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**west virginia** department of environmental protection

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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

January 29, 2016

**WELL WORK PERMIT**

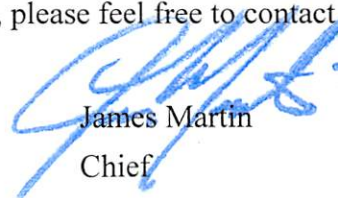
**Horizontal Well**

This permit, API Well Number: 47-10501378, issued to MOUNTAIN V OIL & GAS, 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 completion of permitted well work, 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.



James Martin  
Chief

Operator's Well No: DENNIS MCGEE 2H WV0467  
Farm Name: PRATHER, LLOYD ALLEN & PAN  
**API Well Number: 47-10501378**  
**Permit Type: Horizontal Well**  
Date Issued: 01/29/2016

## PERMIT CONDITIONS

West Virginia Code §22-6-11 allows the Office of Oil and Gas to place specific conditions upon this permit. Permit conditions have the same effect as law. Failure to adhere to the specified permit conditions may result in enforcement action.

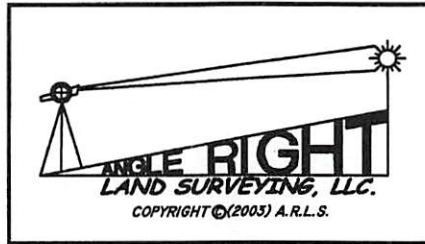
### CONDITIONS

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1. If the operator encounters an unanticipated void, or an anticipated void at an unanticipated depth, the operator shall notify the inspector within 24 hours. Modifications to the casing program may be necessary to comply with W. Va. Code §22-6-20, which requires drilling to a minimum depth of thirty feet below the bottom of the void, and installing a minimum of twenty (20) feet of casing. Under no circumstance should the operator drill more than fifty (50) feet below the bottom of the void or install less than twenty (20) feet of casing below the bottom of the void.
2. Pursuant to 35 CSR 4-19.1.a, at the request of the surface owner all water wells or springs within 1000 feet of the proposed well that are actually utilized for human consumption, domestic animals or other general use shall be sampled and analyzed.
3. Pursuant to 35 CSR 4-19.1.c, if the operator is unable to sample and analyze any water well or spring with one thousand (1,000) feet of the permitted well location, the Office of Oil and Gas requires the operator to sample, at a minimum, one water well or spring located between one thousand (1,000) feet and two thousand (2,000) feet of the permitted well location.
4. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
5. In the event of an accident or explosion causing loss of life or serious personal injury in or about the well or while working on the well, the well operator or its contractor shall give notice, stating the particulars of the accident or explosion, to the oil and gas inspector and the Chief within twenty-four (24) hours.
6. During the surface casing and cementing process, in the event cement does not return to the surface, or any other casing string that is permitted to circulate cement to the surface and does not return to the surface, the oil and gas inspector shall be notified within twenty-four (24) hours
7. Well work activities shall not constitute a hazard to the safety of persons.
8. Operator shall provide the Office of Oil & Gas notification of the date that drilling commenced, drilling ceased, completion of any other permitted well work and completion of the well. Such notice shall be provided by sending an email to DEPOOGNotify@wv.gov within 30 days of commencement of drilling.
9. After construction and prior to the placement of any fluid, all pits shall be inspected by an agent of the WV DEP Office of Oil & Gas to ensure that the capacity of the pit does not exceed five thousand (5,000) barrels including adequate freeboard of no less than approximately two (2) feet.

10501378H

GRANTSVILLE OFFICE  
PO BOX 681 GRANTSVILLE, WV 26147  
PH. (304) 354-0065 FAX (304) 354-9464  
angleright@frontiernet.net



CK 48641  
65000

### Directions to Proposed Dennis McGee 2H

- From exit 170 (Mineral Wells) off I-77 proceed south on State Route 14 for approximately 13.8 miles.
- Take left onto State Route 5 east towards Grantsville.
- Travel approximately 3.4 miles.
- Turn left on County Route 3 (Munday Road) and follow for approximately 4.08 miles.
- Turn left on existing driveway and well road with a mobile home located on left and follow for approximately 0.51 miles to proposed Dennis McGee Well No. 2H/WV0467

Surface Owner: Lloyd A. and Pamela S. Prather, 4039 Munday Road, Elizabeth, WV (304) 275-6622

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01/29/2016

OKH 48686  
\$65000

105013784

WW-2B  
(Rev. 8/10)

STATE OF WEST VIRGINIA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS  
WELL WORK PERMIT APPLICATION

1) Well Operator: Mountain V Oil & Gas, Inc.      310020      Wirt      Burning Springs      Girta 7.5'  
Operator ID      County      District      Quad

2) Operator's Well Number: Dennis McGee #2H WV0467      3) Elevation: 945'

4) Well Type: (a) Oil X or Gas X .  
(b) If Gas: Production X / Underground Storage \_\_\_\_\_  
Deep \_\_\_\_\_ / Shallow X .

5) Proposed Target Formation(s): Devonian Shale      Proposed Target Depth: 4900' TVD

6) Proposed Total Depth: 5820 Feet      Formation at Proposed Total Depth: Devonian Shale

7) Approximate fresh water strata depths: 85' & 203'

8) Approximate salt water depths: 1,500'

9) Approximate coal seam depths: None

10) Approximate void depths: None

11) Does land contain coal seams tributary to active mine? No

12) Describe proposed well work and fracturing methods in detail (attach additional sheets if needed)  
See attached Detailed Plan

13) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGES	INTERVALS	CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill - up (cu.ft.)
Conductor	13-3/8"			42'	42'	Sand In
Fresh Water	9-5/8"			350'	350'	CTS or 35 CSR 18 - 11.1
Coal						
Intermediate	7"			1550'	1550'	CTS or 35 CSR 18 - 11.1
Production	4-1/2"			5820'	5820'	
Tubing						
Liners						

*[Signature]*  
11-12-15

Packers: Kind: \_\_\_\_\_  
Sizes: \_\_\_\_\_  
Depths Set: \_\_\_\_\_

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**Addendum to WW-2B**  
**Dennis McGee #2H WV0467 API 47-105-0**

1. Construct Drilling Location
2. Drill a 16" hole to approximately 42'.
3. Run approximately 42' of 13-3/8" casing and fill around outside of casing with cuttings.
4. Drill a 12-1/4" hole to approximately 350'.
5. Run approximately 350' of 9-5/8" casing.
6. Cement the 9-5/8" casing back to surface.
7. Drill an 8-3/4" hole to the approximate depth of 1,550'.
8. Run approximately 1,550' of 7" casing.
9. Cement the 7" casing back to surface.
10. Drill a 6-1/4" vertical hole to the estimated total depth of approximately 4,900'.
11. Run openhole logs to determine the landing point (currently estimated at 3,600' true vertical depth, 3,943 MD) for the horizontal wellbore.
12. Plug back the vertical hole to the estimated kick-off point of 3,027'.
13. Kick off the top of the cement plug by drilling a 6-1/4" hole and build the curve until landing the wellbore horizontally at the landing point determined in number 11 above.
14. Drill the horizontal wellbore to the estimated measured depth of approximately 5,820'.
15. Run approximately 5,820' of 4-1/2" casing and completion packers.
16. Run and set an isolated packer in bottom of 7" casing and pump 10 sacks of cement down the 4-1/2" x 7" annulus on top of the packer.
17. Set completion packers at specified intervals and frac the Devonian Shale formation using a variable quality foam and approximately 400,000# of frac sand. Total water used during the frac is estimated to be approximately 2,000 barrels of water.
18. Reclaim the drilling location.

  
15-12-15

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01/29/2016

WW-2A  
(Rev. 6-14)

- 1). Date: August 26, 2015
- 2). Operator's Well Number: Dennis McGee #2H WV0467  
State County Permit
- 3). API Well No.: 47 - 105 - \_\_\_\_\_

**STATE OF WEST VIRGINIA**  
**DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS**  
**NOTICE AND APPLICATION FOR A WELL WORK PERMIT**

<p>4) Surface Owner(s) to be served:</p> <p>(a) Name <u>Lloyd Prather</u> ✓ W Address <u>4039 Munday Road</u> <u>Elizabeth, WV 26143</u></p> <p>(b) Name _____ Address _____</p> <p>(c) Name _____ Address _____</p>	<p>5) (a) Coal Operator Name _____ Address _____</p> <p>(b) Coal Owner(s) with Declaration Name <u>Lloyd Prather</u> Address <u>4039 Munday Road</u> ✓ W <u>Elizabeth, WV 26143</u></p> <p>(c) Coal Lessee with Declaration Name _____ Address _____</p>
<p>6) Inspector <u>Joe Taylor</u> Address <u>1478 Claylick Rd.</u> 501 <u>Ripley, WV 25271</u> Telephone <u>304-380-4769</u></p>	

**TO THE PERSONS NAMED ABOVE TAKE ANOTICE THAT:**

\_\_\_\_\_ Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas  
**OR**

X Included is the information required by Chapter 22, Article 6, Section 8(d) of the Code of West Virginia (see page 2)

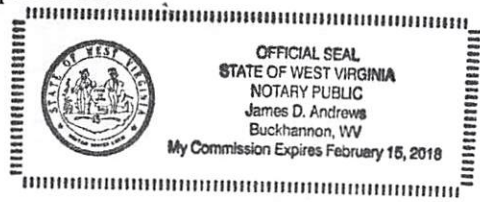
I certify that as required under Chapter 22-6 of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through \_\_\_\_\_ on the above named parties by:

- \_\_\_\_\_ Personal Service (Affidavit attached)
- XX Certified Mail (Postmarked postal receipt attached)
- \_\_\_\_\_ Publication (Notice of Publication attached)

I have read and understand Chapter 22-6 and 35 CSR 4, and I agree to the terms and conditions of any permit issued under this application.

I certify under the penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments, and based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete.

I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.



Well Operator Mountain V Oil & Gas, Inc.  
 By: \_\_\_\_\_  
 Its: President  
 Address: PO Box 470  
Bridgeport, WV 26330  
 Telephone: 304-842-6320  
 Email: smshaver@earthlink.net

Subscribed and sworn before me this 26th day of August, 2015

*[Signature]*

Notary Public

My Commission Expire 2-15-2018

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Oil and Gas Privacy Notice

The Office of Oil and Gas processes your personal information, such as name, address and phone number, as a part of our regulatory duties. Your personal information may be disclosed to other State agencies or third parties in normal course of business or as needed to comply with statutory or regulatory requirements, including Freedom of Information Act requests. Our office will appropriately secure your personal information. If you have any questions about our use of your personal information, please contact DEP's Chief Privacy Officer at [depprivacyofficer@wv.gov](mailto:depprivacyofficer@wv.gov)

WV Department of Environmental Protection  
01/29/2016

105013784

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature  <input checked="" type="checkbox"/> <i>Lloyd Prather</i>      <input type="checkbox"/> Agent  <input type="checkbox"/> Addressee</p>
<p>1. Article Addressed to:</p> <p style="text-align: center;">Lloyd Prather  4039 Munday Road  Elizabeth, WV 26143</p> <p style="text-align: center;"><i>Dennis McGee #1H4#2H</i></p>	<p>B. Received by (Printed Name)      C. Date of Delivery    7-29-15</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes  If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>2. Article Number  (Transfer from service label)</p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail      <input type="checkbox"/> Express Mail  <input type="checkbox"/> Registered      <input checked="" type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Insured Mail      <input type="checkbox"/> C.O.D.</p>
<p>PS Form 3811, February 2004</p>	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p> <p style="text-align: center;">7011 0470 0002 7543 1264</p> <p style="text-align: center;">Domestic Return Receipt</p> <p style="text-align: right;">102595-02-M-1540</p>

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WW-2A Surface Waiver

SURFACE OWNER WAIVER

County Wirt Operator Mountain V Oil & Gas, Inc.  
Operator Well Number Dennis McGee #2H WV0467

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.

WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas  
Department of Environmental Protection  
601 57<sup>th</sup> St. SE  
Charleston, WV 25304  
(304) 926-0499

**Time Limits and methods for filing comments.** The law requires these materials to be served on or before the date the operator files his Application. You have **FIFTEEN (15) Days** after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials then the permit may be issued at any time.

**Comments must be in writing.** Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation..."

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

**List of Water Testing Laboratories.** The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through \_\_\_\_ including work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further stat that I have no objection to planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON

FOR EXECUTION BY A CORPORATION, ETC.

Lloyd A. Prather  
Signature

Date 9-22-2015

Company  
Name  
By  
Its

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Lloyd A. Prather  
Print Name

Signature WV Department of Environmental Protection  
Date 01/29/2016



WW-2A Coal Waiver

COAL OPERATOR, OWNER, OR LESSEE WAIVER

County Wirt  
Operator Mountain V Oil & Gas, Inc.

Operator's Well Number Dennis McGee #2H WV0467

INSTRUCTIONS TO COAL OPERATOR, OWNER, OR LESSEE

To the coal operator, owner, or lessee named on page WW2-A. You are hereby notified that any objection you wish to make or are required to make by WV Code 22-6-15, 16 or 17, must be filed with the Chief of the Office of Oil and Gas within fifteen (15) days after the receipt of this application by the Office. Mail objections to:

Chief, Office of Oil and Gas  
Department of Environmental Protection  
601 57<sup>th</sup> St. SE  
Charleston, WV 25304  
(304) 926-0499 extension 1654

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 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.

FOR EXECUTION BY A NATURAL PERSON

FOR EXECUTION BY A CORPORATION, ECT.

Leopold R. Prather  
Signature

Date 9-22-2015 AD

Company Name  
By  
Its

\_\_\_\_\_  
\_\_\_\_\_  
Date

Signature Date

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01/29/2016

WW-2A1  
(Rev. 1/11)

Operator's Well Number Dennis McGee #2H WV0467

**INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE  
Chapter 22, Article 6, Section 8(d)  
IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)**

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract of described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil and gas are as follows:

<b>Grantor, Lessor, etc.</b>	<b>Grantee, Lessee, etc.</b>	<b>Royalty</b>	<b>Book/Page</b>
Charles N. and Mary M. Welch	Glen W. Roberts	0.1328125	138/935
The Union National Bank of Clarksburg, TTEE	Consolidated Gas Supply Corporation	0.1328125	147/973
Nina Louise Widmeyer	HD Wells Oil & Gas Exploration & Development Inc.	0.1328125	161/472
George W. Roberts	Ray Resources Div. of Bow Valley	0.1328125	161/759
William Dennis McGee ET UX	Ray Resources Div. of Bow Valley	0.1328125	161/761
Christopher Andrew Wright	Ray Resources Div. of Bow Valley	0.1328125	161/763
Stephen Withey Wright	Ray Resources Div. of Bow Valley	0.1328125	161/765

- Note: Please see attached document illustrating chain of title for operations of lease listed above.

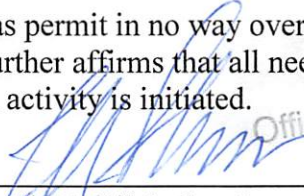
**Acknowledgement of Possible Permitting/Approval  
In Addition to the Office of Oil and Gas**

The permit applicant for the proposed well work addressed in this application hereby acknowledges the possibility of the need for permits and/or approvals from local, state, or federal entities in addition to the DEP, Office of Oil and Gas, including but not limited to the following:

- WV Division of Water and Waste Management
- WV Division of Natural Resources
- WV Division of Highways
- U.S. Army Corps of Engineers
- U.S. Fish and Wildlife Service
- County Floodplain Coordinator

The applicant further acknowledges that any Office of Oil and Gas permit in no way overrides, replaces, or nullifies the need for other permits/approvals that may be necessary and further affirms that all needed permits/approvals should be acquired from appropriate authority before the affected activity is initiated.

Well Operator  
By: Its:

  
Mountain V Oil & Gas, Inc.  
President

NOV 16 2015  
WV Department of  
Environmental Protection  
01/29/2016

**WW-2A1 ATTACHMENT**

- Ray resources Division of Bow Valley Petroleum, Inc. sold, transferred and assigned all right title and interest in lease listed above to Energy Corporation of America.
- On the 24<sup>th</sup> day of October, 2014, HD Wells Oil & Gas Exploration & Development, Inc. sold, transferred and assigned all right title and interest in lease listed above to Energy Corporation of America.
- On the 25<sup>th</sup> day of March, 2014 Energy Corporation of America executed and delivered unto Mountain V Oil & Gas, Inc. a Farmout for the lease listed above. ~~Book~~ Book 243 / Page 150 *TPW*
- On the 3<sup>rd</sup> day of September, 2015 CNX Gas Company LLC executed and delivered unto Mountain V Oil & Gas, Inc. a Farmout for the lease listed above.

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10501378H



**CMX Gas Company LLC**

PO Box 1248  
Jane Lew, WV 26378

phone: 304.884.2034

e-mail: DavidAman@consolenergy.com

web: www.consolenergy.com

**DAVID W. AMAN, CPL**

Manager Contracts - Joint Asset Development

September 9, 2015

Mountain V Oil & Gas, Inc.  
ATTN: Jamie Andrews  
PO Box 470  
104 Heliport Road  
Bridgeport, WV 26330

RE: Farmout Agreement – Wirt County, WV

Dear Jamie,

Enclosed please find two original copies of a Farmout Agreement for the 380 acres in Wirt County as per your request.

Please cause both originals to be executed by Mountain V Oil & Gas. Please retain one fully executed original for your records and return one fully executed original to my attention.

If you have any questions, please do not hesitate to contact me.

Thanks,

A handwritten signature in black ink that reads 'David W. Aman'.

David W. Aman, CPL  
Manager Contracts - Joint Asset Development

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JAN 27 2016

01/29/2016



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JAN 27 2016

**FARMOUT AGREEMENT**

**THIS FARMOUT AGREEMENT** is made and entered into as of the 3rd day of September, 2015, by and between **CNX GAS COMPANY LLC**, a Virginia limited liability company, whose address is 1000 CONSOL Energy Drive, Canonsburg, PA 15317, hereinafter referred to as "**FARMOR**" and **MOUNTAIN V OIL & GAS, INC.** whose address is P.O. Box 470, 104 Heliport Road, Bridgeport, West Virginia 26330, hereinafter referred to as "**FARMEE**".

**WHEREAS, FARMOR** is the owner of certain oil and gas leases covering tracts or parcels of land in Wirt County, West Virginia, which leases are hereinafter referred to as "Lease Acreage," and are more fully described on Exhibit "A" and Exhibit "A-1) attached hereto and made a part hereof; and

**WHEREAS,** subject to the terms and conditions herein specified, **FARMOR** has agreed to grant to **FARMEE** certain rights in and to the Lease Acreage, for the purpose of having **FARMEE** explore for and develop the oil and gas reserves within and underlying said Lease Acreage.

**NOW THEREFORE,** in consideration of the mutual covenants and agreements hereinafter set forth, it is agreed by the parties hereto as follows:

1. **DRILLING TERMS**

- (a) **FARMOR** hereby grants to **FARMEE**, without warranty of title, the right to drill up to five (5) wells (the "Wells"), from the surface to the base of the Rhinestreet formation, subject to the prior written approval of such locations by **FARMOR** which approval will not be unreasonably withheld, on the Lease Acreage, or on acreage pooled with the Lease Acreage, together with the right to produce and market the oil and gas therefrom, and such concurrent surface rights of ingress and egress and servitudes that are contained in the leases covering and embracing the Lease Acreage necessary to the drilling, operation, and maintenance of said Wells, subject to the terms of said leases and any other existing agreements or encumbrances affecting the Lease Acreage.
- (b) **FARMEE** obtains the right to drill and complete Wells on locations of their choice, but is limited to the geological formations from the surface to the base of the Rhinestreet Shale formation.
- (c) **FARMEE** shall drill or cause to be drilled at least one (1) Well on or before September 1, 2016. In the event **FARMEE** fails to drill or fails to cause at least one (1) Well to be drilled on or before September 1, 2016 this Agreement shall terminate without notice to **FARMEE** and **FARMEE** shall have no further rights hereunder. In addition, all Wells to be drilled by **FARMEE** must be drilled and completed on or before September 1, 2018. In the event **FARMEE** drills at least two (2) wells on or before the third (3<sup>rd</sup>) anniversary date, this agreement shall be extended by an additional two (2) years to complete all wells without any additional action required. No wells can be drilled by **FARMEE** after September 1, 2020. Should **FARMEE** not meet the drilling commitment set forth above, this Agreement shall only survive with

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JAN 27 2016



respect to the wellbore of the Wells drilled and the Earned Acreage as defined in Section 5 herein, but **FARMEE** shall have no right to drill any additional Wells.

- (d) Notwithstanding the rights granted to **FARMEE** hereunder, **FARMOR** expressly reserves the right to drill wells to any formation on the leasehold acreage included within this Farmout Agreement without notice to **FARMEE**, except that **FARMOR** may not drill any wells on any Earned Acreage.

## 2. COST OF DRILLING WELLS & SITE LOCATION FEES

- (a) **FARMEE** shall pay for one hundred percent (100%) of the cost, risk and expense of drilling, completing and equipping or plugging and abandoning any well drilled on the Lease Acreage or on acreage pooled with the Lease Acreage pursuant to this Agreement as well as all costs associated with reclamation, surface damage, damage to crops or timber related to any drill site. The assignment of interest to **FARMEE**, as provided for in Section 5 herein, shall constitute full compliance with the requirements hereof and shall discharge any and all obligations of **FARMOR** hereunder, provided, that, **FARMOR** does not participate in the well(s) as provided for in Section 3 herein.
- (b) Thirty (30) days prior to the spudding of any well under this Agreement, **FARMEE** shall tender to **FARMOR** a site location fee of \$5,000 for each vertical well and \$15,000 for each horizontal well. The \$15,000 location fee shall apply to each horizontal well drilled on a drilling pad. For example, if three horizontal wells are drilled on a drilling pad the location fee shall be \$45,000. If, however, any portion of the Lease Acreage is not owned 100% by **FARMOR**, then the location fee shall be proportionately reduced by the percentage owned by **FARMOR** in any drilling unit or Lease Acreage drilled by **FARMEE**. By way of example if **FARMEE** drills a well on a drilling unit consisting of 500 acres and **FARMOR** owns a 100 acre lease included in the unit, but **FARMOR** only has a 50% working interest in the 100 acre lease, then the location fee shall be reduced proportionately by the percentage held by **FARMOR** (50% of 100 = 50 net acres; 50 net acres of a 500 net acres unit = 10%; 10% of \$15,000 = \$1,500.00).

## 3. RIGHT TO PARTICIPATE

- (a) On or before thirty (30) days prior to the actual commencement of the drilling of any well, **FARMEE** shall notify **FARMOR**, in writing, of its intent to drill such well and shall also provide **FARMOR** with an AFE covering such proposed well. Such proposal shall also include land to be included within the drill site or drilling unit as shown by a licensed surveyor's plat, the interest of the parties therein, third party interest, if any, all geological and geophysical information which supports the drilling of a well, the exact location, the proposed total depth and all geological horizons or formations to which the well is to be drilled. **FARMOR** shall have thirty (30) days after receipt of such notice and an AFE in which to elect to participate in the drilling of such well with up to a twenty-five percent (25%) working interest at a cost of the actual cost to drill and complete the well. Should **FARMOR** elect to be a participant in the proposed well upon completion of such well as a producer of oil or gas in paying quantities, **FARMOR** shall assign to **FARMEE** only the fractional working interest in the wellbore as to **FARMEE'S** actual interest in the Earning Well as hereinafter defined.



- (b) In the event **FARMOR** elects not to participate, the terms and provisions of this Agreement shall apply to that well and all other wells drilled by **FARMEE** wherein **FARMOR** makes such election not to participate.
- (c) In the event **FARMOR** elects to participate as a working interest owner, **FARMOR** and **FARMEE** shall enter into an AAPL Standard Form Operating Agreement naming **FARMEE** as Operator. The parties agree that the terms attached hereto on Exhibit "B" will be used as the producing well overhead rate at the time a producing well is drilled.

#### 4. RESERVED OVERRIDING ROYALTY

**FARMOR**, its successors and assigns, reserves an overriding royalty interest in and to the proceeds derived from the sale of any oil or gas from any wells drilled by **FARMEE** on the Lease Acreage or on acreage pooled with the Lease Acreage. The overriding royalty shall be calculated as follows: **FARMOR** shall retain an overriding royalty interest equal to Three and One Half percent (3.5%). Provided however, in the event the existing royalties and overriding royalties exceed 16.5% **FARMOR'S** retained overriding royalty shall be reduced to a percentage that does not cause the net revenue interest in the lease included in the Lease Acreage to be less than 80%. By way of example, if the existing lease royalty and overriding royalty burdens total 17.5% then **FARMOR'S** overriding royalty would be 2.5%. By way of further example if **FARMOR** owns a 50% working interest in the Lease Acreage then **FARMOR** would be entitled to an overriding royalty interest of 3.5% times 50% or 1.75%. **FARMEE** shall be responsible for paying all distributions to all such parties promptly when due and shall provide confirmation of same to **FARMOR** on a monthly basis. This overriding royalty interest shall be free and clear of all costs, including but not limited to the costs of operation, drilling, completion, development and any severance taxes. If, however, any portion of the Lease Acreage is pooled with other lands for the drilling of a well hereunder, then the overriding royalty shall be proportionately reduced based on the percentage that the net Lease Acreage bears to the total acreage in the pool.

#### 5. ASSIGNMENT OF EARNED INTERESTS

Upon **FARMEE'S** drilling and completion of any well pursuant to this Agreement at the depth and in the manner specified herein, as a well capable of producing oil or gas in paying quantities ("Earning Well"), **FARMOR**, upon request by **FARMEE** and within sixty (60) days after **FARMOR** has satisfied itself that **FARMEE** has complied with all its obligations under this Agreement, shall assign to **FARMEE**, on the form attached hereto as Exhibit C, an undivided one hundred percent (100%) of its working interest in production, less any participation by **FARMOR**, from the Earning Well plus the area within a 500 foot circle, the center of which is the surface location of the well, plus 500 feet on either side of the center line of a lateral in the well extending from the beginning of the first perforation to the end of the last perforation for horizontal wells, from the surface to a depth of One Hundred (100') feet below the base of the Drillers Total Depth (the "Earned Acreage"), subject to the overriding royalty interest reserved by **FARMOR**. Said assignment shall also include all incidental rights in the drill site as necessary to operate the well(s) drilled hereunder.

#### 6. INDEMNITY

**FARMEE** shall indemnify and hold harmless **FARMOR** from any and all claims, demands, costs, payments, losses, damages and actions of any nature whatsoever resulting



from FARMEE'S operations or any operations conducted by FARMEE'S agents, contractors, sub-contractors or invitees under the terms hereof, and against the enforcement of all covenants, express or implied, contained in the Lease Acreage, and all renewals and replacements thereof, insofar as those covenants affect the rights herein granted to FARMEE by FARMOR. FARMEE also shall indemnify and hold harmless FARMOR for all claims, defects and issues that may arise relating to title to the acreage and interests covered by this Farmout Agreement. FARMEE covenants that it will conduct all operations in a proper and workmanlike manner and in accordance with all applicable federal, state and local laws, ordinances, codes, rules and regulations, whether such operations are conducted by FARMEE or FARMEE'S agents, contractor's, sub-contractors or invitees.

7. **INSURANCE**

FARMEE shall provide, at its expense and in its name, and maintain in full force and effect at all times during which operations are conducted by FARMEE on the Lease Acreage or on acreage pooled with the Lease Acreage, insurance by a duly licensed insurance company or companies of the kinds and in the minimum amounts as follows:

(a) **GENERAL PUBLIC LIABILITY & PROPERTY DAMAGE INSURANCE**

FARMEE shall carry, at its sole cost, general public liability insurance covering bodily injury to and death of persons with limits of not less than Five Million Dollars (\$5,000,000.00) per person and Five Million Dollars (\$5,000,000.00) per accident and general property damage insurance of Five Million Dollars (\$5,000,000.00). Provided, further, such general public liability insurance and property damage insurance shall not exclude FARMEE'S liability for loss of or damage to property at or above the surface of the earth arising from a blowout or cratering of a gas or oil well.

(b) **WORKER'S COMPENSATION & EMPLOYER'S LIABILITY INSURANCE**

FARMEE shall carry Worker's Compensation Insurance covering FARMEE'S employees engaged in operations on the lands subject to this Agreement in compliance with the laws of the state in which said lands are situated or Employer's Liability Insurance of not less than Two Million Dollars (\$2,000,000.00) for injuries or death to any one (1) employee and Two Million Dollars (\$2,000,000.00) for injuries or death of more than one (1) employee resulting from any one (1) accident.

(c) **AUTOMOBILE PUBLIC LIABILITY & PROPERTY DAMAGE INSURANCE**

FARMEE shall provide insurance in connection with all operations conducted by FARMEE hereunder (including coverage on owned and non-owned automotive equipment) with a bodily injury or death limit of not less than Two Million Dollars (\$2,000,000.00) for injuries to or death of more than one (1) person resulting from any one (1) accident, and a property damage limit of not less than One Hundred Thousand Dollars (\$100,000.00) per accident.

(d) FARMOR shall be named as an additional insured on all the liability policies named in paragraphs (a), (b) and (c) hereinabove. FARMEE, prior to spudding any well on the Lease Acreage or on acreage pooled with the Lease Acreage, shall furnish FARMOR with certificates evidencing such insurance, including Worker's

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Compensation coverage, if applicable, is in full force and effect and designate FARMOR as an additional insured.

8. **NO WARRANTY & RESTRICTIONS ON LOCATIONS**

FARMOR does not warrant title to any of its Lease Acreage but agrees to furnish FARMEE, upon its request, copies of any such title papers as FARMOR has in its possession, together with copies of the base lease and all intermediate assignments thereof and amendments thereto, to the extent available. However, there shall be no obligation on the part of FARMOR to undertake any curative work in connection with the title to said Lease Acreage. FARMEE shall forward to FARMOR a copy of all its title work performed on the Lease Acreage. FARMEE shall provide FARMOR with copies of all title work or curative action taken on the lease acreage.

FARMEE shall not complete formations in a well closer than 750 feet from the same formations in a producing well, producing from the Upper Devonian formations, and 500 feet from the same formations in a producing well producing from above the Upper Devonian formations, on the Lease Acreage or on acreage pooled with the Lease Acreage without the prior express written consent of FARMOR.

9. **INFORMATION, ACCESS, REPORTS, & NOTICES**

FARMEE shall furnish FARMOR, the following information on all wells drilled on the Lease Acreage or on acreage pooled with Lease Acreage pursuant to this Agreement:

(a) **ACCESS TO WELLS AND INFORMATION**

The representatives of FARMOR shall have full and free access to said wells and to the derrick floors at all times as well as the right to full and complete information concerning said wells including, but not limited to, the right to examine core cuttings and sidewall samples and the right to observe all tests made of said wells.

(b) **NOTIFICATION OF OPERATIONS**

FARMEE shall provide notice to FARMOR in sufficient time to permit representatives to be present to witness:

- (1) At least forty-eight (48) hours in advance of any intended coring, logging, testing, and treating operations.
- (2) At least twenty-four (24) hours in advance of the commencement of plugging a dry hole and at least forty-eight (48) hours in advance of the commencement of any other plugging operation.

(c) **REPORTS**

FARMEE shall run at a minimum, gamma-ray and compensated density logs and shall furnish FARMOR the following:

- (1) Copies of all geophysical logs.

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- (2) A copy of all other electric or radioactive logs run or other surveys, as and when made.
- (3) A copy of all drill stem tests, core analyses, fluid analyses, paleontological reports and all other tests, analyses or reports, if made.
- (4) A copy of a complete drilling log of the well or wells, and if said well or wells are dry and are abandoned, a complete copy of the plugging record.
- (5) A copy of any notice or report furnished at the request or required by any governmental agency specifically including any and all state well completion and production reports.
- (6) Copies of all drilling/completion reports within 30 days of completion of wells.
- (7) Any other information relating to the Wells or Leased Acreage as may be reasonably requested by **FARMOR**.

(d) **SAMPLES**

If requested by **FARMOR**, **FARMEE** shall save:

- (1) Representative samples of drill cuttings, taken at intervals of ten (10) feet or less from below the surface casing to total depth.
- (2) Representative samples of fluid recovered on formation tests.

(e) **NOTIFICATIONS**

All notices, correspondence, reports and all other information to be furnished **FARMOR** or **FARMEE** shall be directed to the following named representatives at the address or telephone number as follows:

**FARMOR:**

CNX Gas Company LLC  
 PO Box 1248  
 Jane Lew, WV 26378  
 ATTN: David W. Aman  
 Phone: 304.884.2034  
 Fax: 304.884.2042  
 Email: [DavidAman@ConsolEnergy.com](mailto:DavidAman@ConsolEnergy.com)

**FARMEE:**

Mountain V Oil & Gas, Inc.  
 PO Box 470  
 Bridgeport, WV 26330  
 ATTN: Mike Shaver  
 Phone: 304.842.6320  
 Fax: 304.842.0016  
 Email: [smshaver@earthlink.net](mailto:smshaver@earthlink.net)

10. **RIGHT TO CONDUCT TESTS AND SURVEYS**

**FARMOR**, after first securing **FARMEE'S** consent, shall have the right at any time during the drilling, testing and completing of any well drilled by **FARMEE** on the Lease Acreage or on acreage pooled with the Lease Acreage, and at **FARMOR'S** sole cost, risk, liability and expense, including rig standby time, to conduct any test or surveys in addition to those specified in Article 9, which are deemed advisable or necessary to **FARMOR**. A forty-eight (48) hour notice shall be given to **FARMEE** of any such tests or surveys to be



conducted. **FARMEE** shall not be deemed to have unreasonably withheld consent to additional testing requested by **FARMOR**, if **FARMEE** considers, in its sole opinion, that such additional testing may interfere or jeopardize the drilling, testing, completion of, or potential production from, the subject well.

11. **RENTALS AND ROYALTIES**

**FARMOR** shall timely tender all rentals and shut-in royalties required under the Lease Acreage and shall invoice **FARMEE** for 100% of such rentals and shut-in royalties attributable to the Lease Acreage during the term of this Agreement. **FARMEE** shall be responsible for and pay all royalties on all oil and gas produced from wells drilled by **FARMEE** hereunder, as provided in the terms of the lease and any other assignments or agreements related thereto.

12. **NOTIFICATION OF INTENT TO PLUG**

If any Well is drilled on the Lease Acreage and the drilling rig is on location and **FARMEE** or its successors and assigns determines that the Well shall be plugged and abandoned as a dry hole, it shall notify **FARMOR** at least 24 hours in advance of the proposed plugging operation. Within 24 hours of receipt of such notification, **FARMOR** shall notify **FARMEE** whether or not **FARMOR** shall exercise its option to take over and own 100% of the working interest in the well as well as the obligation to plug and reclaim the location upon tendering to **FARMEE**, if necessary, any salvage value of the well over and above the costs of plugging the well. If any Well is drilled and completed on the Lease Acreage and in the event **FARMEE** or its successors and assigns determines that the Well shall be plugged and abandoned, it shall notify **FARMOR** in writing at least 48 hours in advance of the proposed plugging operation. Within 48 hours of receipt of such notification, **FARMOR** shall notify **FARMEE** whether or not **FARMOR** shall exercise its option to take over and own 100% of the working interest in the well as well as the obligation to plug and reclaim the location upon tendering to **FARMEE**, if necessary, any salvage value of the well over and above the costs of plugging the well.

13. **ABANDONMENT OF WELLS**

**FARMEE** agrees to plug and abandon any well drilled pursuant to this Agreement that ceases to produce oil, gas or other substances in commercial quantities in compliance with all applicable governmental and environmental regulations before the Lease Acreage is surrendered, released or abandoned.

14. **DEFAULT**

If **FARMEE** fails to comply with any of the material provisions of the Agreement within fifteen (15) days after receipt from **FARMOR** of a written demand for compliance with the particular provision as to which **FARMEE** is in default, **FARMOR**, at its option, may terminate this Agreement by written notice thereof to **FARMEE**, provided, however, that by such termination **FARMOR** shall not forfeit any other rights or remedies, at law or in equity, which it may have by reason of the breach of this Agreement by **FARMEE** or by reason of **FARMEE'S** failure to perform this Agreement, in whole or in part.

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15. **RETAINED INTERESTS IN UNDEVELOPED LEASE ACREAGE**

The interests created by this Agreement, including, but not limited to, the overriding royalty interest, the right to participate in the drilling of a well or wells and the site location fee, shall be retained by **FARMOR** and shall apply to any subsequently acquired interest obtained by **FARMEE** in the lands subject to this Agreement, whether such subsequently acquired interest is obtained directly or indirectly by **FARMEE**, for a period of two (2) years after the date this Agreement is terminated.

16. **ASSIGNABILITY & PREFERENTIAL RIGHT TO PURCHASE INTEREST**

- (a) The terms, covenants and conditions of this Agreement shall extend to and be binding upon the heirs, legal representatives, successors and assigns of the parties hereto, provided, however, that **FARMEE** shall not assign, pledge, mortgage or encumber the Agreement or **FARMEE'S** interest in this Agreement, in whole or in part, without first obtaining the prior written consent of **FARMOR**.
- (b) Should **FARMEE** desire to sell all or any part of its interest in and to the wells drilled pursuant to this Agreement, **FARMEE** shall first offer **FARMOR** the opportunity to purchase such interest. If **FARMOR** elects to purchase the interest, **FARMOR** and **FARMEE** shall negotiate in good faith for the purchase and sale. In the event, **FARMOR** elects not to purchase the interest, **FARMEE** shall have the right to sell the interest to a third party, subject to the approval of such third party by **FARMOR**, which approval shall not be unreasonably delayed or withheld. However, **FARMEE** shall have the right to assign and sell working interest shares in and to the individual wells to be drilled hereunder, but **FARMEE** shall remain primarily responsible for the performance of its obligations under this Agreement. Any conveyance from **FARMEE** to any working interest owner shall contain a provision that expressly references this Agreement and provides that **FARMEE** shall remain responsible for the full performance of all of **FARMEE'S** obligations under this Agreement.

17. **COMPLETE AGREEMENT**

This Agreement, along with all attachments, is the complete Agreement between the Parties hereto.

18. **AMENDMENTS**

No amendment, modification, alteration or change of the terms of this Agreement shall be valid or binding on the Parties unless the same is in writing and signed by the Parties hereto, their successors or assigns.

This Agreement may be executed between **FARMOR** and **FARMEE** in one or more counterparts, and if counterparts are executed, the aggregate of counterparts shall have the same force and effect as an original instrument executed by all of the Parties.

19. **SEVERABILITY**

If any provision of this Agreement shall be held to be invalid, such holding shall not in any way whatsoever affect the validity of the remainder of this Agreement.



20. **SUCCESSORS AND ASSIGNS**

The terms, covenants and conditions of this Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Parties hereto, provided however, that FARMEE may not assign its interest herein without the prior written consent of FARMOR, which consent shall not be unreasonably withheld.

21. **RELATIONSHIP OF THE PARTIES**

This Agreement is not intended to create, and nothing herein shall be construed to create an association, trust, joint venture, partnership, mining partnership or entity of any kind.

22. **APPLICATION OF LAWS**

This Agreement is subject to all valid, applicable federal, state and local laws, rules, orders and regulations of any duly constituted federal, state and local regulatory body or authority having jurisdiction thereof and all development and operations hereunder shall be conducted in conformity therewith.

**IN WITNESS WHEREOF**, the Parties hereto have executed and delivered this Agreement as of the day and year first above written.

FARMOR:

**CNX GAS COMPANY LLC**

By: Richard K. Elswick  
Richard K. Elswick  
Its: Vice President DWA

FARMEE:

**MOUNTAIN V OIL & GAS, INC.**

By: S. Michael Shaver  
S. Michael Shaver  
Its: President

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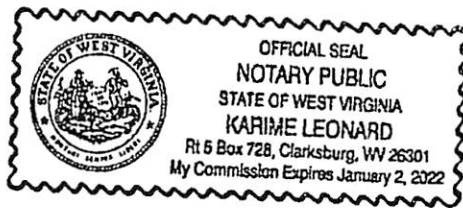
STATE OF WEST VIRGINIA

COUNTY OF Putnam, to-wit:

The foregoing instrument was acknowledged before me this 3<sup>rd</sup> day of September, 2015, by Richard K. Elswick, Vice President of **CNX GAS COMPANY LLC**, on behalf of said company.

My commission expires 1-2-2022

Karime Leonard  
Notary Public



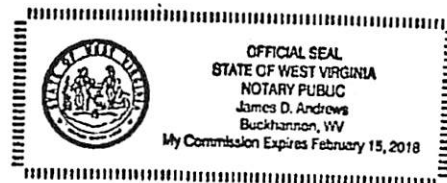
STATE OF WEST VIRGINIA

COUNTY OF Harrison, to-wit:

The foregoing instrument was acknowledged before me this 11<sup>th</sup> day of September, 2015, by S. MICHAEL SHAVER, PRESIDENT of **MOUNTAIN V OIL & GAS, INC.** on behalf of said company.

My commission expires 2-15-2018.

James D. Andrews  
Notary Public



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**EXHIBIT "A"**  
**Wirt County, West Virginia**

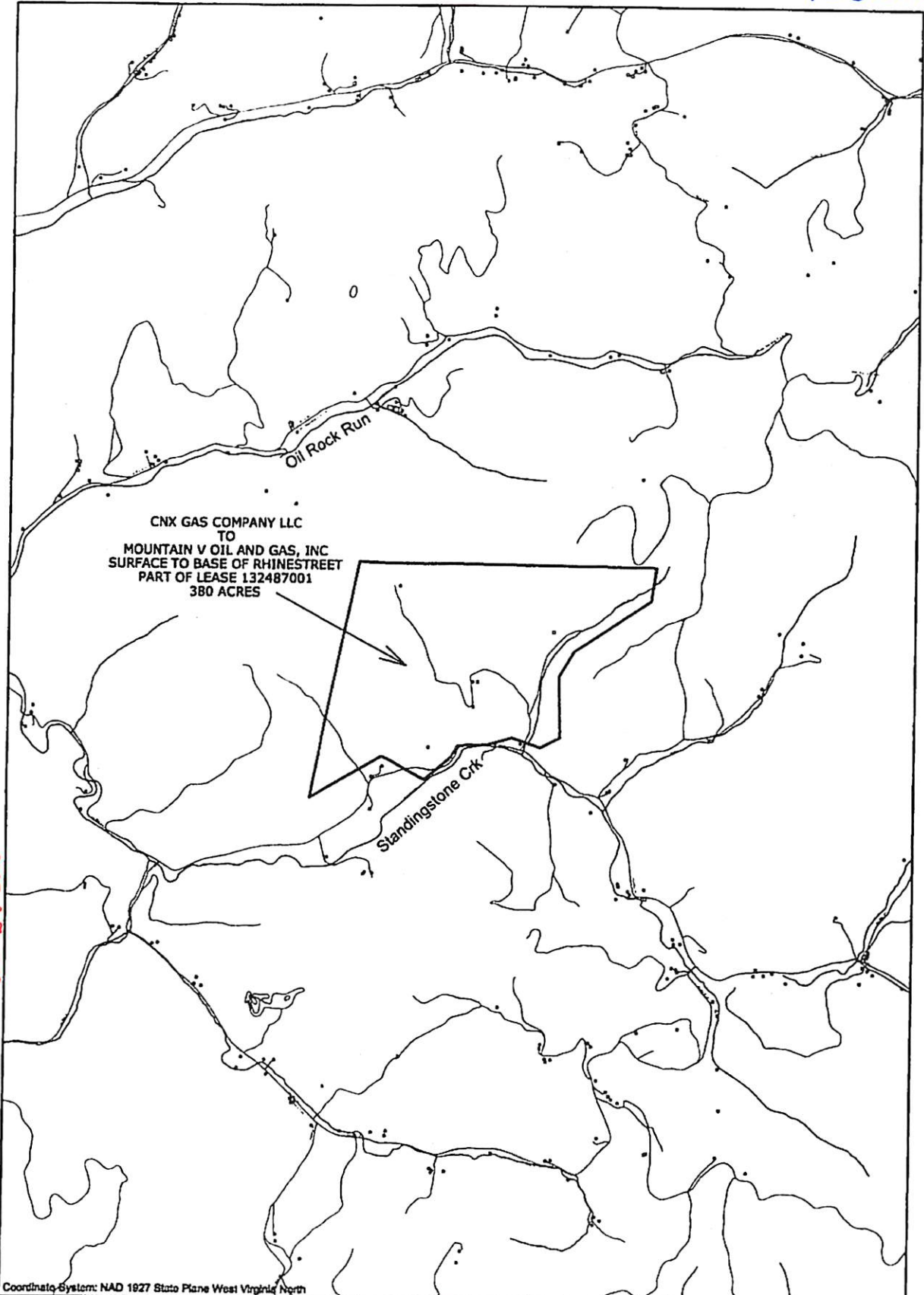
Legacy No. QLS No.	Map Parcel	Lessor	Lessee	Lease Date	Recording Book/Page	District County State	Gross Acres
070372 132487001	53-1-10 53-1-11 53-1-12	The Union National Bank of Clarksburg, Trustee u/a with S.A. Smith and C. Burke Morris; The Union National Bank of Clarksburg, Trustee u/a with Truman Gore and C. Burke Morris	Consolidated Gas Supply Corporation	4/19/1976	147/973	Burnings Springs Wirt West Virginia	380 of 757.06

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JAN 27 2016

This instrument was prepared by: Mountain V Oil & Gas, Inc., PO Box 470, Bridgeport, WV 26330

01/29/2016



CNX GAS COMPANY LLC  
 TO  
 MOUNTAIN V OIL AND GAS, INC  
 SURFACE TO BASE OF RHINESTREET  
 PART OF LEASE 132487001  
 380 ACRES

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Coordinate System: NAD 1927 State Plane West Virginia North



CNX GAS COMPANY LLC  
 TO  
 MOUNTAIN V OIL AND GAS, INC  
 SURFACE TO BASE OF RHINESTREET  
 Burning Springs District, Wirt Co., WV



EXHIBIT A - 1

This map was produced by the  
 CNX Land Resources, Inc. Mapping Department

Please refer all questions about the data or the issues of  
 this map, to the individuals listed in the title block.

This map is property of CNX Land Resources Inc. and  
 contains information that is proprietary and confidential in  
 nature and may not be copied or reproduced without prior  
 written consent.

Prepared By: EEH

Date: 8-11-15

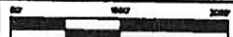




EXHIBIT "B"

Producing well Overhead Rate

- Gas well - \$500 per month
- Pumping well - \$750 per month

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EXHIBIT "C" (Horizontal Well)

**PARTIAL ASSIGNMENT OF OIL AND GAS LEASE(S)**

STATE OF \_\_\_\_\_ }  
COUNTY OF \_\_\_\_\_ } KNOW ALL MEN BY THESE PRESENTS:

THAT, this Agreement is made and entered into as of the \_\_\_ day of \_\_\_\_\_, 2015, by and between \_\_\_\_\_, having an office at \_\_\_\_\_, hereinafter referred to as "Assignor", and **MOUNTAIN V OIL & GAS, INC.**, whose address is P. O. Box 470, 104 Heliport Road, Bridgeport, West Virginia 26330, hereinafter referred to as "Assignee".

**WITNESSETH**, that for and in consideration of the sum Ten Dollars and 00/100 (\$10.00) and other good and valuable consideration, in hand paid each to the other, the receipt of which is hereby acknowledged, the Assignor does hereby sell, assign, transfer, and convey unto Assignee, without warranty of title, either express or implied, an undivided \_\_\_\_\_ percent (\_\_\_\_%) working interest, and net revenue interest in an amount equal to \_\_\_\_\_ percent (\_\_\_\_%) in and to the production from the wellbore plus all of the Leased Acreage encompassed with a Five Hundred (500) feet circle around the center of the surface location of the Well and Five Hundred (500) feet on either side of center line of a lateral in the well extending from the beginning of the first perforation to the end of the last perforation in a horizontal well from the surface to a depth of one hundred feet (100') below the base of the Drillers Total Depth in the well described on the attached Exhibit "A", together with all the incidental rights of ingress and egress to the wells as necessary to operate the wells drilled hereunder.

**TO HAVE AND TO HOLD** unto Assignee, subject to the covenants, terms and conditions of said leases, which Assignee agrees to perform from and after the date hereof. The covenants and agreements herein contained shall extend to and be binding on their heirs, successors, legal representatives and assigns of the parties hereto.

Assignor hereby reserves a \_\_\_\_\_ percent (\_\_\_\_%) of eight-eighths (8/8ths) overriding royalty. This Assignment is made subject to the terms and conditions of that certain Farmout Agreement dated \_\_\_\_\_, by and between Assignor and Assignee and any other assignments or agreements of record.

This Assignment is made without any warranty of title.

IN WITNESS WHEREOF, this Assignment is executed the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

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ASSIGNOR:

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF WEST VIRGINIA

COUNTY OF \_\_\_\_\_, to-wit:

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2015, by \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_, on behalf of the corporation.

My commission expires \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

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JAN 27 2016

This instrument was prepared by:

This instrument was prepared by: Mountain V Oil & Gas, Inc., PO Box 470, Bridgeport, WV 26330

01/29/2016

WW-2B1  
(5-12)

Well No. Dennis McGee #2H WV0467

West Virginia Department of Environmental Protection  
Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

Be advised, you have the right to sample and analyze any water supply at your own expense.

Listed below is the laboratory chosen by operator to perform analysis, and contract chosen to collect samples.

Certified Laboratory Name Reliance Laboratories  
Sampling Contractor Angle Right Surveys, LLC

Well Operator Mountain V Oil & Gas, Inc.  
Address PO Box 470  
Bridgeport, WV 26330  
Telephone 304-842-6320

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underlining which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site, the Chief may require the operator to test wells up to 2000 feet from the proposed site.

SEE WW9 ATTACHMENT

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Office of Oil and Gas

NOV 16 2015

WV Department of  
Environmental Protection

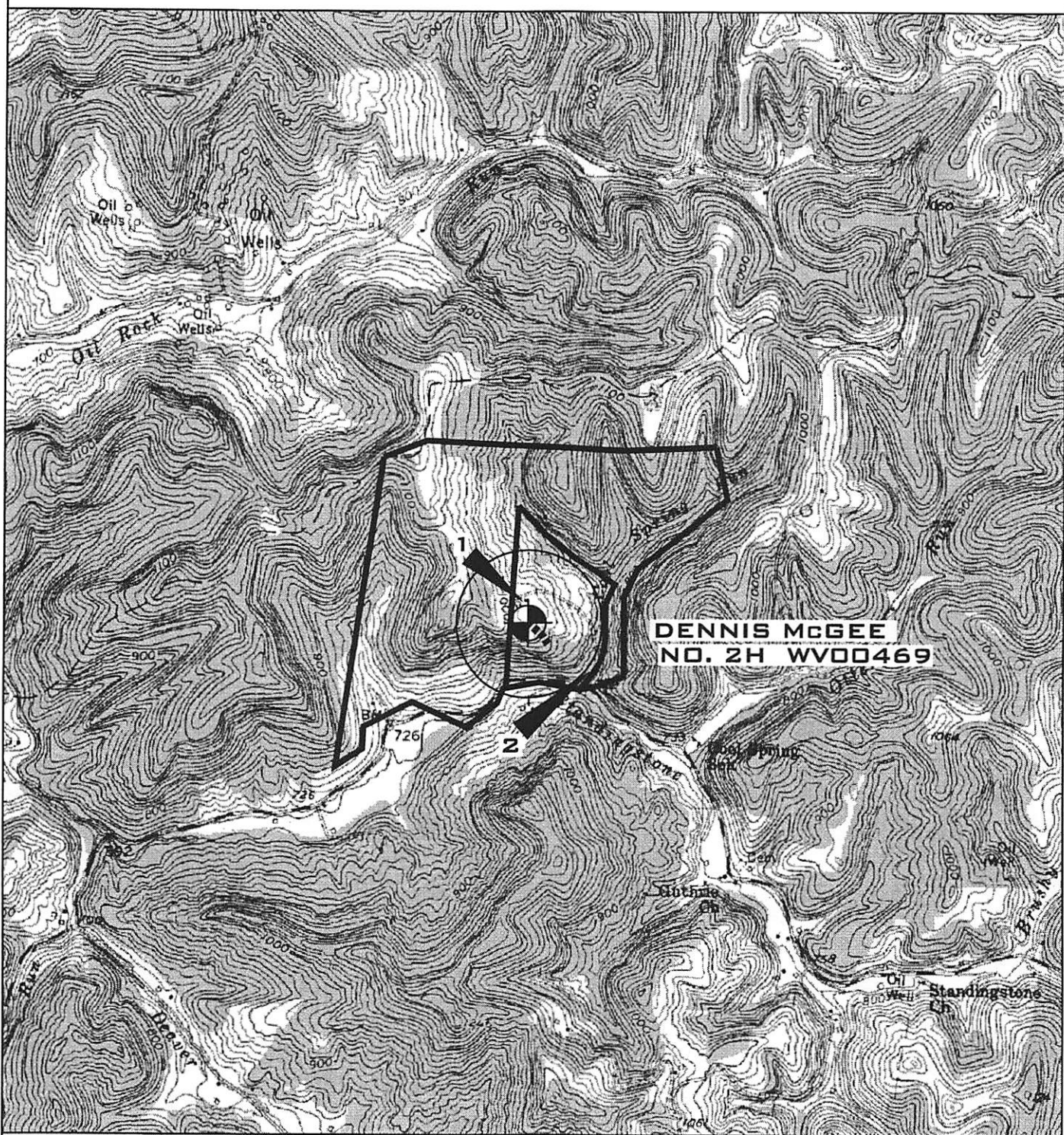
01/29/2016



WW9

# DENNIS McGEE #2H WV 0469 POSSIBLE WATER SAMPLE SITES

PAGE OF



<b>ANGLE RIGHT LAND SURVEYING, LLC</b> PO BOX 681 GRANTSVILLE, WV 26147 (304) 354-0065  <b>140613</b>	<b>OPERATOR</b> MOUNTAIN V OIL & GAS, INC. P.O. BOX 470 BRIDGEPORT, WV 26330	<b>TOPO SECTION</b> GIRTA 7.5	<b>WELL NAME</b> DENNIS McGEE #2H WV 0469
	<b>SCALE:</b> 1"=2000'	<b>DATE:</b> 06/11/2015	RECEIVED Office of Oil and Gas

1 AND 2 - LLOYD A. AND PAMELA S. PRATHER, 4039 MUNDAY ROAD, ELIZABETH, WV 26143 (304) 275-8622

NOV 16 2015  
 WV Department of Environmental Protection  
 01/29/2016



WW-9  
(2/15)

API Number 47 - 105 - \_\_\_\_\_  
Operator's Well No. Dennis McGee #1H WV0466

**STATE OF WEST VIRGINIA**  
**DEPARTMENT OF ENVIRONMENTAL PROTECTION**  
**OFFICE OF OIL AND GAS**

**FLUIDS/CUTTINGS DISPOSAL & RECLAMATION PLAN**

Operator Name Mountain V Oil & Gas, Inc. OP Code 310020

Watershed (HUC 10) Cool Spring Run Quadrangle Girta 7.5'

Do you anticipate using more than 5,000 bbls of water to complete the proposed well work? Yes \_\_\_\_\_ No X

Will a pit be used? Yes X No \_\_\_\_\_

If so, please describe anticipated pit waste: Drill Cuttings and Frac Flowback Water

Will a synthetic liner be used in the pit? Yes X No \_\_\_\_\_ If so, what ml.? 30 mil.

Proposed Disposal Method For Treated Pit Wastes:

- X Land Application
- \_\_\_\_\_ Underground Injection (UIC Permit Number \_\_\_\_\_)
- \_\_\_\_\_ Reuse (at API Number \_\_\_\_\_)
- \_\_\_\_\_ Off Site Disposal (Supply form WW-9 for disposal location)
- \_\_\_\_\_ Other (Explain \_\_\_\_\_)

Will closed loop system be used? If so, describe: N/A

Drilling medium anticipated for this well (vertical and horizontal)? Air, freshwater, oil based, etc. Air

- If oil based, what type? Synthetic, petroleum, etc. \_\_\_\_\_

Additives to be used in drilling medium? \_\_\_\_\_

Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. Leave in Pit

- If left in pit and plan to solidify what medium will be used? (cement, lime, sawdust) Cement, Lime, Sawdust
- Landfill or offsite name/permit number? \_\_\_\_\_

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on August 1, 2005, by the Office of Oil and Gas of the West Virginia Department of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto 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. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

Company Official Signature \_\_\_\_\_

Company Official (Typed Name) Mike Shaver

Company Official Title President

Subscribed and sworn before me this 11th day of September, 2015

*[Signature]*

Notary Public

My commission expires 2-15-2018

RECEIVED  
Office of Oil and Gas

OFFICIAL SEAL  
STATE OF WEST VIRGINIA  
NOTARY PUBLIC  
James D. Andrews  
Buckhannon, WV  
My Commission Expires February 15, 2018

01/29/2015

Proposed Revegetation Treatment: Acres Disturbed 2.2 Prevegetation pH \_\_\_\_\_

Lime 3 Tons/acre or to correct to pH 6.5

Fertilizer Type \_\_\_\_\_

Fertilizer amount 1/3 ton lbs/acre

Mulch Hay 2 Tons/acre

Seed Mixtures

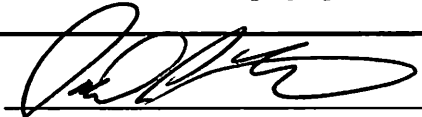
Temporary

Permanent

Seed Type	lbs/acre	Seed Type	lbs/acre
Medow Mix	40	Orchard Grass	40
Alsike Clover	40	Alsike Clover	40
Annual Rye	40		

Attach:  
Drawing(s) of road, location, pit and proposed area for land application (unless engineered plans including this info have been provided)

Photocopied section of involved 7.5' topographic sheet.

Plan Approved by: 

Comments: Sediment control in place at All times

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Title: GOG Inspector

Date: 11-12-15

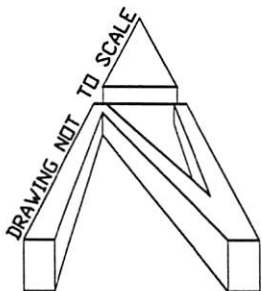
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Field Reviewed?  Yes  No

WV Department of Environmental Protection  
01/29/2016



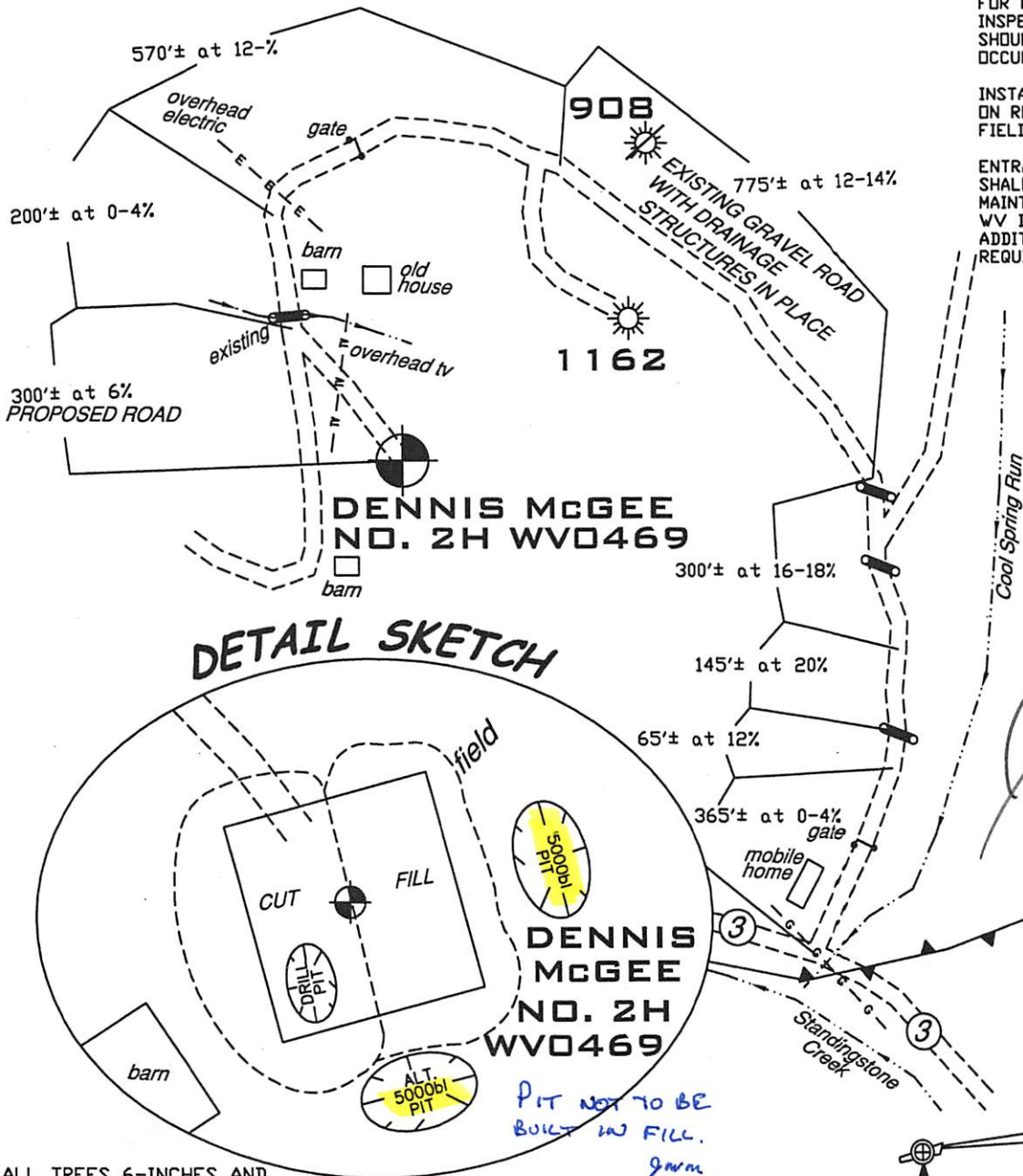
# DENNIS McGEE 2H WV0469



REFERENCE IS HEREBY MADE TO THE WV D.E.P. OFFICE OF OIL & GAS, 'EROSION AND SEDIMENT CONTROL FIELD MANUAL' FOR REQUIREMENTS AND BMPs FOR AVERAGE FIELD CONDITIONS CONCERNING THE MAINTENANCE OF EXISTING ROADS AND THE CONSTRUCTION OF PROPOSED ROADS. FIELD CONDITIONS MAY REQUIRE VARIANCE FROM THESE GUIDELINES AND THE EARTHWORK CONTRACTOR IS RESPONSIBLE FOR NOTIFICATION TO THE INSPECTOR AND THE OPERATOR SHOULD THESE CONDITIONS OCCUR.

INSTALL CULVERTS AS SHOWN ON RECLAMATION PLAN OR AS FIELD CONDITIONS REQUIRE.

ENTRANCES ONTO PUBLIC ROADS SHALL BE CONSTRUCTED OR MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. ADDITIONAL PERMITS MAY BE REQUIRED.



ALL TREES 6-INCHES AND ABOVE ARE TO BE CUT AND STACKED. BRUSH SLASHINGS ARE TO UTILIZED DOWN SLOPE OF SITE AND STRUCTURES TO ACT AS A CONTROL BARRIER IF AVAILABLE.

TEMPORARILY SEED AND MULCH ALL SLOPES UPON CONSTRUCTION OF LOCATION.

RECEIVED  
**ANGLE RIGHT**  
 LAND SURVEYING, LLC.  
 P.O. BOX 681  
 GRANTSVILLE, WV 26147  
 (304) 354-0065  
 angleright@frontiernet.net

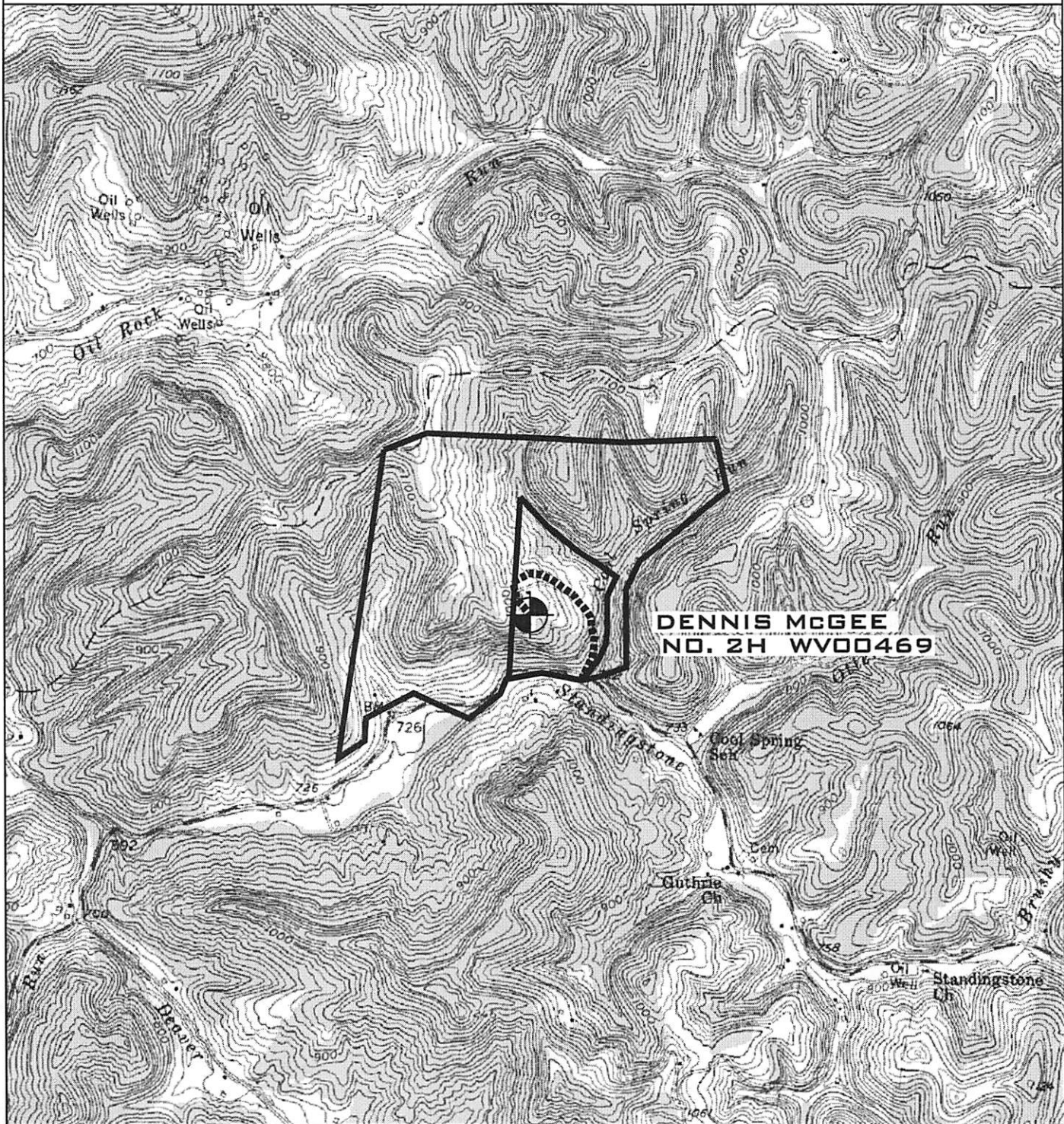
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WW9

# DENNIS McGEE #2H WV 0469

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	MOUNTAIN V OIL & GAS, INC. P.O. BOX 470 BRIDGEPORT, WV 26330	GIRTA 7.5	DENNIS McGEE #2H WV 0469
		<b>SCALE:</b> 1"=2000'	<b>DATE:</b> 06/11/2015



1050 1328 H



P. O. Box 470  
Bridgeport, WV 26330

Office: 304-842-6320  
Fax: 304-842-0016

CK 48686  
65000

November 13, 2015

WV DEP  
Office of Oil & Gas  
601 57<sup>th</sup> Street SE  
Charleston, WV 25304

Re: **Permits:**  
**Dennis McGee #1H WV0466 & Dennis McGee #2H WV0467**

To Whom It May Concern,

Please find enclosed with this letter permits for the following wells located in Wirt County, West Virginia:

- **Dennis McGee #1H WV0466**
- **Dennis McGee #2H WV0467**

Should you have any questions comments or concerns please contact me at your convenience.

Respectfully Yours,

Jamie Andrews  
Mountain V Oil & Gas, Inc.

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Office of Oil and Gas  
NOV 16 2015  
WV Department of  
Environmental Protection

01/29/2016



**Westbrook, Joshua P**

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**From:** Jamie Andrews <jandrews@mountainvoilandgas.com>  
**Sent:** Wednesday, January 27, 2016 12:01 PM  
**To:** Westbrook, Joshua P  
**Subject:** Dennis McGee #1H & #2H  
**Attachments:** 2016\_01\_27\_11\_58\_28.pdf

**Importance:** High

Joshua,

Please see attached per your request and per our discussion. The recorded ECA Farmout is of record in Book 243 at page 150.

Please let me know should you have any other questions comments or concerns.

Thanks

**Jamie Andrews**  
Land & Business Development  
Mountain V Oil & Gas, Inc.  
(O) 304-842-6320 ext 107  
(F) 304-842-0016  
(C) 304-203-7555

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OFFICE OF OIL AND GAS

JAN 27 2016







*IF*  
*now*

Operator: MOUNTAIN V OIL & GAS, INC API: 10501378<sup>H</sup>

WELL No: DENNIS MCGEE 2H WV0467

Reviewed by: *J.P.W.* Date: 11/20/2015

15 Day End of Comment: 12/01/15

### CHECKLIST FOR FILING A PERMIT

Horizontal Well

*CK # 48686*  
*\$650<sup>00</sup>*

*spot*

WW-2B

Inspector signature on WW-2B

WW-2A (Notarized)

Certified Mail Receipts, Waivers, or Affidavits of Personal Service

Surface Owner Waiver

Coal Owner / Lessee / Operator Waiver

WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage

*OPW ok*  
*1. deal with facemats*  
*2. show where company's transferred*  
*5/15/16*

WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)

*NOD ok*  
*also not owner test provided*  
*2 locations shown on map*

WW-9 (Page 1 & 2) (Notarized)

*No* More than 5,000 bbls

Inspector Signature on WW-9

Reclamation plan

Topographic Map of location of well

Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)

Bond

Company is Registered with the SOS

Worker's Compensation / Unemployment Insurance account is OK

\$650.00 check (\$550.00 if no pit)

Mine Data

Addendum

Flow Distance to Nearest Intake

Horizontal Rule Series 8 Effective August 30, 2011-Well Sites Greater Than 3 Acres

Erosion and Sediment Control Plan

Site Construction Plan

Well Site Safety Plan

Water Management Plan (Plan to withdraw 210,000 gallons or more during any one month period)

Within a Municipality

Class I Legal Advertisement in Newspaper for first permit on well pad

Professional Engineer/Company has COA

01/29/2016