

**State of West Virginia
Division of Environmental Protection
Section of Oil and Gas
Well Operator's Report of Well Work**

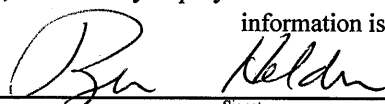
Farm name: GIFFORD, THOMAS L. Operator Well No.: J. CHAMBERLAIN 283
 LOCATION: Elevation: 1,275' Quadrangle: PINE GROVE 7.5'
 District: GRANT County: WETZEL
 Latitude: 11,320 Feet south of 39 Deg 37 Min 30 Sec.
 Longitude: 12,290 Feet west of 80 Deg 37 Min 30 Sec.

| Company Address: | HG Energy PO Box 5519 Vienna, WV 26105 | Casing & Tubing | Used in Drilling | Left in Well | Cement Fill Up Cu. Ft. |
|-------------------------------------|--|-----------------|------------------|--------------|------------------------|
| Inspector: | Derek Haught | | | | |
| Date Permit Issued: | 07/06/2011 | | | | |
| Date Well Work Commenced: | 08/29/2011 | | | | |
| Date Well Work Completed: | 09/08/2011 | | | | |
| Verbal Plugging: | | | | | |
| Date Permission Granted On: | | | | | |
| Rotary X Cable Rig | | 7" | 1256' | 1256' | 285 sks |
| Total vertical Depth (ft): | 3290' | | | | |
| Total Measured Depth (ft): | 3290' | | | | |
| Fresh Water Depth (ft): | None | 4 1/2" | 3241.5' | 3241.5' | 150 sks |
| Salt Water Depth (ft): | None | | | | |
| Is Coal being mined in ares (Y/N)? | No | | | | |
| Coal Depths (ft): x | 1060'-1070' | | | | |
| Void(s) encountered (Y/N) depth(s): | NONE | | | | |

OPEN FLOW DATA * Waterflood Producer

| | | | |
|---|---------------------------|------------------------|-------------|
| Producing formation | Gordon | Pay zone depth (ft) | 3135'-3139' |
| 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 pressure) | after | * 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 | Final open flow | Bbl/d |
| Time of open flow between initial and final tests | Hours | | |
| Static rock pressure | psig (surface pressure) | after | Hours |

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this document and all the attachments 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.


Signature

1/5/12
Date

Were core samples taken? No

Were cuttings caught during drilling? No

Were Y Electrical, N Mechanical, N or Geophysical logs recorded on this well?
Y/N Y/N Y/N

NOTE: IN THE AREA BELOW 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 THE TOPS AND BOTTOMS OF ALL FORMATIONS, INCLUDING COAL ENCOUNTERED BY THE WELLBORE FROM SURFACE TO TOTAL DEPTH.

Treatment : Treated perms 3135'-3139', 3140'-3143', 3146'-3147, and 3156'-3157'
w/ 750 gals. 15% HCL, 246 bbls cross linked gel, and 14,500# 20/40 sand.

Well Log : All depths are measured relative to KB (8' AGL).

| | | | |
|-----------------------|------|---|------|
| Shale w/ sand streaks | 0 | - | 1060 |
| Coal | 1060 | - | 1070 |
| Shale | 1070 | - | 1156 |
| Sand | 1156 | - | 1175 |
| shale | 1175 | - | 1215 |
| sand | 1215 | - | 1225 |
| shale | 1225 | - | 1252 |
| sand | 1252 | - | 1266 |
| shale | 1266 | - | 1341 |
| sand | 1341 | - | 1354 |
| shale | 1354 | - | 1568 |
| sand | 1568 | - | 1598 |
| shale | 1598 | - | 1604 |
| sand | 1604 | - | 1609 |
| shale | 1609 | - | 1658 |
| sand | 1658 | - | 1704 |
| shale | 1704 | - | 1728 |
| sand | 1728 | - | 1784 |
| shale | 1784 | - | 1876 |
| sand | 1876 | - | 1904 |
| shale | 1904 | - | 1925 |
| sand | 1925 | - | 1975 |
| shale | 1975 | - | 2086 |
| sand | 2086 | - | 2102 |
| shale | 2102 | - | 2210 |
| sand | 2210 | - | 2213 |
| shale | 2213 | - | 2236 |
| Big Lime | 2236 | - | 2320 |
| Big Injun | 2320 | - | 2536 |
| shale | 2536 | - | 3098 |
| Gordon Stray | 3098 | - | 3122 |
| shale | 3122 | - | 3133 |
| Gordon | 3133 | - | 3158 |
| shale | 3158 | - | 3164 |