proposed well work fails to propos	EEN (15) DAYS after the e Chief's office by the time master to ensure adequate well operator and you have then the permit may be introduced in the safety of the permit in the permit	filing date to file you stated above. The stated above at the delivery time to signed a "volur saued at any time or name, address proposed well site or photographs to based on common of persons, or effective; or supplies; previous permit of the order o	and telephone number, the well including district and county from to support your comments, ents on the following grounds; r a substantial violation of one or seek review of the violation". denying the permit, you should and laboratories which you can hire
Application for a W order on Form W described therein.	ate that I have read the instell Work Permit on Form W W2-B, a survey plat, and a	structions to surface owner www. W. and attachments a soil and erosion plan, a	ers and that I hav consisting of pag all for proposed	e received copies of a Notice and es 1 through including a work well work on my surface land as aterials, and I have no objection to
a permit being issu	ed on those materials. BY A NATURAL PERSON			N BY A CORPORATION, ETC.
	Fragued		_	m Properties, Inc
- Av. 7		ate: Name	lotre	1 Evans
Signa	ture Alle 29	By Its	Presid	ent
		****	Thins	hum 7/1/14
	MALE DE LA CONTRACTION DE LA C	200	Cianalura	Date

WW2-A2 COAL OWNERS

Logan Coal & Timber Corporation 37 North Valley Road, Suite 2-A, Paoli, Pennsylvania 19301

C.W. Campbell Company 848 Fourth Avenue, Suite 301 Huntington, West Virginia 25701

Dingess-Rum Properties, Inc. 723 Kanawha Boulevard, East Union Building, Fourteenth Floor Charleston, West Virginia 25301

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County	Mingo			
Operator	Quality Natural Gas, LLC	Operator's Well	Number	2354
	INSTRUCTIONS TO C	OAL OPERATOR	, OWNER, OR LESSEE	
any objection ye	oal operator, owner, or les ou wish to make or are red e Office of Oil and Gas wi	uired to make by	Code 22-6-15, 16 or 17,	, must be filed with
601 57 th St. SE Charleston, WV	Environmental Protection			
(304) 320-0433	extension 1004	WAIVER		
		VANVEIX		
well location, the	is examined this proposed ne well location has been a oposed to be done at this irements of the West Virgi	added to the mine location, provide	e map. The undersigned d; the well operator has	d has no objection
FOR EXECUTION	BY A NATURAL PERSON		FOR EXECUTION BY A COI	RPORATION, ETC.
			CAM MINING, LLC.	
	Date	Name	RONALD G. H	410-2
Signat		By	NONALD G. W	ULL
		Its	GM-ENG	
			Ronald G. Hull	8/19/14
			Signature	Date
			Signature	Date
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County	Mingo		
Operator	Quality Natural Gas, LLC	Operator's Well Number	2354
		OAL OPERATOR, OWNER, O	
any objection yo	ou wish to make or are red	uired to make by Code 22-6-1	You are hereby notified that 15, 16 or 17, must be filed with a receipt of this application by
601 57 th St. SE Charleston, WV	Environmental Protection		
(00.7020.00		WAIVER	
well location, the to the work pro	ne well location has been a oposed to be done at this	added to the mine map. The	exists which covers the area of undersigned has no objection operator has complied with all egulations.
FOR EXECUTION	BY A NATURAL PERSON	FOR EXECUT	ION BY A CORPORATION, ETC.
		CAM O	F KENTUCKY REAL ESTATE, LLC.
	Date	Name RONAL	O G. HULL
Signati	ure	Ву	
		Its Gm	- ENG. A. Hull 8/19/14
		Signature	Date

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County	Mingo	Our make the Makell Microschion	0054
Operator	Quality Natural Gas, LLC	Operator's Well Number	2354
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Chief, Office of Oil a Department of Envi 601 57 th St. SE Charleston, WV 253 (304) 926-0499 exte	ronmental Protection 304		
(004) 020-0400 020		WAIVER	
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FOR EXECUTION BY	A NATURAL PERSON	FOR EXECUT	TION BY A CORPORATION, ETC.
		Logan	Coal & Timber Corporation
	Date	Name	
Signature		By Rodman Its Rodman Icolum Signature	

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Office of Oil and Gas
WV Dept. of Environmental Protection

County Operator	Mingo Quality Natural Gas, LLC	Operator's Well Number	2354
	INSTRUCTIONS TO CO	OAL OPERATOR, OWNER, O	R LESSEE
any objection ye	ou wish to make or are req	see named on page WW2-A. uired to make by Code 22-6-19 thin fifteen (15) days after the	5, 16 or 17, must be filed with
601 57 th St. SE Charleston, WV	Environmental Protection	WAIVER	
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FOR EXECUTION	BY A NATURAL PERSON	FOR EXECUTION	ON BY A CORPORATION, ETC.
		C.W. C	ampbell Company
Signate	ure Date	Name By Its Preside T	Baldin 7/7/14 Date
		Reprised	
		and 29 14	

County	Mingo			
Operator	Quality Natural Gas, LLC	Operator's Well I	Number	2354
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	INSTRUCTIONS TO CO	DAL OPERATOR,	OWNER, OR I	-E99EE
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Chief, Office of O Department of E 601 57 th St. SE Charleston, WV (304) 926-0499 6	nvironmental Protection 25304			
(001) 020 0100		WAIVER		
well location, the to the work prop applicable requir	e well location has been a losed to be done at this ements of the West Virgi	added to the mine location, provided nia Code and the g	map. The und i; the well oper governing regul	ts which covers the area of dersigned has no objection rator has complied with all ations. BY A CORPORATION, ETC.
FOR EXECUTION E	BY A NATURAL PERSON		OK EXECUTION	BI A CONFORMION, ETC.
			11.2	um Properties, Inc
Signatu	Date	Name By	1000	ey Evani
Signatur		Its	Pres	sident
			Jusy h	~ 7/2/14
			Signature	Date
			К.	
			Prosy	/ed

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Form WW-2A-1
(Rev.1/11)

Opera	tor's	Well	Number
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-	v	٠.	

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	
Logan Coal & Timber Corporation	Kinzer Business Realty, LTD	1/8	BK 27 P 208	
C.W. Campbell Company	Kinzer Business Realty, LTD	1/8	BK 27 P 208	
Dingess-Rum Properties, Inc.	Kinzer Business Realty, LTD	1/8	BK 27 P 208	

SEE ATTACHED

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 acknowledges 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

AUG 29 14

WV Dept. in continuous at Projection

10/03/2014

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 acquired from the appropriate authority before the affected activity is initiated.

Well Operator:	Quality Natural Gas, LLC / BY: Quality Natural Gas Management, LLC / Its: Manager
By:	Trem Kurai
Its;	Manager

Kinzer Business Realty, Ltd.

Quality Natural Gas, LLC P. O. Box 460 Allen, Kentucky 41601 Telephone #606-874-8041 Facsimile #606-874-9928 dlester@kinzerdrilling.com

September 11, 2014

West Virginia Department of Environmental Protection 601 57th Street, S.E. Charleston, West Virginia 25304

Attn.: Mr. Jeff McLaughlin

Re: Pending 11 Well Applications Quality Natural Gas, LLC

> Logan Coal & Timber Corp., et al Mingo County, West Virginia

Dear Jeff:

As per our discussions yesterday regarding the relationship of the current Lessee, Kinzer Business Realty, Ltd., and that of the current applicant of the eleven (11) pending permit application by Quality Natural Gas, LLC, please be advised that these entities are currently owned and operated by the Kinzer Family. Kinzer Business Realty, Ltd., has designated Quality Natural Gas, LLC (as operator thereof) to permit, operate and maintain oil and gas wells in Kentucky and West Virginia.

Should you have any questions, please feel free to contact me at your earliest convenience.

Singerely.

Duane Lester

Designated Operator

Quality Natural Gas, LLC

By: Quality Natural Gas Management, LLC

Its: Manger

By:

General Manager

Consenting Party:

Kinzer Business Realty, Ltd.

By: Kinzer Buiness Realty, LLC

Its: General Partner

By:____

General Manager

ATE OF KENTUCKY
TATE AT LARGE
nify that by dear , a Notary Public of said County and State aforesaid, do Manager of QUALITY NATURAL GAS, LLC, asse name is signed to the within writing has this day acknowledged the same before me in said county.
commission expires 4.24.2017
ven under my hand this 11 day of September , 2014 NOTAR INDICATE OF THE PROPERTY OF THE PROPE
ATE OF KENTUCKY
ATE AT LARGE
den, General Manager of Kinzer Business Realty, Ltd., whose name is signed to the within writing this day acknowledged the same before me in said county.
Commission Expires: 7.27.267
ven under my hand this day of Sepheral 2014 Lary Public DUBLIC CANTER ARGE, KENTUOLING COMMISSION EXPIRES TO COMISSION EXPIRES TO COMMISSION EXPIRES TO COMPANION EXPIRES TO COMISSION EXPIRES TO COMPANION EXPIRES TO COMPANION EXPIRES TO COMPA

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WW-2B1 (5-12)

Well	No.	2354	

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 ACCULAB, INC., 167 Stollings Avenue, Logan, WV 25601

Sampling Contractor

Acculab, Inc., 167 Stellings Avenue, Logan, WV 25601

Well Operator

Quality Natural Gas, LLC

Address

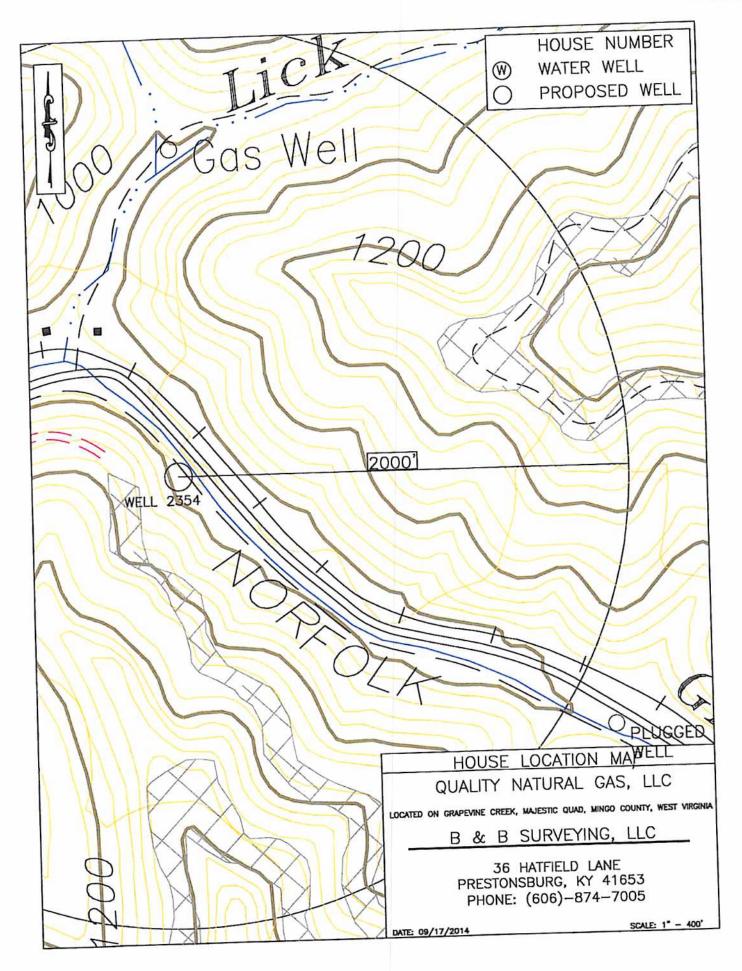
P.O. Box 460 Allen, KY 41601

Telephone

(606) 874-8041

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.

NOW WATER WELLS WITHIN 2000'.



FORM WW-9 Rev. 05/10

Page	of	
API Numb	per 47 - 059 -	
Operator's	Well No. 2354	

STATE OF WEST VIRGINIA

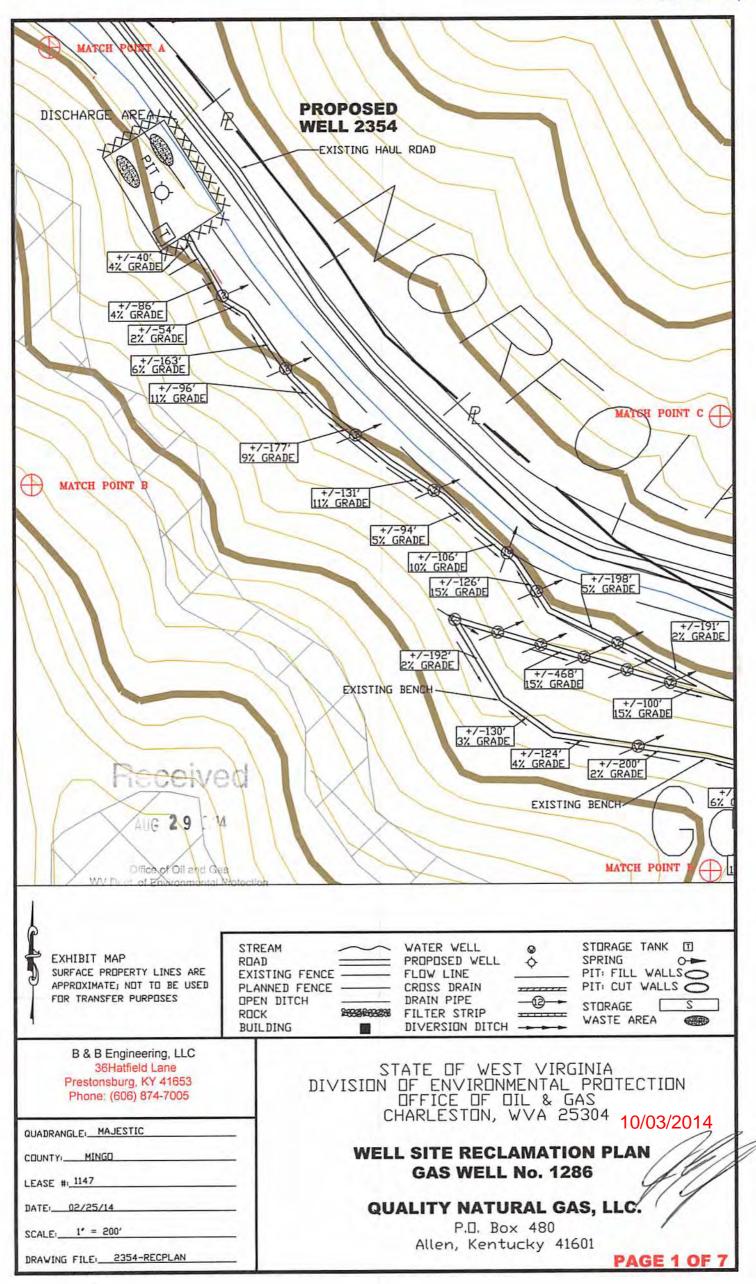
DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

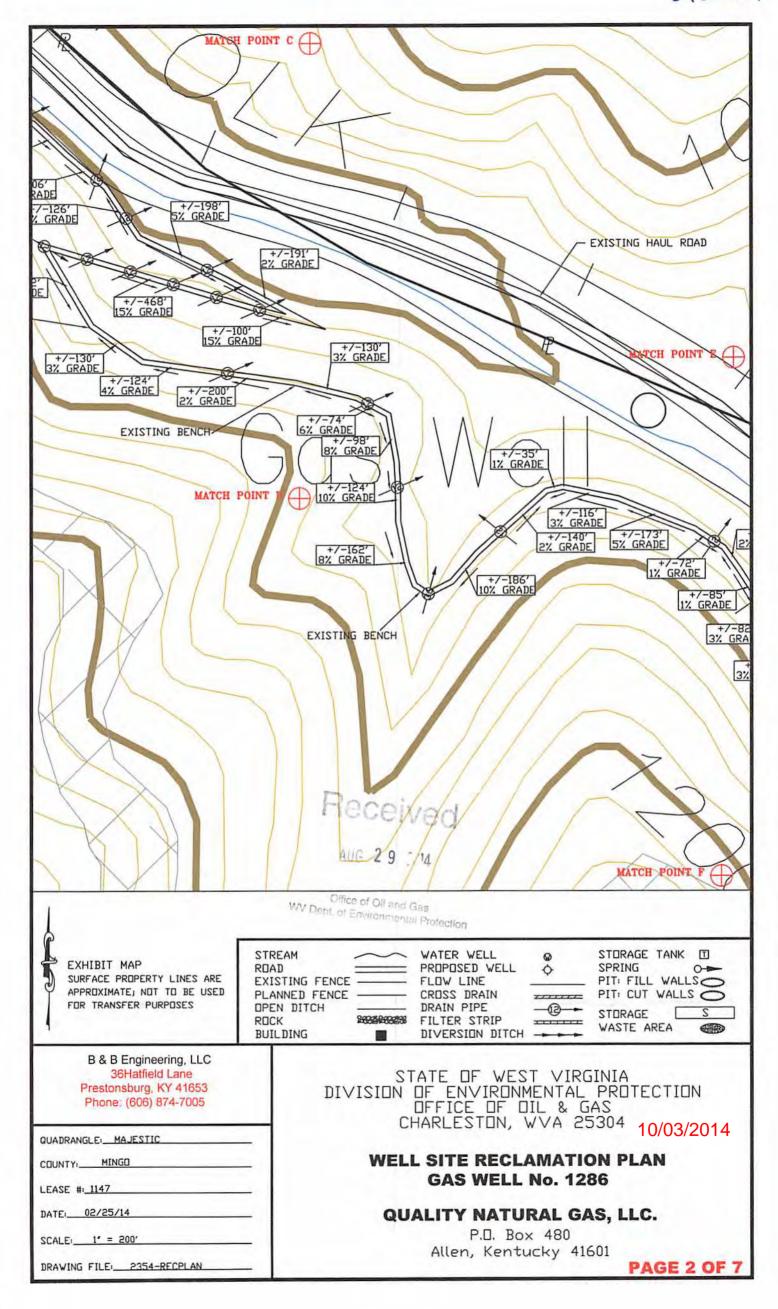
Operator Name	: Quality Natu	ral Gas, LLC		OP Code:	494477013		
Watershed:	Grapevine Creek	of the Tug Fork River	_	1	Quadrangle: Majesti	<u>c</u>	
Elevation	794.20	County: Mingo	District:	Magnolia			
Description of	anticipated Pit Was	ste: Water encountered wh	ile drilling a	nd various for	mations cuttings	4)	
Do you anticip	ate using more th	an 5,000 bbls of water to comp	plete the prop	osed well work?	YesNo	_X	
Will a synthetic	liner be used in th	e pit? Yes, if impervious m	aterial is un	available on si		10 20 MIL	
Proposed Dispo	osal Method For Tr				gwn		
	<u>X</u>	Land Application Underground Injection (U	JIC Permit Nu	mber)	
		Reuse (at API Number			i)	
		Off Site Disposal (Supply Other (Explain	/ Iorm ww-9 I	or disposai iocai	ion)		
Drilling mediu	m anticipated for th	is well? Air, Freshwater, oil ba	sed, etc. Air				
	used? No Additi	Synthetic, petroleum, etc ves					
-Land	Ifill or offsite name	solidify what medium will be t 2/permit number?					
31, 1999, by th	e Office of Oil and	nd and agree to the terms and of Gas of the West Virginia Divi of any term or condition of the	sion of Enviro	nmental Protecti	on. I understand that	the provisions of the permit are	e
all attachments	thereto and that, I true, accurate, and	of law that I have personally ex- pased on my inquiry of those in complete. I am aware that then	ndividuals imn	nediately respons	sible for obtaining the	e information, I believe that the	e
Company Offic	ial Signature	Tany Kin	~				
Company Offic		Terry Kinzer and/or Jer					
Company Offic	ial Title Mana	ger / Quality Natural Gas Ma	nagement, LL	C / Manager of	Quality Natural Ga	s, LLC	
Subscribed and	sworn before me t	his 21 day of	May	, 20	14		
	4	hen Jan Qu		7	y Public	de S	2011
A/		7.27.2017		1	TOUCHYL		1
My Commissio	n Expires	1.5.1.801.1			A((C 2 9 11)	4	

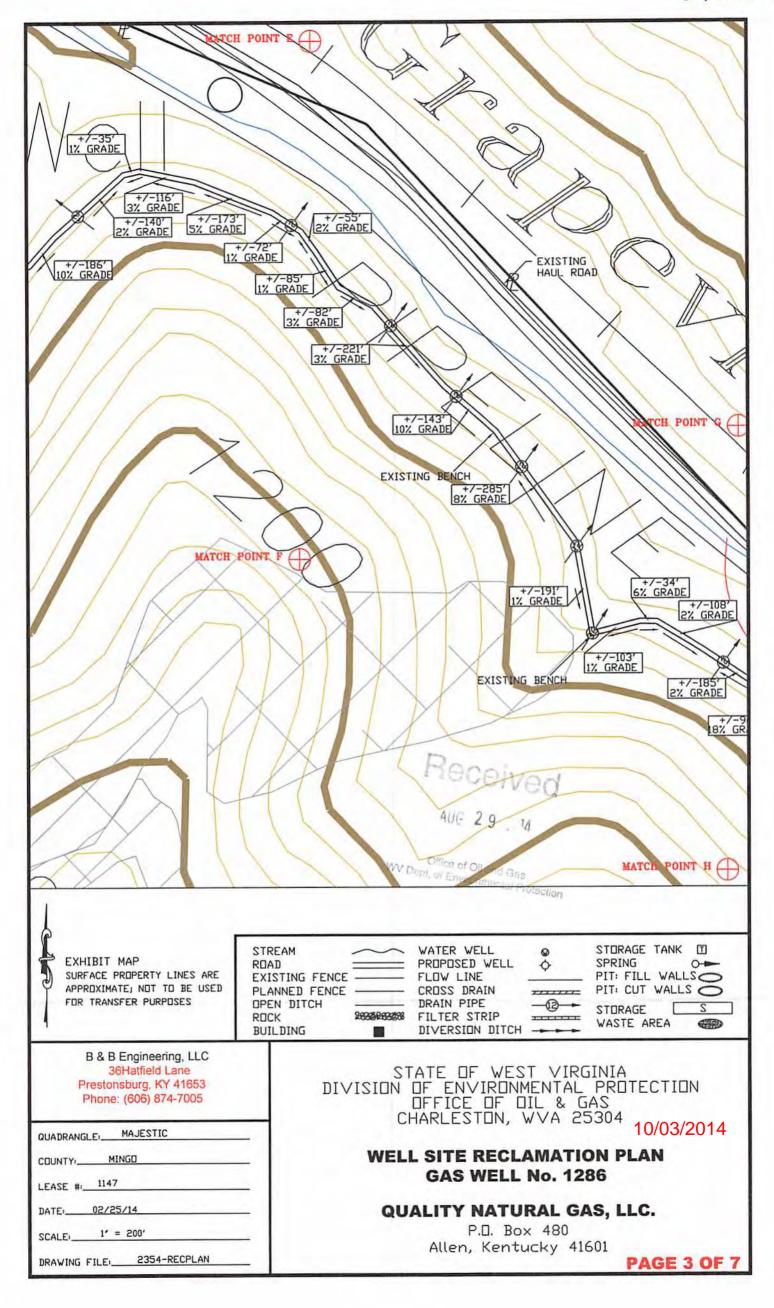
2354

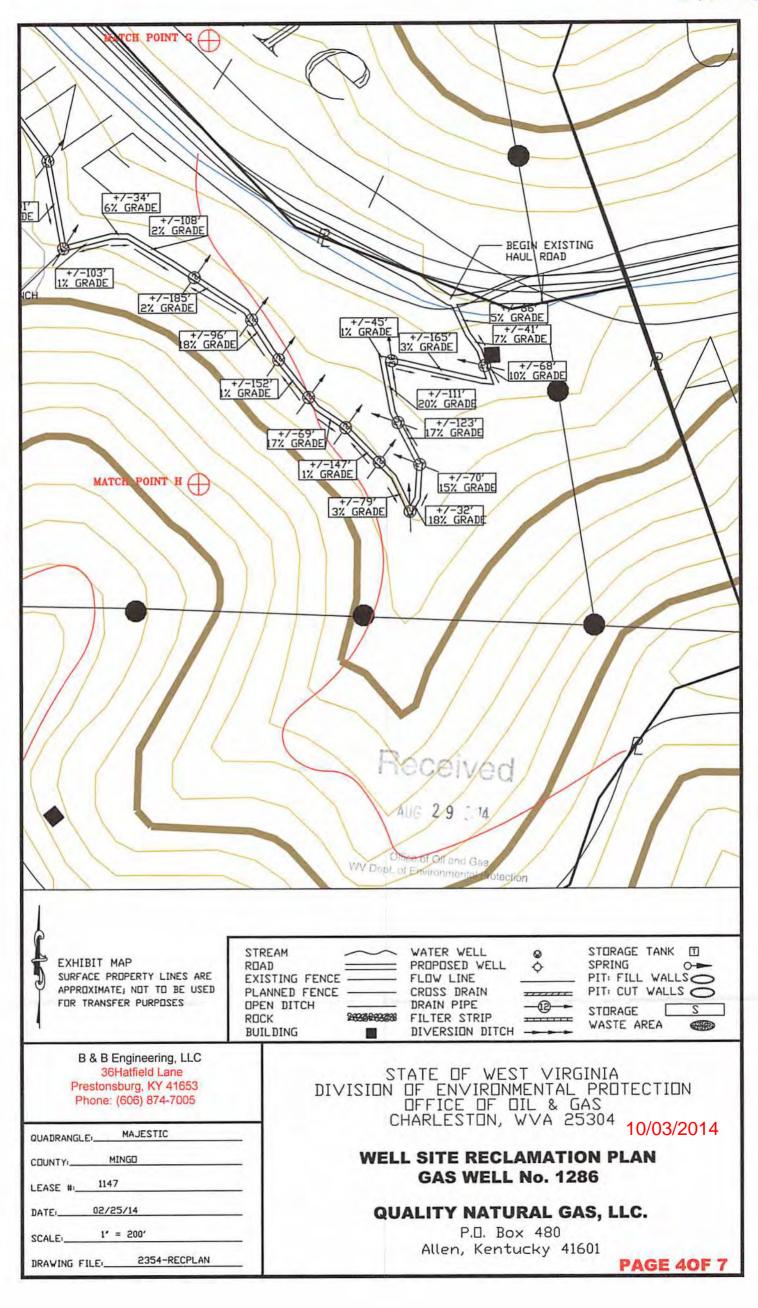
Operator's Well No.

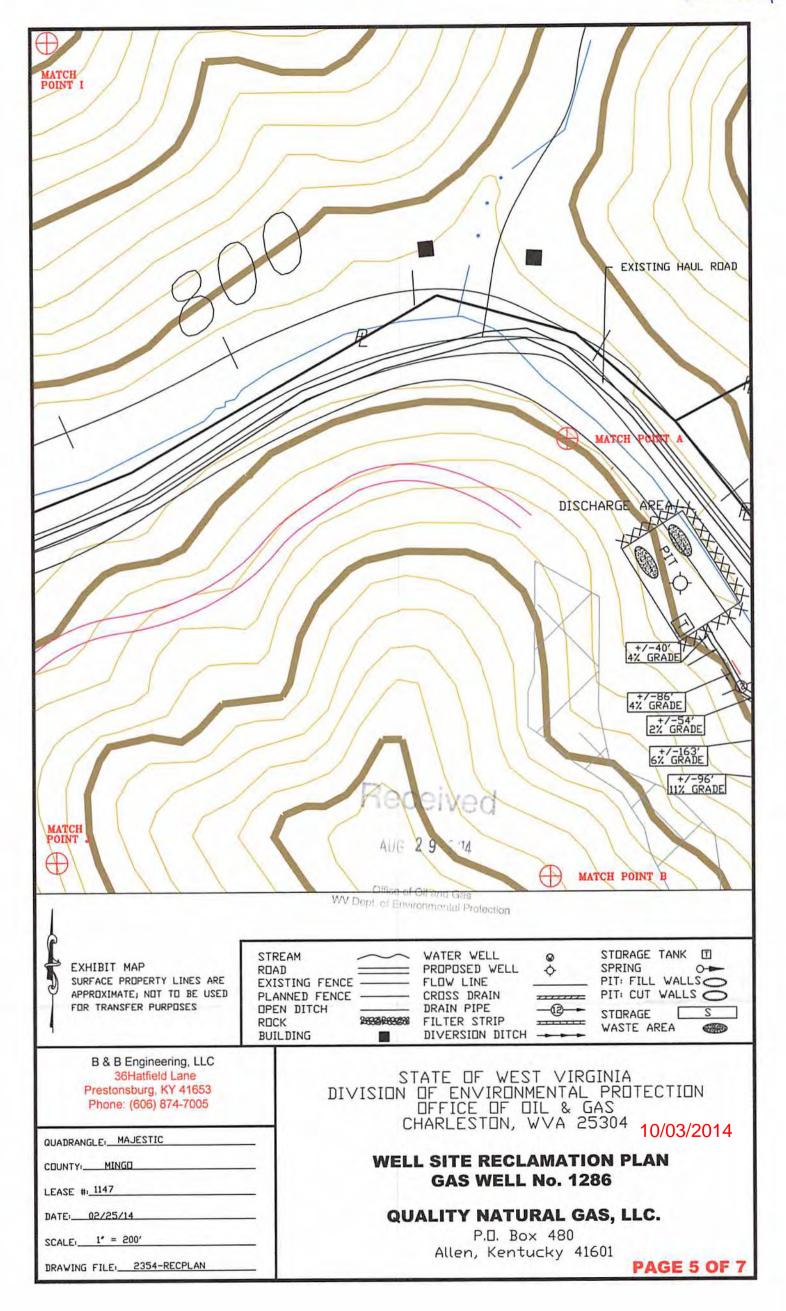
		L,	EGEND		
Property Boundary			Diversion 444	uninne	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Rond = = = = = =	= = =	<u>-</u>	Spring O		
Existing Fence — X —			Wet Spot	4	
Planned Fence /			Drain Pipe with	size in inches _	@
Stream			Waterway \in	\rightarrow \leftarrow	$\rightarrow \leftarrow \leftarrow$
Open Ditch	••				
Rock ESERS	•		Artificial Filter	Strip XXXXX	
North N	~		Pit: cut walls	E. C.	
			Pit: compacted	fill walls	mer
Buildings Water wells			-	Application of Pit \	Vaste
				ce	
Drill site				G	
Proposed Revegetation Treatment	1: Acres Disturbed	2	Prevegetation	pH <u>7.0</u>	
Lime3	Tons/acre or to co	orrect to pH	<u>6.5</u>		
Fertilizer (10-20-20 or o	equivalent)1/	3 Ton	lbs/acre (500 lb	s minimum)	
Mulch2	Tons/acre or	hydroseed			
		See	l Mixtures		
Area I				Area II	
Area 1 Seed Type	lbs/acre		Se	Area II ed Type	lbs/acre
Seed Type	lbs/acre				lbs/acre
	40 10		0	ed Type	
Seed Type KY-31 Alsike Clover Annual Rye	40 10 5		0	ed Type rchard Grass	15
Seed Type KY-31 Alsike Clover	40 10		0	ed Type rchard Grass	15
Seed Type KY-31 Alsike Clover Annual Rye	40 10 5		0	ed Type rchard Grass	15
Seed Type KY-31 Alsike Clover Annual Rye Redtop Attach: Drawing(s) of road, location, pit a	40 10 5 2 and proposed area for l		O A	ed Type rchard Grass	15
Seed Type KY-31 Alsike Clover Annual Rye Redtop Attach:	40 10 5 2 and proposed area for l		O A	ed Type rchard Grass	15
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Seed Type KY-31 Alsike Clover Annual Rye Redtop Attach: Drawing(s) of road, location, pit of the properties of the	40 10 5 2 and proposed area for l		O A	ed Type rchard Grass	15
Seed Type KY-31 Alsike Clover Annual Rye Redtop Attach: Drawing(s) of road, location, pit and provided section of involved s	40 10 5 2 and proposed area for l		O A	ed Type rchard Grass	15
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Seed Type KY-31 Alsike Clover Annual Rye Redtop Attach: Drawing(s) of road, location, pit at the properties of involved and provided by: Plan Approved by: Comments:	40 10 5 2 and proposed area for l		, O	ed Type rchard Grass	15
Seed Type KY-31 Alsike Clover Annual Rye Redtop Attach: Drawing(s) of road, location, pit and provided section of involved s	40 10 5 2 and proposed area for l		, O	ed Type rchard Grass	15

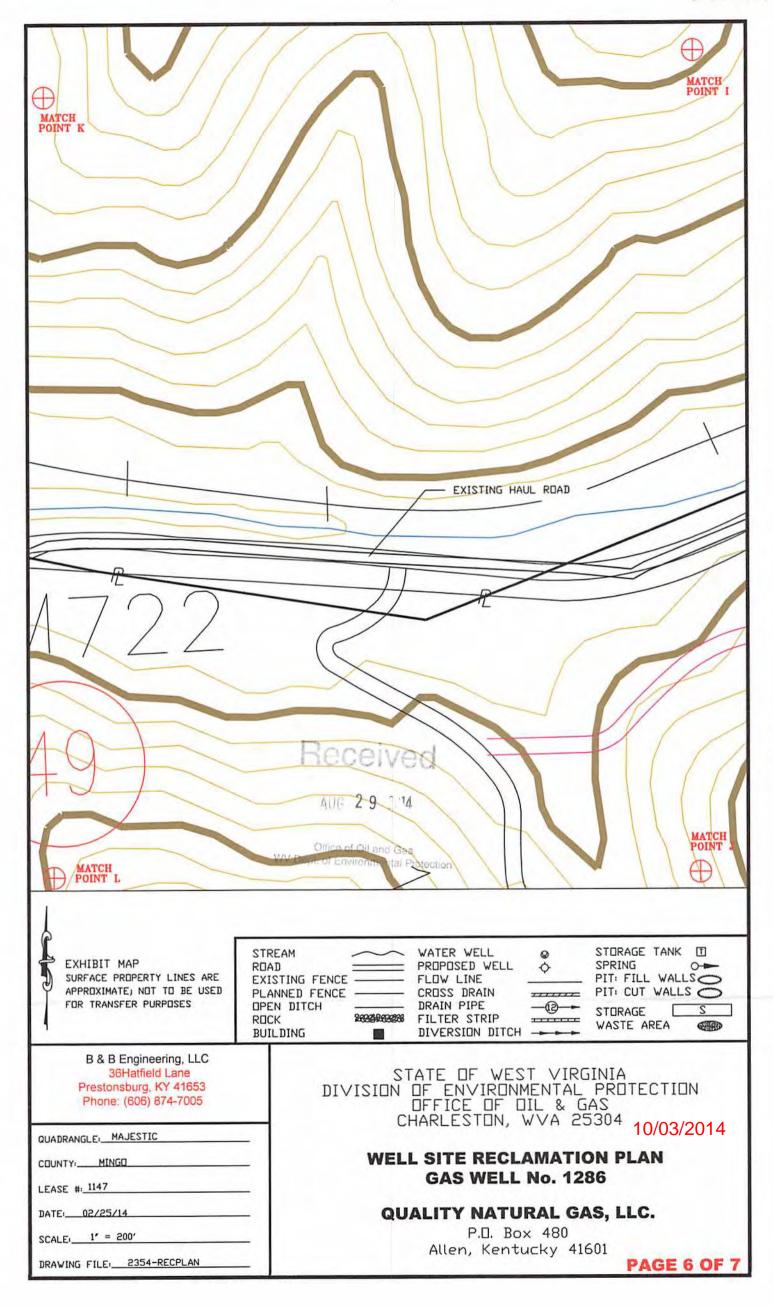


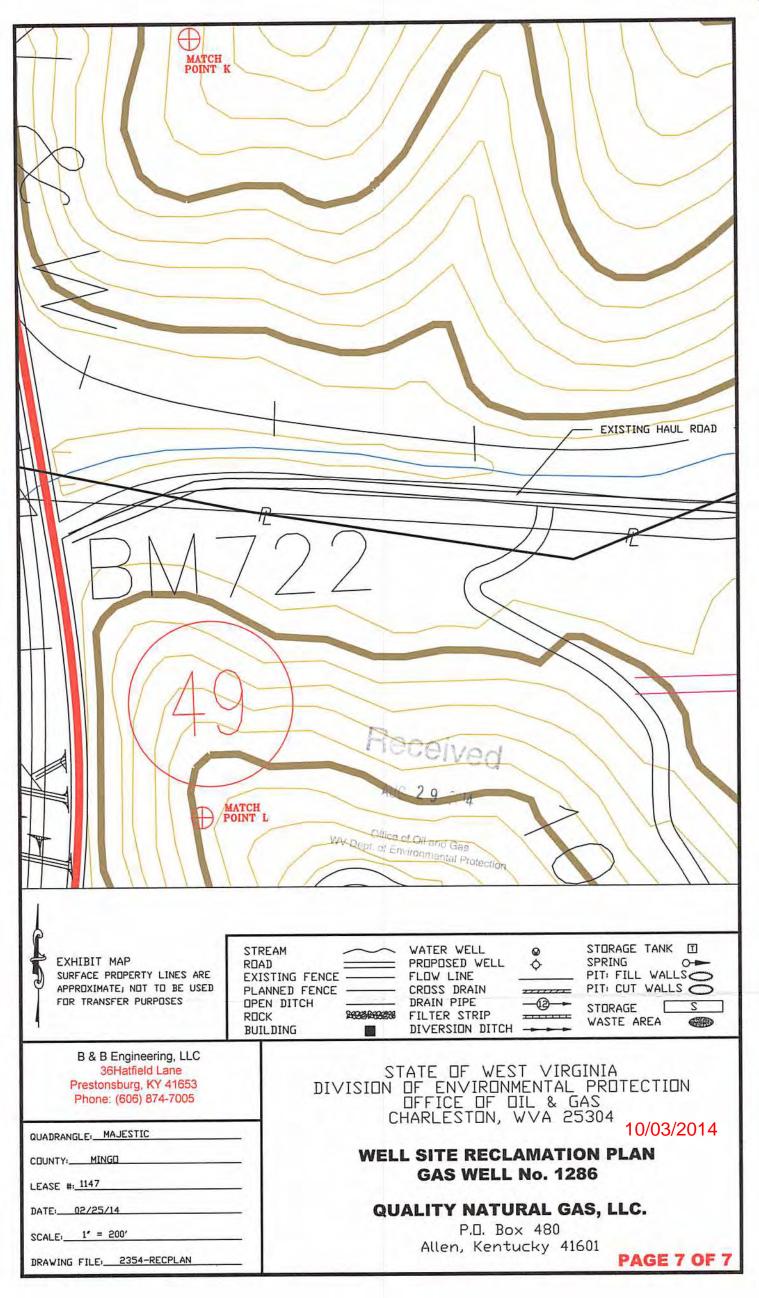


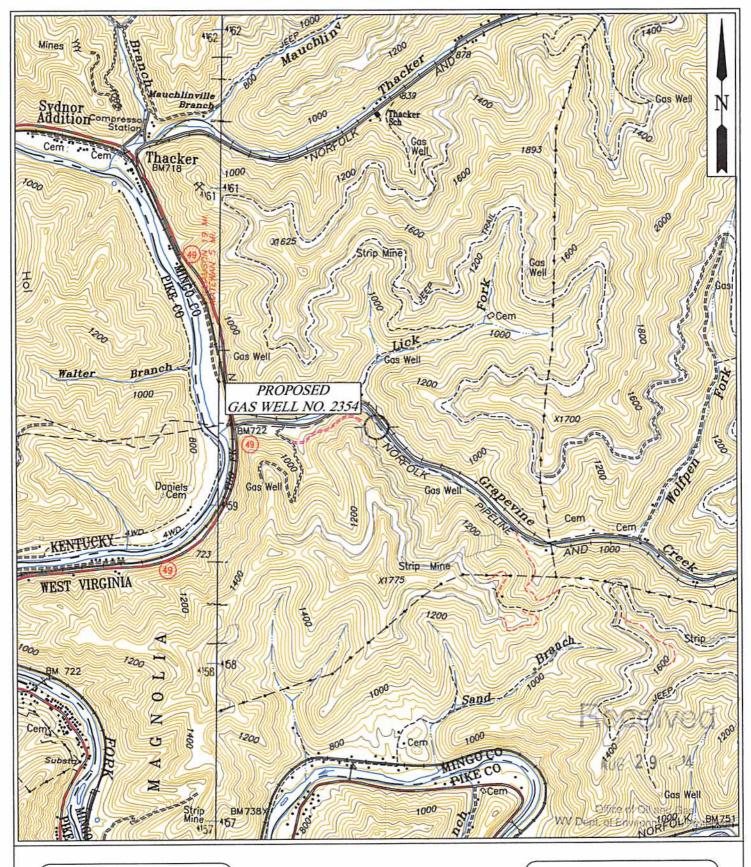












B & B Engineering, LLC

36 Hatfield Lane Prestonsburg, KY 41653 Phone: (606) 784-7005

QUALITY NATURAL GAS, LLC. LOCATION MAP

PROPOSED GAS WELL NO 2354

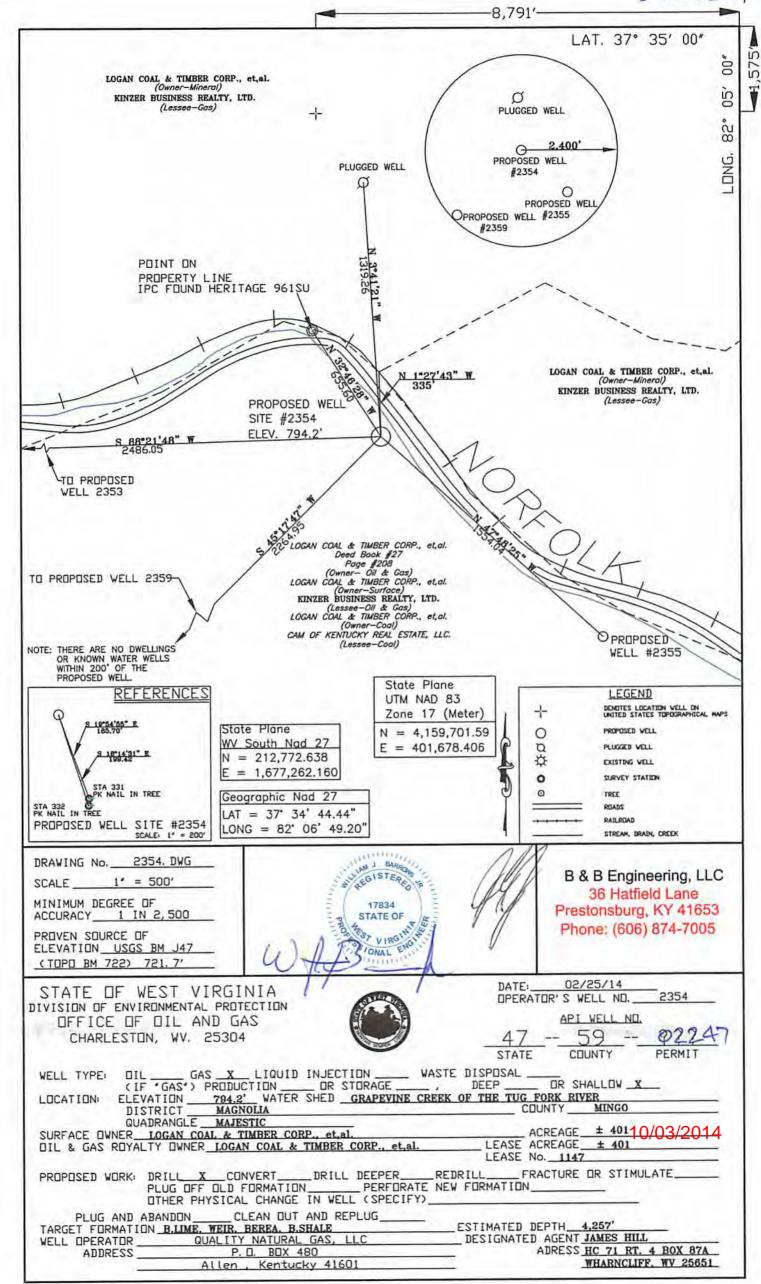
QUAD: MAJESTIC

SCALE: 1" = 2000'

DATE: 04/25/2014

FILE NAME: 2354-VicMap.DWG

10/03/2014



PRESCRIPTION NOT TO BURY PRODUCTION OR GATHERING LINES

Pursuant to the Administrative Regulation 35CSR4-16.7 of the Office of Oil and Gas, Department of Environmental Protection, the undersigned states that:

(1) The undersigned is/are the owner(s) of record of
X_ the surface
or
an interest in the surface of a tract of land described as follows:
Acres +/- 401 Watershed Grapevine Creek of the Tug Fork River
District Magnolia
County Mingo Public road access State Route 49
Public road access <u>State Route 49</u> Generally used farm name <u>Logan Coal & Timber Corporation, et,al.</u>
(2) The undersigned realize (s) that a production or gathering pipeline is to be installed across the referenced surface tract in connection with the operation of the well identified below:
Well Operator Quality Natural Gas, LLC
Address P.O. Box 480
Allen, KY 41601
Telephone (606) 874-8041 Well: API Permit No. 47; (Pending)
(3) For sufficient and satisfactory reasons, the undersigned hereby prescribe that as far as the surface interest owned by the undersigned is/are concerned, the production or gathering pipeline need not be buried as follows:
X On any part of the surface tract identified above:
or
On the following parts of the surface tract identified above:
FromTo
From To
FromTo
(For execution by corporation, partnership, etc.) (For execution by natural persons)
Name: Logan Coal & Timber Corporation
By: Ordman & Thompson Date: 2014-07-15 Signature Date: 2014-07-15
Its: President
Modelved
AUG 29 114

Onice of Oil and Gas
WV Dept. of Environmental Protection

PRESCRIPTION NOT TO BURY PRODUCTION OR GATHERING LINES

Pursuant to the Administrative Regulation 35CSR4-16.7 of the Office of Oil and Gas, Department of Environmental Protection, the undersigned states that:

(1) The	e undersigned is/are the owner(s) of record of
	X the surface
or	
	an interest in the surface of a tract of land described as follows:
	Acres_ +/- 401 Watershed Grapevine Creek of the Tug Fork River
	District Magnolia
	County Mingo
	Public road access State Route 49
	Generally used farm name Logan Coal & Timber Corporation, et,al.
(2) referer	The undersigned realize (s) that a production or gathering pipeline is to be installed across the need surface tract in connection with the operation of the well identified below:
	Well Operator Quality Natural Gas, LLC
	Address P.O. Box 480 Allen, KY 41601
	Allen, KY 41601
	Telephone (606) 874-8041 Well: API Permit No. 47
	Well: API Permit No. 47; (Pending)
	For sufficient and satisfactory reasons, the undersigned hereby prescribe that as far as the interest owned by the undersigned is/are concerned, the production or gathering pipeline need noticed as follows: X On any part of the surface tract identified above:
	On any part of the surface tract identified above.
	or
	On the following parts of the surface tract identified above:
	FromTo
	FromTo
	From To
(For expartne	xecution by corporation, (For execution by natural persons) ership, etc.)
Name:	: C.W. Campbell Company
By:	Date: 7/7/2014 Signature
Its:	President Signature

Received AUG 29 - 14

PRESCRIPTION NOT TO BURY PRODUCTION OR GATHERING LINES

Pursuant to the Administrative Regulation 35CSR4-16.7 of the Office of Oil and Gas, Department of Environmental Protection, the undersigned states that:

	X the surface		
C	or		
	an interest in the surface of a	tract of land described as follows:	
	Acres +/- 401		
	Watershed Grapevine Creek of the T	Tug Fork River	
	County Mingo		
	Public road access State Rout		
	Generally used farm name Logan Co	oal & Timber Corporation, et,al.	
(2) refere	The undersigned realize (s) that a penced surface tract in connection with the	production or gathering pipeline is to be installed across ne operation of the well identified below:	the
	Well Operator Quality Natural Gas,	LLC	
	Address P.O. Box 480		
	Allen, KY 41601		
	Telephone (606) 874-8041 Well: API Permit No. 47		
	Well: API Permit No. 47-	; (Pending)	
(3) surfac	For sufficient and satisfactory reas	sons, the undersigned hereby prescribe that as far as	the
surfac	For sufficient and satisfactory reas	sons, the undersigned hereby prescribe that as far as s/are concerned, the production or gathering pipeline need	the not
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(For e	For sufficient and satisfactory reason interest owned by the undersigned is ried as follows: XOn any part of the surface orOn the following parts of the FromFrom FromFrom execution by corporation, (For exercising, etc.) Exercise: Dingess-Rum Properties, Inc	sons, the undersigned hereby prescribe that as far as sare concerned, the production or gathering pipeline need tract identified above: surface tract identified above: To To To To To	the
(For e partn	For sufficient and satisfactory reason interest owned by the undersigned is ried as follows: XOn any part of the surface orOn the following parts of the FromFrom FromFrom execution by corporation, (For exercising, etc.)	sons, the undersigned hereby prescribe that as far as sare concerned, the production or gathering pipeline need tract identified above: surface tract identified above: To	the

2 9 14

Logan Coal & Timber Corporation

37 North Valley Road, Suite 2-A, Paoli. Pennsylvania 19301

April 24, 2014

Chief, Office of Oil & Gas Department of Environmental Protection 601 57th Street Charleston, WV 25304

> Quality Natural Gas, LLC **Gas Well Application** Well Number 2354 WV State Plane Coordinates N 212,773 E 1,677,262

Dear Mr. Martin:

The undersigned owner of the coal that underlies this well location has examined this proposed well location. If a mine map exists which covers the area of well location, the well location has been added to the mine map. The undersigned has no objection to the work proposed to be done at this location, provided, the well operator has complied with all applicable requirements of the West Virginia Code and the governing regulations.

By: Logan Coz 1 2nd Timber Conj its: Parlman E Tlempul

Date: 2014-07-15 Hrs Presidenil

Eccaned

AUG 29 7.14

C.W. Campbell Company

848 Fourth Avenue, Suite 301 Huntington, West Virginia 25701

April 24, 2014

Chief, Office of Oil & Gas Department of Environmental Protection 601 57th Street Charleston, WV 25304

Quality Natural Gas, LLC
Gas Well Application
Well Number 2354 WV State Plane Coordinates N 212,772
E 1,677,262

Dear Mr. Martin:

The undersigned owner of the coal that underlies this well location has examined this proposed well location. If a mine map exists which covers the area of well location, the well location has been added to the mine map. The undersigned has no objection to the work proposed to be done at this location, provided, the well operator has complied with all applicable requirements of the West Virginia Code and the governing regulations.

7

its:

Date:

Received

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Dingess-Rum Properties, Inc.

723 Kanawha Boulevard, East Union Building, Fourteenth Floor Charleston, West Virginia 25301

April 24, 2014

Chief, Office of Oil & Gas Department of Environmental Protection 601 57th Street Charleston, WV 25304

Quality Natural Gas, LLC
Gas Well Application
Well Number 2354 WV State Plane Coordinates N 212,773
E 1,677,262

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Date: _

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CAM of Kentucky Real Estate, LLC.

P.O. Box 1169 Pikeville, KY 41502

April 24, 2014

Chief, Office of Oil & Gas Department of Environmental Protection 601 57th Street Charleston, WV 25304

Quality Natural Gas, LLC
Gas Well Application
Well Number 2354 WV State Plane Coordinates N 212,773
E 1,677,262

Dear Mr. Martin:

The undersigned lessee of the coal that underlies this well location has examined this proposed well location. If a mine map exists which covers the area of well location, the well location has been added to the mine map. The undersigned has no objection to the work proposed to be done at this location, provided; the well operator has complied with all applicable requirements of the West Virginia Code and the governing regulations.

By: Royald J. Hull

Its: GM-ENG.

Date: 8/19/14

Enceived

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10V (201 or or or entestiant

CAM Mining, LLC

P.O. Box 1169 Pikeville, KY 41502

April 24, 2014

Chief, Office of Oil & Gas Department of Environmental Protection 601 57th Street Charleston, WV 25304

> Quality Natural Gas, LLC Gas Well Application Well Number 2354 WV State Plane Coordinates N 212,773 E 1,677,262

Dear Mr. Martin:

The undersigned operator of the coal that underlies this well location has examined this proposed well location. If a mine map exists which covers the area of well location, the well location has been added to the mine map. The undersigned has no objection to the work proposed to be done at this location, provided; the well operator has complied with all applicable requirements of the West Virginia Code and the governing regulations.

By: Rorold S. Hull

Its: GM-ENG

Date: 8/19/14