

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

Farm name: H.G. ENERGY, LLC. Operator Well No.: L.J. FLUHARTY NO. 7
 LOCATION: Elevation: 781' Quadrangle: PINE GROVE 7.5'
 District: GREEN County: WETZEL
 Latitude: 7,630 Feet south of 39 Deg 32 Min 30 Sec.
 Longitude: 8,110 Feet west of 80 Deg 40 Min 0 Sec.


| | | | | | |
|-------------------------------------|--|-----------------|------------------|--------------|------------------------|
| Company Address: | HG Energy 5260 Dupont Rd Parkersburg, WV 26101 | Casing & Tubing | Used in Drilling | Left in Well | Cement Fill Up Cu. Ft. |
| Inspector: | Derek Haught | | | | |
| Date Permit Issued: | 08/31/2012 | | | | |
| Date Well Work Commenced: | 10/08/2012 | | | | |
| Date Well Work Completed: | 11/01/2012 | | | | |
| Verbal Plugging: | | | | | |
| Date Permission Granted On: | | | | | |
| Rotary X Cable Rig | | 7" | 772' | 772' | 200 sks |
| Total vertical Depth (ft): | 2840' | | | | |
| Total Measured Depth (ft): | 2840' | | | | |
| Fresh Water Depth (ft): | 180' | 4 1/2" | 2755' | 2755' | 210 sks |
| Salt Water Depth (ft): | 1580' | | | | |
| Is Coal being mined in ares (Y/N)? | No | | | | |
| Coal Depths (ft): | 519'-527' | | | | |
| Void(s) encountered (Y/N) depth(s): | NONE | | | | |

OPEN FLOW DATA * Waterflood Producer

Producing formation Gordon Pay zone depth (ft) 2606'-2615'
2619'-2621'
 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

2/1/13

 Date

02/15/2013

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 2606'-2615' and 2619'-2621' w/ 250 gals 15% HCL acid, 250 bbls cross linked gel, and 7,600# 20/40 sand.

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

| | | | |
|-----------------------|------|----|------|
| Shale w/ sand streaks | 0 | - | 519 |
| Coal | 519 | - | 527 |
| Shale w/ sand streaks | 527 | - | 1107 |
| Sand | 1107 | - | 1150 |
| shale | 1150 | - | 1222 |
| sand | 1222 | - | 1232 |
| shale | 1232 | - | 1244 |
| sand | 1244 | - | 1288 |
| shale | 1288 | - | 1448 |
| sand | 1448 | - | 1511 |
| shale | 1511 | - | 1516 |
| sand | 1516 | - | 1544 |
| shale | 1544 | - | 1558 |
| sand | 1558 | - | 1568 |
| shale | 1568 | - | 1682 |
| sand | 1682 | - | 1706 |
| shale | 1706 | - | 1718 |
| sand | 1718 | - | 1728 |
| Big Lime | 1728 | - | 1778 |
| Big Injun | 1778 | - | 1998 |
| shale | 1998 | - | 2570 |
| Gordon stray | 2570 | - | 2588 |
| shale | 2588 | - | 2599 |
| Gordon | 2599 | - | 2621 |
| shale | 2621 | - | 2628 |
| sand | 2628 | - | 2634 |
| shale | 2634 | - | 2840 |
| TD | 2840 | | |
| T.D. -Logger | 2798 | KB | |
| T.D. -Driller | 2840 | KB | |