

RECEIVED
Office of Oil & Gas

State of West Virginia
Division of Environmental Protection
Section of Oil and Gas

FEB 29 2012

Well Operator's Report of Well Work

Farm Name: JAMES L. & MARILYN L. PETERSON

Operator Well No.: PETERSON S-539-1

LOCATION: Elevation: 1,666'

Quadrangle: ROANOKE

District: BANKS
Latitude: 12,970 Feet South of 38 Deg. 55 Min. 00 Sec.
Longitude: 1160 Feet West of 80 Deg. 22 Min. 30 Sec.

County: UPSHUR

Company: STALNAKER ENERGY CORPORATION
P.O. BOX 178
GLENVILLE, WV 26351-0000

Agent: RON STALNAKER

Inspector: BILL HATFIELD
Permit Issued: 12/20/11
Well Work Commenced: 12/28/11
Well Work Completed: 01/25/12
Verbal Plugging _____
Permission granted on: _____
Rotary X Cable _____ Rig
Total Depth (feet) 7438'
Fresh water depths (ft) 65'
Salt water depths (ft) 1993'
Is coal being mined in area (Y / N)? N
Coal Depths (ft): NONE

Casing & Tubing Size	Used in Drilling	Left In Well	Cement Fill Up Cu. Ft.
11 3/4"	253'	253'	130 sks To Surface
8 5/8"	2809'	2809'	525 sks To Surface
4 1/2"	7412'	7412'	200 sks.

OPEN FLOW DATA

Producing formation Marcellus Pay zone depth (ft) 7275' - 7371'
Gas: Initial open flow 0 MCF / d Oil: Initial open flow 0 Bbl / d
Final open flow 5,991 MCF / d Oil: Final open flow 0 Bbl / d
Time of open flow between initial and final tests N/A Hours
Static rock pressure 1550 psig (surface pressure) after 12 Hours

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

NOTE: ON BACK OF THIS FORM PUT THE FOLLOWING: 1). DETAILS OF 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 WELLBORE.

For: STALNAKER ENERGY CORPORATION

By: Jason Miller its Engineer
February 27, 2012

1st Stage: Marcellus (121 holes) (7337' to 7357')

RECEIVED
Office of Oil & Gas

1750 gal 15% HCL, 70,000# 80/100
sand, 330,000#'s of 40/70 sand,
10,000 bbls slickwater.

FEB 29 2012

WV Department of
Environmental Protection

Sand & Shale	0
Red Rock & Shale	1490
Big Lime	1595
Big Injun	1680
Sand & Shale	1817
Gordon	2330
Sand & Shale	2387
Fourth Sand	2422
Sand & Shale	2461
Fifth Sand	2478
Sand & Shale	2516
Benson	4150
Sand & Shale	4154
Genasea	7140
Tully	7169
Sand & Shale	7196
Marcellus	7275
Onondaga	7371
TD	7438

WELL LOG

1490
1595
1680
1817
2330
2387
2422
2461
2478
2516
4150
4154
7140
7169
7196
7275
7371
7438

Hole Damp @ 65'
1/4" Stream H2O @ 1993'
Hole Caving @ 2515'