

west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Earl Ray Tomblin, Governor Randy C. Huffman, Cabinet Secretary www.dep.wv.gov

February 24, 2015

WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-8703077, issued to HG ENERGY, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Upon completion of the plugging well work, the above named operator will reclaim the site according to the provisions of WV Code 22-6-30. The above named operator will also file, as required in WV Code 22-6-23, an affidavit on form WR-38 by two experienced persons in the operator's employment and the Oil and Gas inspector that the work authorized under this permit was performed and a description given. Failure to abide by all statutory and regulatory provisions governing all duties and operations here under may result in suspensions or revocation of this permit and in addition may result in civil and/or criminal penalities being imposed upon the operator.

This permit will expire in two (2) years from date of issue. If there are any questions, please free to contact me at (304) 926-0499 ext. 1654.

James Martin

Chief

Operator's Well No: 6

Farm Name: BAYS, P. A.

API Well Number: 47-8703077

Permit Type: Plugging

Date Issued: 02/24/2015

PERMIT CONDITIONS

West Virginia Code §22-6-11 allows the Office of Oil and Gas to place specific conditions upon this permit. Permit conditions have the same effect as law. Failure to adhere to the specified permit conditions may result in enforcement action.

CONDITIONS

- 1. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
- 2. In the event of an accident or explosion causing loss of life or serious personal injury in or about the well or while working on the well, the well operator or its contractor shall give notice, stating the particulars of the accident or explosion, to the oil and gas inspector and the Chief within twenty-four (24) hours.
- 3. Well work activities shall not constitute a hazard to the safety of persons.

WW-4B Rev. 2/01

1) Date December 3	,	2014	
2) Operator's		_	
Well No.PA Bays 6			
3) API Well No. 47-087		03077	-

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

APPLICATION FOR A PERMIT TO PLUG AND ABANDON

APPLICATION E	OR A PERMIT TO PLUG AND AE	SANDON
4) Well Type: Oil X / Gas (If "Gas, Production		Waste disposal/) Deep/ Shallow_X_
5) Location: Elevation 1066 District Smithfield 6) Well Operator Address 5260 Dupont Road Parkersburg, WV 20	7)Designated Age	Quadrangle Looneyville 7.5'
8) Oil and Gas Inspector to be not: Name Ed Gainer Address P. O. Box 821 Spencer, WV 25276	Name_To Be	e Determined Upon Approval of Permit
TD - 2110' 10" - 575' pulled 8 1/4" - 925' pulled 6 5/8" - 1945' 5 3/16" - 2072'	the manner of plugging the Free pt, cut & pull 5 3/16 Plug # 1 - 2080' - 1980' Free pt, cut & pull 6 5/8" Plug # 2 - 1050' - 950' Plug # 3 - 975' - 875' Plug # 4 - 450' - 350' Plug # 5 - 100' - 0	6' - est 2050' ' - est 1000' Received Office of Oil & Gas JAN 07 2015

Notification must be given to the district oil and gas inspector 24 hours before permitted work can commence.

Work order approved by inspector

Date 1/5/15

No.		-	Acres		Farm Nar	ne	Р.	A	Bay	<u>rs</u>		870	3077 Well N	6 10. 6	
s.	E.	W.			Location Ma	de				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Purcl	nased Fr	om		
istrict	-	Smithfi	eld		Rig Complet	ed					Date	Purchas	ed		
•		Roane			Dr'g Comme	nced			***************************************		Sold	to			
		W. Va.			Dr'g Comple	ted		Dec	. Ц.	1912	Date	Sold			
ights Ow	ned B				Dr'g Contrac						Date	Abando	ned		
	***************************************	FO	RMATIO	N							CASING	RECO	ORD		
Kind		Тор	Bottom	Steel Line Meas.	Tests		Size	e	Botto Ste	m Casing	Put in Wa	ell Ta	Pulled lly Meas.	Cemente	ed
uctor			16				10"	\neg			5751		5751	Date	
Junkard		920	1045				8111				9251		9251	Size Csg.	
Sand		1610	1790			******	6 5/	811			1945			Top Csg.	
•		1670					5 3/		20	641	2072			Bot, Csg.	
lime		1940	2064												
il Cave		1935	1940												
înj un		2064	2106												
Gas		206L		1945						PA	CKERS	AND S	HOES		
<u>011 </u>		2096 1975	2106	-				K	ind		Size	De	pth Set	Date Se	÷t
-							Disc						0601		
							<u> </u>								
										<u></u>					
											ORPED				
		W-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1						Date		No. Qts	Size Shell	Top Sho	bt Bottom	Resul	ts
				-			Dec.	_5,	172	30	ļ	<u> </u>		<u> </u>	
······································				_								ļ			
	-+			-								<u> </u>	 		
										 	-	-	-	-	
				 						 		 	 	- 	
a en françoise, antique de la contraction de la				-					-	 					
				-			 			<u> </u>		-			
* * **********************************										İ			_	-	
***************************************				-	***************************************					†		<u> </u>	-		
· · · · · · · · · · · · · · · · · · ·	_		*******												
				-									ļ		
							Rema	rks	<u> </u>	<u> </u>		<u></u>	<u> </u>	 	,
. Or extra confinency considerations and present									7 T.L	- ~ ~	/1.6" ca		-		
*	<u> </u>		TOTAL CONTRACTOR OF THE PROPERTY OF THE PROPER						<u> </u>	<u>3 </u>	V.Loir ca	sing	<u> </u>	<u> </u>	
													Da		
~~ ~~————			· · · · · · · · · · · · · · · · · · ·									Ott:	Rece	hed	
r. D.			2110						······································				AL OF E	R Gas	
<u></u>					2. 1 5.							<u></u>	AN 07	2015	
xi. S	iand	⊀ At Co	mpletion	¥ 30 Days Aft	er 🖈			<u> </u>							
	**************************************						APPRO	VED					<u> </u>		
_													02/	27/2015	pt.
······································													<u> </u>		

CK 2864 \$10000

WW-4A Revised 6-07

1) Date:	December	3, 2014		
2) Operator's P. A. Bays 6	Well Numl	oer		
3) API Well N	No.: 47 -	087	_	03077

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE OF APPLICATION TO PLUG AND ABANDON A WELL

4) Surface Ow	ner(s) to be served:	5) (a) Coal Operator
(a) Name	Marvin Miller III	Name
Address	4326 Clay Road	Address
	Spencer, WV 25276	
(b) Name	165	(b) Coal Owner(s) with Declaration
Address		Name
	7	Address
(c) Name		Name
Address		Address
6) Inspector	Ed Gainer	(c) Coal Lessee with Declaration
Address	P. O. Box 821	Name
	Spencer, WV 25276	Address
Telephone	304-389-7582	
*	*	

TO THE PERSONS NAMED ABOVE: You should have received this Form and the following documents:

- (1) The application to Plug and Abandon a Well on Form WW-4B, which sets out the parties involved in the work and describes the well its and the plugging work order; and
- (2) The plat (surveyor's map) showing the well location on Form WW-6.

The reason you received these documents is that you have rights regarding the application which are summarized in the instructions on the reverses side. However, you are not required to take any action at all.

Take notice that under Chapter 22-6 of the West Virginia Code, the undersigned well operator proposes to file or has filed this Notice and Application and accompanying documents for a permit to plug and abandon a well with the Chief of the Office of Oil and Gas, West Virginia Department of Environmental Protection, with respect to the well at the location described on the attached Application and depicted on the attached Form WW-6. Copies of this Notice, the Application, and the plat 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 Chief.

OFFICIAL SEAL Well Oper	Pator HG Energy, LLC Diane White Diane White	
STATE OF WEST VIRGINIA S DIANNE DULANEY Its:	Agent	
P O Box 5519 Address	5260 Dupont Road	Received
Vienna, West Virginia 26105 My Commission Expires Oct. 4, 2016	Parkersburg, WV 26101	Office
My Commission Expires out. Telephone	304-420-1119	Office of the & Gas
		JAN 07 2015
Subscribed and sworn before me, this 3rd	day ofDecember 2014	
2 1. Hanne I he laner	Notary	

Oil and Gas Privacy Notice

The Office of Oil and Gas processes your personal information, such as name, address and phone number, as a part of our regulatory duties. Your personal information may be disclosed to other State agencies or third parties in the normal course of business or as needed to comply with statutory or regulatory requirements, including Freedom of Information Act requests. Our office will appropriately secure your personal information. If you have any questions about our use of your personal information, please contact DEP's Chief Privacy Officer at depprivacyoffier@wv.gov.

무구나의	U.S. Postal ServiceTM CERTIFIED MAILTM RECEIPT (Domestic Mail Only; No Insurance Coverage Provided) For delivery information visit our website at www.usps.com
905	OFFICIAL USE Postage \$ 1.40
T000 0E92	Certified Fee 3.30 Return Receipt Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required) Total Postage & Fees \$ 7 One of the control
2013 2	Sent To Maryin Miller III Street, Apt. No.; or PO Box No. 4326 Clay Rd City, State, ZIP+4 Spencer WV 2-5276 PSIFORM 3800, August 2005

Received
Office of Oil & Gas
JAN 07 2015

WW-9 Rev. 5/08

	Page		of	
API Number 47 -	087	-	03077	
Operator's Well N	o, P. A. Bays	6		

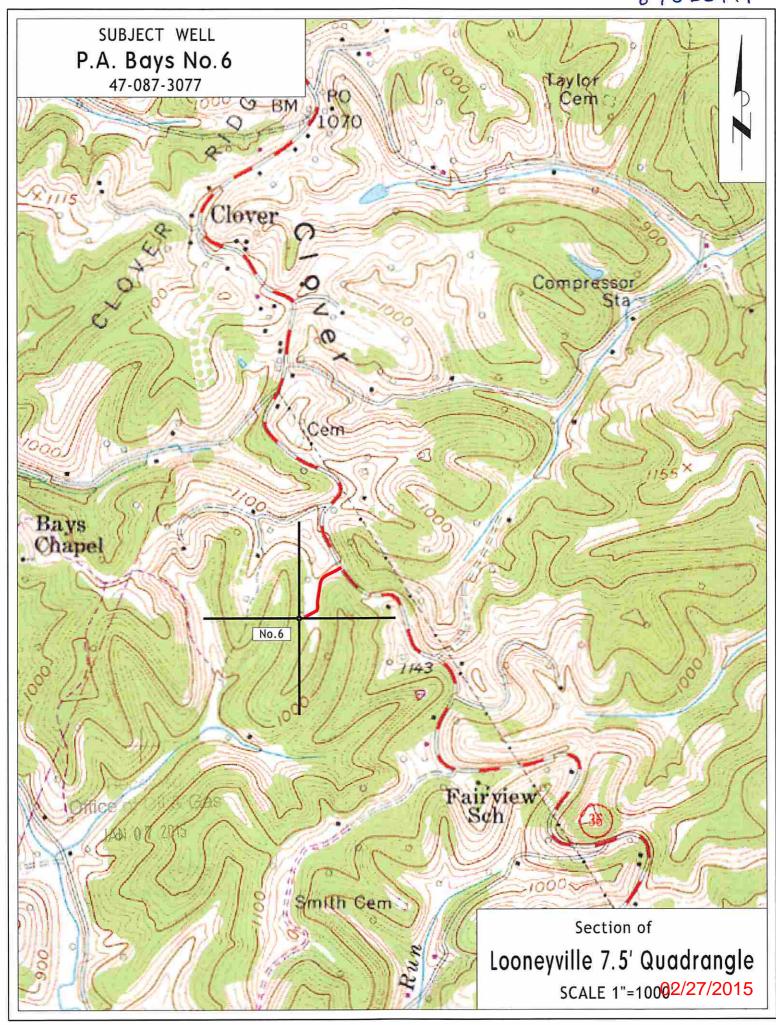
STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION OFFICE OF OIL AND GAS

CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

GENE	RAL PERMIT FOR OIL A	ND GAS PIT WASTE	DISCHARGE	
Operator Name HG Energy,	LLC	OP	Code 49449	97948
Watershed Laurel Fork		Quadrangle Loon	eyville 7.5'	
Elevation 1066	_{County} Roane	I	District Smit	hfield
Description of anticipated Pit Waste:	Fluids encounter	ed while plugg	ing subjec	t well
Will a synthetic liner be used in the p	it?	20 MIL.		
Reuse (at Off Site D		-9 for disposal location		
Proposed Work For Which Pit Will I Drilling Workover Other (Ex	<u> </u>	X Swabbing Plugging		
on August 1, 2005, by the Office of Oprovisions of the permit are enforced law or regulation can lead to enforced I certify under penalty of I application form and all attachment obtaining the information, I believe penalties for submitting false information.	Dil and Gas of the West Virgable by law. Violations of a ment action. aw that I have personally ets thereto and that, based that the information is truation, including the possibility.	inia Department of En uny term or condition examined and am fam on my inquiry of the e, accurate, and comp	ovironmental Proof the general position with the incidental pose individuals plete. I am aw	permit and/or other applicable information submitted on this immediately responsible for
Company Official Signature	Diana White			Received
Company Official (Typed Name)	Agent			Office of Oil & Gas
Company Official Title	-gent			JAN 0 7 2015
	7 ha C	Jacombar	44	1
Subscribed and sworn before me this	3rd day of [December	, 2014	-
2 Dian	ne Dula	New	Notery Publi	-
My commission expires	14,2016	0	(Training)	OFFICIAL SEAL NOTARY PUBLIC STATE OF WEST VIRGINIA S. DIANNE DULANEY P O Box 5519 Vienna, West Virginia 26105
		}		C Evoires Oct 4 2016

Operator's Well No. PA Bays 6

£.	EGEND
Property Boundary	Diversion (COLCULTICATION OF THE PROPERTY OF T
Road = = = = = = = = = = = = = = = = = = =	Spring O
Existing Fence — X — X — X —	Wet Spot
Planned Fence///	Drain Pipe with size in inches (2)
Stream	Waterway C+ C+ C+
Open Ditch	Cross Drain 7////////////////////////////////////
Rock & SEE	Artificial Filter Strip A X X X X X X X X X X X X X X X X X X
North N	Pit: cut walls
Buildings	Pit: compacted fill walls
Water wells	Area for Land Application of Pit Waste
Drill site	
Proposed Revegetation Treatment: Acres Disturbed 0.7 a	Cres Prevegetation pH
Lime Tons/acre or to correct to pH _	6.5
500	
Fertilizer (10-20-20 or equivalent)lbs/a	cre (500 lbs minimum)
Mulch Straw 2 Tons/acc	re
All the state of t	
Seed .	Mixtures
Area I	. Area II
Seed Type lbs/acre	Seed Type lbs/acre
Tall Fescue 40	Tall Fescue 40
Ladino Clover 5	Ladino Clover 5
	·
Attach: Drawing(s) of road, location,pit and proposed area for land appli	cation
Drawing(s) of road, location, pit and proposed area for land appir	FIGURINGS
Photocopied section of involved 7.5' topographic sheet.	Office of Oil & Gas
	JAN 07 2015
Plan Approved by:	
Comments:	
9:	2
	1 1
Title: Lospockac	Date: 1 5 15
THIO.	
) ·	
Field Reviewed? () Yes	



West Virginia Department of Environmental Protection Office of Oil & Gas

WELL LOCATION FORM: GPS

API:47-	- 087 - 3077	WELL NO: No.6	
FARM NAME:	P.A. Bays		
RESPONSIBLE PARTY N	NAME: HG Energy, LLC		
COUNTY:	Roane	DISTRICT: Smithfield	<u>i</u>
QUADRANGLE:	Looneyville 7.5'		
SURFACE OWNER:	Marvin Miller III, et al.		
ROYALTY OWNER:	HG Energy LLC et al.		
UTM GPS NORTHING:	4,284,867	_	
UTM GPS EASTING:	475,163	GPS ELEVATION: 325	m. (1066
 Datum: NA height above Accuracy to Data Collection Survey Grade Grade Grade 	GPS coordinates that do not meet the AD 1983, Zone:17 North, Coordinate we mean sea level (MSL) - meters. To Datum - 3.05 meters ction Method: The additional post Processed Differential Real-Time Differential Real-Time Differential Real-Time Differential		
belief and shows all the in prescribed by the Office of	certify this data is correct to the best of formation required by law and the reg f Oil and Gas.	f my knowledge and	
Diane White	Diane White	Designated Agent	
Signature		Title	
Date	per 2, 2014	Donoised	
Date		Received Office of Oil &	Cas
		OHIDS OF MICK	Lido

JAN 07 2015