

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

April 24, 2015

WELL WORK PERMIT

Vertical Well

This permit, API Well Number: 47-8704779, 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.

Please be advised that form WR-35, Well Operators Report of Well Work is to be submitted to this office within 90 days completion of permitted well work, 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 result in civil and/or criminal penalties being imposed upon the operators.

In addition to the applicable requirements of this permit, and the statutes and rules governing oil and gas activity in WV, this permit may contain specific conditions which must be followed. Permit conditions are attached to this cover letter.

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 at (304) 926-0499 ext. 1654.

James Martin

Chief

Operator's Well No: IVY FISCHER 203

Farm Name: KING, WILLIE

API Well Number: 47-8704779

Permit Type: Vertical Well Date Issued: 04/24/2015 WW - 2B (Rev. 8/10)

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

Vell Operator:	HG En	erav II.	C	494497948	Roane	05 Smithfield	Looneyville 7.5
veli Operator.	TIG LIN	cigy, EE		Operator ID	County	District	Quadrangle
perator's Wel	l Number	: Ivy Fisc	cher 203		3) Elevation:	1038'	_
Vell Type: (a)	Oil_X_	or Gas					
(b) !	If Gas:	Producti	ion / Unde	erground Sto	rage	-	
		Deep_	/ Sh	allow X			2200 T.D. 2679 TAB
Proposed Targ Proposed Tota Approximate fr Approximate s	n Depth:_ esh wate	r strata	depths: 375'	ormation at	Proposed Tai Proposed Tot	al Depth: _E	Big Injun
Approximate c							
			, Karst, other):	NA			
					NA		
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WW-2A (Rev. 6-14)



1). Date: February 16, 2015

2.) Operator's Well Number

Ivy Fischer 203

State County

Permit

3.) API Well No .:

47-

Roane -___

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

4) Surface Ow	ner(s) to be served:		5) (a) Coal Opera	ator	
(a) Name	Willie King	/	Name		
Address	1090 Clover Road		Address		
	Spencer, WV 2527	6	,		
(b) Name	Richard Fisher	/		ner(s) with Declaration	
Address	4513 Clay Road		Name		
7100.000	Spencer, WV 2527	6	Address		
(c) Name			Name		
Address			Address		
6) Inspector	Ed Gainer		(c) Coal Les	see with Declaration	
Address	P. O. Box 821		Name		
71441000	Spencer, WV 2527	6	Address		
Telephone	304-389-7582			- A - 1 - 1 - 1 - 1 - 1	
	TO THE DEL	RSONS NAM	MED ABOVE TA	KE NOTICE THAT:	
Included is t	the lease or leases or othe	er continuing of	contract or contract	ts by which I hold the right	to extract oil and gas
	the information required b	v Chapter 22,	Article 6, Section	8(d) of the Code of West	/irginia (see page 2)
1 certify	that as required under c	nvina docume	nts pages 1 throug	h on the above name	d parties by:
application, a lo	Personal Service (Affidavit attac	hed)		
_	Personal Service (Alliuavii allac	l receipt attached	1	
_	X Certified Mail (Pos	imarked posta	a etteched)	,	
_	Publication (Notice	e of Publication	n attached)	agree to the terms and o	conditions of any permit
issued under thi		All basis paras	anally avamined a	nd am familiar with the in	formation submitted on
I certify	under penalty of law that	it I nave perso	onally examined a	of those individuals imme	ediately responsible for
this application	form and all attachments	s, and that ba	sed on my inquiry	and complete	and the second second
obtaining the inf	formation, I believe that the	ne information	for submitting fold	e information, including the	e possibility of fine and
	vare that there are signific	cant penalties	for submitting rais	e illioimation, illicidang th	is possing,
imprisonment.		M-II Operator	HG Energy, LI	C	
	OFFICIAL SEAL	veli Operator	Diane White	Diane White	Received
NESTU	NOTARY PUBLIC		Agent	20012	Medding Co
54. A. A. E. S	TATE OF WEST VIRGINIA	A delenant	5260 Dupont I	Poad (Office of Oil & Gas
E AVECUA S	S. DIANNE DULANEY	Address:	Parkersburg, V	1000	2215
1.	5260 Dupont Road rkersburg West Virginia 26101	1	Parkersburg,	VV 20101	MAR 1 3 2015
Mary Charles Pa	Commission Expires Oct. 4, 2016	Telephone:	304-420-1119	The second secon	
IVIY	JOHN MAN TO THE PARTY OF THE PA		dwhite@hgen	ergylic.com	
Subscribed and	sworn before me this	16 day of	February	, 2015	
<	Z An. (=	8.0	711	Notary Public	
4	Selling	- full		Notary Fublic	
My Commission	n Expires VOT. Y	0016	()		
Oil and Gas Priva	cy Notice	C	0		and the second second
The Office of Oil a	and Gas processes your perso	onal information	such as name, addre	ess and phone number, as a pa	art of our regulatory duties.

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.qov

O4/24/2015

STATE C. SEAL STATE C. STATE C



552	(Domestic Mail C	D MAIL™ RE	Coverage Provided)
r2	For delivery inform	atlon visit our website	at www.usps.com ₈
4074	OFF	ICIAL	. USE
4	Postage	\$ 1.61	Sa Saura
0000	Certified Fee	3.30	997 - 2 001E
	Return Receipt Fee (Endorsement Required)	2.70	Postmark Here
0250	Restricted Delivery Fee (Endorsement Required)		
0.5	Total Postage & Fees	\$7.61	USPS
+	Sent To		IMFZ03
7074	Ric	hard Fisher	et al.
7	Street, Apt. No.; or PO Box No. A-	513 Clay Ro	ad
	SERVICE SERVIC	encer, WV	25276
	PS Form 3800, August 20	006	See Reverse for Instructions

Received Office of Oil & Gas MAR 1 3 2015 Operator's Well Number Ivy Fischer 203

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that -

- (1) the tract of land is the same tract described in this Application, 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_
J. O. Fisher	South Penn Oil Company	1/8	16 <i>[</i> 257

"See Attached Document for more detail"

Acknowledgement of Possible Permitting/Approval In Addition to the Office of Oil and Gas

The permit applicant for the proposed well work addressed in this application he reby a cknowledges the possibility of the need for permits and/or approvals from local, state, or federal entities in addition to the DEP, Office of Oil and Gas, including but not limited to the following:

- WV Division of Water and Waste Management
- WV Division of Natural Resources
- WV Division of Highways
- U.S. Army Corps of Engineers
- U.S. Fish and Wildlife Service
- County Floodplain Coordinator

The applicant further acknowledges that any Office of Oil and Gas permit in no way overrides, replaces, or nullifies the need for other permits/approvals that may be necessary and further affirms that all needed permits/approvals should be ac quired from the appr opriate aut hority before the affected activity is initiated.

> Well Operator: Bv:lts:

Received Diane White Office of Oil & Gas HG Energy, LLC Diane White, Agent MAR 1 3 2015

Operator's Well No.	Ivy Fischer 203	

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

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- (1) the tract of land is the same tract described in this Application, 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
J. O. Fisher	South Penn Oil Company	1/8	16/257

Merger and Conveyance dated July 3, 1963, from South Penn Oil Company to Penzoil Company, Kanawha County, Book 153, Page 35,

Assignment, Conveyance and Bill of Sale dated December 28, 1998, from Pennzoil Company to Pennz Energy Exploration and Production, Wetzel County, Book 12, Page 177.

Certificate of Merger filed with the WV Secretary of State, December 31, 1999, whereby Pennz Energy Exploration and Production, successor in interest to; to Penzoil Company, merged with Devon Energy Production Company, LP, Wetzel County, Book 12, Page 278.

Deed, Assignment and Bill of Sale dated June 1, 2000, from Devon Energy Production Company, LP to East Resources, Inc., recorded in Wetzel County, Book 370, Page 580.

Assignment, Conveyance and Bill of Sale, dated January 1, 2011, from East Resources, Inc., to HG Energy, LLC, Wetzel County, Book 118A, Page 253.

Upon information and belief, Operator's lease and/or other real property rights permit it to conduct drillingerations for the subject well in the location shown on the plat, including the use of access roads, pipelines and utilities.

Acknowledgement of Possible Permitting/Approval In Addition to the Office of Oil and Gas

The permit applicant for the proposed well work addressed in this application hereby ackowledges the possibility of the need for permits and/or approvals from local, state or federal entities in addition to the DEP, Office of Oil and Gas, including but not limited to the following:

WV Division of Water and Waste Management WV Division of Natural Resources WV Division of Highways U.S. Army Corps of Engineers US Fish and Wildlife Service County Floodplain Coordinator Received
Office of Oil & Gas
MAR 1 3 2015

Well Operator:	HG Energy, LLC		
By:	Diane C. White	Diane	C White 04/24/2015
Its:	Accountant		04/24/2015

WW-2B1 (5-12)

Well No. Ivy Fischer 203

West Virginia Department of Environmental Protection Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

Be advised, you have the right to sample and analyze any water supply at your own expense.

Listed below is the laboratory chosen by operator to perform analysis, and contactor chosen to collect sample.

Certified Laboratory Name Sturm Environmental Sampling Contractor

Sturm Environmental

Well Operator HG Energy, LLC

Address

5260 Dupont Road

Parkersburg, WV 26101

Telephone

304-420-1119

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site, the Chief may require the operator to test wells up to 2000 feet from the proposed site.

Surface Owners with Water Sources Identified for Sampling / Analysis:

SEE TOPO MAP

* Willie King 1090 Clover Road Spencer NIV 25276

Received Office of Oil & Gas MAR 1 3 2015

* Richard Frisher 4513 Clay Road Spencer WIV 25276

WW-9 (5/13)

	Page	of	
API Number 47			
Operator's We	II No. Ivy Fische	r 203	_

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name HG Energy, LLC	OP Code 494497948
	Quadrangle Looneyville 7.5'
levation 1038' County Roane	District_Smithfield
to you anticipate using more than 5,000 bbls of water to con	nplete the proposed well work? Yes No _x
un is beyond for deill outtings? Ves X No	
If so please describe anticipated pit waste: Fluids	s encountered while drilling subject well
Will a synthetic liner be used in the pit? Yesx	No If so, what ml.? 20 mil
Proposed Disposal Method For Treated Pit Wastes:	
I and Application	
 Underground Injection (UIC Per 	mit Number 25-561
Reuse (at API Number	
Off Site Disposal (Supply form V Other (Explain	V W-9 for disposal location)
Other (Explain	
Will closed loop system be used? No	
Orilling medium anticipated for this well? Air, freshwater,	oil based, etc. Air, Fresh Water
January Landstonna Symptotic netroleum etc	NA
Additives to be used in drilling medium? Water, Soap, KCI	
Drill cuttings disposal method? Leave in pit, landfill, remov	ved offsite, etc. Leave in pit
-If left in pit and plan to solidify what medium will	be used? (cement, lime, sawdust) Native soil, cement, lime
-Landfill or offsite name/permit number?	
	and the GENERAL WATER POLLUTION PERMIT
on August 1, 2005, by the Office of Oil and Gas of the Wes provisions of the permit are enforceable by law. Violation law or regulation can lead to enforcement action. I certify under penalty of law that I have person	nally examined and am familiar with the information submitted passed on my inquiry of those individuals immediately is true, accurate, and complete. I am aware that there are sign saibility of fine or imprisonment.
1.0.7	MAR 1 3 20'
Company Official Signature Diane White	
- VAIC 24	
Company Official (Typed Name) Diane White	
Company Official (Typed Name) Diane White Company Official Title Agent	of February OFFICIAL SEAL NOTARY PUBLIC STATE OF WEST VIRGINI Publis: DIANNE DULANEY S260 Dupont Road Parkersburg, West Virginia 2610 My Commission Expires Oct. 4, 20



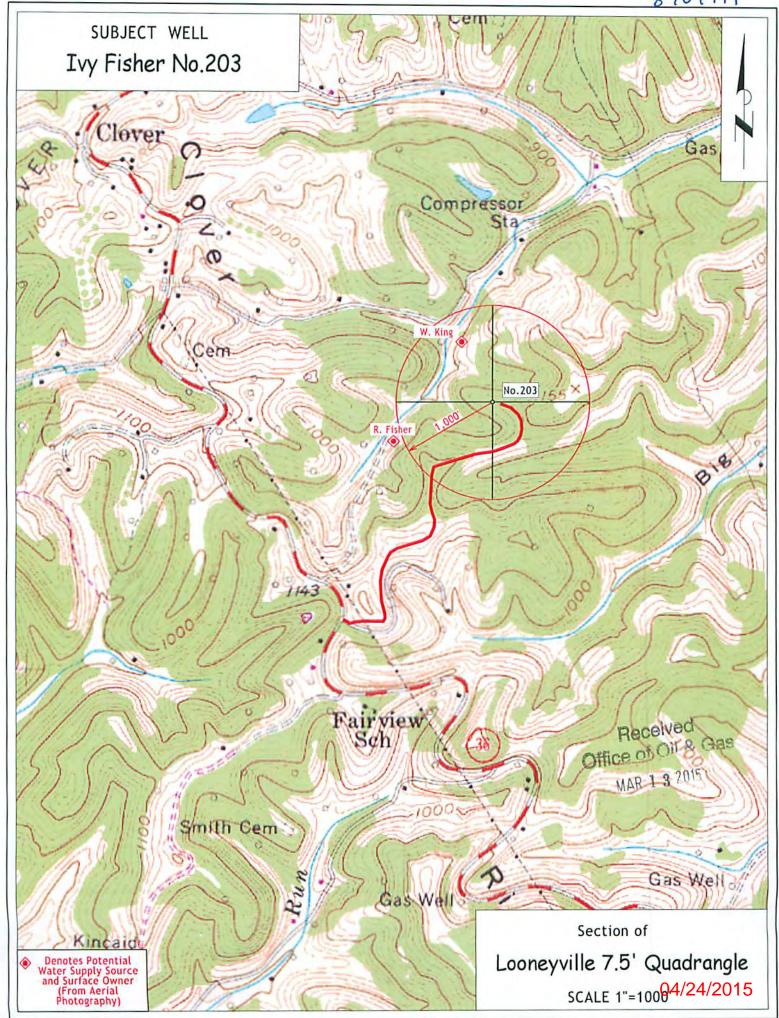
Form	WW-9

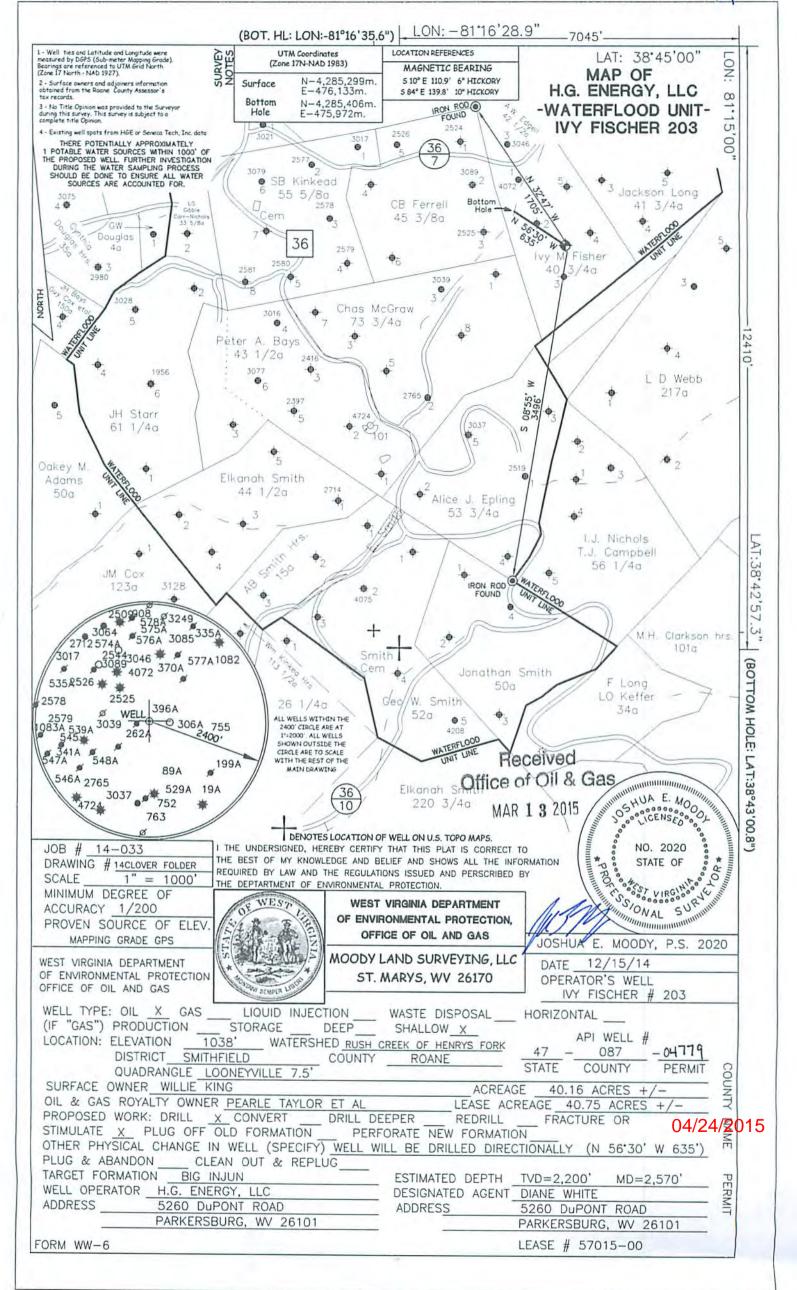
Operator's Well No. Ivy Fischer 203

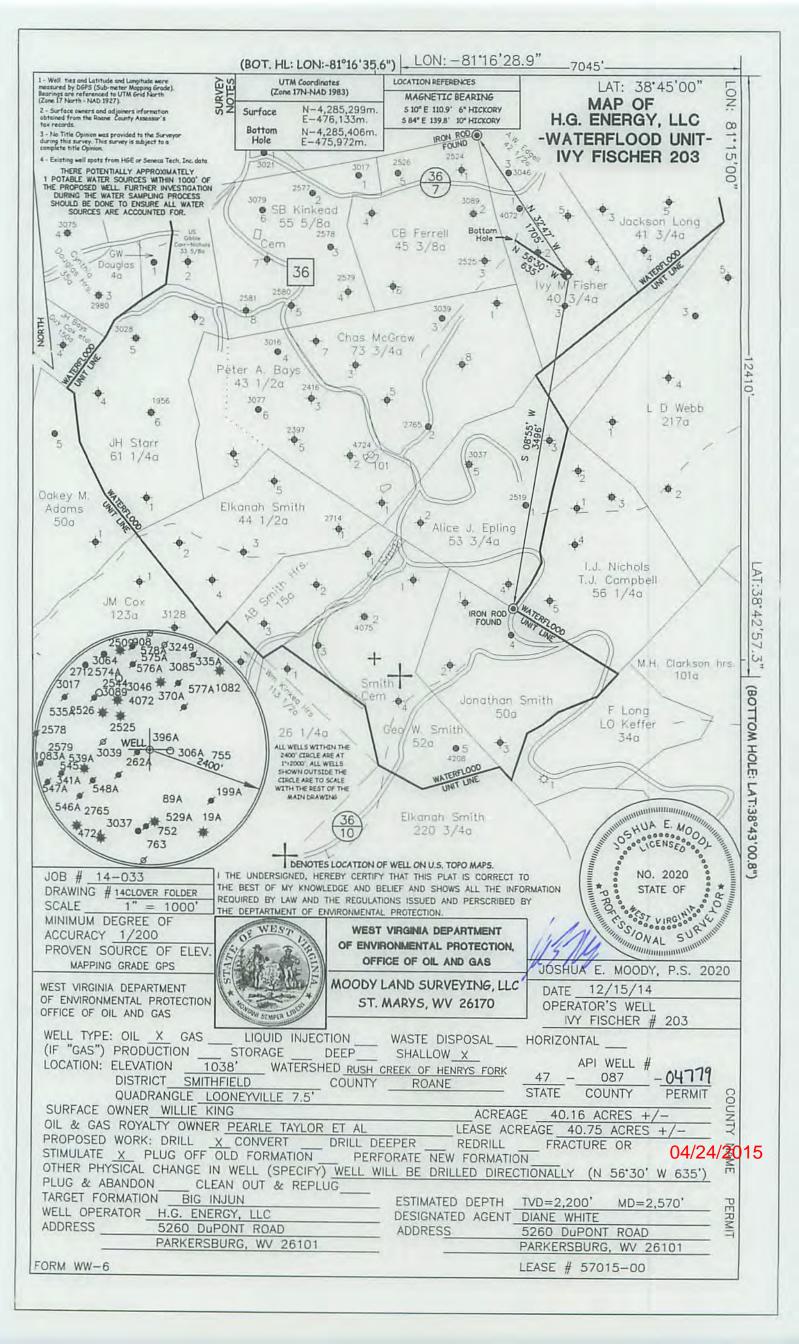
oposed Revegetation Treatment: Acres Dist	turbed 1.2	acres Prevegetation pH	
oposed Revegetation Treatment. There's 25	r to correct to pH	6.5	
Fertilizer (10-20-20 or equivalent) Mulch	500	acre (500 lbs minimum)	
	Seed	Mixtures	
Seed Type Area I lbs/acre		Seed Type Tall Fescue	lbs/acre
adino Clover 5		Ladino Clover	5
	1 -man for land and	dication.	
Photocopied section of involved 7.5' topogra		plication.	
Attach: Drawing(s) of road, location,pit and propose Photocopied section of involved 7.5' topogra Plan Approved by: Comments:		plication.	
Photocopied section of involved 7.5' topogra		plication.	

Reclamation Plan For: Ivy Fisher No. 111 Ivy Fisher No. 203 & Jackson Long No. 106 Location on Ridgetop Existing Vegetative Filter Strip Existing ____Road __ NOTE REFER TO THE WVDEP **EROSION AND SEDIMENT CONTROL** FIELD MANUAL VER. MAY 2012 FOR BMPs CONTROLLING EROSION AND SEDIMENT FROM SOIL-DISTURBING OPERATIONS. 106 Maintain Access AlternatePit to Existing Roads 100'x15'x15' Existing Access Road to be Upgraded Existing Vegetative Filter Strip 1.7 MI. 10 WV S.R. 36 0.2 Mi. to Location for C. McGraw No. 116 et al. Location Size ~80'x175' (0.3 Ac.) See Page 2 for Road See Page Construction Detail See Page 2 for Road Detail to State Route 36 Ivy Fisher Lease Willie King Surface Notes: REQUESTED PERMIT IS FOR DRILLING OF NEW WELL. Office of Oil & SOME ACCESS ROADS ARE EXISTING AND WILL BE UPGRADED TO WVDEP STANDARDS. NEW STRUCTURES WILL BE INSTALLED AS SHOWN. MAR 1 3 2015 STOCKPILE TOPSOIL FOR RE-DRESSING LOCATION DURING RECLAMATION ALL DISTURBED AREAS WILL BE RE-VEGETATED AS OUTLINED ON FORM WW-9. MAINTAIN SEDIMENT BARRIERS AND DRAINAGE STRUCTURES. ALL ROAD GRADES <5% EXCEPT AS NOTED. LOCATION OF DRILL PIT MAY BE CHANGED BASED ON AS-BUILT CONSIDERATIONS. See Page 2 for Road to Additional Wells DRAWING NOT TO SCALE.

Page 1









HG Energy, LLC 5260 Dupont Road Parkersburg, WV 26101 (304) 420-1100 - Office (304) 863-3172 - Fax Office of Oil & Gas MAR 1 3 2015

February 13, 2015

CK# 2947

Mr. Jeff McLaughlin West Virginia Department of Environmental Protection Division of Oil & Gas 601 57th Street Charleston, West Virginia 25304

RE: Ivy Fischer No. 203

Smithfield District, Roane County

West Virginia

Dear Mr. McLaughlin:

Enclosed are the Forms WW-2A, WW-2A (1), WW-2B, WW-9, WW-2(B1), mylar of plat, reclamation plan, topo map and copy of the certified mailing receipt for a permit to drill the above-captioned shallow, producing well. Our check in the amount of \$650 is attached.

If you have any questions regarding this application, please call me at 304-420-1119.

Very truly yours,

Diane White

Diane C. White

Enclosures

cc: Willie King - Certified

Richard Fisher - Certified Ed Gainer - Inspector