



1) Date: March 14, 19 83
 2) Operator's Well No. Hardy #1
 3) API Well No. 47-079-1112 ~~XXXXXX~~
 State County Permit

DRILLING CONTRACTOR:

Clint Hurt & Associates, Inc.

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

OIL AND GAS WELL PERMIT APPLICATION

- 4) WELL TYPE: A Oil / Gas X /
 B (If "Gas", Production X / Underground storage / Deep / Shallow X /)
- 5) LOCATION: Elevation: 666.65 Watershed: Painter Branch of Cherry Fork
 District: Union County: Putnam Quadrangle: Bancroft
- 6) WELL OPERATOR Clint Hurt & Assoc., Inc. 11) DESIGNATED AGENT I. David Bartram
 Address Post Office Box 388 Address Post Office Box 388
Elkview, W.Va. 25071 Elkview, W.Va. 25071
- 7) OIL & GAS ROYALTY OWNER Frank Hardy, et al. 12) COAL OPERATOR Not operated
 Address c/o Trust Dept. Kanawha Valley Bank Address
Charleston, W.Va. 25326
- 8) SURFACE OWNER Russell Randolph 13) COAL OWNER(S) WITH DECLARATION ON RECORD:
 Address Rt. 1, Box 145-A Name
Petersburg, VA 23805 Address
 Acreage 76 3/4 acres Name
- 9) FIELD SALE (IF MADE) TO: Devon/Eason Pipeline Co. Address
Box 1433, Charleston, WV 25325 Name
- 10) OIL & GAS INSPECTOR TO BE NOTIFIED Name
 Name Kenneth Butcher Address
 Address Barboursville, WV 25504 Address
phone: 736-4885
- 15) PROPOSED WORK: Drill X / Drill deeper / Redrill / Fracture or stimulate
 Plug off old formation / Perforate new formation
 Other physical change in well (specify)
- 16) GEOLOGICAL TARGET FORMATION, Devonian Shale
- 17) Estimated depth of completed well, 4125 feet
 18) Approximate water strata depths: Fresh, 150 feet; salt, 1900 feet.
 19) Approximate coal seam depths: none anticipated Is coal being mined in the area? Yes / No X

20) CASING AND TUBING PROGRAM

CASING OR TUBING TYPE	SPECIFICATIONS					FOOTAGE INTERVALS		CEMENT FILL-UP OR SACKS (Cubic feet)	PACKERS
	Size	Grade	Weight per ft.	New	Used	For drilling	Left in well		
Conductor	10 3/4			X		250	250	To surface	ends 125 sax
Fresh water									NEAT
Coal									Sizes
Intermediate	7			X		2050	500	75 sax=430 feet	
Production	4 1/2			X			4125	175 sx.=2100 feet	
Tubing	2 3/8						4000		
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.

CLINT HURT & ASSOCIATES, INC.

Notary: Vivian J. Coker
 My Commission Expires Feb. 2, 1989

Signed: I. David Bartram
 Its: Production Superintendent

OFFICE USE ONLY
 DRILLING PERMIT

Permit number 47-079-1112 Date March 18 19 83

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 November 18, 1983 unless drilling is commenced prior to that date and prosecuted with due diligence.

Bond: <u>BB</u>	Agent: <u>ls</u>	Plat: <u> </u>	Casing: <u> </u>	Fee: <u>12843</u>
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T. H. H.
 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.

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 _____



IV-9
(Rev 8-81)

DATE January 20, 1983
WELL NO. 1040 Hardy
API NO. 47 - 079 - 1112

State of West Virginia
Department of Mines
Oil and Gas Division

CONSTRUCTION AND RECLAMATION PLAN

COMPANY NAME Clint Hurt & Associates, Inc. DESIGNATED AGENT TO I. David Bartram
Address P.O. Box 388 Address P.O. Box 388
Telephone Elkview, W.Va. 25071 Telephone Elkview, W.Va. 25071

LANDOWNER Russel Randolph SOIL CONS. DISTRICT Western
Revegetation to be carried out by Fred Wiseman (Agent)

This plan has been reviewed by Western SCD. All corrections
and additions become a part of this plan: 2-18-83 (Date)
Clay Edwards (SCD Agent)

ACCESS ROAD	LOCATION
Structure <u>Drain Pipe</u> (A)	Structure _____ (1)
Spacing <u>As shown on sketch</u>	Material _____
Page Ref. Manual <u>2-7, 2-8 & Tables</u>	Page Ref. Manual _____
Structure <u>Rock</u> (B)	Structure _____ (2)
Spacing <u>150'</u>	Material _____
Page Ref. Manual <u>N/A</u>	Page Ref. Manual _____
Structure _____ (C)	Structure _____ (3)
Spacing _____	Material _____
Page Ref. Manual _____	Page Ref. Manual _____

All structures should be inspected regularly and repaired if necessary. All commercial timber is to be cut and stacked and all brush and small timber to be cut and removed from the site before dirt work begins.

REVEGETATION

Treatment Area I

Lime	<u>3</u>	Tons/acre
or correct to pH <u>6.5</u>		
Fertilizer	<u>800# 12-12-12</u>	lbs/acre
<u>(10-20-20 or equivalent)</u>		
Mulch	<u>Hay 1.5 to 2</u>	Tons/acre
Seed*	<u>KY-31 Fescue 30</u>	lbs/acre
	<u>Orchard Grass 12</u>	lbs/acre
	<u>Ladino Clover 3</u>	lbs/acre

Treatment Area II

Lime	<u>3</u>	Tons/acre
or correct to pH <u>6.5</u>		
Fertilizer	<u>800# 12-12-12</u>	lbs/acre
<u>(10-20-20 or equivalent)</u>		
Mulch	<u>Hay 1.5 to 2</u>	Tons/acre
Seed*	<u>KY-31 Fescue 30</u>	lbs/acre
	<u>Orchard Grass 12</u>	lbs/acre
	<u>Ladino Clover 3</u>	lbs/acre

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

PLAN PREPARED BY Fred M. Wiseman
ADDRESS P.O. Box 1433
Charleston, WV 25325
PHONE NO. 304-342-3171

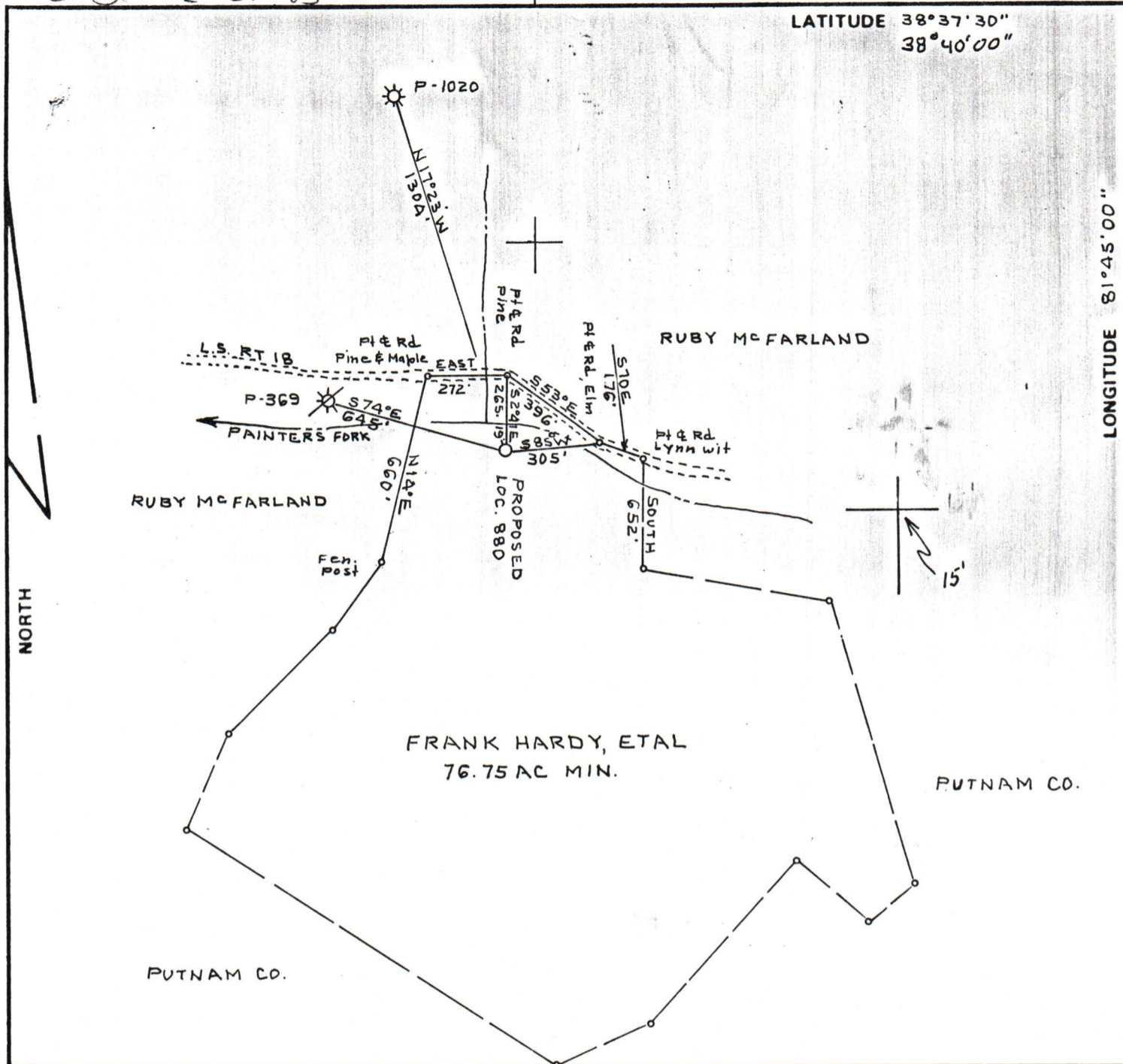
NOTES: Please request landowners' cooperation to protect new seedling for one growing season. Attach separate sheets as necessary for comments.

2-21-83

8,300'

LATITUDE 38°37'30"
38°40'00"

LONGITUDE 81°45'00"



FILE NO. BK 74 P 96
 DRAWING NO. _____
 SCALE 1" = 500'
 MINIMUM DEGREE OF ACCURACY 1-200'
 PROVEN SOURCE OF ELEVATION USGS Forks of Road 3300' SW of Loc E.L. 651.0'

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) C. S. Yolley Jr.
 R.P.E. _____ U.S. 92 _____

PLACE SEAL HERE

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



DATE JAN 22 1983
 OPERATOR'S WELL NO 1
 API WELL NO FRANK HARDY
47 - 079 - 1112
 STATE COUNTY PERMIT

STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES
 OIL AND GAS DIVISION

Formerly - Put - 1111

WELL TYPE: OIL ___ GAS X LIQUID INJECTION ___ WASTE DISPOSAL ___
 (IF "GAS,") PRODUCTION X STORAGE ___ DEEP ___ SHALLOW X
 LOCATION: ELEVATION 666.65 WATERSHED PAINTERS FORK OF CHEERY FORK
 DISTRICT UNION COUNTY PUTNAM
 QUADRANGLE BANCROFT 7.5'
 SURFACE OWNER RUSSELLE E. RANDOLPH ACREAGE 76.75
 OIL & GAS ROYALTY OWNER FRANK HARDY, ETAL. LEASE ACREAGE 880
 LEASE NO. _____
 PROPOSED WORK: DRILL X 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 DEVONIAN SHALE ESTIMATED DEPTH 4125
 WELL OPERATOR Clint Hurt & Assoc. DESIGNATED AGENT I. David Bartram
 ADDRESS Po Box 388 ADDRESS Same
EIKview, Wva 25071

Put. 1112

DETAILS OF PERFORATED INTERVALS, FRACTURING OR STIMULATING, PHYSICAL CHANGE, ETC.

Perforated 4½" casing 3910 to 4050 w/29 shots.
Fractured Devonian Shale using 280 bbls. water
and 33,500# sand.

WELL LOG

FORMATION	COLOR	HARD OR SOFT	TOP FEET	BOTTOM FEET	REMARKS
					Including indication of all fresh and salt water, coal, oil and gas
Sand			0	42	
Shale			42	297	
Sand			297	303	
Shale			303	382	
Sand			382	397	
Shale			397	460	
Sand			460	468	
Shale			468	630	
Sand			630	647	
Shale			647	710	
Sand			710	723	
Shale			723	785	
Sand			785	830	
Shale			830	943	
Sand			943	967	
Shale			967	982	
Sand			982	1038	
Shale			1038	1088	
Sand			1088	1100	
Shale			1100	1465	
Salt Sand			1465	1675	
Shale			1675	1702	
Big Lime			1702	1834	
Shale			1834	1878	
Injun Sand			1878	1978	
Gray Shale			1978	2319	
Coffee Shale			2319	2351	
Berea Sand			2351	2360	
Gray Shale			2360	3579	
Brown Shale			3579	4081	
Gray Shale			4081	4177	
TOTAL DEPTH			4177		

(Attach separate sheets as necessary)

Clint Hurt & Associates

Well Operator

By: David Buttram

Date: _____

Note: Regulation 2.02(i) provides as follows:

"The term 'log' or 'well log' shall mean a systematic detailed geological record of all formations, including coal, encountered in the drilling of a well."

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

RECEIVED

MAR 28 1983

OIL AND GAS DIVISION
WV DEPARTMENT OF MINES

INSPECTOR'S WELL REPORT

Permit No. 47-079-1112

Oil or Gas Well _____
(KIND)

Company Colbert Hunt & Assoc
 Address Charleston, W. Va.
 Farm Frank Hardley
 Well No. 1
 District Union County Pulman
 Drilling commenced 3-24-83
 Drilling completed _____ Total depth _____
Ran 9 5/8" pipe at 240'
 Date shot _____ Depth of shot _____
 Initial open flow _____ /10ths Water in _____ Inch
 Open flow after tubing _____ /10ths Merc. in _____ Inch
 Volume _____ Cu. Ft.
 Rock pressure _____ lbs. _____ hrs.
 Oil _____ bbls., 1st 24 hrs.
 Fresh water _____ feet _____ feet
 Salt water _____ feet _____ feet

CASING AND TUBING	USED IN DRILLING	LEFT IN WELL	PACKERS
Size			
16			Kind of Packer _____
13			
10 <u>9 5/8</u> <u>240'</u>			Size of _____
8 1/4			
6 3/8			Depth set _____
5 3/16			
3			Perf. top _____
2			Perf. bottom _____
Liners Used			Perf. top _____
			Perf. bottom _____

RECEIVED

MAR 28 1983

OIL AND GAS DIVISION
WV DEPARTMENT OF MINES

CASING CEMENTED _____ SIZE _____ No. FT. _____ Date _____
 NAME OF SERVICE COMPANY _____
 COAL WAS ENCOUNTERED AT _____ FEET _____ INCHES
 _____ FEET _____ INCHES FEET _____ INCHES
 _____ FEET _____ INCHES FEET _____ INCHES

Drillers' Names Junior Archer
P.O. Goals
 Remarks: _____

3-25-83
DATE

(503) K.E. Butcher
DISTRICT WELL INSPECTOR

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

RECEIVED

APR 4 - 1983

OIL AND GAS DIVISION
WV DEPARTMENT OF MINES

INSPECTOR'S WELL REPORT

Permit No. 079-1112

Oil or Gas Well Gas
(KIND)

Company <u>Clint Hurt + Assoc.</u>	CASING AND TUBING	USED IN DRILLING	LEFT IN WELL	PACKERS
Address <u>Charleston, W.V.A.</u>	Size			
Farm <u>Frank Hardy</u>	16			Kind of Packer
Well No. <u>Hardy #1</u>	13			
District _____ County <u>Putnam</u>	10			Size of
Drilling commenced <u>3/24/83</u>	<u>9 5/8</u>		<u>250</u>	
Drilling completed <u>3/30/83</u> Total depth <u>4152</u>	<u>7"</u>		<u>2050</u>	Depth set
Date shot _____ Depth of shot _____	5 3/16			
Initial open flow _____ /10ths Water in _____ Inch	<u>4 1/2</u>		<u>4152</u>	Perf. top
Open flow after tubing _____ /10ths Merc. in _____ Inch	2			Perf. bottom
Volume _____ Cu. Ft.	Liners Used			Perf. top
Rock pressure _____ lbs. _____ hrs.				Perf. bottom
Oil _____ bbls., 1st 24 hrs.	CASING CEMENTED <u>9 5/8</u> SIZE <u>250</u> No. FT. <u>3/25/83</u> Date			
Fresh water _____ feet _____ feet	NAME OF SERVICE COMPANY <u>Halliburton</u>			
Salt water _____ feet _____ feet	COAL WAS ENCOUNTERED AT _____ FEET _____ INCHES			
	_____ FEET _____ INCHES _____ FEET _____ INCHES			
	_____ FEET _____ INCHES _____ FEET _____ INCHES			

Drillers' Names G. Starcher John Archer Jr. Pusher

Remarks: Clint Hurt Rig #4
3/25/83 Ran 250 ft. of 9 5/8" + Cem. with 110 Sacks of Reg. by Halliburton.
3/27/83 Ran 2050 ft. of 7" pipe + cem. with 100 Sacks.
3/30/83 Ran 4152 of 4 1/2" Pipe Halliburton on location Ready to cement 4 1/2" with 225 sacks of 50/50 10z.
3/30/83 Homer H. Dougherty

STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES
 OIL AND GAS DIVISION

RECEIVED
 APR 4 - 1984
 OIL & GAS DIVISION
 DEPT. OF MINES

FINAL INSPECTION REQUEST
INSPECTOR'S COMPLIANCE REPORT

Permit No. 079-1112 County PUTNAM
 Company CLINT HURT & ASSOC. Farm HARDY
 Inspector JERRY HOLCOMB Well No. 1
 Date APRIL 19, 1983

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: OK

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: Jerry Holcomb
 DATE: 3-29-83



State of West Virginia

Department of Mines

Charleston 25305

JOHN D. ROCKEFELLER, IV.
Governor

WALTER N. MILLER
Director

April 6, 1984

Clint Hurt & Associates, Inc.
P. O. Box 388
Elkview, W. Va. 25071

Gentlemen:

The required records and reports have been received in this office and the District Inspectors have submitted FINAL INSPECTIONS for the following wells listed below:

<u>PERMIT NUMBER</u>	<u>FARM AND WELL NUMBER</u>	<u>DISTRICT</u>
PUT-1112	Frank Hardy, et al, #1	Union
WAY-1796	Ella Ekers, #1	Union

In accordance with Chapter 22, Article 4, Section 2, the above captioned wells will remain under bond coverage for "life of wells." Reclamation requirements have been approved.

Very truly yours,

A handwritten signature in cursive script, appearing to read "T.M. Streit".

Theodore M. Streit, Administrator
Dept. Mines-Office of Oil & Gas

TMS/rl

APPLICATION FOR DETERMINATION OF THE MAXIMUM LAWFUL PRICE UNDER THE NATURAL GAS POLICY ACT (NGPA)

1.0 API well number: (If not assigned, leave blank. 14 digits.)	47-079-1112 - RECEIVED			
2.0 Type of determination being sought: (Use the codes found on the front of this form.)	107 Section of NGPA	3 Category Code	APR 18 1983	
3.0 Depth of the deepest completion location: (Only needed if sections 103 or 107 in 2.0 above.)	4177 feet			
4.0 Name, address and code number of applicant: (35 letters per line maximum. If code number not available, leave blank.)	OIL & GAS DIVISION DEPT. OF MINES			
	Name CLINT HURT & ASSOCIATES			Seller Code
	P.O. Box 388			
	Street ELKVIEW		W.VA.	25071
	City		State	Zip Code
5.0 Location of this well: [Complete (a) or (b).] (a) For onshore wells (35 letters maximum for field name.)	EAST MIDWAY			
	Field Name PUTNAM		W.VA.	
	County		State	
(b) For OCS wells:	Area Name		Block Number	
	Date of Lease: Mo. Day Yr.			
			OCS Lease Number	
(c) Name and identification number of this well: (35 letters and digits maximum.)	#1 FRANK HARDY			
(d) If code 4 or 5 in 2.0 above, name of the reservoir: (35 letters maximum.)				
6.0 (a) Name and code number of the purchaser: (35 letters and digits maximum. If code number not available, leave blank.)	DEVON PIPELINE CO. & EASON / W.V. PIPELINE CO.			038117
	Name			Buyer Code
(b) Date of the contract:	04.15.83			
	Mo. Day Yr.			
(c) Estimated total annual production from the well:	12 Million Cubic Feet			
		(a) Base Price	(b) Tax	(c) All Other Prices [Indicate (+) or (-).]
7.0 Contract price: (As of filing date. Complete to 3 decimal places.)	S/MMBTU	2.752	0.303	0.000
		14.73 PSI		
8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)	S/MMBTU	- DEREGULATED -		
9.0 Person responsible for this application:	I. DAVID BARTRAM			PROD. SUPT.
	Name			Title
	Signature <i>I. David Bartram</i>			
	Date Application is Completed 4/18/83		304-344-2401	
			Phone Number	
Agency Use Only				
Date Received by Juris. Agency				
APR 18 1983				
Date Received by FERC				

PARTICIPANTS:

DATE: SEP 22 1983

BUYER-SELLER CODE

WELL OPERATOR: Clint Hurt & Associates

FIRST PURCHASER: Devon Pipeline Co - Eason WV Pipeline 038117

OTHER: _____

W. Va. Department of Mines, Oil & Gas Division
 WELL DETERMINATION FILE NUMBER
830418-107-079-1112
 Use Above File Number on all Communications
 Relating to Determination of this Well

QUALIFIED

CHECK EACH ITEM AS COMPLETE OR NOTE WHAT IS MISSING

ITEM NO.

- 1. FERC -121 Items not completed - Line No. 7.0 8.0 dereg
- 2. IV-1 Agent I David Bartram
- 3. IV-2 Well Permit _____
- 4. IV-6 Well Plat
- 5. IV-35 Well Record _____ Drilling _____ Deepening _____
- 6. IV-36 Gas-Oil Test: Gas Only _____ Was Oil Produced? _____ Ratio _____
- 7. IV-39 Annual Production years
- 8. IV-40 90 day Production _____ Days off line: _____
- 9. IV-48 Application for certification. Complete?
- 10-17. IV Form 51 - 52 - 53 - 54 - (55) - 56 - 57 - 58 Complete? Affidavit Signed
- 18-28. Other: Survey _____ Logs _____ Geological Charts _____
 Structure Map _____ 1: 4000 Map _____ Well Tabulations _____
 Gas Analyses _____
- (5) Date commenced: 3-24-83 Date completed 3-30-83 Deepened _____
- (5) Production Depth: 3910-4050
- (5) Production Formation: Devonian
- (5) Final Open Flow: 133 mcf
- (5) After Frac. R. P. 650 # 64 hrs
- (6) Other Gas Test: _____
- (7) Avg. Daily Gas from Annual Production: _____
- (8) Avg. Daily Gas from 90-day ending w/1-120 days _____
- (8) Line Pressure: _____ PSIG from Daily Report
- (5) Oil Production: _____ From Completion Report _____
- 10-17. Does lease inventory indicate enhanced recovery being done Xb
- 10-17. Is affidavit signed? Notarized?
- Does official well record with the Department confirm the submitted information? yes
- Additional information _____ Does computer program confirm? _____
- Was Determination Objected to _____ By Whom? _____

Date APRIL 15, 1983

Operator's Well No. #1 HARDY

API Well No. 47 - 079 - 1112
State County Permit

Previous File No. _____
(If Applicable)

STATE APPLICATION FOR WELL CLASSIFICATION

WELL OPERATOR CLINT HURT & ASSOC.

DESIGNATED AGENT I. DAVID BARTRAM

ADDRESS P.O. BOX 388
ELKVIEW, W.VA. 25071

ADDRESS P.O. BOX 388
ELKVIEW, W.VA. 25071

Gas Purchase Contract No. DPL525 P and Date 4/15/83
(Month, day and year)

Meter Chart Code 691

Name of First Purchaser DEVON PIPELINE CO. & EASON/W.V. PIPELINE CO.

P.O. BOX 1433
(Street or P. O. Box)
CHARLESTON, W.VA. 25325
(City) (State) (Zip Code)

FERC Seller Code _____

FERC Buyer Code 038117

TYPE OF DETERMINATION BEING SOUGHT:

- (1) Initial determination (See FERC Form 121.) Section of NGPA 107 Category Code 3
- (2) Determination that increased production is the result of enhanced recovery technology.
- (3) Determination of a seasonally affected well.

I. DAVID BARTRAM, PROD. SUPT.
Name (Print) Title
I. David Bartram
Signature
P.O. Box 388
Street or P. O. Box
ELKVIEW W.VA. 25071
City State (Zip Code)
304-344-2401
Area Code Phone Number

(Certificate of Proof of Service to Purchaser)

ON APRIL 18, 1983 DELIVERED TO: MR. BILL R. WEAVER
DEVON PIPELINE CO. &
EASON/W.V. PIPELINE CO.
1207 QUARRIER ST.
CHARLESTON, W.VA. 25301

(All of the above to be completed by the Operator/Applicant)

(To be completed by Jurisdictional Agency. Executed copy to be returned to Operator/Applicant and purchaser, if known).

The Department of Mines has received a request, for certification of the above described well as meeting the requirements of Section _____ under the Natural Gas Policy Act of 1978, (NGPA); or for determination that increased production is the result of enhanced recovery technology under Section 108 of (NGPA); or for determination of a seasonally affected well under Section 108 of (NGPA)

All interested parties are hereby notified that on the _____ day of _____, 19____, at the office of the Oil and Gas Division in Charleston, West Virginia, or as soon thereafter as it may be heard, there will be a public hearing, if requested, or if objection is filed.

This Application is assigned File No. _____

Initial review of information submitted indicates the well is, is not entitled to certification as claimed under the Natural Gas Policy Act (NGPA). A review of this evidence and any additional evidence will be made at the time appointed for a public hearing or as soon thereafter as the matter may be heard.

Unless objections are timely filed or a request for a hearing is made within fifteen (15) days, a hearing will not be held except on ex parte motion of the department and the matter will go to determination.

WEST VIRGINIA DEPARTMENT OF MINES

APR 18 1983

Date received by
Jurisdictional Agency

By I. David Bartram
Director
Title _____

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

Date APRIL 15, 1983

Operator's Well No. #1 HARDY

API Well No. 079 - 1112
State County Permit

WELL CLASSIFICATION FORM
HIGH COST GAS WELL - DEVONIAN SHALE

NGPA Section 107

DESIGNATED AGENT I. DAVID BARTRAM

ADDRESS P.O. BOX 388
ELKVIEW, W.VA. 25071

WELL OPERATOR CLINT WERT & ASSOC.

ADDRESS P.O. BOX 388
ELKVIEW, W.VA. 25071

GAS PURCHASER DEVON PIPELINE CO.

ADDRESS P.O. BOX 1433
CHARLESTON, W.VA. 25325

LOCATION Elevation 666.65

Watershed PAINTERS BR. OF CHERRY FORK

Dist. UNION County RUTNAM Quad BANCROFT

Gas Purchase Contract No. DPL525P

Meter Chart Code 691
Date of Contract APRIL 15, 1983

* * * * *

Date surface drilling began: 6 PM MARCH 24, 1983

Indicate the bottom hole pressure of the well and explain how this was calculated.

SURFACE GAUGE PRESSURE = 650 PSI
BOTTOM HOLE PRESSURE IS CALCULATED FROM THE
OBSERVED SURFACE PRESSURE BY MULTIPLYING BY
A FACTOR OF 1.115 ∴ BHP = 725 PSI
(SEE ATTACHED CHART AND CALCULATION)

AFFIDAVIT

I, I. DAVID BARTRAM, having been first sworn according to law, state that, I have calculated the percentage of footage of the producing interval which is not Devonian shale as indicated by a Gamma Ray index of less than 0.7 if a Gamma Ray log described subparagraph (3)(i) or (3)(ii)(A) has been filed, or as indicated by the report described in subparagraph (3)(ii)(B); I have demonstrated that the percentage of potentially disqualifying non-shale footage is equal to or less than five (5) percent of the gross Devonian age interval; and I have no knowledge of any information not described in the application which is inconsistent with a conclusion that the well qualifies as a high cost natural gas well.

I. David Bartram

STATE OF WEST VIRGINIA.

COUNTY OF KANAWHA, TO WIT:

I, William A. Morris, a ^{Commissioner}~~Notary Public~~ in and for the state and county aforesaid, do certify that I. DAVID BARTRAM, whose name is signed to the writing above, bearing date the 15 day of APRIL, 1983, has acknowledged the same before me, in my county aforesaid.

Given under my hand and official seal this 18 day of APRIL, 1983.

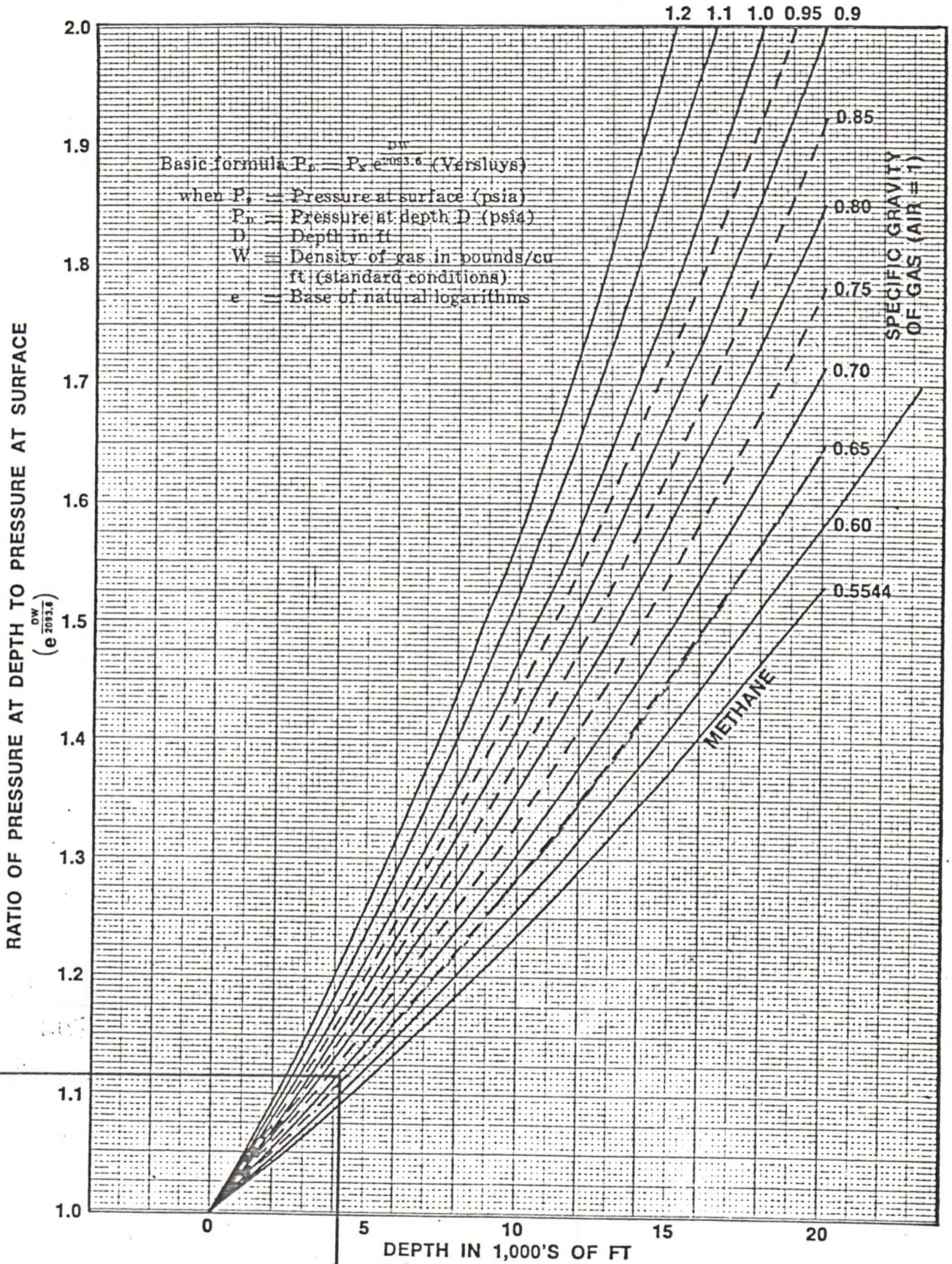
My term of office expires on the 21 day of APRIL, 1990.

William A. Morris
Notary Public

[NOTARIAL SEAL]



Ratio of Gas Pressure at Depth to Pressure at Surface (Assuming Perfect Gas)



1.115

4177'

API 47-079-1112
 WURT #1 HARDY
 SP. GRAVITY = .69
 SLWT IN PRESS = 650 PS

BHP = 650 x 1.115 = 724.75 PSI

THIS AGREEMENT, Made this 1st day of April, 1963, by and between FRANK A. HARDY and KATHERINE S. HARDY, his wife, HELEN M. HOGE, widow, KENNETH M. BOWYER, JR., and MARION C. BOWYER, his wife, MARY BOWYER GARRETT and BRUCE A. GARRETT, her husband, MARGARET C. JONES, widow, HUMPHREYS INVESTMENTS, INCORPORATED, a corporation, ASHTON W. RENIERS and PERCEVAL RENIERS, her husband, CHARLOTTE W. STERRETT and C. HERROLD STERRETT, her husband, BOYDIE C. MORTON and D. HOLMES MORTON, her husband, WALLER C. HARDY, JR., and CHARLOTTE P. HARDY, his wife, GEORGE E. BROOKS, in his own right and as Agent for the heirs of W. E. Brooks, and NELLIE C. BROOKS, his wife, LILLIAN L. BUCK and BRADFORD B. LAIDLEY, the last two in their capacity as TRUSTEES under an Indenture dated May 2, 1939, parties of the first part, hereinafter called the "Lessors," and COMMONWEALTH GAS CORPORATION, a corporation, party of the second part, hereinafter called the "Lessee,"

WITNESSETH: That the Lessors, in consideration of One Dollar (\$1.00), the receipt of which is hereby acknowledged, and in further consideration of the covenants and agreements hereinafter contained on the part of the Lessee to be paid, kept and performed, have demised, leased and let, upon the terms and conditions and subject to the reservations and stipulations hereinafter set forth, and by these presents do demise, lease and let, unto the Lessee all of the oil and gas in and underlying the tracts of land hereinafter described, together with the rights in connection therewith which are hereinafter specifically set forth, for the sole and only purpose and with the exclusive right of mining, drilling and operating thereon for the production of oil and gas, together with such rights as the Lessors own to construct and maintain thereon all pipe lines, stations, plants, tanks, structures, equipment, machinery, appurtenances and private telephone lines which Lessee may deem necessary or convenient for the production and transportation of oil and/or gas from the leased premises, or from any adjacent premises also operated by Lessee, together with adequate and appropriate rights of way and easements for such purposes, said tracts being more particularly described as follows: All those two (2) certain tracts of land situate in Putnam County, West Virginia, containing in the aggregate eight hundred and

eighty (880) acres, more or less (hereinafter referred to as "the leased premises"), being parts of the Jabel Tract of one hundred thousand (100,000) acres which was conveyed by the Commonwealth of Virginia to Samuel Hollingsworth by patent dated the 3rd day of March, 1796, and of record in the State Auditor's Office, Charleston, West Virginia, in Land Grant Book for Kanawha County No. 1, at page 489. Said leased premises are more particularly described as a tract containing two hundred and sixteen (216) acres and a tract containing six hundred and sixty-four (664) acres situate on the waters of Painters Branch, formerly the property of The Putnam Company, and shown on a map attached hereto as a part hereof and to be recorded herewith.

The leased premises above described were conveyed to the Lessors or their predecessors in title by The Putnam Company, a corporation, by deed dated September 1, 1947, of record in Putnam County, West Virginia, in Deed Book 88, at page 395. The leased premises are now owned by the Lessors in the undivided interests set opposite their respective names in the following tabulation:

<u>Name of Lessor</u>	<u>Undivided Interest</u>
Frank A. Hardy	Twelve and one-half per cent (12-1/2%)
Helen M. Hoge	Five per cent (5%)
Kenneth M. Bowyer, Jr.	Two and one-half per cent (2-1/2%)
Mary Bowyer Garrett	Two and one-half per cent (2-1/2%)
Margaret C. Jones	One and one-fourth per cent (1-1/4%)
Humphreys Investments, Incorporated	Seven and one-half per cent (7-1/2%)
Ashton W. Reniers	Nineteen and one-fourth per cent (19-1/4%)
Charlotte W. Sterrett	Nineteen and one-fourth per cent (19-1/4%)
Boydie C. Morton	One and one-fourth per cent (1-1/4%)
Waller C. Hardy, Jr.	Twelve and one-half per cent (12-1/2%)
George E. Brooks, in his own right and as Agent	Four per cent (4%)
Lillian L. Buck and Bradford B. Laidley, as Trustees under an Indenture dated May 2, 1939	Twelve and one-half per cent (12-1/2%)

It is understood and agreed between the parties hereto that the Lessors do not own the surface of any of the tracts comprising the leased premises, but that the Lessors are the owners of certain mining and other rights which may be exercised by them in connection with the drilling for, mining and removal from said tracts of the oil and gas therein and thereunder. The Lessors hereby give and grant unto the Lessee the right to exercise all of the drilling, mining and other rights so owned by the Lessors insofar as the same are necessary, convenient or incidental to the operations of the Lessee under this agreement.

TO HAVE AND TO HOLD unto the Lessee, its successors and assigns, for the purposes aforesaid and upon the terms and conditions and subject to the reservations and stipulations hereinafter contained, for and during the term of ten (10) years from and after the date Commonwealth Gas Corporation acknowledges this lease, and so long thereafter as oil and gas, or either of them, is produced from the leased premises by the Lessee, its successors and assigns, and rents and royalties paid hereunder by the Lessee in accordance with the terms of this lease. In the event one or more wells capable of producing oil and/or gas shall be drilled during the primary term hereof, but no gas shall have been sold from one or more of such wells, Lessee may extend the term of this lease with respect to an area of one hundred (100) acres around each such well (laid out in a compact boundary as nearly square as the property lines will permit) by the payment of One Hundred Dollars (\$100.00) per year for each such well until such well is connected to a pipe line and gas is sold producing royalty to the Lessors; thereafter the Lessee shall be required to pay to the Lessors only the royalties derived from the sale of oil and/or gas from any such well until any such well is abandoned and no royalty is produced, at which time all rights of the Lessee with respect to each such one hundred (100) acres shall cease and determine.

In consideration of the premises, the Lessee covenants and agrees:

FIRST: To pay to the Lessors, as rent for the leased premises, the sum of Twenty-five Cents (25¢) per acre for each and every three-months' period during the term of this lease, amounting to a quarterly rental of Two Hundred and Twenty Dollars (\$220.00), which quarterly rental shall be payable in advance and without demand therefor, commencing on the day this lease is acknowledged by Commonwealth Gas Corporation.

SECOND: To deliver to the credit of the Lessors, free of cost, in the pipeline to which the Lessee may connect the wells drilled by it upon the leased premises, a royalty of the equal one-eighth (1/8) part of all oil produced and saved from the leased premises.

THIRD: To pay to the Lessors, should a well be found producing gas only, a royalty payable within thirty (30) days after the expiration of each quarter, beginning with the date when gas is marketed or used therefrom off the leased premises, and continuing so long as gas is produced and marketed or used off the leased premises, equal to one-eighth (1/8) of the wholesale market value thereof at the well as represented by the prevailing purchase price currently paid at the well by purchasers of gas at wholesale in the field in which the well is located, but in no event less than Two and One-half Cents (2-1/2¢) per MCF. In the determination of the prevailing purchase price at the well, hereinbefore referred to, the contract between Commonwealth Gas Corporation and Spartan Gas Company dated April 19, 1956, shall not be taken into account.

FOURTH: (a) In the event any gas well drilled hereunder on the leased premises shall produce raw or drip gasoline, Lessors shall be paid a royalty of one-eighth (1/8) of the wholesale price received by Lessee therefor, less Lessee's costs, if any, of handling and transportation.

(b) All casinghead gas from oil wells remaining after the extraction of gasoline shall be marketed, if practical so to do, and, if marketed, shall be paid for at the same rate as other gas, and the Lessors shall be paid one-eighth (1/8) of the wholesale market price, less the cost

of manufacturing, transportation and handling, for gasoline manufactured from casinghead gas produced on said premises.

FIFTH: All rents and royalties accruing under this lease shall be payable as follows:

Ninety-six per cent (96%) of said rents and royalties (being all of the rents and royalties accruing thereunder except such as accrue to George E. Brooks, in his own right and as Agent) shall be payable to The Kanawha Valley Bank, of Charleston, West Virginia, as Agent, and shall be disbursed to the Lessors other than George E. Brooks, in his own right and as Agent, in the proportions in which said Lessors own undivided interests in the leased premises and hereinbefore more particularly set forth.

The remaining four per cent (4%) of said rents and royalties shall be paid direct to George E. Brooks, as Agent, and shall be disbursed by him to the successors in title of W. E. Brooks in the proportions in which said persons own the four per cent (4%) interest in the leased premises heretofore owned by the said W. E. Brooks.

Oil and gas royalties in each lease year shall be credited against the delay rental for such lease year, but the Lessee shall pay to the Lessors for each lease year during the term of this lease an amount equal to the delay rental for such lease year, it being understood and agreed that such delay rental represents the minimum amount which the Lessee shall pay to the Lessors, so long as this lease continues in force and effect. Each lease year shall commence on the day of the month this lease is acknowledged by Commonwealth Gas Corporation.

If, at the end of any lease year from the date of this lease, the amount of royalties paid, or payable, for gas or gasoline for such year, together with the market value of any oil delivered to the Lessors as royalty, shall be less than the amount of land rental for such year, the Lessee shall, within thirty (30) days after the end of such year, pay to the Lessors the difference between the land rental for such year and the amount of royalties, including market value of oil royalty, so accruing for that year.

If the amount of royalties, including market value of oil royalty, accruing to the Lessors for any lease year shall equal or exceed the amount of land rental for such year, then such royalties shall be deemed to be satisfaction of the land rentals for such year.

SIXTH: Gas produced and saved from the leased premises hereunder shall be measured by orifice, pitot tube or other meter of standard type (or, if the volume of gas so requires, by more than one meter), to be furnished by the Lessee, with necessary fittings and connected with the line or lines by means of which the Lessee may remove the gas from the leased premises, and the quantity of said gas shall be measured on a ten-ounce pressure basis above 14.7 pounds atmospheric pressure; and when measured through orifice or pitot tube, computation of the same shall be based on the temperature of 60 degrees F. flowing and 60 degrees F. storage, according to Boyle's Law for the measurement of gas at varying pressures, but without allowance for changes in temperature and/or barometric conditions from the aforesaid basis.

SEVENTH: The Lessee shall read the meters daily, or as often as the meter or meters require, but each party shall have constant access to the meters. The cost of installing and maintaining such meter or meters and of reading the same, and of building and maintaining a meter house or houses, shall be borne by the Lessee. On or before the 25th day of July, October, January and April, a statement shall be rendered to the Lessors showing the amount of gas produced and saved during the preceding quarter, based upon a pressure of ten ounces above 14.7 pounds atmospheric pressure, and measured as aforesaid, together with a computation of the amount due and payable to the Lessors, and payment of said amount to the Lessors shall be made by the Lessee at the same time.

EIGHTH: If either party challenges the accuracy of any meter in use under this lease and desires to have such meter tested or repaired, the Lessee shall test and repair the same in the presence or to the satisfaction of the Lessors, or their representatives, if the Lessors shall desire to be present or represented at such test. The cost of testing and repairing the

meter shall be borne by the party challenging the accuracy of the same, if the meter on test proves to be correct or within three per cent (3%) correct, but if the meter on test proves more than three per cent (3%) slow, then the cost of testing and repairing the meter shall be borne by the Lessee. For repair work, the meter shall be shipped to any properly equipped shop of the Lessee or other reliable shop properly equipped, selected by the party complaining, and there tested and adjusted or repaired, unless it can be tested and adjusted or repaired on the ground. During such time as the meter or meters may be out of repair or while being tested, the gas taken shall be estimated and adjustment and settlement shall be made on the basis of the amount of gas registered at like pressure for like periods of time from the same number of wells when the meter was registering accurately. Upon the correction of the inaccuracy of any meter, calculations based upon such correction, and estimates of the amount of gas delivered while the meter was incorrect shall not extend beyond sixty (60) days prior to the date of the test of the meter for accuracy.

NINTH: The statements of oil produced and of meter measurements and estimated adjustments shall be rendered by the Lessee to the Lessors on or before the twenty-fifth (25th) day of each quarter covering all oil and gas produced during the preceding quarter, and shall be conclusive on the part of the parties hereto, except as to correction and adjustment then pending, unless exception thereto, in writing, shall be made by the Lessors and mailed to the Lessee within fifteen (15) days after the Lessors shall receive such statements.

TENTH: The Lessee further agrees to keep full and proper records of all oil and gas produced from the leased premises and of all gasoline manufactured by it from the gas produced therefrom, the quantity of oil delivered to the Lessors' credit, in pipelines or otherwise, and such other matters as may be necessary to enable the Lessors to determine the amount to which they are entitled hereunder, to which said records the Lessors, and their duly appointed agents or agent, shall have access at all reasonable times.

ELEVENTH: Lessee, at its option, may combine any part of the above property with other adjacent tracts of land to form a drilling unit of not more than five hundred (500) acres, on which unit one (1) well may be drilled. If said well is productive, all royalties payable hereunder shall be prorated in the direct proportion that the acreage of each tract, or part thereof, which is included in said unit bears to the total acreage in said unit. The commencement of operations for the drilling of a well on said drilling unit shall have the same force and effect in all respects as the commencement of operations for the drilling of a well on the premises hereby leased; and drilling operations being conducted on said drilling unit, or production of oil or gas anywhere from said drilling unit, shall have the same force and effect as drilling operations being conducted or production obtained from the leased premises as to the extension of the primary term of this lease.

TWELFTH: In the event oil and gas, or either of them, shall be found in paying quantities on the leased premises, the Lessee shall proceed to market the oil and gas with all reasonable dispatch (due regard being given to seasonal and marketing conditions), and after a well has been connected with a pipeline, the extraction of oil or gas from such well shall be prosecuted continuously with reasonable diligence (due regard being given to seasonal and marketing conditions) so long as such well shall produce sufficient oil or gas to enable the Lessee to operate it at a profit, and the Lessee shall not discriminate against the oil or gas wells on the leased premises in favor of any other oil or gas well operated or controlled by it on adjoining property, either in the production or marketing of oil and gas therefrom.

THIRTEENTH: The Lessee shall conduct its operations on the leased premises in such manner as to do no unnecessary damage to the leased premises, and so as to interfere as little as possible with the use of the same by the Lessors, the owners of the surface and coal thereon, their lessees and tenants, and present or future operations thereon, for removing timber and mining coal or other minerals, or other operations thereon. No

well shall be drilled through any entry or haulway, or any existing or projected air courses in any coal mine, now or hereafter in operation on the leased premises, and any well put down through any part of an abandoned mine shall be cased off with steel, or iron pipe, and cement, or in some other approved and proper manner, so as to prevent the leakage or escape of oil, gas or water into such seam or seams of coal, and, upon the abandonment by the Lessee of any well or hole drilled through any seam or seams of coal on the leased premises, the Lessee shall fill such well or hole with concrete or other substance, for the purpose of preventing leakage or escape of oil, gas or water into such coal seam. The Lessee agrees, in its operations on the leased premises, to take every reasonable precaution, and afford every reasonable protection necessary for the purpose of preventing the leakage or escape of oil, gas or water into any mine or seam of coal on the leased premises, and to protect the present and future mining operations on the leased premises from damage or danger by reason of the operations of the Lessee thereon, and the Lessee shall be liable to the Lessors, the owners of the surface and coal thereon, their lessees and tenants, for all damages caused proximately by Lessee's drilling or other operations hereunder, without negligence on the part of the Lessors, the owners of the surface and coal thereon, their lessees and tenants. In addition to the foregoing provisions, the Lessee, in its operations on the leased premises, shall observe and comply with all of the laws of the State of West Virginia relating to such operations. The Lessors shall furnish to the Lessee, at its request, accurate maps of all existing or then projected mines, entries, haulways and air courses in the immediate vicinity of any and all wells which the Lessee proposes to drill.

FOURTEENTH: The Lessee agrees that, whenever requested by the Lessors so to do, it will bury, at a proper and reasonable depth below the surface of the ground, all pipe and pipelines used to conduct oil or gas over, from or off the leased premises, when any such pipe or pipeline interferes with the proper use of the leased premises by the Lessors, the owners of the surface and coal thereon, their lessees and tenants, and further agrees that it will so conduct its operations on the leased premises as to

use and occupy no more of the leased premises than is reasonably necessary for the proper conduct of its operations, and so as to interfere as little as possible with the use of the leased premises by the Lessors, the owners of the surface and coal thereon, their lessees and tenants.

FIFTEENTH: Lessee shall notify the Lessors of the location of any wells proposed to be drilled or put down on the leased premises. In case any paying oil or gas well shall be drilled on adjacent property within drainage distance of the leased premises, whether by the Lessee or others, the Lessee shall, upon demand of the Lessors, proceed within sixty (60) days to commence to drill an offset well or wells on the leased premises, and shall complete the same with all reasonable dispatch to protect the demised premises from drainage.

SIXTEENTH: All wells drilled upon the leased premises shall be located so as to interfere as little as possible with the cultivated portions of the land, and the Lessee agrees to pay any damages done to growing crops by reason of said locations, and the Lessee further agrees that no well shall be drilled upon the leased premises nearer than three hundred (300) feet to any building situate thereon without the written consent of the owner of such building first had and obtained.

SEVENTEENTH: The Lessee shall not be required in any event to increase the rent for the leased premises or the royalty for oil and gas produced therefrom, as hereinafter provided, by reason of the fact that any royalty or interest in the oil and gas underlying said tracts has heretofore been sold, reserved or conveyed by the Lessors, or their predecessors in title, and is now outstanding; and if the Lessors do not have title to all the oil and gas underlying the leased premises, there shall be refunded to the Lessee such part of all rental paid by the Lessee under this lease as shall be proportionate to the outstanding title, and rental payments thereafter to be made shall be reduced in the same proportion.

EIGHTEENTH: Commencing two years from the date Commonwealth Gas Corporation acknowledges this lease and at any time thereafter, and from

time to time, the Lessee shall have the right to surrender the entire lease, or any part or parts thereof, by payment to the Lessors of the sum of One Dollar (\$1.00), and all rents and royalties due to the then current quarter, and by the execution of an apt and proper Release to the Lessors of all of the Lessee's rights hereunder, and by recording such Release in Putnam County, West Virginia, which surrender, when so made and recorded, the Lessors agree to accept, and the same shall be a full and complete surrender of this entire lease and of all of the Lessee's rights hereunder, or of the part therein designated, and the rent thereafter to accrue under this lease shall be reduced accordingly; provided, however, that in the event there shall be one or more producing gas or oil wells upon the leased premises at the time of the surrender of this entire lease by the Lessee, this lease shall nevertheless, at the option of the Lessee, continue in full force and effect so long as any such gas or oil well shall continue to produce gas or oil as to fifty (50) acres surrounding any such gas well which shall be laid off in the form of a square as nearly as practical, with the gas well in the center thereof, and as to twenty-five (25) acres surrounding any such oil well which shall be laid off in the form of a square as nearly as practical and with said oil well in the center thereof, together with rights of access and rights of way to and from each such well or wells over the leased premises for the repair, maintenance and operation thereof, and all necessary roads and pipelines for the transportation of gas or oil produced therefrom, and the Lessee shall have the right to continue the operation of any such well or wells and the production of gas and oil therefrom upon payment to the Lessors of royalties only upon the basis above set forth. The Lessee shall have the right to remove from the leased premises all machinery, fixtures, appliances and other property which it shall have placed thereon, which right may be exercised at any time prior to the termination of this lease by the expiration of the term hereof or by surrender, in accordance with the provisions of this paragraph.

NINETEENTH: This lease shall extend to and be binding upon the parties hereto, their successors and assigns. This agreement may be executed

in any number of counterparts, all of which shall be read together as one instrument.

IN WITNESS WHEREOF, the individual parties have signed their names and affixed their seals, and the corporate parties have caused their corporate names to be signed and their corporate seals to be affixed hereto by their respective officers, thereunto duly authorized, this day and year first above written.

Frank A. Hardy (SEAL)

Katherine S. Hardy (SEAL)

Helen M. Hoge (SEAL)

Kenneth M. Bowyer, Jr. (SEAL)

Marion C. Bowyer (SEAL)

Mary Bowyer Garrett
Mary Bowyer Garrett (SEAL)

Bruce A. Garrett
Bruce A. Garrett (SEAL)

Margaret C. Jones (SEAL)

ATTEST:

HUMPHREYS INVESTMENTS, INCORPORATED

By _____
Its _____

By _____
Its _____

Ashton W. Reniers (SEAL)

Perceval Reniers (SEAL)

Charlotte W. Sterrett (SEAL)

C. Herrold Sterrett (SEAL)

Boydie C. Morton (SEAL)

D. Holmes Morton (SEAL)

Waller C. Hardy, Jr. (SEAL)

Charlotte P. Hardy (SEAL)

George E. Brooks, in his own right and
as Agent for the heirs of W. E. Brooks (SEAL)

Nellie C. Brooks (SEAL)

Lillian L. Buck, Trustee (SEAL)

Bradford B. Laidley, Trustee (SEAL)

COMMONWEALTH GAS CORPORATION

By _____
Its Vice President

STATE OF WEST VIRGINIA,
COUNTY OF GREENBRIER, TO-WIT:

I, _____, a Notary Public of said County of Greenbrier, State of West Virginia, do certify that FRANK A. HARDY and KATHERINE S. HARDY, his wife, whose names are signed to the within writing bearing date the 1st day of April, 1963, have this day acknowledged the same before me in my said County.

Given under my hand and notarial seal, this ____ day of _____, 1963.

My commission expires _____.

Notary Public

STATE OF NEW JERSEY,
COUNTY OF BERGEN, TO-WIT:

I, _____, a Notary Public of said County of Bergen, State of New Jersey, do certify that HELEN M. HOGE, widow, whose name is signed to the within writing bearing date the 1st day of April, 1963, has this day acknowledged the same before me in my said County.

Given under my hand and notarial seal, this ____ day of _____, 1963.

My commission expires _____.

Notary Public

STATE OF CALIFORNIA,
COUNTY OF RIVERSIDE, TO-WIT:

I, _____, a Notary Public of said County of Riverside, State of California, do certify that KENNETH M. BOWYER, JR., and MARION C. BOWYER, his wife, whose names are signed to the within writing bearing date the 1st day of April, 1963, have this day acknowledged the same before me in my said County.

Given under my hand and notarial seal, this ____ day of _____, 1963.

My commission expires _____.

Notary Public

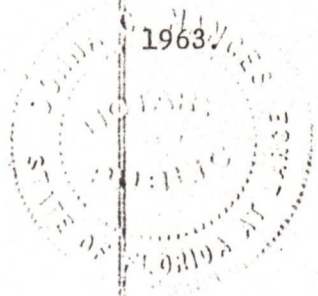
STATE OF FLORIDA
COUNTY OF PINELLAS, TO-WIT:

I, Donald C. Marces, a Notary Public of said County of Pinellas, State of Florida, do certify that MARY BOWYER GARRETT and BRUCE A. GARRETT, her husband, whose names are signed to the within writing bearing date the 1st day of April, 1963, have this day acknowledged the same before me in my said County.

Given under my hand and notarial seal, this 30 day of April, 1963.

My commission expires Notary Public State of Florida at Large
My Commission Expires Sept, 16, 1966.

Donald C. Marces
Notary Public



STATE OF WEST VIRGINIA,
COUNTY OF KANAWHA, TO-WIT:

I, _____, a Notary Public of said County of Kanawha, State of West Virginia, do certify that MARGARET C. JONES, widow, whose name is signed to the within writing bearing date the 1st day of April, 1963, has this day acknowledged the same before me in my said County.

Given under my hand and notarial seal, this ___ day of _____, 1963.

My commission expires _____.

Notary Public

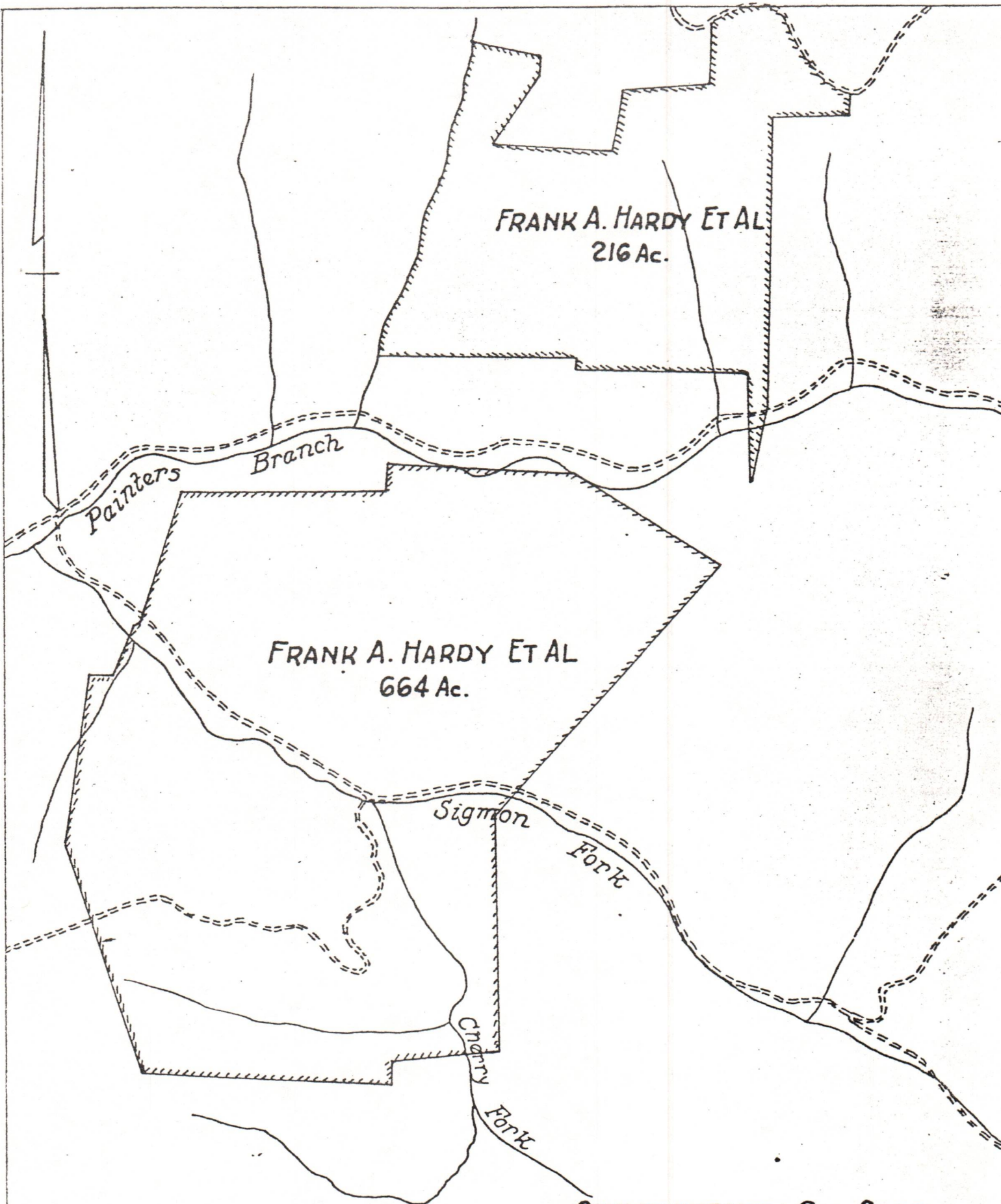
STATE OF COLORADO,
COUNTY OF ARAPAHOE, TO-WIT:

I, _____, a Notary Public of said County of Arapahoe, State of Colorado, do certify that _____, who signed the within writing bearing date the 1st day of April, 1963, for HUMPHREYS INVESTMENTS, INCORPORATED, a corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and notarial seal, this ___ day of _____, 1963.

My commission expires _____.

Notary Public



FRANK A. HARDY ET AL
216 Ac.

FRANK A. HARDY ET AL
664 Ac.

Painters
Branch

Sigmom
Fork

Cherry
Fork

COMMONWEALTH GAS CORP.
MAP SHOWING
FRANK A. HARDY ET AL
664 Ac. & 216 Ac. TRACTS
UNION DIST., PUTNAM CO., W.VA.
SCALE: 1" = 1320' APRIL 1963.