

December 3, 1981

A.G. Bailey # 1

47 - 073 = 1117-DD



STATE OF WEST VIRGINIA
OFFICE OF OIL AND GAS - DEPARTMENT OF MINES

OIL AND GAS WELL PERMIT APPLICATION

WELL TYPE: Oil X / Gas X /

(If "Gas", Production X / Underground storage ___ / Deep ___ / Shallow ___ /

LOCATION: Elevation: 695 Watershed: _____
District: Union County: Pleasants Quadrangle: _____

WELL OPERATOR Devonian Exploration, Inc.
Address 1901 East Lambert Rd.
La Habra, Ca. 90631

DESIGNATED AGENT Thomas R. Zimmerman
Address 2,000 Dudley, P.O. Box 325
Parkersburg, W.Va.

OIL AND GAS ROYALTY OWNER A. G. Bailey
Address Rt. #2, Box 97, St. Mary's, W.Va.
Acreage 36

COAL OPERATOR _____
Address _____

SURFACE OWNER Same
Address _____
Acreage 36

COAL OWNER(S) WITH DECLARATION ON RECORD:
NAME --
Address _____

FIELD SALE (IF MADE) TO:
NAME _____
Address _____

NAME --
Address _____

OIL AND GAS INSPECTOR TO BE NOTIFIED:
NAME _____
Address _____
Telephone _____

COAL LESSEE WITH DECLARATION ON RECORD:
NAME --
Address _____

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DEC 3 1981

OIL AND GAS DIVISION
WV DEPARTMENT OF MINES

The undersigned well operator is entitled to operate for oil or gas purposes at the above location under a deed ___ / lease ___ / other contract X / dated Feb. 4, 1981, to the undersigned well operator from Big Injun Drilling/D.B. Grable, President.

(If said deed, lease, or other contract has been recorded:)

Recorded on February 4, 1981, in the office of the Clerk of County Commission of Pleasants County, West Virginia, in 161 Book at page 179. A permit is requested as follows:

PROPOSED WORK: Drill ___ / Drill Deeper X / Redrill ___ / Fracture or stimulate X / Plug off old formation X / Perforate new formation X / Other physical change in well (specify) _____

--planned as shown on the work order on the reverse side hereof.

The above named coal operator, coal owner(s), and coal lessee are hereby notified that any objection they wish to make or are required to make by Code §22-4-3 must be filed with the Department of Mines within fifteen (15) days after receipt of this Application by the Dept. Copies of this Permit Application and the enclosed plat and reclamation plan have been mailed by registered mail or delivered by hand to the above named coal operator, coal owner(s), and coal lessees on or before the day of the mailing or delivery of this Application to the Department of Mines at Charleston, West Virginia.

PLEASE SUBMIT COPIES OF ALL GEOPHYSICAL LOGS DIRECTLY TO:
WEST VIRGINIA OIL AND GAS CONSERVATION COMMISSION
1613 WASHINGTON ST., E.
CHARLESTON, WV 25311
Telephone - 304/348-3092

Devonian Exploration, Inc.
Well Operator
By: Charles R. Jatum II
Its: VICE-PRESIDENT

BLANKET BOND

PROPOSED WORK ORDER

THIS IS AN ESTIMATE ONLY:
ACTUAL INFORMATION MUST BE SUBMITTED ON FORM IV-35 UPON COMPLETION

DRILLING CONTRACTOR (IF KNOWN) Drillmor, Inc. - Harold E. Wilson
Address Rt. #2, Box 83
St. Mary's, W. Va.

GEOLOGICAL TARGET FORMATION Devonian Shale
Estimated depth of completed well 3800 - feet. Rotary / Cable tools /
Approximate water strata depths: Fresh, - feet; salt, - feet.
Approximate coal seam depths: none reported.
Is coal being mined in this area: Yes / No /

CASING AND TUBING PROGRAM

CASING OR TUBING TYPE	SPECIFICATIONS					FOOTAGE INTERVALS		CEMENT FILL UP OR SACKS Cubic ft.	PACKERS
	Size	Grade	Weight per ft	New	Used	For Drilling	Left in Well		
Conductor	-								Kinds
Fresh water	-								
Coal	-								Sizes
Intermed.	-								
Production Tubing	4-1/2	Flow Weld	10.5 #	X		3800	3800	380 SKE.	Depths set
Liners	1-1/2	-	-	X					Perforations: Top Bottom

NOTE: Regulation 7.02 of the Department of Mines provides that the original and four copies of Form IV-2 must be filed with the Department, accompanied by (i) a plat in the form prescribed by Regulation 11, (ii) a bond in one of the forms prescribed by Regulation 12, or in lieu thereof the other security allowed by Code §22-4-2, (iii) Form IV-9, "Reclamation Plan" applicable to the reclamation required by Code §22-4-12b and Regulation 23, (iv) unless previously paid on the same well, the fee required by Code §22-4-12a, and (v) if applicable, the consent required by Code §22-4-8a from the owner of any water well or dwelling within 200 feet of the proposed well.
A separate Form IV-2 shall not be required for fracturing or stimulating a well where fracturing or stimulating is to be part of the work for which a permit is sought and is noted as such on the Form IV-2 filed in connection therewith.

THIS PERMIT MUST BE POSTED AT THE WELL SITE

All provisions being in accordance with Chapter 22, of the W. Va. Code, the location is hereby approved for drilling deeper . This permit shall expire if operations have not commenced by 8-3-82.

J. E. Murray
Deputy Director - Oil & Gas Division

The following waiver must be completed by the coal operator and by any coal owner or coal lessee who has recorded a declaration under Code §22-4-20, if the permit is to be issued within fifteen (15) days of receipt thereof:

W A I V E R

The undersigned coal operator / owner / lessee / of the coal under this well location has examined this proposed well location. If a mine map exists which covers the area of the 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 regularions.

Date: , 19 .

By:

Its:

STATE OF WEST VIRGINIA
OFFICE OF OIL AND GAS

Company Name Devonian Exploration, Inc. Designated Agent Thomas R. Zimmerman
Address 1901 East Lambert Road Address 2000 Dudley Ave. P.O. Box 1525
Telephone La Habra, California 90631 Telephone Parkersburg, W.Va. 26101
Landowner A. G. & Ruth Bailey Soil Cons. District Upper Ohio PH: 422-6591

Revegetation to be carried out by U.D.S.C.D. (Agent)

This plan has been reviewed by Upper Ohio SCD. All corrections
and additions become a part of this plan. 1/30/81 Kenneth L. Mason
(Date) (SCD Agent)

Access Road	Location
Structure <u>N/A</u> (A)	Structure <u>N/A</u> (1)
Spacing _____	Material _____
Page Ref. Manual _____	Page Ref. Manual _____
Structure _____ (B)	Structure _____ (2)
Spacing _____	Material _____
Page Ref. Manual _____	Page Ref. Manual _____
Structure _____ (C)	Structure _____ (3)
Spacing _____	Material _____
Page Ref. Manual _____	Page Ref. Manual _____

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FEB 2 - 1981

All structures should be inspected regularly and repaired if necessary.

Revegetation

OIL & GAS DIVISION
DEPT. OF MINES

Treatment Area I	Treatment Area II
Lime _____ Tons/acre or correct to pH <u>6.5</u>	Lime _____ Tons/Acre or correct to pH _____
Fertilizer <u>500</u> lbs/acre (10-20-20 or equivalent)	Fertilizer _____ lbs/acre (10-20-20 or equivalent)
Mulch <u>Hay or Straw 2</u> Tons/Acre	Mulch _____ Tons/Acre
Seed* <u>Fescue 45</u> lbs/acre	Seed* _____ lbs/acre
<u>Red 10</u> lbs/acre	_____ lbs/acre
_____ lbs/acre	_____ lbs/acre

*Inoculate all legumes such as vetch, trefoil and clovers with the proper bacterium. Inoculate with 3X recommended amount.

Attach or photocopy section of involved Topographic map. Quadrangle



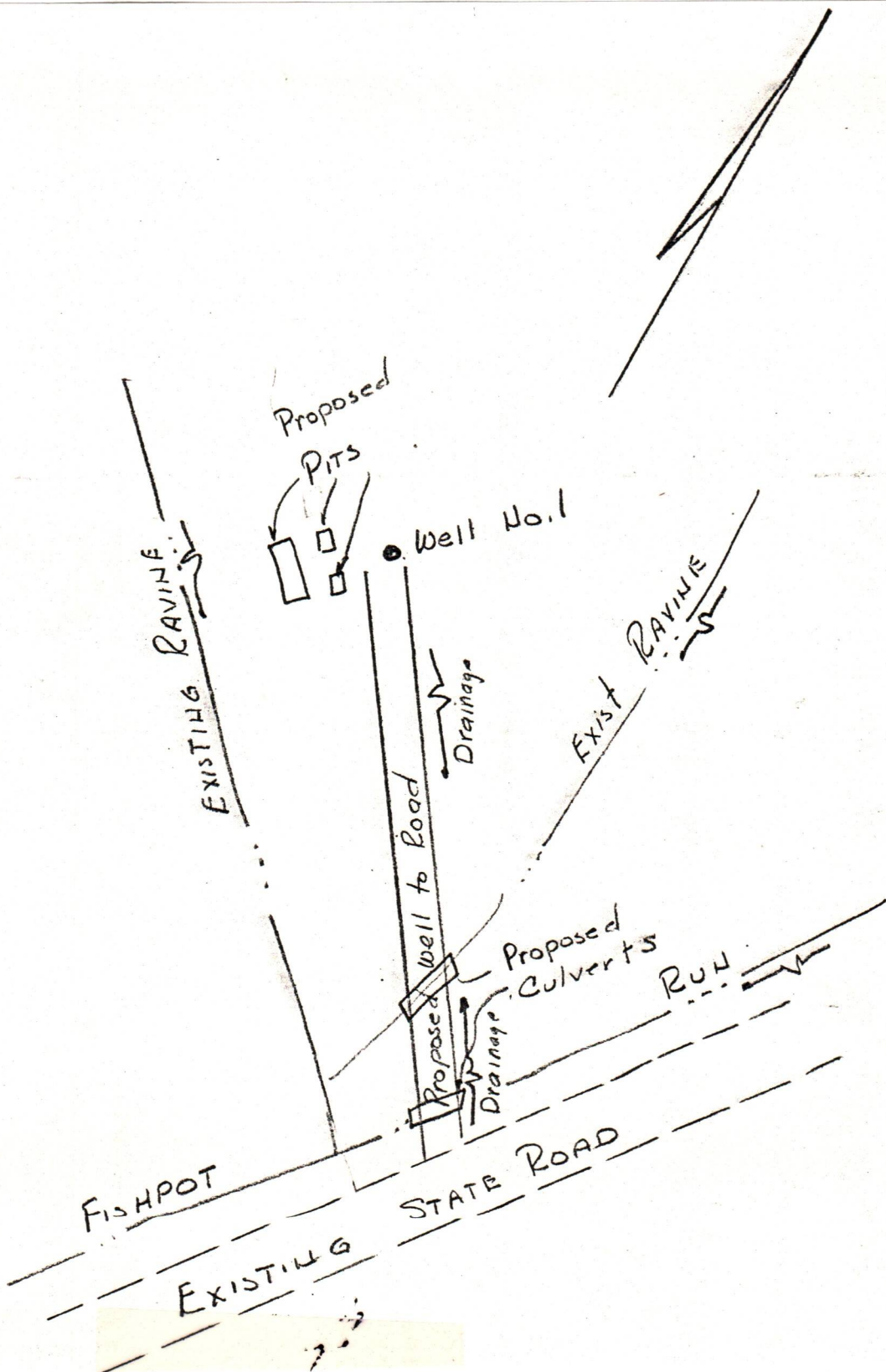
Well Site Plan

Legend: Property Boundary ————
 Road = = = =
 Existing Fence — x — x —
 Planned Fence — / — / —
 Stream — · · · —
 Open Ditch — · · · —

Diversion ————
 Spring ○
 Wet Spot ○
 Well Spot ○

Drilling Corp.
 225 Putnam St., Marietta, O.
 A. G. & Ruth Bailey

U.S.C.D.



Signature:

Bob Maple

Agent

225 Putnam St. Marietta Ohio

Address

Field No. 1

Please request landowners cooperation to protect new seeding for one growing season.



STATE OF WEST VIRGINIA
DEPARTMENT OF MINES

RECEIVED

FEB 2 - 1981

OIL & GAS DIVISION
DEPT. OF MINES

Oil and Gas Division

OIL AND GAS WELL PERMIT APPLICATION

TO THE DEPARTMENT OF MINES,
Charleston, W. Va.

Surface Owner A. G. & Ruth M. Bailey
Address Rt. #2, Box 97, St. Marys, W. Va.
Mineral Owner A. G. & Ruth M. Bailey
Address Rt. #2, Box 97, St. Marys, W. Va.
Coal Owner _____
Address _____
Coal Operator _____
Address _____

DATE January 30, 1981
Company Big Injun Drilling Corp.
Address 225 Putnam St., Marietta, Ohio
Farm A. G. Bailey Acres 37.50
Location (waters) Fish Pot Creek
Well No. #1 Elevation 695'
District Union County Pleasants
Quadrangle Raven Rock

THIS PERMIT MUST BE POSTED AT THE WELL SITE

All provisions being in accordance with Chapter 22,
of the W. Va. Code, the location is hereby approved
for drilling. This permit shall expire if
operations have not commenced by 10-6-81.

Paul Russell
Deputy Director - Oil & Gas Division

INSPECTOR
TO BE NOTIFIED Phillip L. Tracy
Rt. #3
ADDRESS Alma, W. Va. 26320
PHONE 758-4573

GENTLEMEN:

The undersigned well operator is entitled to drill upon the above named farm or tract of land for oil and gas, having fee title thereto, (or as the case may be) under grant or lease dated August 23, 19 79 by A. G. & Ruth M. Bailey made to Big Injun Drilling Corp. and recorded on the 23 day of August 19 79 in Pleasants County, Book 153 Page 267
X NEW WELL _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE
_____ OIL AND GAS WELL ORIGINALLY DRILLED BEFORE JUNE 5, 1969.

The enclosed plat was prepared by a registered engineer or licensed land surveyor and all coal owners and/or operators have been notified as of the above date.

The above named coal owners and/or operator are hereby notified that any objection they wish to make, or are required to make by Section 3 of the Code, must be received by, or filed with the Department of Mines within ten (10) days. *

Copies of this notice and the enclosed plat were mailed by registered mail, or delivered to the above named coal operators or coal owners at their above shown respective address _____ day _____ before, or on the same day with the mailing or delivery of this copy to the Department of Mines at Charleston, West Virginia.

PLEASE SUBMIT COPIES OF ALL
GEOPHYSICAL LOGS DIRECTLY TO:

WEST VIRGINIA GEOLOGICAL AND
ECONOMIC SURVEY
P. O. BOX 879
MORGANTOWN, WEST VIRGINIA 26505
AC-304 - 292-6331

Address
of
Well Operator

Very truly yours,
(Sign Name) Big Injun Drilling Corp.
Well Operator
225 Putnam Street
Street
Marietta
City or Town
Ohio 45750
State

*SECTION 3 If no objections are filed or found by the Department of mines, within said period of ten days from the receipt of notice and plat by the department of mines, to said proposed location, the department shall forthwith issue to the well operator a permit reciting the filing of such plat, that no objections have been made by the coal operators or found thereto by the department and that the same is approved and the well operator authorized to proceed.

BLANKET BOND

47-073-1117

PERMIT NUMBER

"I have read and understand the reclamation requirements as set forth in Chapter 22, Article 4, Section 12-b and will carry out the specified requirements."

Signed by Paul Russell - Pres.

**THIS IS AN ESTIMATE ONLY
ACTUAL INFORMATION WILL BE SUBMITTED ON OG-10 UPON COMPLETION**

PROPOSED WORK ORDER TO _____ **DRILL** _____ DEEPEN _____ FRACTURE-STIMULATE _____

DRILLING CONTRACTOR: (If Known)

RESPONSIBLE AGENT:

NAME _____

NAME **D. R. Higgins**

ADDRESS _____

ADDRESS **Rt. #1, Box 221, St. Marys, W. Va.**

TELEPHONE _____

TELEPHONE **304-684-7587**

ESTIMATED DEPTH OF COMPLETED WELL **1890'**

ROTARY _____ CABLE TOOLS _____

PROPOSED GEOLOGICAL FORMATION: **Garban**

TYPE OF WELL: OIL _____ GAS COMB. _____ STORAGE _____ DISPOSAL _____

RECYCLING _____ WATER FLOOD _____ OTHER _____

TENTATIVE CASING PROGRAM:

CASING AND TUBING SIZE	USED FOR DRILLING	LEFT IN WELL	CEMENT FILL UP OR SACKS - CUBIC FT.
20 - 16			
13 - 10			
9 - 5/8			
8 - 5/8 250'		XX	Cement to surface
7 1,800'			<i>Rule 15.01</i>
5 1/2			
4 1/2			
3			Perf. Top
2			Perf. Bottom
Liners			Perf. Top
			Perf. Bottom

APPROXIMATE FRESH WATER DEPTHS **100** FEET **1,500** SALT WATER FEET

APPROXIMATE COAL DEPTHS **Unknown**

IS COAL BEING MINED IN THE AREA? _____ BY WHOM? _____

TO DRILL:

SUBMIT FIVE (5) COPIES OF OG - 1, \$100.00 PERMIT FEE, PERFORMANCE BOND AND PERMANENT COPY OF PLAT.

TO DRILL DEEPER OR REDRILL:

SUBMIT FIVE (5) COPIES OF OG - 1, SHOWING ORIGINAL PERMIT NUMBER AND PERFORMANCE BOND. ON WELLS DRILLED PRIOR TO 1929, A PERMANENT COPY OF THE PLAT AND THE ORIGINAL WELL RECORD MUST ALSO BE SUBMITTED.

TO FRACTURE - STIMULATE:

OIL AND/OR GAS WELL ORIGINALLY DRILLED BEFORE JUNE 5, 1929, FIVE (5) COPIES OG - 1, PERFORMANCE BOND, PERMANENT PLAT AND ORIGINAL WELL RECORD.

OIL AND/OR GAS WELL ORIGINALLY DRILLED ON AND/OR AFTER JUNE 5, 1929, FIVE COPIES OG - 1, SHOWING ORIGINAL PERMIT NUMBER, AND PERFORMANCE BOND.

Required forms must be filed within ninety (90) days of completion for bond release. Inspector to be notified twenty-four (24) hours in advance.

The following waiver must be completed by the coal operator if the permit is to be issued within ten days of receipt thereof.

WAIVER: I the undersigned, Agent for _____ Coal Company, Owner or Operator of the coal under this lease have examined and place on our mine maps this proposed well location.

We the _____ Coal Company have no objections to said well being drilled at this location, providing operator has complied with all rules and regulations in Articles 4, 5, and 7, Chapter 22 of the West Virginia Code.

For Coal Company

Official Title



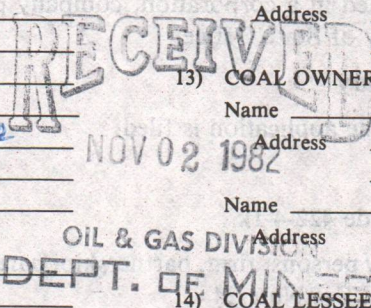
1) Date: 11/21, 19 82
 2) Operator's Well No. A.G. Bailey #1
 3) API Well No. 47 State 073 County 117 Permit -FRAC

DRILLING CONTRACTOR:

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES, OIL AND GAS DIVISION

OIL AND GAS WELL PERMIT APPLICATION

- 4) WELL TYPE: A Oil Gas
 B (If "Gas", Production / Underground storage / Deep / Shallow)
- 5) LOCATION: Elevation: 695 Watershed: Middle Island Creek
 District: Union County: Pleasant Quadrangle: Raven Rock
- 6) WELL OPERATOR Devonias Explorational 11) DESIGNATED AGENT D.R. Higgins
 Address 1901 E. Lambert Rd. Address Rt. 1 Box 221
La Habra, CA 90631 St. Mary's, WV
- 7) OIL & GAS ROYALTY OWNER A.G. Bailey 12) COAL OPERATOR N/A
 Address Rt. 2 Box 97 Address _____
St Mary's, WV _____
 Acreage 38
- 8) SURFACE OWNER _____ 13) COAL OWNER(S) WITH DECLARATION ON RECORD:
 Address Same As Above Name N/A
 Acreage _____ Address _____
- 9) FIELD SALE (IF MADE) TO: _____ 14) COAL LESSEE WITH DECLARATION ON RECORD:
 Address N/A Name _____
 Address _____ Address _____
- 10) OIL & GAS INSPECTOR TO BE NOTIFIED
 Name Robert A. Leather
 Address General Delivery
Middlebourne, WV 26149
- 15) PROPOSED WORK: Drill / Drill deeper / Redrill / Fracture or stimulate
 Plug off old formation / Perforate new formation
 Other physical change in well (specify) _____
- 16) GEOLOGICAL TARGET FORMATION, DEVONIAN
- 17) Estimated depth of completed well, 2408 feet
- 18) Approximate water strata depths: Fresh, Behind casing feet; salt, Behind casing feet
- 19) Approximate coal seam depths: N/A Is coal being mined in the area? Yes / No



20) CASING AND TUBING PROGRAM

CASING OR TUBING TYPE	Size	SPECIFICATIONS				FOOTAGE INTERVALS		CEMENT FILL-UP OR SACKS (Cubic feet)	PACKERS	
		Grade	Weight per ft.	New	Used	For drilling	Left in well			
Conductor	13					34'	34'			Kinds
Fresh water	10"					220'	220'			
Coal										Sizes
Intermediate	8 5/8"					1158	—			
Production	7					2034	2034	650 SX		Depths set
Tubing	2"						2395			
Liners										Perforations:
										Top Bottom

- 21) EXTRACTION RIGHTS
 Check and provide one of the following:
 Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil or gas.
 The requirement of Code 22-4-1(c) (1) through (4). (See reverse side for specifics.)
- 22) ROYALTY PROVISIONS
 Is the right to extract, produce or market the oil or gas based upon a lease or other continuing contract or contracts providing for flat well royalty or any similar provision for compensation to the owner of the oil or gas in place which is not inherently related to the volume of oil or gas so extracted, produced or marketed? Yes No
- If the answer above is No, nothing additional is needed. If the answer is Yes, you may use Affidavit Form IV-60.
- 23) Required Copies (See reverse side.)
- 24) Copies of this Permit Application and the enclosed plat and reclamation plan have been mailed by registered mail or delivered by hand to the above named coal operator, coal owner(s), and coal lessee on or before the day of the mailing or delivery of this Permit Application to the Department of Mines at Charleston, West Virginia. State of West Virginia
 Notary: Jane Vanner County of Wood, W. Va. Signed: Charles R. Jett II
 My Commission Expires March 19, 1985 Its: Secretary & Treasurer

OFFICE USE ONLY
DRILLING PERMIT

Permit number 47-073-1117-FRAC. Date November 4 1982

This permit covering the well operator and well location shown below is evidence of permission granted to drill in accordance with the pertinent legal requirements subject to the conditions contained herein and on the reverse hereof. **Notification must be given to the District Oil and Gas Inspector. (Refer to No. 10) Prior to the construction of roads, locations and pits for any permitted work.** In addition, the well operator or his contractor shall notify the proper district oil and gas inspector 24 hours before actual permitted work has commenced.)

Permit expires July 4, 1983 unless drilling is commenced prior to that date and prosecuted with due diligence.

Bond: <u>Blanket</u>	Agent:	Plat:	Casing: <u>T.S.</u>	Fee:
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[Signature]
Administrator, Office of Oil and Gas

Line Item Explanation

- 1) Date of Application
- 2) Your well name and number
- 3) To be filled out by office of oil & gas
- 4A) "Oil" means natural crude oil or petroleum and other hydrocarbons, regardless of gravity, which are produced at the well in liquid form by ordinary production methods and which are not the result of condensation of gas after it leaves underground reservoirs: "Gas" means all natural gas and all other fluid hydrocarbons not defined as oil.
- 4B) "Shallow well" means any well drilled and completed in a formation above the top of the uppermost member of the "Onondaga Group" or a depth less than six thousand feet, whichever is shallower.
"Deep well" means any well drilled and completed in a formation at or below the top of the uppermost member of the "Onondaga Group" or at a depth less than six thousand feet, whatever is shallower.
- 5) Where well is located
- 6) Before a permit can be issued in a corporation, company partnership, or fictitious name, the name must be registered with the Secretary of State Office
- 7) Use separate sheet if necessary
- 8) Present surface owner at time application is filed.
- 9) Optional
- 11) See Reg. 7.01 relating to code §22-4-1k
- 12) "Coal Operator" means any persons, firm, partnership, partnership association or corporation that proposes to or does operate a coal mine. See Note 24
- 13 & 14) As per §22-4-20; See Note 24
- 15) Work that will be attempted—A separate Form IV-2 shall not be required for fracturing or stimulating a well where fracturing or stimulating is to be part of the work for which a permit is sought and is noted as such on the Form IV-2 filed in connection therewith.
- 16) Anticipated formation for which well will be completed
- 17) Self explanatory
- 18) Depth to deepest freshwater, and shallowest salt water, taken from nearby wells corrected for differences in elevation
- 19) All coal seam depths
- 20) Proposed casing program and cementing refer to Code 22-4-5, 22-4-6, 22-4-7, 22-4-8, 22-4-8a Reg 9.01, 15.01, 15.02, 15.03, 15.04, 25.01, 25.02, 25.03, 25.04
- 21) Code 22-4-11(c) - In lieu of filing the lease or leases or other continuing contract or contracts, the applicant for a permit described herein may file the following:
 - (1) A brief description of the tract of land including the district and county wherein the tract is located;
 - (2) The identification of all parties to all leases or other continuing contractual agreements by which the right to extract, produce or market the oil or gas is claimed;
 - (3) The book and page number wherein each such lease or contract by which the right to extract, produce or market the oil or gas is recorded;
 - (4) A brief description of the royalty provisions of each such lease or contract.
- 22) Code 22-4-11(d) and 22-4-11(e).
- 23) Regulation 7.02 of the Department of Mines provides that the original and four copies of Form IV-2 must be filed with the Department, accompanied by (i) a plat in the form prescribed by Regulation 11, (ii) a bond in one of the forms prescribed by Regulation 12, or in lieu thereof the other security allowed by Code §22-4-2, (iii) Form IV-9, "Reclamation Plan", applicable to the reclamation required by Code §22-4-12b and Regulation 23, (iv) unless previously paid on the same well, the fee required by Code §22-4-12a, and (v) if applicable, the consent required by Code §22-4-8a from the owner of any water well or dwelling within 200 feet of the proposed well.

24) The above named coal operator, coal owner(s), and coal lessee are hereby notified that any objection they wish to make or are required to make by Code §22-4-3 must be filed with the Department of Mines within fifteen (15) days after the receipt of this Application by the Department.

The following waiver must be completed by the coal operator and by any coal owner or coal lessee who has recorded a declaration under Code 22-4-20, if the permit is to be issued within fifteen (15) days of receipt thereof.

DRILLING WAIVER

The undersigned coal operator _____ / owner _____ / lessee _____ / of the coal under this well location has examined this proposed well location. If a mine map exists which covers the area of the 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.

Date: _____, 19____

By _____

Its _____

THIS ASSIGNMENT, Made this 4th day of February, 1981, by and between BIG INJUN DRILLING CORP., a corporation, as Assignor, and DEVONIAN EXPLORATION, INC., a corporation, as Assignee.

WITNESSETH: That for and in consideration of the sum of Ten(\$10.00) Dollars, cash in hand paid, and other good and valuable considerations, the receipt of all of which is hereby acknowledged, Assignor hereby assigns, sets over and conveys unto Assignee that certain leasehold estate created by the hereinafter described oil and gas lease situate in Union District, Pleasants County, West Virginia:

That certain oil and gas lease dated August 23, 1979, from A. G. Bailey and Ruth M. Bailey, husband and wife, to Big Injun Drilling Corp. covering 38 acres, more or less, of record in the Office of the Clerk of the County Commission of Pleasants County, West Virginia, in Deed Book 153, at page 266.

SAVING, EXCEPTING and RESERVING unto Assignor seven and one-half percent (7.5%) of the overriding royalty to be paid from seven-eighths (7/8ths) of the oil and gas produced from the abovedescribed leasehold estate.

WITNESS the following signature and seal:

RECEIVED

DEC 3 1981

OIL AND GAS DIVISION WV DEPARTMENT OF MINES

BIG INJUN DRILLING CORP.

By [Signature]

Its President

STATE OF W.Va.

COUNTY OF Wood, to-wit:

The foregoing Assignment was acknowledged before me on this the 4th day of Feb, 1981, by D.B. Grable as President of BIG INJUN DRILLING CORP., a corporation, on its behalf.

My commission expires: 9-15-82

[Signature]
Notary Public

This instrument was prepared under the direction and supervision of John S. Bailey, Jr., Attorney at Law, Parkersburg, West Virginia. STATE OF WEST VIRGINIA, COUNTY OF PLEASANTS, TO-WIT: OFFICE OF THE CLERK OF THE COUNTY COURT OF PLEASANTS COUNTY.

The foregoing paper writing was this day 2/4/81, at 3:38 pm presented for record in my office, and thereupon, together with the certificate thereto annexed, is admitted to record.

Teste: Juda W. Hammett Clerk

THIS ASSIGNMENT, Made and entered into this 17th day of December, 1981, by and between BIG INJUN DRILLING CO., a corporation, as "Assignor", and DEVONIAN EXPLORATION, INC., a corporation, as "Assignee".

WHEREAS, on previous date, Assignor executed and delivered to Assignee an Assignment of the interest hereinafter set forth; and

WHEREAS, Assignee lost or misplaced said Assignment; and

WHEREAS, there is a need to replace said Assignment.

NOW, THEREFORE, WITNESSETH: That for and in consideration of the sum of Ten (\$10.00) Dollars, cash in hand paid, and other good and valuable considerations, the receipt of all of which is hereby acknowledged, Assignor hereby assigns, sets over and conveys unto Assignee an undivided .125 percentage of the working interest in and to the A. G. BAILEY WELL # 1, situate on the hereinafter described oil and gas lease and leasehold estate thereby created situate in Union District, Pleasants County, West Virginia, and more particularly described as follows:

That certain oil and gas lease dated August 23, 1979, from A. G. Bailey and Ruth M. Bailey, husband and wife, to Big Injun Drilling Corp. covering 38 acres, more or less, of record in the Office of the Clerk of the County Commission of Pleasants County, West Virginia, in Deed Book 153, at page 266.

This conveyance is made subject to the terms and conditions of the above-described oil and gas lease, as well as the terms and conditions of that certain Assignment dated February 4, 1981, and of record in the Office of the Clerk of the County Commission of Pleasants County, West Virginia, in Deed Book No. 161, at page 179.

WITNESS the following signature and seal:

BIG INJUN DRILLING CO.

By Don B. Coleman
Vice President

RECEIVED
NOV 02 1982
OIL & GAS DIVISION
DEPT. OF MINES

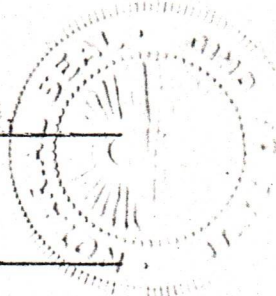
STATE OF OHIO,

COUNTY OF WASHINGTON, to-wit:

The foregoing Assignment was acknowledged before me on this the 06 day of JANUARY, 1982, by DON B. COLEMAN Vice as/President of BIG INJUN DRILLING CO., a corporation, on its behalf.

My commission expires: _____

MICHAEL L. MILLER,
Notary Public, State Of Ohio
My Commission Expires June 5, 1984



Michael L. Miller
Notary Public

This instrument was prepared under direction and supervision of John S. Bailey, Jr., Attorney At Law, Parkersburg, West Virginia

RECEIVED

NOV 02 1982

OIL & GAS DIVISION
DEPT. OF MINES



3.04 348 = 057
58

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES

Oil and Gas Division

WELL RECORD

Quadrangle Ravenrock

Permit No. 47-073-1117

Rotary _____ Oil X
Cable X Gas X
Recycling _____ Comb. _____
Water Flood _____ Storage _____
Disposal _____ (Kind) _____

Company Big Injun Drilling Corp.
Address 225 Putnam St., Marietta, OH
Farm A. G. Bailey Acres 36
Location (waters) Fishpot Creek
Well No. #1 Elev. 695
District _____ County Pleasants
The surface of tract is owned in fee by _____
A. G. Bailey
Address Rt. #2, Box 97, St. Marys, W.Va.
Mineral rights are owned by A. G. Bailey
Address Rt. 1, Box 97, St. Marys, W.Va.
Drilling Commenced 2-16-81
Drilling Completed 7-15-81
Initial open flow 1,000 cu. ft. 20 bbls.
Final production 1,000 cu. ft. per day 15 bbls.
Well open _____ hrs. before test _____ RP.

Casing and Tubing	Used in Drilling	Left in Well	Cement fill up Cu. ft. (Sks.)
Size 20-16			650 Sks.
Cond. 13" 10"	34'	34'	
13-10"	220'	220'	
9 5/8"			
8 5/8"	1158'		
7"	2034'	2034'	
4 1/2"			
3"			
2"		2395'	
Liners Used			

Well treatment details:
Natural

Attach copy of cementing record.

Coal was encountered at _____ Feet _____ Inches
Fresh water _____ Feet _____ Salt Water _____ Feet _____
Producing Sand Gordon Depth 2252 - 2270

Formation	Color	Hard or Soft	Top Feet	Bottom Feet	Oil, Gas or Water	* Remarks
Greenbriar (big lime)			1295	1345		
Big Injun			1345	1514		
Shale			1514	1520		
Squaw			1520	1567		
Shale			1567	1875		
Shale (Brown)			1875	1905		
Berea			1905	1913		
Shale			1913	2235		
Gordon			2235	2265		
Shale			2265	2408		

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OIL AND GAS LEASE

AGREEMENT, made and entered into this 23rd day of August 1979 A. D. 1979
by and between A. S. and Ruth M. Bailey OIL & GAS DIVISION
DEPT. OF MINES

of Rt 2 Box 97 St. Marys W. Va. party of the first part, hereinafter called Lessor (whether one or more),
and Big Spring Drilling Co. Marietta, Ohio party of the second part, hereinafter called Lessee;

1. WITNESSETH: That the Lessor, in consideration of the sum of One Dollar, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, does hereby grant unto the Lessee all of the oil and gas and all of the constituents of either in and under the land hereinafter described, together with the exclusive right to drill for, produce and market oil and gas and their constituents and of storing gas of any kind in any formation underlying the land, and also the right to enter thereon at all times for the purpose of drilling and operating for oil, gas and water, laying pipe lines, erecting tanks, machinery, powers and structures, and to possess, use, and occupy so much of said premises as is necessary and convenient for said purposes and to convey

the above named products therefrom or thereto by pipe lines or otherwise; said land being situate in Union Township, County of Pleasants, State of West Virginia, and described as follows, to-wit: Bounded on the

NORTH by lands of Jessie Decker

EAST by lands of William Ruttercutter

SOUTH by lands of J. L. Dye

WEST by lands of Charles Reynolds

Containing 38 (Thirty-Eight) acres, more or less and being the same land conveyed to lessor by

by deed dated _____ and recorded in said county records in _____ Book No. 41 Page 248

2. It is agreed that this lease shall remain in force for a primary term of Two (2) years from this date and as long thereafter as operations for oil or gas are being conducted on the premises, or oil or gas is found in paying quantities thereon, or any formation underlying the herein leased land is used for storage of gas as provided under paragraph 7 hereof.

3. The Lessee shall deliver to the credit of the Lessor free of cost, in the pipe line to which he may connect his wells, the equal one-eighth (1/8) part of all oil produced and saved from the leased premises, and shall pay Lessor _____

One eighth part of all gas produced at market price for all gas and casing-head gas produced and sold from the premises, payable monthly; provided, Lessee shall pay Lessor a royalty at the rate of Fifty Dollars per year on each gas well while, through lack of market, gas therefrom is not sold or used off the premises, and while said royalty is so paid said well shall be held to be a paying well under paragraph 2 hereof.

4. The Lessee shall commence operations for a well on the premises on or before August 23rd, 1981, unless Lessee pays thereafter a rental of no fee is paid for each _____ months that operations are delayed from the time above mentioned. The consideration first recited herein, the down payment, shall cover not only the privilege granted to the date when first said rental is payable as aforesaid, but also the Lessee's option of extending that period as aforesaid, and any and all other rights conferred. The drilling of a non-productive well shall be accepted by the Lessor in lieu of delay rental for a period of one year after its completion, and following the exhaustion or abandonment of all wells the Lessee shall have the right for a period of one year to resume the payment of delay rental or commence operations for another well. Upon the resumption of payment of rentals the provisions hereof governing such payment and the effect thereof shall continue in force as though they had not been interrupted.

5. All moneys coming due hereunder shall be paid or tendered to A. S. Bailey ZIP direct, or by check payable to his (or her) order mailed to Rt 2 Box 97 St. Marys W. Va. 26170, and no default shall be declared against the Lessee by the Lessor for failure of the Lessee to make any payment or perform any conditions provided for herein unless the Lessee shall refuse or neglect to pay or perform the same for ten days after having received written notice by registered mail from the Lessor of his intention to declare such default.

6. Lessor reserves 200,000 cubic feet of gas per annum for domestic use, to be taken through his own appliances at any producing gas well, and agrees to pay Lessee a fair domestic rate for any gas used in excess thereof. Lessor further covenants and agrees that his taking and use of gas shall be wholly at his own risk, the Lessee not to be held liable for any accident or damage caused thereby, nor shall Lessee be liable for any shortage or failure in the supply of gas for said domestic use.

7. Lessee shall have the right to use any formation underlying the leased premises for the storage of gas and shall have all rights and rights-of-way necessary to store and produce such stored gas. As full payment for such storage rights, the Lessee shall pay to the Lessor a rental at the rate of _____ per acre per year, while the premises are so used, and so long as the storage payment is made, all provisions of this lease shall remain in full effect.

8. Lessor further grants to the Lessee, his heirs and assigns, the right to unitize this lease with other leases to form a drilling unit or units according to the rules and regulations which may be adopted for the proper development and conservation of the field. In the event this lease is so unitized, the Lessor agrees to accept, in lieu of the royalty hereinbefore recited, such proportion of the royalty above provided, as the acreage covered by this lease bears to the total acreage comprising the unit.

9. If said Lessor owns a less interest in the above described land than the undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the Lessor only in the proportion which his interest bears to the whole and undivided fee.

10. No well may be drilled nearer than 200 feet to the house or barn now on said premises without the written consent of Lessor. Lessee shall have and enjoy all rights and privileges necessary and convenient for the proper use and development of this lease, and shall have the right to use, free of cost, gas, oil and water produced on said land for its operations thereon, except water from wells of Lessor. Lessee shall also have the right at any time to remove all or any part of the machinery, fixtures or structures placed on said premises, including the right to draw and remove casing. Lessee shall pay for damages caused by its operations to growing crops on said lands, and, when requested by Lessor, shall bury its pipe lines below plow depth.

11. The interest or estate of either party hereto may be assigned, the privilege of assigning in whole or in part being expressly allowed. In event this lease shall be assigned as to any part or parts of the above described land and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease insofar as it covers a part or parts of said land upon which the said Lessee or any assignee thereof shall make due payment of said rental. No change of ownership in the land or in the rentals or royalties shall be binding on the Lessee until after notice to the Lessee and it has been furnished with a written transfer or assignment or a certified copy thereof.

12. At any time, Lessee, its successors or assigns, shall have the right to surrender this lease or any part thereof for cancellation, after which all payments and liabilities hereunder thereafter shall cease and determine, and if the whole is surrendered, then this lease shall become absolutely null and void. This surrender may be made to the Lessor, or if more than one Lessor, then to any one of them, or to the heirs or assigns of any one of them by delivery of a duly executed surrender thereof in person or by mail addressed to the post office address of such person, or by recording a duly executed surrender thereof in the Recorder's office of the County in which the land is located.

13. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the Lessee at its option may pay, discharge or redeem any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands, and in event it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying any royalty or rentals accruing hereunder to the discharge of any such taxes, mortgages or other liens.

14. It is expressly agreed that if the Lessee shall commence drilling operations at any time while this lease is in force, it shall remain in force and its terms continue so long as such operations are prosecuted, and if production results therefrom, then as long as production continues. If after the expiration of the term of this lease production from the leased premises shall cease from any cause, this lease shall not terminate provided Lessee resumes operations within sixty days from such cessation, and this lease shall remain in force during the prosecution of such operations, and, if production results therefrom, then as long as oil or gas is produced in paying quantities.

This instrument prepared by Don Coleman

15. This lease embodies the entire contract and agreement between Lessor and Lessee, and no warranties, representations, promises or inducements not herein expressed have been made or relied upon by either party. The terms, conditions and stipulations hereof shall extend to the respective heirs, executors, administrators, successors and assigns of the parties hereto.

Witness the hands and seals of the parties hereto the day and year first above written.

WITNESS:

N.B. Mahls
Mark Bailey

Ruth M. Bailey (SEAL)
Ruth M. Bailey (SEAL)
(SEAL)
(SEAL)
(SEAL)
(SEAL)
(SEAL)

WEST VIRGINIA ACKNOWLEDGMENT

STATE OF WEST VIRGINIA

COUNTY OF Pleasant

To-wit:

I, Mary Lou Walbrooks a Notary Public of said County, do hereby certify that

A. G. Bailey and Ruth M. Bailey
whose name is signed to the within writing bearing date the 23 day of Aug, 1979
has this day acknowledged the same before me in my said County.

Given under my hand this 23 day of Aug, 1979
Mary Lou Walbrooks
Notary Public

My Commission expires Aug. 10, 1988

WEST VIRGINIA ACKNOWLEDGMENT

STATE OF WEST VIRGINIA

COUNTY OF _____

To-wit:

I, _____ a Notary Public of said County, do hereby certify that

whose name _____ signed to the within writing bearing date the _____ day of _____, 19____
has this day acknowledged the same before me in my said County.

Given under my hand this _____ day of _____, 19____

Notary Public

My Commission expires _____

OHIO ACKNOWLEDGMENT

STATE OF OHIO,

COUNTY OF _____

SS.

Before me, a Notary Public in and for said county, personally appeared the above named _____

_____ who acknowledged
that he did sign the foregoing instrument, and that the same is _____ free act and deed. In testimony
whereof I have hereunto subscribed my name at _____, this _____
day of _____, 19____

My Commission expires _____

Notary Public

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OIL & GAS DIVISION
DEPT. OF MINES

RECORDING DATA:

Term _____
County _____ State _____
Location _____
Acres _____
Date _____, 19____
TO _____

Globe Form 100 - Rev.
(Standard Ohio & W. Va.)

Oil and Gas Lease

Manella 45750

STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES
 OIL AND GAS DIVISION
STATUS INSPECTION REQUEST
INSPECTOR'S COMPLIANCE REPORT

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OIL & GAS DIVISION
 DEPT. OF MINES

Permit No. 073-1117-FRAC County. Pleasants
 Company. Devonian Exploration Farm. A. G. Bailey
 Inspector. Robert Lowther Well No. 1
 Date. August 28, 1984 Issued. 11-4-82

RULE	DESCRIPTION	IN COMPLIANCE	
		YES	NO
23.06	Notification Prior to starting Work	_____	_____
25.04	Prepared before Drilling to prevent Waste	_____	_____
25.03	High-Pressure Drilling	_____	_____
16.01	Required Permits at Wellsite	_____	_____
15.03	Adequate Fresh Water Casing	_____	_____
15.02	Adequate Coal Casing	_____	_____
15.01	Adequate Production Casing	_____	_____
15.04	Adequate Cement Strength	_____	_____
23.02	Maintained Access Roads	_____	_____
25.01	Necessary Equipment to prevent Waste	_____	_____
23.03	Reclaimed Drilling Site	_____	_____
23.04	Reclaimed Drilling Pits	_____	_____
23.05	No Surface or Underground Pollution	_____	_____
7.03	Identification Markings	_____	_____

COMMENTS: We need a status report on this well. The frac permit expired on
7-4-83, and if it was not fractured, then we need a final issued on reclamation.

This well was not Fractured ok to Release

I have inspected the above well and (Have/Have Not) found it to be in compliance with all of the rules and regulations of the Office of Oil and Gas-Department of Mines of the State of West Virginia.

SIGNED: R. A. Lowther
 DATE: Nov 21, 1984



State of West Virginia
 Department of Mines
 Oil and Gas Division
 Charleston 25305

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 OIL & GAS DIVISION
 DEPT. OF MINES

FINAL INSPECTION REPORT
 INSPECTORS COMPLIANCE REPORT

COMPANY Devonian Exploration
 214 Eighth Street
 Parkersburg, WV 26101

PERMIT NO 073-1117
 FARM & WELL NO Bailey 1
 DIST. & COUNTY union/pleasant

RULE	DESCRIPTION	IN COMPLIANCE	
		YES	NO
23.06	Notification Prior to Starting Work	_____	_____
25.04	Prepared before Drilling to Prevent Waste	_____	_____
25.03	High-Pressure Drilling	_____	_____
16.01	Required Permits at Wellsite	_____	_____
15.03	Adequate Fresh Water Casing	_____	_____
15.02	Adequate Coal Casing	_____	_____
15.01	Adequate Production Casing	✓	_____
15.04	Adequate Cement Strenght	_____	_____
15.05	Cement Type	_____	_____
23.02	Maintained Access Roads	✓	_____
25.01	Necessary Equipment to Prevent Waste	✓	_____
23.04	Reclaimed Drilling Pits	✓	_____
23.05	No Surface or Underground Pollution	✓	_____
23.07	Requirements for Production & Gathering Pipelines	✓	_____
16.01	Well Records on Site	✓	_____
16.02	Well Records Filed	✓	_____
7.05	Identification Markings	✓	_____

I HAVE INSPECTED THE ABOVE CAPTIONED WELL AND RECOMMEND THAT IT BE RELEASED:

SIGNED R. H. Louthen
 DATE Nov 21, 1984

Your well record was received and reclamation requirements approved. In accordance with Chapter 22, Article 4, Section 2, the above well will remain under bond coverage for the life of the well.

T. H. R. B.
 Administrator-Oil & Gas Division
 January 9, 1985

DATE

