

State of West Virginia
Department of Environmental Protection - Office of Oil and Gas
Well Operator's Report of Well Work

API 47-91-01270 County Taylor County District Booths Creek
Quad Rosemont Pad Name Fairmont Tool Inc Field/Pool Name Booths Creek
Farm name Fairmont Tool Inc Well Number 1H
Operator (as registered with the OOG) Diversified Resources, Inc
Address P.O. Box 381087 City Birmingham State AL Zip 35238-1087

As Drilled location NAD 83/UTM Attach an as-drilled plat, profile view, and deviation survey
Top hole Northing 14298014.147 (4358034.712 M) Easting 1882503.160 (573786.963 M)
Landing Point of Curve Northing 14296968.069 (4357715.867 M) Easting 1882198.548 (573694.117 M)
Bottom Hole Northing 14294214.099 (4356876.457 M) Easting 1885333.273 (574649.582 M)

Elevation (ft) 1379.5 GL Type of Well New Existing Type of Report Interim Final
Permit Type Deviated Horizontal Horizontal 6A Vertical Depth Type Deep Shallow
Type of Operation Convert Deepen Drill Plug Back Redrilling Rework Stimulate
Well Type Brine Disposal CBM Gas Oil Secondary Recovery Solution Mining Storage Other _____
Type of Completion Single Multiple Fluids Produced Brine Gas NGL Oil Other _____
Drilled with Cable Rotary

Drilling Media Surface hole Air Mud Fresh Water Intermediate hole Air Mud Fresh Water Brine
Production hole Air Mud Fresh Water Brine
Mud Type(s) and Additive(s)
synthetic OBM MI - SWACO Mega Drill
Megaul, and versathin

Received
JUN 30 2014

Date permit issued 01/20/2012 Date drilling commenced 01/28/2012 Office of Oil and Gas
WV Dept. of Environmental Protection
Date drilling ceased 04/04/2012
Date completion activities began 10/30/2013 Date completion activities ceased 11/26/2013
Verbal plugging (Y/N) _____ Date permission granted _____ Granted by _____

Please note: Operator is required to submit a plugging application within 5 days of verbal permission to plug

Freshwater depth(s) ft 600' Open mine(s) (Y/N) depths N
Salt water depth(s) ft 1270' Void(s) encountered (Y/N) depths N
Coal depth(s) ft NA Cavern(s) encountered (Y/N) depths N
Is coal being mined in area (Y/N) N

Reviewed by:

08/15/2014

API 47- 91 - 01270 Farm name Fairmont Tool Inc Well number 1H

CASING STRINGS	Hole Size	Casing Size	Depth	New or Used	Grade wt/ft	Basket Depth(s)	Did cement circulate (Y/ N) * Provide details below*
Conductor		20	55'				Y
Surface	17.50	13 3/8"	688.4'	New	J-55		Y
Coal							
Intermediate 1	12 1/4"	9 5/8"	1884'	New	J-55		y
Intermediate 2							
Intermediate 3							
Production	8 3/4"	5 1/2"	12191	New	P-110		Y
Tubing							
Packer type and depth set							

Comment Details _____

CEMENT DATA	Class/Type of Cement	Number of Sacks	Slurry wt (ppg)	Yield (ft ³ /sks)	Volume (ft ³)	Cement Top (MD)	WOC (hrs)
Conductor							
Surface	Type 1 + 2% Calc + 1/4# flake	630	15.6	1.19	108	surface	3hrs
Coal							
Intermediate 1	Type 1 + 1% calc+ 1/4# flake	630	15.2	1.26	142	surface	3hrs 20mins
Intermediate 2							
Intermediate 3							
Production	Class H & Type I cmt	2,485	13.8 & 15.6	1.57 & 1.19	270	surface	6 1/2hrs
Tubing							

Drillers TD (ft) 12220' (7288' TVVD) Loggers TD (ft) 12,220'

Deepest formation penetrated Marcellus Shale Plug back to (ft) _____

Plug back procedure _____

Kick off depth (ft) 5450'

Check all wireline logs run caliper density deviated/directional induction
 neutron resistivity gamma ray temperature sonic

Well cored Yes No Conventional Sidewall Were cuttings collected Yes No

DESCRIBE THE CENTRALIZER PLACEMENT USED FOR EACH CASING STRING Centralizers on its 1, 2, 3, 4, 7, and 10. Cement basket on ft 14

WAS WELL COMPLETED AS SHOT HOLE Yes No DETAILS Well perforated @ 11,970'-072', 12,020'-022', 12,070'-072', & 12,120'-122'

WAS WELL COMPLETED OPEN HOLE? Yes No DETAILS Received

WERE TRACERS USED Yes No TYPE OF TRACER(S) USED JUN 30 2014

Fairmont Tool 1H	Top	Base
Formation		
Siltstone/ sand / shale	0	760
Shale / silt / redrock	760	884
Maxton	884	982
Shale/ redrock	982	1050
Little Lime	1050	1068
shale	1068	1088
Big Lime	1088	1188
Big Injun	1188	1262
silt	1262	1550
Gantz	1550	1578
silt	1578	1684
Fifty-foot	1684	1744
silt	1744	1784
Thirty-foot	1784	1818
silt/ sand/ shale	1818	2085
Fourth	2085	2148
shale/ silt	2148	2223
Fifth	2223	2260
silt/ sand/ shale	2260	2901
Speechley	2901	2910
silt/sand	2910	3181
Balltown	3181	3256
silt / sand	3256	4224
Benson	4224	4264
silt/ sand	4264	6483
Alexander	6483	6578
silt	6578	7248
Geneseo Shale	7248	7282
Tully	7282	7382
Hamilton	7382	7690
Marcellus Shale	7690	12220

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Office of Oil and Gas
WV Dept. of Environmental Protection

08/15/2014

91-01270

CELLS WITH BLUE BACKGROUND ARE THE ONLY CELLS TO BE EDITED

Fracture Start Date/Time:	11/15/2011 16:43:00 PM
Fracture End Date/Time:	11/15/2011 18:15:00 PM
State:	WV
County:	Lincoln
API Number:	17-091-01270 (000)
Operator Number:	24596
Well Name:	Palomares Trunk, 1H
Federal Well:	No
Longitude:	-81.12146278
Latitude:	35.12104679
Long/Lat Projection:	NAD27
True Vertical Depth (TVD):	1066
Total Clean Fluid Volume* (gal):	8519



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Ingredients Section:

Trade Name	Supplier	Purpose	Ingredients	Chemical Abstract Service Number (CAS #)	Maximum Ingredient Concentration in Additive (% by mass)**	Mass per Component (LBS)	Maximum Ingredient Concentration in HF Fluid (% by mass)**	Comments
Water	Company 1	Carrier/Base Fluid	Water	7732-18-5	100.00%	2,985,824	88.15693%	
Sand (Proppant)	PSC	Proppant	Silica Substrate		100.00%	367,709	10.85640%	
15% IC Acid	Producers Service Corp	Acidizing	Hydrochloric Acid	7647-01-0	15.00%	1,741	0.05141%	
Hydrochloric Acid (7.5%)	Producers Service Corp	Acidizing	Hydrochloric Acid	7647-01-0	7.50%	781	0.02366%	
PROHIB II	Producers Service Corp	Inhibitor	Ethoxylated Nonylphenol	68412-54-4	10.00%	2	0.00006%	
			Dimethylacetamide, bis(chloromethyl)ether, diquaternary ammonium salt	68607-28-3	60.00%	12	0.00036%	
			Ethylene Glycol	107-21-1	40.00%	8	0.00024%	
			Glycol Ethers	111-76-2	40.00%	8	0.00024%	
			Methanol	67-56-1	30.00%	6	0.00018%	
			Propargyl Alcohol	107-19-7	30.00%	6	0.00018%	
PRO SHALE SLICK 405	Producers Service Corp	Friction Reducer	Petroleum Distillates	64742-47-8	40.00%	1,641	0.04846%	
BIO CLEAR 2000	Producers Service Corp	Bioicide	Polyethylene Glycol	25322-68-3	70.00%	659	0.01946%	
			2,2-dibromo-3-nitropropionamide	10222-01-2	40.00%	377	0.01112%	
PRO SCALE CLEAR 112	Producers Service Corp	Scale Inhibitor	Ethylene Glycol	107-21-1	40.00%	338	0.00997%	
GSF-202-4 01	Producers Service Corp	Gelling Agent	Distillates petroleum, hydro treated	64742-47-8	65.00%	3,552	0.10487%	
			Nonylphenol, ethoxylated	9016-45-9	5.00%	273	0.00807%	
PRO BREAKER 4	Producers Service Corp	Breaker	Sucrose	57-50-1	46.00%	19	0.00029%	
			Ethylene Glycol	107-21-1	14.00%	3	0.00009%	

Total Slurry Mass (Lbs)
3,353,442

*Total Water Volume sources may include fresh water, produced water, and/or recycled water
** Information is based on the maximum potential for concentration and thus the total may be over 100%

All component information listed was obtained from the supplier's Material Safety Data Sheets (MSDS). As such, the Operator is not responsible for inaccurate and/or incomplete information. Any questions regarding the content of the MSDS should be directed to the supplier who provided it. The Occupational Safety and Health Administration's (OSHA) regulations govern the criteria for the disclosure of this information. Please note that Federal Law protects "proprietary", "trade secret", and "confidential business information" and the criteria for how this information is reported on an MSDS is subject to 29 CFR 1910.1206(i) and Appendix D.

08/15/2014

JK

Date: 12/10/2013
Operators Well Number: Fairmont Tools Inc. #1H
API Well No: 47-91 - 01270

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

Well Operator's Report of
Initial Gas-Oil Ratio

Well Operator Diversified Resources, Inc.
Address P.O. Box 381087
Birmingham, AL 35238-1087
Texas 77094

Designated Agent Robert R Hulson, Jr.
Address 100 Corporate Ridge, Suite 100
Birmingham, AL 35242

Geological Target Formation: Marcellus Shale Depth 12,220' feet
Perforation Interval 11,900'-12,052' feet

Guidelines for testing:

1. A minimum of gas vented or flared.
2. A 24 hour pre-flow into pipelines or tanks.
3. Uniform producing rate during the 24 hour test per test period.
4. Measurement standards as for Form WR-39, "Report of Annual Production" (see 35CSR4-15)
5. Separate Form WR-36 for each producing formation in a multiple completion.

TEST DATA

Start of Test Date 11/25/2013	Time 1300	End of Test Date 11/30/2013	Time	Duration of Test 121
Tubing Pressure	Casing Pressure 370 psi	Separator Pressure 85	Separator Temperature	
Oil Production During Test 0	Gas Production During Test 156.0	Water Production During Test 2	-Salinity	
Oil Gravity NA	API	Producing Method (flowing, pumping, gas lift etc.) flowing		

GAS PRODUCTION

Measurement Method Flange Tap <input checked="" type="checkbox"/> Pipe Tap <input type="checkbox"/> L-10 <input type="checkbox"/>		Positive Choke <input checked="" type="checkbox"/>
Orifice diameter 1.000"		Positive flow prover <input type="checkbox"/>
Pipe Diameter (inside) NA		Nominal Choke Size inches 12/64
Differential Pressure range	Max. Static pressure range 337	Prover and Orifice diameter - inches NA
Differential 4.04	Static 285	
Gas Gravity (Air = 1.0) Measured 0.585 Estimated	Flowing Temperature 51.08	Gas Temperature 51.08
24 Hour Coefficient 23	24 Hour coefficient pressure PSIA 416.87	

TEST RESULTS

Daily Oil 0	Daily Water 2	Daily Gas 156	Gas-Oil Ratio NA
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Received

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Diversified Resources, Inc.
BY: [Signature]
ITS: President