WR-35 Rev (5-01)

DATE:

API#: 47-085-09162

State of West Virginia Department of Environmental Protection Office of Oil and Gas

Well Operator	r's Report of W	ell Work				
Farm name: FOX	Operator Well No.: 18					
LOCATION: Elevation: 864'						
Latitude: 7380 Feet South of 20	Cou	nty: Kitct	hie			
Longitude 9830 Feet West of 81	Deg 07	Min 4.4	Sec.			
		7.1				
Company: TERM Energy Cororation						
	Casing &	Used in	Left in well	Cement fill		
Address: 713 East Main Street	Tubing	drilling		up Cu. Ft.		
Unwindle VO/26262	9 5/8"	20'	0	0		
Agent: Leroy Baker Inspector: Steve Mossor						
Inspector: Steve Moscor	7"	1063'	1063'	C. T. S.		
Date Permit Issued: 4/14/2005	430					
Date Well Work Commenced: 5/24/05	4 1/2"	4697'	4697'	487.6 cu. Ft.		
Date Well Work Completed: 6/9/05						
Verbal Plugging:						
Date Permission granted on:		 -				
Rotary x Cable Rig		<u> </u>				
Total Depth (feet): 4760'						
Fresh Water Depth (ft.): None						
						
Salt Water Depth (ft.): 1650'				<u> </u>		
						
Is coal being mined in area (N/Y)? N			 			
Coal Depths (ft.):			 -			
OPEN FLOW DATA		•	•	ı		
Producing formation Benson / Riley Gas: Initial open flow MCE/4 Oil.						
Gas: Initial open flow MCE/4 Oil	Turisi 1 G	_Pay zone de	pth (ft) 4353.5	<u>' – 4620'</u>		
rina open now MCF/d Final open flow DE1/4						
Time of open flow between initial and final tests Hours						
Static rock Pressure psig (surface pressure) after Hours Commingled						
Second producing formation 1 P 77						
Second producing formation Lower & Upper Balltown / Speechley Pay zone depth (ft) 3439.5'- 3800'						
Bbl/d						
Final open flow 125 MCF/d Final open flow show Bbl/d						
Time of open flow between initial and final tests Hours						
Static rock Pressure 525 psig (surface	pressure) after	r <u>24</u> Hou	rs			
NOTE: ON BACK OF THIS FORM BUT THE POWER						
NOTE: ON BACK OF THIS FORM PUT THE FOLLOWING: 1). DETAILS OF PERFORATED INTERVALS, FRACTURING OR STIMULATING. PHYSICAL CHANGE TO PERFORATED						
INTERVALS, FRACTURING OR STIMULATING, PHYSICAL CHANGE, ETC. 2). THE WELL LOG WHICH IS A SYSTEMATIC DETAILED GEOLOGICAL RECORD OF ALL FORMATIONS,						
INCLUDING COAL ENCOUNTERED BY THE V	VELL BODE	record ()	ALL FORMAT	ION\$,		
THE V	· LLLBURE.					
Signed:						
By: Agent						
Date: 1-4-06						

Fox #18 47-085-09162 Three Stage Foam Frac

1 st Stage	Benson (10 holes) (4614' - 4620') Riley (15 holes) (4353.5' - 4405.5')	75 Quality Foam, 24 Bbls. 15% HCL Acid, 46,000 # 20/40 Sand, 640,000 scf N2, 310 Bbls. Total Fluids
2 nd Stage	Lower Balltown (15 holes) (3800' - 3898')	75 Quality Foam, 12 Bbls. 15% HCL Acid, 12,400 # 20/40 Sand, 360,000 scf N2, 160 Bbls. Total Fluids
3 rd Stage	Upper Balltown (18 holes) (3566' - 3683')	75 Quality Foam, 12 Bbls. 15% HCL Acid, 6,000 # 20/40 Sand, 159,000 scf N2, 70 Bbls. Total Fluids
4 th Stage	Speechley (15 holes) (3411' - 3439.5')	75 Quality Foam, 12 Bbls. 15% HCL Acid, 36,000 # 20/40 Sand, 463,000 scf N2, 205 Bbls. Total Fluids

WELL LOG

Sand, Shale & Red Rock	0,	1720'	
Big Lime	1720'	1891'	
Keener	1891'	1852'	
Big Injun	1852'	1901'	
Sand & Shale	1901'	2264'	
Berea	2264"	2268'	
Sand & Shale	2268'	2658'	
Gordon	2658'	2672'	
Sand & Shale	2672'	3383'	
Speechley	3383'	3448'	
Sand & Shale	3448'	3532'	
Balltown Group	3532'	3993'	
Sand & Shale	3993'	4261'	
Riley	4261'	4450'	
Sand & Shalc	4450'	4614'	
Benson	4614'	4619	
Sand & Shale	4619'	4760'	

Salt water 1650'



west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Joe Manchin III, Governor Stephanie R. Timmermeyer, Cabinet Secretary www.wvdep.org

April 20, 2005

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-8509162, issued to TERM ENERGY CORP., is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-654-3312 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable.

Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may results in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced.

If there are any questions, please feel free to contact me or Mr. Al Blankenship at 304-926-0499 ext. 1653.

JAMES/MARTIN

Chief,

Office of Oil and Gas

Operator's Well No: FOX 18

Farm Name: FOX, ROBERT E., ETAL

API Well Number: 47-8509162

Permit Type: New Well Date Issued: 04/20/2005 Form: WW - 2B

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS WELL WORK PERMIT APPLICATION

	2 393						
1) Well Operate	or TERM	1 Energy	Corporation		Ritchi		larrisville
i) well operate	1 1 1 1 1 1 1	Lileigy	Corporation	Oper	ator ID County		uadrangle
2) Operator s Well Number: Fox # 18 3) Elevation: 864'							
4) Well Type: (a) Oil or Gas X (b) If Gas: Production X Underground Storage Deep / Shallow							
5) Proposed Ta	arget Forn	nation(s)	: <u>Devonian S</u>	Shale			
6) Proposed Total Depth:4500Feet 7) Approximate fresh water strata depths:175 8) Approximate salt water depths:900'							
9) Approximate	9) Approximate coal seam depths: NA						
10) Does land contain coal seams tributary to active mine? None							
11) Describe proposed well work To drill and stimulate							
1/ 0 11							
OK S.M. 4-12-05							
12) <u>CASING AND TUBING PROGRAM</u> TYPE SPECIFICATIONS FOOTAGE INTERVALS CEMENT							
	Size		Weight per ft			Fill -up (Cu. F	
Conductor	9 5/8"			20'	0		
Fresh Water	7"			850	850	CTS	
Coal							
Intermediate					***************************************		
Production	4 ½"			4500'	4500'	By Rule 35 CSR 4-11.	
Tubing				Office of Office of Chief Office of Chief			
Liners				Office of Chief	5		
Packers: Kind Sizes Depths Set WV Department of WV Department of Confinemental Protection							
				COVITO			