

WR-35 Rev (5-01)

DATE: 5/16/13

API#: 47-105-01366

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

Well Operator's Report of Well Work

Farm name:Olen Archer_	Oper	ator Well No.:_	HR 478_	
LOCATION: Elevation:695'	Quad	lrangle:	_Reedy WV 7.	5'
District:Spring Creek_ Latitude: 14002'_Feet South of 38De Longitude_2997'_Feet West of81	Cour cg57 N Deg22_ Min	nty:Sec. Min30Sec. 130Sec.	Wirt	
Company:Hard Rock Exploration	Casing & Tubing	Used in drilling	Left in well	Cement fill up Cu. Ft.
Address: 1244 Martins Branch Road	В			400.11
Charleston WV, 25312				
Agent: Marc Scholl	13 3/8"	40'	40'	N/A
Inspector: Joe Taylor	9 5/8"	546"	546'	294ft3 CTS
Date Permit Issued: 12/21/12	7"	2325'	2325'	499ft3 CTS
Date Well Work Commenced: 2/18/13	4.5"	7838'	7838*	65 ft3
Date Well Work Completed: 4/12/13				
Verbal Plugging:	Gamma Log f	rom (3545' MI	, 4235'TVD)	KOP-3660'
Date Permission granted on:	Ran Gyro Log	RECEIV	Surface)	
Rotary x Cable Rig		HECEIV	ĘD	
Total Depth (feet): 8534'TMD, 4242'TVD	Off	ice of Oil	& Gas	
Fresh Water Depth (ft.): 170'				
		MAY 20 20	113	
Salt Water Depth (ft.): 1640'			10	
	140	D		
Is coal being mined in area (N/Y)? N	₩v	Departm	ent of	
Is coal being mined in area (N/Y)? N Coal Depths (ft.):N/A	Wv Enviro	Departm nmental F	ent of rotection	
	Wv Enviro	Departm nmental F	ent of rotection	
Coal Depths (ft.):N/A	Enviro	hmental F depth (ft) 387	rotection 77'MD- 8534'	MD
OPEN FLOW DATA Producing formation Lower Huron Sha	Environ	hmental F depth (ft) 387 38	rotection 77'MD- 8534'1 865'TVD — 42	MD
OPEN FLOW DATA Producing formation Lower Huron_Sha Gas: Initial open flow 200 MCF/d Oil: I	Environ le_Pay zone nitial open flo	hmental F depth (ft) 387 38 wBbl/o	77'MD- 8534'1 865'TVD — 42	MD
OPEN FLOW DATA Producing formation Lower Huron_Sha Gas: Initial open flow 200 MCF/d Oil: I Final open flow >2 MMCF/d Fin	le_Pay zone nitial open flow	depth (ft) 387 wBbl/c Bbl	77'MD- 8534' 865'TVD — 42 1 1/d	MD
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Formation:	Top:	Bottom:
Soil/Sand/Shale	0	1586
Salt Sand	1586	1775
Big Lime	1775	1838
Big injun	1838	1902
Dev. Shale	1902	2245
Coffee Shale	2245	2260
Devonian Shale	2260	4242
Lower Huron Section	4020	4242

All depths shown As TVD

2/27/13 Run 17 stg Packers Plus open hole hydraulic set packers and mechanical sleeves and 174 jts of 4.5" 11.6ppf R-3 casing to depth of 7842' KB and string stacked out. Try to move jt pulled 150klbs up and lost 4' on way back down. Call out Weatherford to place slips and cut pipe. Land and cut pipe making total pipe ran 7838' KB. RU and pump3 bbl water ahead dropped 1.25" balls for shoe. Pump 5 bbl water behind and start pumping N2 at 5k scf/min. Land ball in shoe and pressure up at 7k scf/min with 128k scf N2 to 3000 psi. Packers shut off gas rate at 1800 psi. Hold 3000 psi for packer operation. Bleed pressure off. RU to perform annular squeeze. Pump 50sx type 1 3% CaCl mixed at 15ppg – pumped total of 10.5 bbls (5 bbls then allow air to escape – then additional 5.5 bbl). Follow cmt with 2-3 bbls water.

NOTE: THERE ARE NO PERFORATED INTERVALS IN THIS STYLE OF COMPLETION. THE PACKERS WILL SERVE AS STAGE ISOLATION AND THE BALL ACTIVATED MECHANICAL SLEEVES SERVE AS THE MEANS OF COMMUNICATION FROM WELLBORE TO FORMATION. ALL DEPTHS ARE INDICATED BELOW.

Stage	Sleeve	Sleeve ID	Ball Size	Packer
1	7838.00	P/O Shoe	N/A	7692.24
2	7557.10	1.250	1.500	7460.50
3	7324.96	1.500	1.625	7186.46
4	7053.62	1.625	1.750	6912.92
5	6777.68	1.750	1.875	6681.08
6	6552.74	1.875	2.000	6412.04
7	6276.90	2.000	2.125	6180.90
8	6046.16	2.125	2.250	5949.66
9	5814.72	2.250	2.375	5674.12
10	5538.98	2.375	2.500	5442.48
11	5307.34	2.500	2.625	5166.64
12	5031.50	2.625	2.750	4891.80
13	4756.86	2.750	2.875	4661.06
14	4525.82	2.875	3.000	4429.32
15	4293.98	3.000	3.250	4153.18
16	4017.99	3.250	3.500	3877.29
17	3654.15	3.500	3.750	3513.55
Anchor				2047.80

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64/10/13 MIRU Nabors Stim Crew. Start pumping N2 at 33k scf/min. Pressure up to 5351 psi with approx. 220k and open pump out shoe for Stg 1. Continue pumping and increase rate to 90k scf/min (max rate due to truck problems). Shut down. Make repairs 600k scf away. Resume pumping at 1:30pm. Increase rate to 103k scf/min and pump total of 1.5 MM scf N2. Shut down and load 1.5" ball for Stg 2. Drop ball and let fall. Start pumping ball to sleeve with N2 at 22k scf/min. Land ball at 128k, up rate, and open sleeve at 4070 psi. Up rate and pump total of 1 MMscf N2. Shut down. Load 1.625" ball for Stg 3. Drop ball. Start pumping ball to sleeve at 22k scf/min. Land ball at 133k scf. Open sleeve at 4113 psi. Up rate and pump total of 1 MM scf N2. Back rate down and drop 1.75" ball for Stg 4. Repeat process for Stgs 4- Stg 16 (did not pump stg 17 due to its placement in hole).

	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6	Stage 7	Stage 8
Max P	5016	4868	4648	4739	4430	4490	4413	4445
Avg P	4801	4.766	4611	4612	4406	4385	4346	4415
Max R	103.0	103.1	104.2	106.3	103.6	105.5	101.6	101.8
Avg R	101.6	101.3	102.4	104.8	103.0	103.6	101.1	101.5
Shut In	1680-10min	2800-isip	N/A	N/A	1744-5min	N/A	N/A	1793-5min
	Stage 9	Stage 10	Stage 11	Stage 12	Stage 13	Stage 14	Stage 15	Stage 16
Мах Р	Stage 9 4509	Stage 10 4291	Stage 11 4124	Stage 12 4160	Stage 13 4236	Stage 14 3715	Stage 15 3573	Stage 16
Max P Avg P						3715	3573	3399
	4509	4291	4124	4160	4236	3715 3656	3573 3512	3399 3378
Avg P	4509 4444	4291 4283	4124 4084	4160 4113	4236 4111	3715	3573	3399

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west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Earl Ray Tomblin, Governor Randy C. Huffman, Cabinet Secretary www.dep.wv.gov

December 21, 2012

WELL WORK PERMIT

Horizontal Well

This permit, API Well Number: 47-10501366, issued to HARD ROCK EXPLORATION, INC., is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

In addition to the applicable requirements of this permit, and the statutes and rules governing oil and gas activity in WV, this permit may contain specific conditions which must be followed. Permit conditions are attached to this cover letter.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

Operator's Well No: HR-478A

Farm Name: ARCHER, OLEN

API Well Number: 47-10501366
Permit Type: Horizontal Well

Date Issued: 12/21/2012

Promoting a healthy environment.