



1) Date: April 18, 19 84
 2) Operator's Well No. Sheppard #3 Well
 3) API Well No. 47 - 085 - 6948
 State _____ County _____ Permit _____

STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES, OIL AND GAS DIVISION
 APPLICATION FOR A WELL WORK PERMIT

- 4) WELL TYPE: A Oil _____ / Gas X /
 B (If "Gas", Production X / Underground storage _____ / Deep _____ / Shallow X /)
- 5) LOCATION: Elevation: 846.20' Watershed: Cunningham Run
 District: Clay County: Ritchie Quadrangle: Harrisville 7.5'
- 6) WELL OPERATOR Chesterfield Energy Corp.
 Address 320 Professional Building
Clarksburg, WV 26301
- 7) DESIGNATED AGENT Stanley N. Pickens
 Address 320 Professional Building
Clarksburg, WV 26301
- 8) OIL & GAS INSPECTOR TO BE NOTIFIED
 Name Deo Mace
 Address Route #1, Box 5
Sandridge, WV 25274
- 9) DRILLING CONTRACTOR:
 Name Unknown
 Address _____
- 10) PROPOSED WELL WORK: Drill XX / Drill deeper _____ / Redrill _____ / Stimulate X
 Plug off old formation _____ / Perforate new formation _____
 Other physical change in well (specify) _____
- 11) GEOLOGICAL TARGET FORMATION, Devonian Shale
- 12) Estimated depth of completed well, 5990 feet
- 13) Approximate strata depths: Fresh, 40 feet; salt, 900 feet.
- 14) Approximate coal seam depths: _____ Is coal being mined in the area? Yes _____ / No X /
- 15) CASING AND TUBING PROGRAM

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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	11 3/4	H-40	42		X	20	20		Kinds
Fresh water									
Coal									Sizes
Intermediate	8 5/8	J-55	23	X		950	950	CTS NEAT as req. by rule 15.01	Depths
Production	4 1/2	J-55	10.5	X			5950		
Tubing									
Liners									Perforations: Top _____ Bottom _____

OFFICE USE ONLY
 DRILLING PERMIT

Permit number 47-085-6948 Date May 3, 1984

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. 8) 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.)

The permitted work is as described in the Notice and Application, plat, and reclamation plan, subject to any modifications and conditions specified on the reverse hereof.

Permit expires May 3, 1986 unless well work is commenced prior to that date and prosecuted with due diligence.

Bond: BLANKET	Agent: <u>LD</u>	Plat: <u>MU</u>	Casing <u>MH</u>	Fee <u>3626</u>
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T. P. [Signature]
 Administrator, Office of Oil and Gas

NOTE: Keep one copy of this permit posted at the drilling location.



OFFICE USE ONLY

PERMIT MODIFICATIONS AND CONDITIONS (IF ANY) TO THE PROPOSED WELL WORK

1) WELL LOCATION: B (L) Gas, Production / Shallow / Underground storage / Wastewater / Elevation: _____

2) WELL OPERATOR: _____ / District: _____ / County: _____ / Ordinance: _____

3) DESIGNATED AGENT: _____ / Address: _____

4) DRILLING CONTRACTOR: _____ / Name: _____ / Address: _____

5) PROPOSED WELL WORK: Drill / Re-drill / Plug off old formation / Perform new formation / Other physical change in well (specify): _____

6) GEOLOGICAL TARGET FORMATION: _____ / Estimated depth of completed well: _____ / Approximate true depth: _____ / Approximate cost per foot: _____ / Is coal being mined in the area: Yes / No

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 DEPT. OF MINES

OFFICE USE ONLY

This part of Form IV-2(b) is to record the dates of certain occurrences and any follow-up inspections.

	Date	Date(s)
Application received		
Well work started		
Completion of the drilling process		
Well Record received		
Reclamation completed		

OTHER INSPECTIONS

Reason: _____

Reason: _____

Blanket	Agents	Plan	Casing	Top

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES, OFFICE OF OIL & GAS
NOTICE OF APPLICATION FOR A WELL WORK PERMIT

4) SURFACE OWNER(S) OF RECORD TO BE SERVED
(i) Name P. G. & Nellie J. Sheppard
Address Ellenboro, WV 26346
(ii) Name _____
Address _____
(iii) Name _____
Address _____

5(i) COAL OPERATOR
Address _____
5(ii) COAL OWNER(S) WITH DECLARATION ON RECORD:
Name _____
Address _____
Name N/A
Address _____
5(iii) COAL LESSEE WITH DECLARATION ON RECORD:
Name _____
Address _____

TO THE PERSON(S) NAMED ABOVE: You should have received this Form and the following documents:

- (1) The Application for a Well Work Permit on Form IV-2(B) (or Form IV-4 if the well is to be plugged, which sets out the parties involved in the drilling or other work, and describes the well and its location and, if applicable, the proposed casing and cementing program;
- (2) The plat (surveyor's map) showing the well location on Form IV-6; and
- (3) The Construction and Reclamation Plan on Form IV-9 (unless the well work is only to plug a well), which sets out the plan for erosion and sediment control and for reclamation for the site and access road.

THE REASON YOU RECEIVED THESE DOCUMENTS IS THAT YOU HAVE RIGHTS REGARDING THE APPLICATION WHICH ARE SUMMARIZED IN THE "INSTRUCTIONS" ON THE REVERSE SIDE OF THE COPY OF THE APPLICATION (FORM IV-2(B) OR FORM 4, DESIGNATED FOR YOU. HOWEVER, YOU ARE NOT REQUIRED TO TAKE ANY ACTION AT ALL.

Take notice that under Chapter 22 of the West Virginia Code, the undersigned well operator proposes to file or has filed this Notice and Application and accompanying documents for a Well Work Permit with the Administrator of the Office of Oil and Gas, West Virginia Department of Mines, with respect to a well at the location described on attached Application and depicted on attached Form IV-6. Copies of this Notice, the Application, the plat, and the Construction and Reclamation Plan have been mailed by registered or certified mail or delivered by hand to the person(s) named above (or by publication in certain circumstances) on or before the day of mailing or delivery to the Administrator.

6) 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.)

7) ROYALTY PROVISIONS

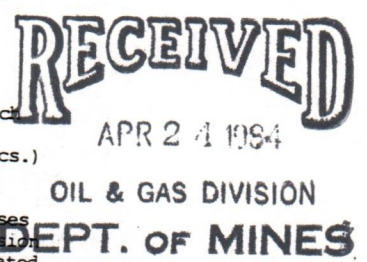
Is the right to extract, produce or market the oil or gas based upon a lease or leases or other contract or contracts providing for flat well royalty or any similar provision for compensation to the owner of the oil or gas in place which is not inherently related to the volume of oil or gas so extracted, 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.

See the reverse side for line item instructions, and for instructions concerning the required copies of the Notice and Application, plat, and Construction and Reclamation Plan.

The truth of the information on the Notice and Application is verified and sworn to and the Notice is signed on behalf of the Well Operator in my County and State by Stanley N. Pickens this 18 day of April, 1984. My commission expires 11-23, 1991.
[Signature]
Notary Public, Harrison County,
State of West Virginia

WELL OPERATOR Chesterfield Energy Corporation
By Stanley N. Pickens
Its President
Address 320 Professional Building
Clarksburg, WV 26301
Telephone (304) 623-5467



I N S T R U C T I O N S T O A P P L I C A N T

CONCERNING THE LINE ITEMS:

- 1) Date of Notice.
- 2) Your well name and number.
- 3) To be filled out by the Office of Oil & Gas.
- 4) & 5) Use separate sheet if necessary.
- 4) Surface owner(s) of record to be served with Notice and Application. However, see also Code § 22-4-1b(b) if "more than three tenants in common or other co-owners of interest described in subsection (a) of this section hold interests in such lands".
- 5(i) "Coal Operator" means any person, firm, partnership, partnership association or corporation that proposes to or does operate a coal mine.
- 5(ii, iii) See Code § 22-4-20.
- 6) See Code § 22-4-11(c). However, in lieu of filing the lease(s) or other continuing contract(s), the Applicant may fill out the information in the space provided below.
- 7) See Code § § 22-4-11(d, e).

CONCERNING THE REQUIRED COPIES FOR FILING AND SERVICE:

Filing. Code § 22-4-1k and Regulation 7.02 provide that the original and required copies of the Notice and Application must be filed with the Administrator, 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 § 22-4-1k(d) and the reclamation required by Code § 22-4-12b and Regulation 23, (iv) unless previously paid on the same well, the fees required by Code § 22-4-1a(c) and 22-3-12a, and (v) if applicable, the consent required by Code § 22-4-8a from the owner of any water well on dwelling within 200 feet of the proposed well.

Service. In addition, service must be made on the surface owner(s) and the person(s) with an interest in the coal. See Code § § 22-4-1m, 22-4-2, 22-4-2a, and 22-4-2b.

INFORMATION SUPPLIED UNDER CODE § 22-4-11(d)

IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on the obverse side of this Notice, I depose and say that I am the person who signed the Notice for the Applicant, and that--

- (1) the tract of land is the same tract described in the Application to which this Notice applies, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc.

Grantee, lessee, etc.

Royalty

Book Page



IV-9
(Rev 8-81)



DATE January 12, 1983
WELL NO. Sheppard No. 3
API NO. 47 - 085 - 6948

State of West Virginia
Department of Mines
Oil and Gas Division

CONSTRUCTION AND RECLAMATION PLAN

COMPANY NAME CHESTERFIELD ENERGY CORPORATION
319-320 Professional Building
Address Clarksburg, WV 26301
Telephone 304-623-5467
DESIGNATED AGENT Stanley N. Pickens
Address 319-320 Professional Bldg.
Clarksburg, WV 26301
Telephone 304-623-5467
LANDOWNER P. G. Sheppard
SOIL CONS. DISTRICT Little Kanawha
Revegetation to be carried out by Stanley N. Pickens (Agent)

This plan has been reviewed by Little Kanawha SCD. All corrections and additions become a part of this plan: 1-13-83 (Date)

Jarrett Newton
(SCD Agent)



ACCESS ROAD	LOCATION
Structure <u>Drainage Ditch</u> (A)	Structure <u>Diversion Ditch</u> (1)
Spacing <u>Along access road</u>	Material <u>Earth</u>
Page Ref. Manual <u>2-12 to 2-14</u>	Page Ref. Manual <u>2-12 to 2-14</u>
Structure <u>Cross-Drains</u> (B)	Structure _____ (2)
Spacing <u>135' Between Drains</u>	Material _____
Page Ref. Manual <u>2-1 to 2-6</u>	Page Ref. Manual _____
Structure _____ (C)	Structure _____ (3)
Spacing _____	Material _____
Page Ref. Manual _____	Page Ref. Manual _____

OIL & GAS DIVISION
DEPT. OF MINES

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>3.0</u> Tons/acre
or correct to pH	<u>6.5</u>
Fertilizer	<u>600</u> lbs/acre
(10-20-20 or equivalent)	
Mulch	<u>Hay or straw</u> 2.0 Tons/acre
Seed*	<u>Ky 31 Tall Fescue</u> 40 lbs/acre
	<u>Birdsfoot Trefoil</u> 10 lbs/acre
	<u>Dom. Rye Grass</u> 10 lbs/acre

Treatment Area II	
Lime	<u>3.0</u> Tons/acre
or correct to pH	<u>6.5</u>
Fertilizer	<u>600</u> lbs/acre
(10-20-20 or equivalent)	
Mulch	<u>Hay or straw</u> 2.0 Tons/acre
Seed*	<u>Ky 31 Tall Fescue</u> 40 lbs/acre
	<u>Birdsfoot Trefoil</u> 10 lbs/acre
	<u>Dom. Rye Grass</u> 10 lbs/acre

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

Robert F. Sholey

PLAN PREPARED BY Mountain State Environmental Serv.

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

ADDRESS 609 West Main Street
Clarksburg, West Virginia 26301
PHONE NO. 304/624-9700, 842-3325

SURFACE OWNER'S COPY



1) Date: April 18, 19 84
 2) Operator's Well No. Sheppard #3 Well
 3) API Well No. 47 State _____ County _____ Permit _____

**STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES, OIL AND GAS DIVISION
 APPLICATION FOR A WELL WORK PERMIT**

- 4) WELL TYPE: A Oil _____ / Gas X /
 B (If "Gas", Production _____ / Underground storage _____ / Deep _____ / Shallow X /)
- 5) LOCATION: Elevation: 846.20' Watershed: Cunningham Run
 District: Clay County: Ritchie Quadrangle: Harrisville 7.5'
- 6) WELL OPERATOR Chesterfield Energy Corp. 7) DESIGNATED AGENT Stanley N. Pickens
 Address 320 Professional Building Address 320 Professional Building
Clarksburg, WV 26301 Clarksburg, WV 26301
- 8) OIL & GAS INSPECTOR TO BE NOTIFIED 9) DRILLING CONTRACTOR:
 Name Deo Mace Name Unknown
 Address Route #1, Box 5 Address _____
Sandridge, WV 25274
- 10) PROPOSED WELL WORK: Drill XX / Drill deeper _____ / Redrill _____ / Stimulate _____
 Plug off old formation _____ / Perforate new formation _____
 Other physical change in well (specify) _____
- 11) GEOLOGICAL TARGET FORMATION, Devonian Slate
- 12) Estimated depth of completed well, 5990 feet
 13) Approximate trata depths: Fresh, 40 feet; salt, 900 feet.
 14) Approximate coal seam depths: _____ Is coal being mined in the area? Yes _____ / No X /

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 DEPT. OF MINES

15) 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	11 3/4	H-40	42		X	20	20		Kinds
Fresh water									
Coal									Sizes
Intermediate	8 5/8	J-55	23	X		950	950		Depths set
Production	4 1/2	J-55	10.5	X			5950		
Tubing									
Liners									Perforations: Top Bottom

The law requires a comment period for surface owners. However, the permit can be issued in less than 15 days from the filing of the Application if the surface owner(s) of record sign(s) the following "Voluntary Statement of No Objection" on a facsimile of this surface owner's copy of the Application.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners on the reverse side of this Application for a Well Work Permit, and that I have received copies of (1) a Notice of Application for a Well Work Permit on Form IV-2(A), (2) an Application for a Well Work Permit on Form IV-2(B), (3) a survey plat on Form IV-6, and (4) a Construction and Reclamation Plan on Form IV-9, all for proposed well work on my surface land as described therein.

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

(For execution by corporation, partnership, etc.)

(For execution by natural persons)

NAME: _____
 By _____
 Its _____ Date _____

X W. G. Sheppard Date: 4/19/84
 (Signature)
W. G. Sheppard Date: 4/19/84
 (Signature)

**INSTRUCTIONS TO SURFACE OWNERS
AND
EXPLANATION OF METHODS AND TIME LIMITS TO COMMENT
ON OIL AND GAS WELL WORK PERMIT**

The well operator named in the Notice and this Application and the attached materials is applying for a permit from the State to do oil or gas well drilling or other well work. You are being served with these materials because surface owners have the right to file comments before the permit is issued. (**NOTE:** If the surface tract is owned by more than three persons, in multiple heirship for example, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22, Article 4 of the W. Va. Code. Permits are valid for 24 months.

If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator named in the materials and the Administrator of the Office of Oil and Gas in the West Virginia Department of Mines immediately.

NOTE: You are not required to file any comment at all.

Where to file comments and obtain additional information:

Administrator of the Office of Oil and Gas
West Virginia Department of Mines
1615 Washington Street East
Charleston, West Virginia 25311
(304) 348-2057

Who may file comments? If you wish to file comments, you must be an owner of record of (1) an interest in the surface tract on which the well already is or is about to be located, or (2) an interest in any other surface tract under the same oil or gas lease which will be utilized for roads or other land disturbances.

Time limits for comments. The law requires these materials to be delivered on or before the date the operator files his Application. You have **FIFTEEN (15) DAYS** after the filing date to file your comments as provided in **Methods for Filing Comments** below. You may call the Administrator's office at the above telephone number to be sure of the date. However, if you have been contacted by the well operator, and if you have signed a "voluntary statement of no objection" to any of the planned work described in these materials, then the permit may be issued at any time.

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

Methods for filing comments. Comments must be filed in person or received in the mail at the Administrator's office by the time stated above. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling.

The Administrator for Oil and Gas has the power to deny or condition a well work permit based on your comments on the following grounds:

- "(1) The proposed well work will constitute a hazard to the safety of persons; or
- "(2) The plan for soil erosion and sediment control is not adequate or effective; or
- "(3) Damage would occur to publicly owned lands or resources; or
- "(4) The proposed well work fails to protect fresh water sources or supplies."

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

List of Water Testing Laboratories. The Administrator maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Administrator's office or an Oil and Gas Inspector to obtain a copy of the list.

THIS AGREEMENT, made and entered into the 8th day of July, 198

by and between P. G. Sheppard And Nellie J. Sheppard (Wife) Board of Trustees M.W. Grand Lodge A.F. & A.M., of West Va., for B. F. McGinnis, Estate William J.J. Fleming, President.

part ies of the first part, hereinafter called the Lessor, and Chesterfield Energy Corporation, party of the second part, hereinafter called the Lessee.

Witnesseth, That the Lessor in consideration of One Dollar (\$1.00) in hand paid by the Lessee, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained, hereby grants and warrants generally the title to all the oil and gas in and under, and grants, demises and leases with covenants of quiet possession, and of sole right to convey, all that certain tract of land hereinafter described, for the sole and only purpose of operating for and producing oil and gas, together with the rights of way and servitudes for pipe lines, structures, plants, drips, tanks, stations, telephone, telegraph and electric power lines, houses for gates, meters and regulators, and all other rights and privileges necessary, incident to and convenient for the economic operation, including the drilling of wells, of this land for oil and gas, with the right to use free oil, gas and water for such purposes and with the right of removing either during or after the term hereof all and any property and improvements placed or erected on the premises by Lessee; also with the right of operating as one entire tract, or subdividing the premises situate in Clay District,

Ritchie County, and State of West Virginia, on the waters of Cunningham Run bounded and described as follows:

On the North by lands of A. D. Jackson On the East by lands of A. D. Jackson On the South by lands of Robert Keith And R. Moore On the West by lands of Robert Jackson Containing 84 acres, more or less, reserving, however, 200ft. feet from the Resident buildings now on the premises, on which no well shall be drilled by either party except by mutual consent.

RECEIVED APR 24 1984 OIL & GAS DIVISION DEPT. OF MINES

6Mons..

To have and to hold unto and for the use of the Lessee for the term of 6 years from this date, and as long thereafter as the said land is operated by the Lessee in the search for or production of oil or gas, with the extension of term by payment of rentals as hereinafter set forth.

IN CONSIDERATION OF THE PREMISES the said Lessee covenants and agrees: 1st — To deliver to the credit of the Lessor, Their heirs or assigns, free of cost, in the pipe line to which said Lessee may connect its wells, a royalty of the equal one-eighth (1/8) part of all oil produced and saved from the leased premises; 2nd — To pay the equal one-eighth (1/8) of all money received from sale of gas from each and every gas well drilled on said premises, the product from which is marketed and used off the premises, said payment to be made within sixty days after commencing to market the gas therefrom as aforesaid and to be paid each three months thereafter while the gas from said well or wells is so marketed and used.

Said Lessee shall not be required in any event to increase the rate of said gas well payments or said royalty of oil or the delay rental payments hereinafter provided by reason of any royalty or interest in said oil or gas that may have been heretofore sold, reserved or conveyed by said Lessor or Their predecessors in title or otherwise; and if the Lessor does not have title to all the oil and gas in the leased premises, there shall be refunded such part of all delay rental and gas well payments made by the Lessee under this lease, as shall be proportionate to the outstanding title, and payments thereafter to be made for such purposes shall be reduced in the same proportion.

The leased premises may be fully and freely used by the Lessor for farming purposes, excepting such parts as are used by Lessee in operating hereunder.

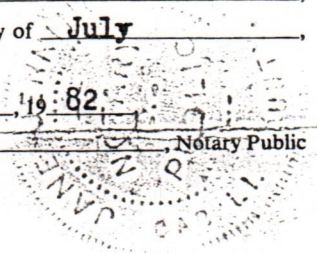
RECEIVED
APR 24 1934
OIL & GAS DIVISION
DEPT. OF MINES

STATE OF WEST VIRGINIA,
COUNTY OF KITCHEE

TO-WIT: I, _____, a Notary Public in and for said County and State, do certify
that PG SHEPPARD and Nellie J. SHEPPARD
his wife, whose name NAMES signed to the writing above, bearing date the 8th day of July,
19 82, haS this day acknowledged the same before me in my said County.
Given under my hand this 20th day of July, 1982.
My Commission expires June 19, 1989 Kenneth D. Lohman, Notary Public

STATE OF WEST VIRGINIA,
COUNTY OF CABELL

TO-WIT: I, Jane Jennings, a Notary Public in and for said County and State, do certify
that William J. Fleming and _____
his wife, whose name is signed to the writing above, bearing date the 8th day of July,
19 82, haS this day acknowledged the same before me in my said County.
Given under my hand this 16th day of August, 1982.
My Commission expires 8/11/87 Jane Jennings, Notary Public



STATE OF WEST VIRGINIA,
COUNTY OF _____

TO-WIT: I, _____, a Notary Public in and for said County and State, do certify
that _____ and _____
his wife, whose name _____ signed to the writing above, bearing date the _____ day of _____,
19 _____, ha _____ this day acknowledged the same before me in my said County.
Given under my hand this _____ day of _____, 19_____.
My Commission expires _____, Notary Public

STATE OF WEST VIRGINIA,
COUNTY OF _____

TO-WIT: I, _____, a Notary Public in and for said County and State, do certify
that _____ and _____
his wife, whose name _____ signed to the writing above, bearing date the _____ day of _____,
19 _____, ha _____ this day acknowledged the same before me in my said County.
Given under my hand this _____ day of _____, 19_____.
My Commission expires _____, Notary Public

STATE OF WEST VIRGINIA,
COUNTY OF _____

TO-WIT: I, _____, a Notary Public in and for said County and State, do certify
that _____ and _____
his wife, whose name _____ signed to the writing above, bearing date the _____ day of _____,
19 _____, ha _____ this day acknowledged the same before me in my said County.
Given under my hand this _____ day of _____, 19_____.
My Commission expires _____, Notary Public

Chesterfield Energy Corp.
Suite 319-320 Professional Bldg.
S. Third St., Clarkburg, W. Va. 26301
OIL AND GAS LEASE

FROM

TO

Date _____ 19__
TERM _____
No. Acres _____

LOCATION

DISTRICT _____
COUNTY _____

Filed and admitted to record in the office
of the Clerk of the County Commission of Ritchie
County, W. Va. **AUG 19 1982**

19__ at 1:30 o'clock P M

Recorded in lease

Book No. 147 Page 367

Teste: Linda B. May Clerk

STATE OF WEST VIRGINIA,

(Form CC No. 3)

Ritchie County Commission Clerk's Office _____ August 19th _____, 19 82
at 1:30 o'clock P. M.

The foregoing writing, with the certificates of acknowledgment thereto, was this day admitted to record in said office.

Teste: Linda B. May Clerk

STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES
 OIL AND GAS DIVISION

RECEIVED
 DEPARTMENT OF ENERGY
 OIL AND GAS

FINAL INSPECTION REQUEST
INSPECTOR'S COMPLIANCE REPORT

MAY 14 1986

Permit No. 47-085-6948 (5-3-84) County Ritchie
 Company Chester Field Energy Corp. Farm P. G. & Nellie J Sheppard
 Inspector Sam Hersman Well No. Sheppard #3 Well
 Date 5/6/86

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	_____	_____

Please Cancel

COMMENTS: Cancel Permit

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: Samuel M. Hersman
 DATE: 5/6/86



STATE OF WEST VIRGINIA
 DEPARTMENT OF ENERGY
 DIVISION OF OIL AND GAS
 1615 Washington Street, East
 Charleston, West Virginia 25311
 Telephone: 348-3500

ARCH A. MOORE, JR.
 Governor

John Johnston
 Director

May 16, 1986

Chesterfield Energy Corporation
 320 Professional Building
 Clarksburg, West Virginia 26301

In Re: Permit No: 47-085-6948
 Farm: P. G. & Nellie J. Sheppard
 Well NO: Sheppard 3
 District: Clay
 County: Ritchie
 Issued: 5-03-84

Gentlemen:

The FINAL INSPECTION REPORT for the above captioned well has been received in this office. ONLY the Column checked below applies:

XXXX The well designated by the above captioned permit number has been released under your Blanket Bond.

 Please return the enclosed cancelled single bond which covered the well designated by the above captioned permit number to the surety company that executed said bond in your behalf, in order that they may give you credit on their records.

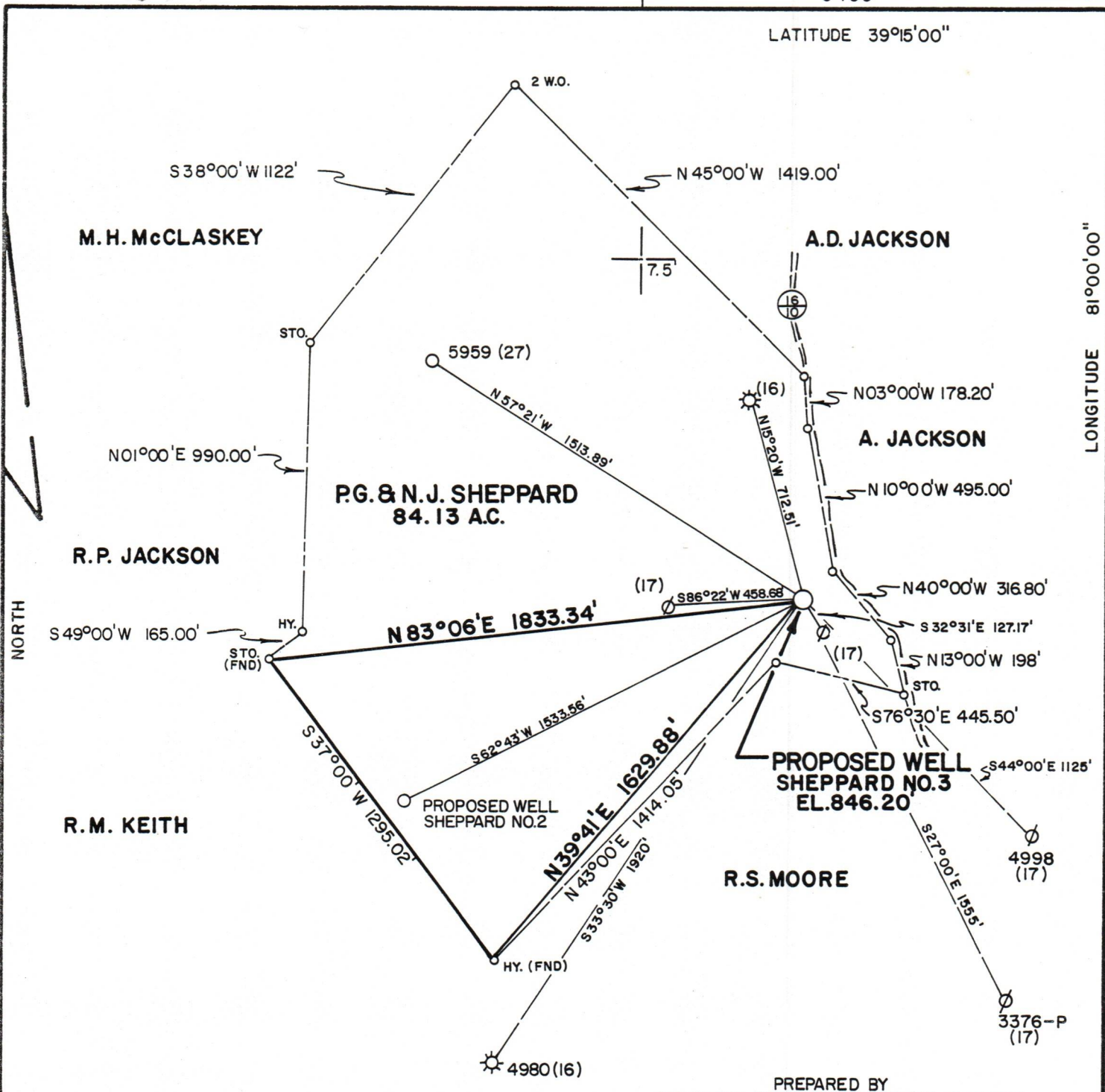
 Your well record was received and reclamation requirements approved. In accordance with Chapter 22B, Article 1, Section 26, the above captioned well will remain under bond coverage for life of the well.

XXXX PERMIT CANCELLED - NEVER DRILLED

Respectively,

Theodore M. Streit
 Deputy Director--Inspection & Enforcement

TMS/ nw



PREPARED BY
MOUNTAIN STATE ENVIRONMENTAL SERVICE

FILE NO. MSES 154
 DRAWING NO. _____
 SCALE 1"=500'
 MINIMUM DEGREE OF ACCURACY 1 PART IN 200
 PROVEN SOURCE OF ELEVATION B.M. NORTHWEST RT. 16 EL. 1010'

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) R. P. E. Bailey
 R. P. E. _____ L. L. S. 652

PLACE SEAL HERE

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



DATE JANUARY 12, 19 83
 OPERATOR'S WELL NO. SHEPPARD NO. 3
 API WELL NO. 47-085-6948
 STATE COUNTY PERMIT

Department of Mines
 Oil & Gas Division

Cancelled

WELL TYPE: OIL ___ GAS X LIQUID INJECTION ___ WASTE DISPOSAL ___
 (IF "GAS", PRODUCTION X STORAGE ___ DEEP ___ SHALLOW X)
 LOCATION: ELEVATION 846.20' WATER SHED CUNNINGHAM RUN
 DISTRICT CLAY COUNTY RITCHIE
 QUADRANGLE HARRISVILLE 7.5' (1975)
 SURFACE OWNER PG. & NELLIE J. SHEPPARD ACREAGE 84.13
 OIL & GAS ROYALTY OWNER PG. & NELLIE J. SHEPPARD et al LEASE ACREAGE 84.13
 LEASE NO. _____
 PROPOSED WORK: DRILL X CONVERT ___ DRILL DEEPER ___ REDRILL ___ FRACTURE OR
 STIMULATE X 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 5990'
 WELL OPERATOR CHESTERFIELD ENERGY CORP. DESIGNATED AGENT STANLEY N. PICKENS
 ADDRESS 319-320 PROFESSIONAL BLDG ADDRESS 319-320 PROFESSIONAL BLDG.
CLARKSBURG, WEST VIRGINIA 26301 CLARKSBURG, WEST VIRGINIA 26301