

FILE NO. 80-5749-P
 DRAWING NO. 80-5749-P
 SCALE 1" = 1000' & 1" = 200'
 MINIMUM DEGREE OF ACCURACY 1 IN 1000
 PROVEN SOURCE OF ELEVATION 1304 B.M. ON FRIENDSHIP RIDGE ON NEW MARTINSVILLE TOPO MAP (7.5')

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT 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 DEPARTMENT OF MINES.
 (SIGNED) Henry M. Parsons
 R.P.E. _____ L.L.S. # 98

PLACE SEAL HERE



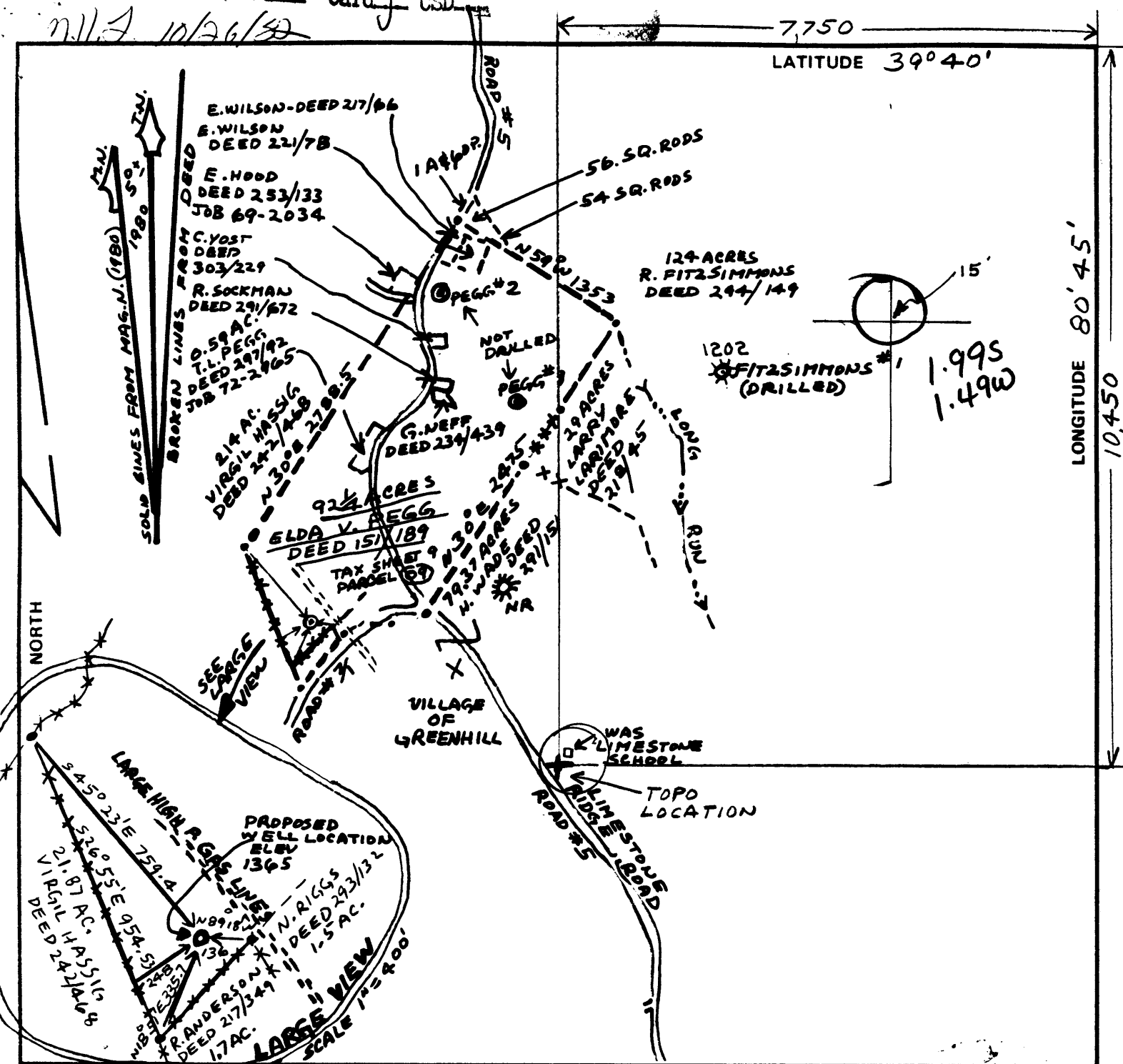
STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES
 OIL AND GAS DIVISION

DATE JULY 20, 1982
 OPERATOR'S WELL NO. PEGG # 3
 API WELL NO. 47-103-1286
 STATE COUNTY PERMIT
CANCELLED
 Formerly: wet-1266

WELL TYPE: OIL GAS LIQUID INJECTION _____ WASTE DISPOSAL _____
 (IF "GAS,") PRODUCTION _____ STORAGE _____ DEEP _____ SHALLOW _____
 LOCATION: ELEVATION 1365 WATER SHED DOOLIN RUN
 DISTRICT MAGNOLIA COUNTY WETZEL
 QUADRANGLE NEW MARTINSVILLE
 SURFACE OWNER THOMAS A. & ELDA V. PEGG ACREAGE 94
 OIL & GAS ROYALTY OWNER THOMAS A. & ELDA V. PEGG LEASE ACREAGE 94
 LEASE NO. 78
 PROPOSED WORK: DRILL CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE _____ PLUG OFF OLD FORMATION _____ PERFORATE NEW FORMATION _____ OTHER PHYSICAL CHANGE IN WELL (SPECIFY) _____
 PLUG AND ABANDON _____ CLEAN OUT AND REPLUG _____
 TARGET FORMATION WARREN ESTIMATED DEPTH 3900'
 WELL OPERATOR Haddad & Brant's, Inc. DESIGNATED AGENT Henry Parsons
 ADDRESS 905 Washington Rd - Box 714 ADDRESS 121 G. Adview Drive
Washington, Pa. 15301-1153 New Martinsville W. Va. 26155

MAR 26 1984

80-5749-P



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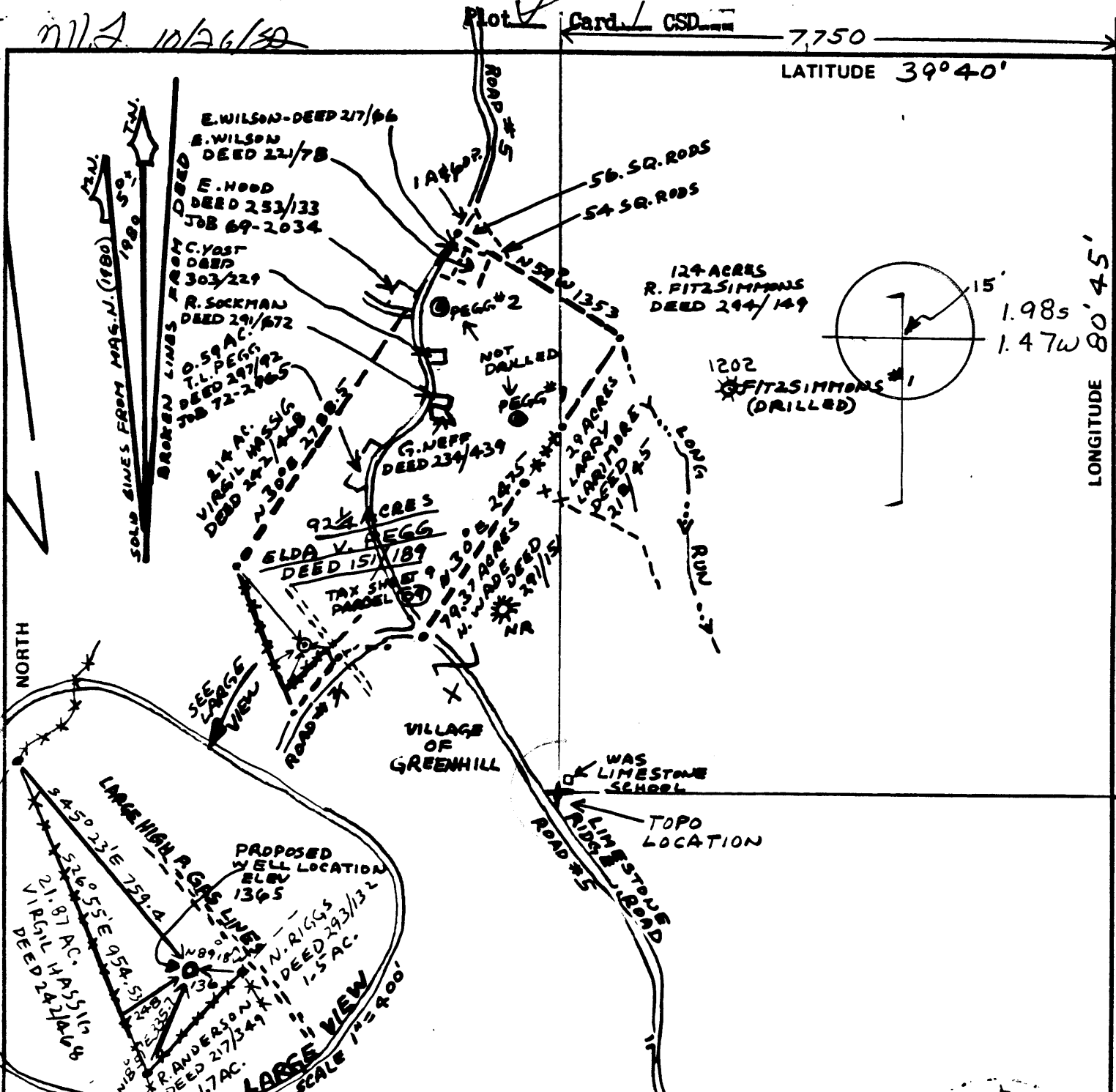
PLACE SEAL HERE

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS
 FORM IV-6 (8-78)
 WELL TYPE: OIL GAS LIQUID INJECTION _____ WASTE DISPOSAL _____
 (IF "GAS,") PRODUCTION _____ STORAGE _____ DEEP _____ SHALLOW _____
 LOCATION: ELEVATION 1365 WATER SHED DOOLIN RUN
 DISTRICT MAGNOLIA COUNTY WETZEL
 QUADRANGLE NEW MARTINSVILLE Q151 EC
 SURFACE OWNER THOMAS A & ELDA V. PEGG ACREAGE 94
 OIL & GAS ROYALTY OWNER THOMAS A. & ELDA V. PEGG LEASE ACREAGE 94
 LEASE NO. 78
 PROPOSED WORK: DRILL CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE _____ PLUG OFF OLD FORMATION _____ PERFORATE NEW FORMATION _____ OTHER PHYSICAL CHANGE IN WELL (SPECIFY) _____
 PLUG AND ABANDON _____ CLEAN OUT AND REPLUG _____
 TARGET FORMATION WARREN ESTIMATED DEPTH 3900
 WELL OPERATOR Haddad & Brants, Inc. DESIGNATED AGENT Henry Parsons
 ADDRESS 905 Washington Rd - Box 714 Washington, Pa. 15301-1153 ADDRESS 121 GARDVIEW Drive New Martinsville WVA 26155

STATE OF WEST VIRGINIA DEPARTMENT OF MINES OIL AND GAS DIVISION Formerly: wet-1266

DATE JULY 20, 19 82
 OPERATOR'S WELL NO. PEGG # 3
 API WELL NO. 47-103-1286
 STATE COUNTY PERMIT

WET-1



FILE NO. 80-5749-P
 DRAWING NO. 80-5749-P
 SCALE 1" = 1000' & 1" = 200'
 MINIMUM DEGREE OF ACCURACY 1 IN 1000
 PROVEN SOURCE OF ELEVATION 1304 B.M. ON FRIENDSHIP RIDGE ON NEW MARTINSVILLE TOPO MAP (7.5')

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT 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 DEPARTMENT OF MINES.
 (SIGNED) Henry M. Parsons
 P.P.E. _____ L.L.S. # 98

PLACE SEAL HERE

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS
 FORM IV-6 (8-78)

WELL TYPE: OIL GAS LIQUID INJECTION _____ WASTE DISPOSAL _____
 (IF "GAS,") PRODUCTION _____ STORAGE _____ DEEP _____ SHALLOW _____
 LOCATION: ELEVATION 1365 WATER SHED DOOLIN RUN
 DISTRICT MAGNOLIA COUNTY WETZEL
 QUADRANGLE NEW MARTINSVILLE 7 1/2 + 15' EC
 SURFACE OWNER THOMAS A. & ELDA V. PEGG ACREAGE 94
 OIL & GAS ROYALTY OWNER THOMAS A. & ELDA V. PEGG LEASE ACREAGE 94
 LEASE NO. 78

PROPOSED WORK: DRILL CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE _____ PLUG OFF OLD FORMATION _____ PERFORATE NEW FORMATION _____ OTHER PHYSICAL CHANGE IN WELL (SPECIFY) _____

PLUG AND ABANDON _____ CLEAN OUT AND REPLUG _____
 TARGET FORMATION WARREN ESTIMATED DEPTH 3900'
 WELL OPERATOR Inverness Petroleum, Inc. DESIGNATED AGENT Otis L. O'Connor
 ADDRESS 1410-500-4 Ave SW, Calgary Alberta ADDRESS P.O. Box 1588, Charleston WV 25326
Canada T2P 2V6

STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES
 OIL AND GAS DIVISION

DATE JULY 20, 1982
 OPERATOR'S WELL NO. PEGG # 3
 API WELL NO. 47-103-1266
 STATE COUNTY PERMIT
now 1286

now 8 1982

(Obverse)

(Revised 3-81)



Well No. #3
Farm Pegg
API #47 - 103 - 1266
Date

STATE OF WEST VIRGINIA
OFFICE OF OIL AND GAS - DEPARTMENT OF MINES

OIL AND GAS WELL PERMIT APPLICATION

WELL TYPE: Oil ___ / Gas X /
(If "Gas", Production X / Underground storage ___ / Deep ___ / Shallow X /

LOCATION: Elevation: 1365' Watershed: Doolin Run
District: Magnolia County: Wetzel Quadrangle: New Martinsville 7.5 min

WELL OPERATOR Inverness Petroleum, Inc.
Address Suite 1410, 500 4th Ave., SW
Calgary, Alberta, Canada T2P 2V6

DESIGNATED AGENT Otis L. O'Connor
Address P. O. Box 1588
Charleston, WV 25326

OIL AND GAS ROYALTY OWNER Thomas A. & Elda V. Pegg
Address Limestone Ridge
New Martinsville, WV 26155
Acreage 94

COAL OPERATOR
Address

SURFACE OWNER Thomas A. & Elda V. Pegg
Address Limestone Ridge
New Martinsville, WV 26155
Acreage 94

COAL OWNER(S) WITH DECLARATION ON RECORD:
NAME Consolidation Coal Company
Address 1800 North Washington Road
Pittsburgh, PA 15241

NAME
Address **RECEIVED**

FIELD SALE (IF MADE) TO:
NAME
Address

COAL LESSEE WITH DECLARATION ON RECORD:
NAME
Address **OIL AND GAS DIVISION
WV DEPARTMENT OF MINES**

OIL AND GAS INSPECTOR TO BE NOTIFIED:
NAME Robert A. Lowther
Address General Delivery
Middlebourne, WV 26149
Telephone 304-758-4764

The lease or leases on which this well is located provide for standard 1/8th royalty and not a flat royalty.

The undersigned well operator is entitled to operate for oil or gas purposes at the above location under a deed ___ / lease X / other contract ___ / dated March 26, 1973, to the undersigned well operator from Thomas A. and Elda V. Pegg.

(If said deed, lease, or other contract has been recorded:)

Recorded on June 5, 1973, in the office of the Clerk of County Commission of Wetzel County, West Virginia, in 54A Book at page 413. A permit is requested as follows:

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

--planned as shown on the work order on the reverse side hereof.

The above named coal operator, coal owner(s), and coal lessee are hereby notified that any objection they wish to make or are required to make by Code §22-4-3 must be filed with the Department of Mines within fifteen (15) days after receipt of this Application by the Dept. Copies of this Permit Application and the enclosed plat and reclamation plan have been mailed by registered mail or delivered by hand to the above named coal operator, coal owner(s), and coal lessees on or before the day of the mailing or delivery of this Application to the Department of Mines at Charleston, West Virginia.

PLEASE SUBMIT COPIES OF ALL GEOPHYSICAL LOGS DIRECTLY TO:
WEST VIRGINIA OIL AND GAS CONSERVATION COMMISSION
1613 WASHINGTON ST., E.
CHARLESTON, WV 25311
Telephone - 304/348-3092

INVERNESS PETROLEUM INC.
Well Operator
By: _____
Its: Vice-President

BLANKET BOND

PROPOSED WORK ORDER

THIS IS AN ESTIMATE ONLY:
ACTUAL INFORMATION MUST BE SUBMITTED ON FORM IV-35 UPON COMPLETION

DILLING CONTRACTOR (IF KNOWN) _____

Address _____

GEOLOGICAL TARGET FORMATION

Warren

Estimated depth of completed well 3900 feet. Rotary X / Cable tools /
Approximate water strata depths: Fresh, 200, 1300 feet; salt, 1960 feet.
Approximate coal seam depths: 965, 1065
Is coal being mined in this area: Yes / No X /

DRILLING AND TUBING PROGRAM

DRILLING OR TUBING TYPE	SPECIFICATIONS				FOOTAGE INTERVALS		CEMENT FILL-UP OR SACKS Cubic ft.	PACKER'S Kinds	
	Size	Grade	Weight per ft	New	Used	For Drill-ling			Left in Well
Drill pipe	1 3/4"					60'	60'	35 sacks	Sizes
Drill pipe									
Drill pipe	8 5/8"					1100'	1100'	300 sacks	
Production tubing	4 1/2"					3900'	3900'	380 sacks or as required	Depths set
Packers								by rule 15.	Perforations: Top Bottom

NOTE: Regulation 7.02 of the Department of Mines provides that the original and four copies of Form IV-2 must be filed with the Department, accompanied by (i) a plat in the form prescribed by Regulation 11, (ii) a bond in one of the forms prescribed by Regulation 12, or in lieu thereof the other security allowed by Code §22-4-2, (iii) Form IV-9, "Reclamation Plan" applicable to the reclamation required by Code §22-4-12b and Regulation 23, (iv) unless previously paid on the same well, the fee required by Code §22-4-12a, and (v) if applicable, the consent required by Code §22-4-8a from the owner of any water well or dwelling within 200 feet of the proposed well.

A separate Form IV-2 shall not be required for fracturing or stimulating a well where fracturing or stimulating is to be part of the work for which a permit is sought and is noted as such on the Form IV-2 filed in connection therewith.

THIS PERMIT MUST BE POSTED AT THE WELL SITE.

ALL PROVISIONS BEING IN ACCORDANCE WITH CHAPTER 22,

ARTICLE 4 OF THE WEST VIRGINIA CODE, THE LOCATION IS HEREBY

APPROVED FOR drilling. THIS PERMIT SHALL EXPIRE

OPERATIONS HAVE NOT COMMENCED BY 6-27-83,

BY _____

The following waiver must be completed by the coal operator and by any coal owner or coal lessee who has recorded a declaration under Code §22-4-20, if the permit is to be issued within fifteen (15) days of receipt thereof:

W A I V E R

The undersigned coal operator / owner / lessee / of the coal under this well location has examined this proposed well location. If a mine map exists which covers the area of the well location, the well location has been added to the mine map. The undersigned has no objection to the work proposed to be done at this location, provided the coal operator has complied with all applicable requirements of the West Virginia Code and the governing regulations.

Date: _____, 19____.

By: _____

Its: _____



1) Date: _____, 19____
2) Operator's Well No. #3
3) API Well No. 47 State _____ County _____ Permit _____

DRILLING CONTRACTOR:
Not Yet Known

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES, OIL AND GAS DIVISION
OIL AND GAS WELL PERMIT APPLICATION

4) WELL TYPE: A Oil _____ / Gas X
B (If "Gas", Production) X

5) LOCATION: Elevation: _____ Undergrnd storage _____
District: Magnolia Watershed: Uppan Run Deep _____ / Shallow X
County: Wetzel Quadrangle: New Martinsville 7.5

6) WELL OPERATOR: Haddad and Brooks, Inc.
Address: 305 Washington Rd., P.O. Box 714
Washington, PA 15301-1153
11) DESIGNATED AGENT: Henry M. Parsons
Address: 121 Glenview Dr.
New Martinsville, WV 26155

7) OIL & GAS ROYALTY OWNER: Thomas A. & Elda V. Pegg
Address: Limestone Ridge
New Martinsville, WV 26155

8) SURFACE OWNER: Thomas A. & Elda V. Pegg
Address: As Above

12) COAL OPERATOR _____
13) COAL OWNER(S) WITH DECLARATION ON RECORD:
Name: Consolidation Coal Company
Address: 1800 N. Washington Road
Pittsburgh, PA 15241

9) FIELD SALE (IF MADE) TO: _____
14) COAL LESSEE WITH DECLARATION ON RECORD:
Name _____
Address _____

10) OIL & GAS INSPECTOR TO BE NOTIFIED:
Name: Robert A. Lowther 304-738-4764
Address: General Delivery
Middlebourne, WV 26149

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

16) GEOLOGICAL TARGET FORMATION, Warren
17) Estimated depth of completed well, _____ feet
18) Approximate water strata depths: Fresh, 200', 1300' feet; salt, 1960' feet.
19) Approximate coal seam depths: _____ feet. Is coal being mined in the area? Yes _____ / No X

20) CASING AND TUBING PROGRAM

CASING OR TUBING TYPE	Size	SPECIFICATIONS				FOOTAGE INTERVALS		CEMENT FILL-UP OR SACKS (Cubic feet)	PACKERS
		Grade	Weight per ft.	New	Used	For drilling	Left in well		
Conductor	<u>11 3/4</u>								
Fresh water									
Coal								<u>30 Sacks</u>	Kinds
Intermediate	<u>8 5/8</u>								
Production	<u>4 1/2</u>					<u>1100'</u>	<u>1100'</u>	<u>300 sacks</u>	Sizes
Tubing						<u>3900'</u>	<u>3900'</u>	<u>300 sacks or as required by Rule 15.</u>	Depths set
Liners									Perforations: Top Bottom

1) EXTRACTION RIGHTS
Check and provide one of the following:
 Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil or gas.
 The requirement of Code 22-4-1-(c) (1) through (4). (See reverse side for specifics.)
2) ROYALTY PROVISIONS
Is the right to extract, produce or market the oil or gas based upon a lease or other continuing contract or contracts providing for flat well royalty or any similar provision for compensation to the owner of the oil or gas in place which is not inherently related to the volume of oil or gas so extracted, produced or marketed? Yes No
the answer above is No, nothing additional is needed. If the answer is Yes, you may use Affidavit Form IV-60.

3) Required Copies (See reverse side.)
4) Copies of this Permit Application and the enclosed plat and reclamation plan have been mailed by registered mail or delivered by hand to the above named coal operator, coal owner(s), and coal lessee on or before the day of the mailing or delivery of this Permit Application to the Department of Mines at Charleston, West Virginia.

Notary: _____
My Commission Expires _____
Signed: [Signature]
Its: Exec. Vice President

OFFICE USE ONLY
DRILLING PERMIT

Permit number: _____ Date: June 11 19____

permit covering the well operator and well location shown below is evidence of permission granted to drill in accordance with the pertinent legal requirements subject to the conditions contained herein and on the reverse hereof. Notification must be given to the District Oil and Gas Inspector. Prior to No. 10 Prior to the construction of roads, locations and pits for any permitted work. In addition, the well operator or his contractor shall notify the district oil and gas inspector 24 hours before actual permitted work has commenced.

It expires _____ unless drilling is commenced prior to that date and prosecuted with due diligence.
Bond: _____
Agent: _____ Plat: _____ Casing _____ Fee _____
Administrator, Office of Oil and Gas

Keep one copy of this permit posted at the drilling location.

Line Item Explanation

- 1) Date of Application
- 2) Your well name and number
- 3) To be filled out by office of oil & gas
- 4A) "Oil" means natural crude oil or petroleum and other hydrocarbons, regardless of gravity, which are produced at the well in liquid form by ordinary production methods and which are not the result of condensation of gas after it leaves underground reservoirs: "Gas" means all natural gas and all other fluid hydrocarbons not defined as oil.
- 4B) "Shallow well" means any well drilled and completed in a formation above the top of the uppermost member of the "Onondaga Group" or a depth less than six thousand feet, whichever is shallower.
"Deep well" means any well drilled and completed in a formation at or below the top of the uppermost member of the "Onondaga Group" or at a depth less than six thousand feet, whatever is shallower.
- 5) Where well is located
- 6) Before a permit can be issued in a corporation, company partnership, or fictitious name, the name must be registered with the Secretary of State Office
- 7) Use separate sheet if necessary
- 8) Present surface owner at time application is filed.
- 9) Optional
- 11) See Reg. 7.01 relating to code §22-4-1k
- 12) "Coal Operator" means any persons, firm, partnership, partnership association or corporation that proposes to or does operate a coal mine. See Note 24
- 13 & 14) As per §22-4-20; See Note 24
- 15) Work that will be attempted—A separate Form IV-2 shall not be required for fracturing or stimulating a well where fracturing or stimulating is to be part of the work for which a permit is sought and is noted as such on the Form IV-2 filed in connection therewith.
- 16) Anticipated formation for which well will be completed
- 17) Self explanatory
- 18) Depth to deepest freshwater, and shallowest salt water, taken from nearby wells corrected for differences in elevation
- 19) All coal seam depths
- 20) Proposed casing program and cementing refer to Code 22-4-5, 22-4-6, 22-4-7, 22-4-8, 22-4-8a Reg 9.01, 15.01, 15.02, 15.03, 15.04, 25.01, 25.02, 25.03, 25.04
- 21) Code 22-4-11(c) - In lieu of filing the lease or leases or other continuing contract or contracts, the applicant for a permit described herein may file the following:
 - (1) A brief description of the tract of land including the district and county wherein the tract is located;
 - (2) The identification of all parties to all leases or other continuing contractual agreements by which the right to extract, produce or market the oil or gas is claimed;
 - (3) The book and page number wherein each such lease or contract by which the right to extract, produce or market the oil or gas is recorded;
 - (4) A brief description of the royalty provisions of each such lease or contract.
- 22) Code 22-4-11(d) and 22-4-11(e).
- 23) Regulation 7.02 of the Department of Mines provides that the original and four copies of Form IV-2 must be filed with the Department, accompanied by (i) a plat in the form prescribed by Regulation 11, (ii) a bond in one of the forms prescribed by Regulation 12, or in lieu thereof the other security allowed by Code §22-4-2, (iii) Form IV-9, "Reclamation Plan", applicable to the reclamation required by Code §22-4-12b and Regulation 23, (iv) unless previously paid on the same well, the fee required by Code §22-4-12a, and (v) if applicable, the consent required by Code §22-4-8a from the owner of any water well or dwelling within 200 feet of the proposed well.
- 24) The above named coal operator, coal owner(s), and coal lessee are hereby notified that any objection they wish to make or are required to make by Code §22-4-3 must be filed with the Department of Mines within fifteen (15) days after the receipt of this Application by the Department.

.....

The following waiver must be completed by the coal operator and by any coal owner or coal lessee who has recorded a declaration under Code 22-4-20, if the permit is to be issued within fifteen (15) days of receipt thereof.

WAIVER

The undersigned coal operator _____/ owner _____/ lessee _____/ of the coal under this well location has examined this proposed well location. If a mine map exists which covers the area of the well location, the well location has been added to the mine map. The undersigned has no objection to the work proposed to be done at this location, provided, the well operator has complied with all applicable requirements of the West Virginia Code and the governing regulations.

Date: _____, 19_____

By _____

Its _____