



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

August 28, 2014

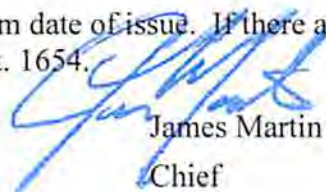
WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-8703224, issued to PRIME OPERATING COMPANY, 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 penalties 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: 169 (HAROLD)
Farm Name: HAROLD, MARION
API Well Number: 47-8703224
Permit Type: Plugging
Date Issued: 08/28/2014

Promoting a healthy environment.

08/29/2014

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.

1) Date August 6, 2014
2) Operator's
Well No. 169
3) API Well No. 47-087 - 03224

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

APPLICATION FOR A PERMIT TO PLUG AND ABANDON

4) Well Type: Oil / Gas X / Liquid injection / Waste disposal /
(If "Gas, Production X or Underground storage) Deep / Shallow X

5) Location: Elevation 1174.6' Watershed Hollywood run of Big Sandy
District Geary 02 County Roane 37 Quadrangle Tariff 7.5 635

6) Well Operator Prime Operating Company 7) Designated Agent Halsey Whitney
Address 714 1/2 Lee Street East Address 714 1/2 Lee Street East
Charleston, WV 25301 Charleston WV 25301

8) Oil and Gas Inspector to be notified 9) Plugging Contractor
Name Ed Gainer Name
Address PO Box 821 Address
Spencer, WV 25276

10) Work Order: The work order for the manner of plugging this well is as follows:
Run 2 3/8" tubing to 1945' TD. Pump 6% gel to surface, set 150' cement plug to cover perfs. ^{1945' - 1795'} Pull tubing to 1640'
~~and set 150' cement plug to cover perfs.~~ Pull 2 3/8 tubing out of hole, cut 4 1/2" casing at
1224'. Pump 6% gel to surface and set 100' cement plug at pipe cut. Pull 4 1/2" casing to
300' set 100' cement plug inside and at the bottom of surface pipe. Pull 4 1/2" casing out of
Well and fill with cement to surface. ^{* Set 100' plug at surface} Set a plugging monument with API. and Date plugged.
UTM East 483967.2 UTM North 4275690.3

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

Work order approved by inspector



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Office of Oil and Gas
Date 8/18/2014
WV Department of
Environmental Protection
8/29/2014

WELL OPERATOR'S REPORT
OF

DRILLING, FRACURING AND/OR STIMULATION, OR PHYSICAL CHANGE

-7t

WELL TYPE: Oil ___ / Gas X / Liquid Injection ___ / Waste Disposal ___ /
 (If "Gas", Production X / Underground storage ___ / Deep ___ / Shallow ___ /)
 LOCATION: Elevation: 1024.31' Watershed: Hollywood Run
 District: Geary County: Roane Quadrangle: Otter K.

WELL OPERATOR Sterling Drilling & Prod. Co. DESIGNATED AGENT Charlie E. Moore
 Address 622 Third Avenue, Suite 3800 Address Rt. 1 Box 30
New York, NY 10017 Duck, WV 25053

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

PERMIT ISSUED ON October 29, 19 79 OIL & GAS INSPECTOR FOR THIS WORK:
 (IF APPLICABLE: PLUGGING OF DRY HOLE OR CONTINUOUS PROGRESSION FROM DRILLING OR REWORKING. VERBAL PERMISSION OBTAINED) Name Richard Morris
 Address P. O. Box 372
Creston, WV 26147

GEOLOGICAL TARGET FORMATION: Injun Sand Depth 2020 feet
 Depth of completed well, 1985 feet Rotary X / Cable Tools ___
 Water strata depth: Fresh, ___ ft; salt, ___ feet.
 Coal seam depths: 0 Is coal being mined in the area? No
 Work was commenced November 4, 19 79, and completed November 27, 19 79

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									Kinds
Fresh water									
Coal									Sizes
Intermediate	5/8"	40	20.2	X		249	249	130 sks.	
Production	1/2"	40	10.5	X			1945	100 sks.	Depth set
Tubing									
Liners									Perforations: 10
									Top Bottom
									1868 1974

TOP Cement 1850' 8-20-07

OPEN FLOW DATA

Producing formation Injun Sand Pay zone depth 1868-1974 ft
 Gas: Initial open flow, ___ Mcf/d Oil: Initial open flow, ___ Bbl/d
 Final open flow, 70 Mcf/d Final open flow, ___ Bbl/d
 Time of open flow between initial and final tests, ___ hours
 Static rock pressure, 160 psig (surface measurement) after 48 hours shut in

[If applicable due to multiple completion--]

Second producing formation _____ Pay zone depth _____ ft
 Gas: Initial open flow, ___ Mcf/d Oil: Initial open flow, ___ Bbl/d
 Final open flow, ___ Mcf/d Final open flow, ___ Bbl/d
 Time of open flow between initial and final tests, ___ hours
 Static rock pressure, ___ psig (surface measurement) after ___ hours

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

perforated Injun Sand with 10 holes from 1868 to 1874.

perforated Injun Sand with 500 gallons 15% acid, 15,000# 80/100 sand, 15,000# 20/40 sand and 385 barrell water.

WELL LOG

FORMATION	Color	Hard or Soft	Top Feet	Bottom Feet	REMARKS Including indication of gas flow and salt water, etc., etc.
Rock			0	249	
Shale			249	1270	
Salt Sand			1270	1704	
Lime			1704	1910	
Shale			1910	1985	
ELECTRIC LOG					
Little Lime			1706	1746	
Slate			1746	1760	
Big Lime			1760	1842	
Injun Sand			1842	1894	
Shale			1894	1990	
					T. D. 1990

(Attach separate sheets to complete as necessary.)

Sterling Drilling & Production Company
Well Operator

By *[Signature]*
Its Agent

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NOTE: Regulation 2.01(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 process of a well."

October 19, 1979

Operator's Well No. HAROLD #169
API Well No. 47 - 087-3224
State County Permit

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

RECLAMATION PLAN

WELL OPERATOR Sterling Drilling & Prod. Co. DESIGNATED AGENT Charlie E. Moore
Address 622 Third Avenue, Suite 3800 Address Rt. 1 Box 30
New York, NY 10017 Duck, WV 25063

The well operator hereby agrees to carry out the reclamation requirements of Code § 22-4-12b in the manner set out below.

This plan has ___/ has not X/ been reviewed with the district oil and gas inspector.

SKETCH: (Locate and show the (1) well location, (2) existing access road, (3) access road to be constructed, (4) well site, (5) drilling pit(s), and (6) necessary drainage features, including drains (natural and manmade), silt traps, etc.)



STATEMENT OF RECLAMATION PLAN (Complete on reverse side if necessary)

Location to be restored to original contour as near as practical; re-seeded, fertilized, and mulched.

All marketable timber to be removed and owner notified.

The nearest water well or dwelling is more than three hundred (300) feet away.

Sterling Drilling & Production Co.
Well Operator
Office of Oil and Gas
By Charlie Moore 08/29/2014
Its Agent AUG 18 2014

WV Department of Environmental Protection

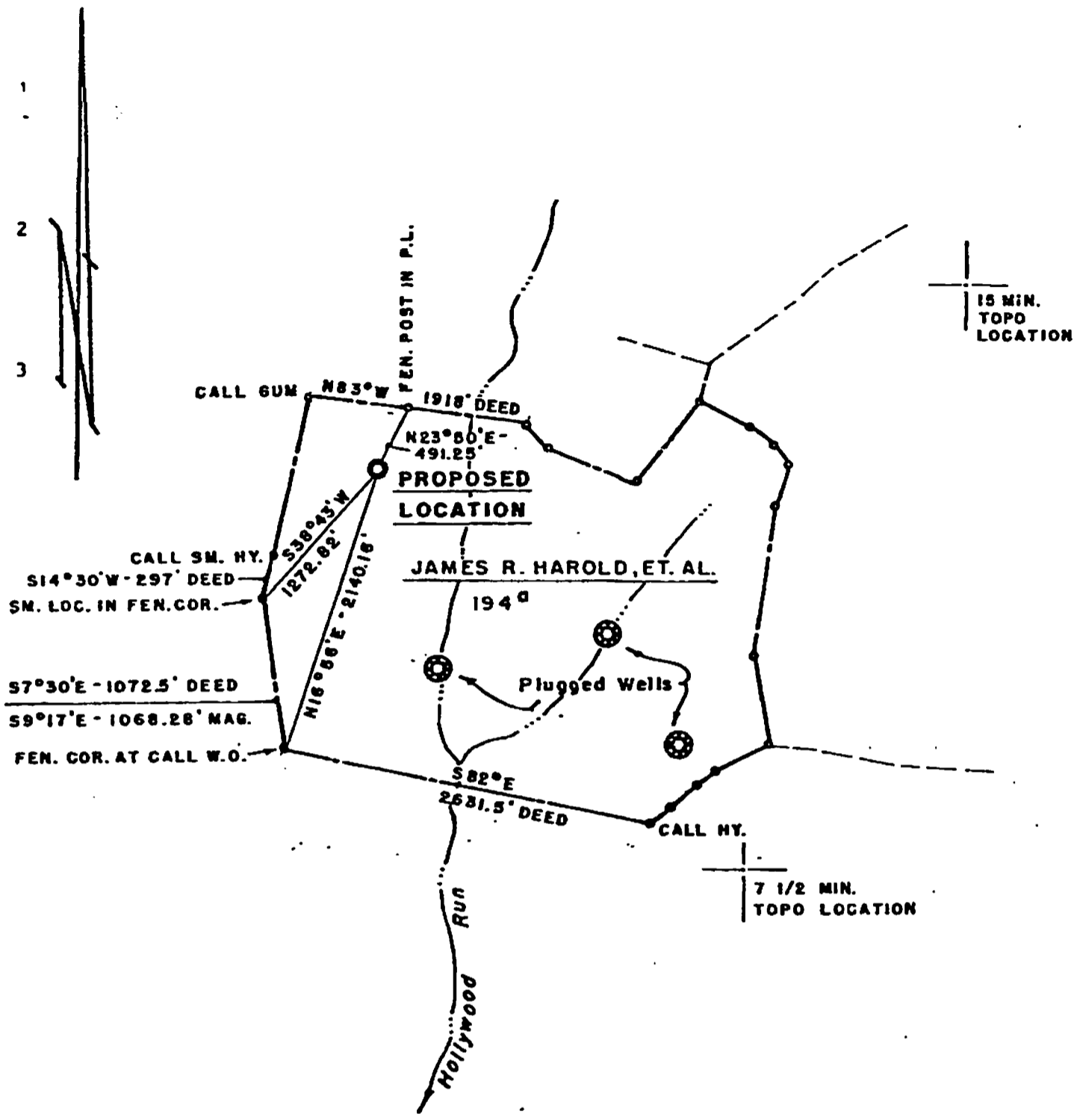
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7 1/2 MIN. LATITUDE

MIN. LATITUDE 35° 40'

1 2 3

15 MIN. LONGITUDE 81° 10'



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Office of Oil and Gas
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WV Department of
Environmental Protection

CERTIFICATE

I the undersigned hereby certify that this map is correct to the best of my knowledge and belief and that I have all the information required by paragraph 6 of the rules and regulations of the oil and gas division of the mining laws of West Virginia.

Maximum degree of accuracy to our part is 200

Henry J. Singer, Jr. L.L.S. 248

- NEW LOCATION
- RECONDITION
- DRILL DEEPER
- ABANDONMENT

N.B. H-8 PG. 50 & 68

COMPANY: STERLING DRILLING & PRODUCTION CO., INC.	
ADDRESS: 622 3RD AVE., SUITE 3800 N.Y., N.Y. 10017	
NAME: JAMES R. HAROLD, ET. AL.	
MAP: 74-C	LEASE NO: D-19
WELL #/ADD: NO 6	LEGAL NO: 169
ELEVATION (SPRIT LEVEL): 1024.31'	
QUAD/PANEL: 15 MIN. OTTER N.W. & 7 1/2 MIN. TARIFF	
COUNTY: ROANE	DISTRICT: GEARY
POINT OF PROVED ELEVATION: U.S.S. DATA AT FORKS OF ROAD	
4000' SOUTH OF PROPERTY ELEV. 742'	
FILE NO: 08-20-1179	ORIGINAL NO: 1179
SCALE: 1" = 1000'	

STATE OF WEST VIRGINIA

DEPARTMENT OF MINES

OIL AND GAS DIVISION

CHARLESTON

WELL LOCATION **08/20/2014**

FILE NO: **08-20-1179**

Received

↑ DENOTES LOCATION OF WELL ON UNITED STATES GEOLOGIC MAPS SCALE 1" TO 42,500' LATITUDE AND LONGITUDE LINES BEING REPRESENTED BY DOTTED LINES AS SHOWN

Office of Oil and Gas
WV Dept. of Environmental Protection

WW-4A
Revised 6-07

1) Date: August 6 2014
2) Operator's Well Number
Harold 169
3) API Well No.: 47 - 087 - 03224

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

4) Surface Owner(s) to be served:	W 5) (a) Coal Operator
(a) Name <u>Marion Harold</u>	Name _____
Address <u>642 Uler Road</u>	Address _____
<u>Newton WV 25266</u>	_____
(b) Name _____	(b) Coal Owner(s) with Declaration
Address _____	Name _____
_____	Address _____
(c) Name _____	Name _____
Address _____	Address _____
_____	_____
6) Inspector <u>Ed Gainer</u>	(c) Coal Lessee with Declaration
Address <u>PO Box 821</u>	Name _____
<u>Spencer WV 25276</u>	Address _____
Telephone <u>304-389-7582</u>	_____

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.



Well Operator Prime Operating Company
By: [Signature]
Its: Designated Agent/ District Manager
Address 714 1/2 Lee Street East
Charleston, WV 25301
Telephone 304-342-0121

Subscribed and sworn before me this 8th day of August 2014
Sara M. Lyon Notary Public
My Commission Expires March 28, 2023

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 depprivacyofficer@wv.gov.

Received
AUG 18 2014
West Virginia Department of Environmental Protection

SURFACE OWNER WAIVER

Operator's Well
Number

Harold 169

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW4-A

The well operator named on page WW-4A is applying for a permit from the State to plug and abandon a well. (Note: If the surface tract is owned by more than three persons, 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 of the West Virginia Code. Well work 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 and the Office of Oil and Gas.

**NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.
WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:**

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, WV 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have **FIVE (5) DAYS** after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to 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.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation..."

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

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application For A Permit To Plug And Abandon on Forms WW-4A and WW-4B, and a survey plat.

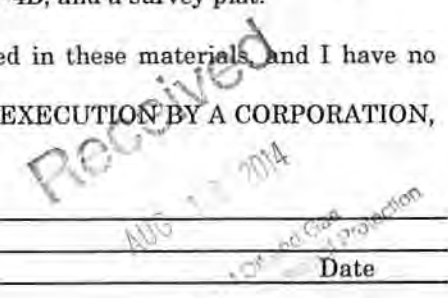
I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

**FOR EXECUTION BY A NATURAL PERSON
ETC.**

FOR EXECUTION BY A CORPORATION,

Marion S. Harold Date 8/8/14
Signature By Its

Date
Signature Date



638443
10000

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

Operator Name Prime Operating Company OP Code 306837

Watershed Hollywood run of Big Sandy Quadrangle Tariff 7 1/2

Elevation 1024.31 County Roane District Geary

Description of anticipated Pit Waste: Salt Water, Cementing Fluids and gel

Will a synthetic liner be used in the pit? Yes 20mll

Proposed Disposal Method For Treated Pit Wastes:

- Land Application
- Underground Injection (UIC Permit Number 2D0873432)
- Reuse (at API Number _____)
- Off Site Disposal (Supply form WW-9 for disposal location)
- Other (Explain _____)

Proposed Work For Which Pit Will Be Used:

- Drilling
- Workover
- Other (Explain _____)
- Swabbing
- Plugging

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on August 1, 2005, by the Office of Oil and Gas of the West Virginia Department of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

Company Official Signature Halsey M. Whitney

Company Official (Typed Name) Halsey M. Whitney

Company Official Title Designated Agent/ District Manager

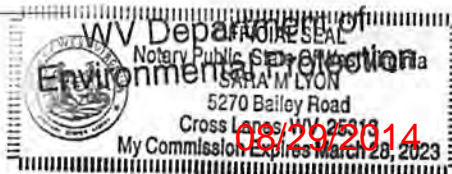
Subscribed and sworn before me this 8th day of August, 2014

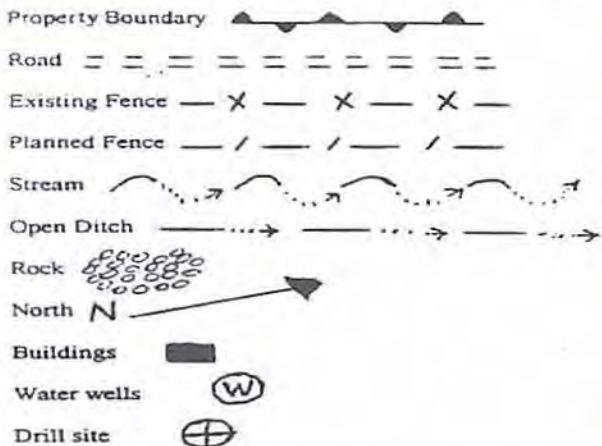
Sara M. Lyon

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Notary Public Office of Oil and Gas

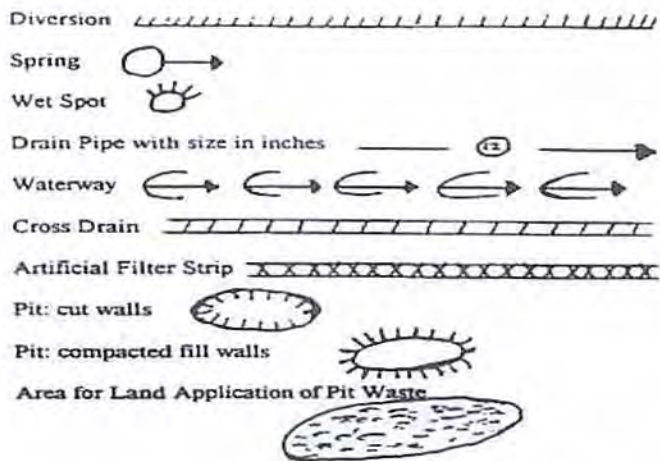
AUG 18 2014

My commission expires March 28, 2023





LEGEND



Proposed Revegetation Treatment: Acres Disturbed .5 Prevegetation pH 6.5

Lime 2 Tons/acre or to correct to pH 6.5

Fertilizer (10-20-20 or equivalent) 500 lbs/acre (500 lbs minimum)

Mulch 2 Tons/acre

Seed Mixtures

Seed Type	Area I		Seed Type	Area II	
	lbs/acre	#		lbs/acre	#
KY 31 Fescue	50	#			
Annual Rye	20	#			

Attach:
Drawing(s) of road, location, pit and proposed area for land application.

Photocopied section of involved 7.5' topographic sheet.

Plan Approved by:

Comments: Sediment control in place at all times

Title: Inspector Date: 8/7/14

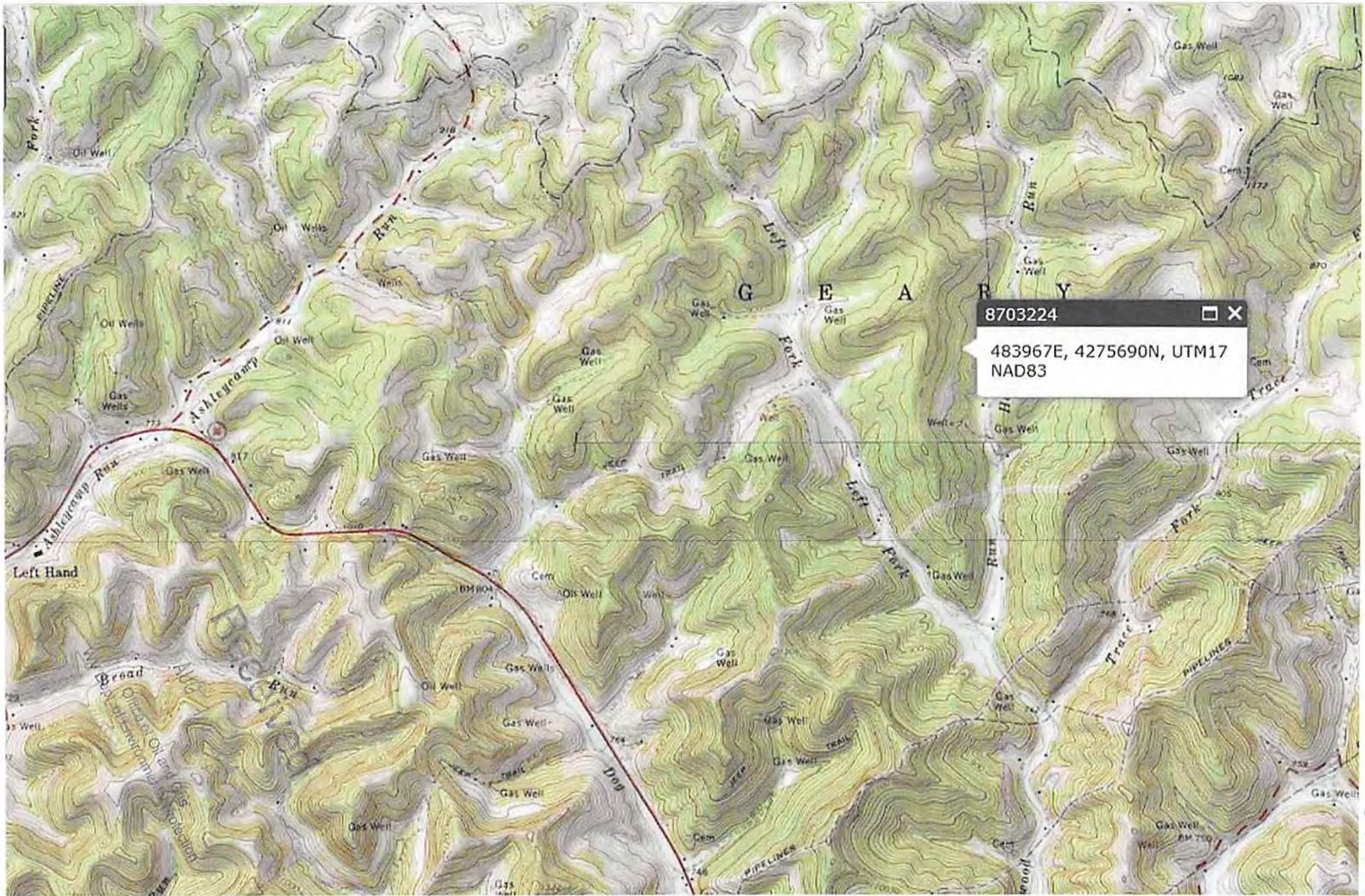
Field Reviewed? Yes No

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AUG 18 2014

WV Department of Environmental Protection

4708703224



8703224F

WW-7
8-30-06



West Virginia Department of Environmental Protection
Office of Oil and Gas
WELL LOCATION FORM: GPS

API: 47-087-03224 WELL NO.: 169

FARM NAME: Harold

RESPONSIBLE PARTY NAME: Prime Operating Company

COUNTY: Roane DISTRICT: Geary

QUADRANGLE: Tariff

SURFACE OWNER: Marion Harold

ROYALTY OWNER: James R. Harold, et al.

UTM GPS NORTHING: 4275690.3

UTM GPS EASTING: 483967.2 GPS ELEVATION: 312.2 (1024 ft)

The Responsible Party named above has chosen to submit GPS coordinates in lieu of preparing a new well location plat for a plugging permit or assigned API number on the above well. The Office of Oil and Gas will not accept GPS coordinates that do not meet the following requirements:

1. Datum: NAD 1983, Zone: 17 North, Coordinate Units: meters, Altitude: height above mean sea level (MSL) – meters.
2. Accuracy to Datum – 3.05 meters
3. Data Collection Method:

Survey grade GPS : Post Processed Differential

Real-Time Differential

Mapping Grade GPS : Post Processed Differential

Real-Time Differential

4. Letter size copy of the topography map showing the well location.

I the undersigned, hereby certify this data 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 Office of Oil and Gas.

Hal M. White District Manager 8/10/14
Signature Title Date

Received

AUG 26 2014

Office of Oil and Gas
WV Dept. of Environmental Protection

Prime Operating Company

a subsidiary of **Prime** Energy Corporation

Eastern Oil Well Service Company

714-1/2 Lee Street East • Charleston, WV 25301
(304) 342-0121 • FAX (304) 343-7019

August 15, 2014

Mr. Gene Smith
Assistant Chief - Permitting
WV DEP Office of Oil & Gas
601 57th Street, SE
Charleston, WV 25304-2345

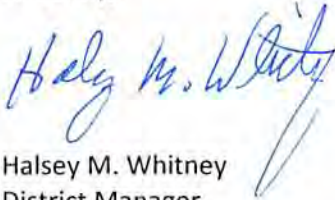
RE: Application for Plugging Permit - Harold 169 API # 47-087-03224

Dear Mr. Smith:

Enclosed please find a plugging permit for the above referenced well.
This application has been approved by the surface owner and Eddy Gainer.

Thank you in advance for your early attention to this permit request.

Sincerely,



Halsey M. Whitney
District Manager

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