

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

November 20, 2015

WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-10902763, issued to NEW RIVER ENERGY CORPORATION, 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.

Upon completion of the plugging well work, the above named operator will reclaim the site according to the provisions of WV Code 22-6-30. The above named operator will also file, as required in WV Code 22-6-23, an affidavit on form WR-38 by two experienced persons in the operator's employment and the Oil and Gas inspector that the work authorized under this permit was performed and a description given. Failure to abide by all statutory and regulatory provisions governing all duties and operations here under may result in suspensions or revocation of this permit and in addition may result in civil and/or criminal penalities being imposed upon the operator.

This permit will expire in two (2) years from date of issue. If there are any questions, please free to contact me at (304) 926-0499 ext. 1654.

Operator's Well No: PC-004E

Farm Name: HEARTWOOD FORESTLAND

API Well Number: 47-10902763

Permit Type: Plugging
Date Issued: 11/20/2015

Promoting a healthy environment.

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

- 1. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
- 2. 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.
- 3. Well work activities shall not constitute a hazard to the safety of persons.

WW-4B Rev. 2/01

1)Date	, 20 <u></u> 15
2)Operator's	
Well No. PC-004E	
3) API Well No. 47-	109 - 02763

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

	APPLICATION FOR A PERMIT TO PLUG AND ABANDON						
4) Well	Type: Oil/ Gas X/ Liquid	l injection/ Waste disposal/					
	(If "Gas, Production X or Unc	erground storage) Deep/ ShallowX					
5) Locat	ion: Elevation 2149.80'	Watershed Rich Branch of Guyandotte River					
,	District Center	County Wyoming Quadrangle Pineville, WV					
<i>a</i>	New Piver Energy Corporation						
6) Well	Operator New River Energy Corporation	7) Designated Agent					
	Address P.O. Box 1020	Address					
	Waynesburg, PA 15370						
8) Oil a	nd Gas Inspector to be notified	9)Plugging Contractor					
Na	me Brian Ferguson	Name Ultra Production Company, LLC					
Ad	dress Box 124 Big Trace Fork Road	Address PO Box 289					
	Hart, WV 25524	Cedar Bluff, VA					
plugge	d in a 3 stage process. The first stage						
of a 2% per min The ve as requ	s of water into the Pocahontas 3 coal bentonite solution in 33,000 gallons nute. The third stage will be the injectical portion of this well will remain opticed by the mining company; however,	e will be the infusion of approximately 90,000 I seam. The second stage will be the injection of water at an approximate rate of 100 gallons tion of approximately 190,000 gallons of water. Den for additional treatment or for other purposes when deemed necessary, the vertical portion of tughout the total vertical section to the surface.					

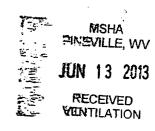
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1:Date		, 20 15
2:Operator's		
Well No. PC-0	04E	
3 API Well No	. 47-100	- 32783

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	APPLICATION FOR	A PERMIT TO PLUG AND	ABANDON
4) We	ell Type: Oil/ Gas X /	Liquid infection	/ Waste disposal /
			re/ Deep/ ShallowX
5) Lo	ocation: Elevation 2149.80'	Wattershed Rich	Branch of Guyandotte River
	District Center	County Wyoming	Quadrangle Pineville, WV
6) We	New River Energy Corp Address P.O. Box 1020 Waynesburg, PA 15370	Add	Agent
8) 0:	il and Gas Inspector to be notif Name <mark>Brian Ferguson</mark> Address <u>Box 124 Big Trace Fork Roac</u>	Name Ult	ra Production Company, LLC
		Peckley, WV 25801	
To plu gal of a per The	facilitate coal mining operations, gged in a 3 stage process. The fir llons of water into the Pocahontas a 2% bentonite solution in 33,000 r minute. The third stage will be the vertical portion of this well will represent the well will be plugged using ceme	the horizontal CBM wast stage will be the infused a coal seam. The second gallons of water at an an entition of approximatin open for additional owever, when deemed	vell PC-004E is intended to be sion of approximately 90,000 cond stage will be the injection approximate rate of 100 gallons nately 190,000 gallons of water. It treatment or for other purposes necessary, the vertical portion of
work o	cation must be given to the distant commence.	4	



PROCEDURE FOR MINING THROUGH HORIZONTAL COALBED METHANE WELLS

Background:

It is anticipated that the in-seam methane in some of the Mine #51 reserve areas will be reduced prior to mining by development of both horizontal and vertical coalbed methane wells, with horizontal wells being the predominant methodology. It is anticipated that the horizontal wells will be multi-lateral and of pinnate pattern, similar to the CDX Gas, Inc. wells drilled in adjacent reserve areas. The surface wellheads for the horizontal wells will typically be 800' or more above the pavement of the coal seam. Each lateral wellhore in the coal seam will be 4" to 6" in diameter, and may be up to 4,000' in length inseam.

Mine #51 will employ the continuous mining room-and-pillar method of mining. It is anticipated that each lateral wellbore will be mined through at least once.

A factor of major importance to be considered for the case of Road Fork #51 Mine to mine through horizontal coalbed methane wells is that the mine is ventilated via a predominantly positive pressure ventilation system. This blowing type fan system greatly enhances the proposed procedures and safety procedures outlined through this addendum in that positive pressure is constantly applied against any intersected wellbore. A 9 ft diameter return shaft with exhausting fan is within the system and does assist the system is a push/pull scenario, but the positive pressure effect far overpowers the negative pressure effect leaving the exhausting fan to act primarily as a helper fan. With the open atmosphere vertical well bore, ventilation air at the intersection of the lateral well bore will effectively seek to vent itself to the open atmosphere through the well bore and vertical well, the path of least resistance. Any gas accumulating in the lateral bores will have to build to a pressure exceeding the ventilation pressure of the fan before it will vent to the mine void. This is in the direct opposite of exhaust fan systems which are the norm in the industry and have a negative pressure effect.

Wells to be encountered or intersected at this time.

Be advised that each coal bed methane well system consists of two vertical wellbores with a common set of horizontal production wellbores or branch line system. The first vertical well drilled is the well or bore from which all horizontal legs and branches are developed. The second vertical well drilled is the actual production well. This second vertical well is the conduit by which the gas is brought to the surface as well as any water or impurities that accumulate at the bottom of the vertical well during the extraction process. No vertical wells are currently proposed for cut through. See Attachment - Cross-Section of Typical Well System.

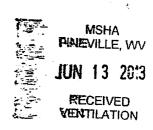
Well no PC-002A was drilled prior to PC-002B and was used to drill or establish the horizontal branch system. Its API No. is 47-109-02724. The well was then intersected by the production well PC-002B. Well PC-002A is a non-producing well.

Well no. PC-002B was drilled and began initial production on 12/12/06. Its APHING R 47-109-02725. The horizontal bore diameter is 4 5/8" diameter. The vertical well is cased with 7" diameter with 7 diameter.

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cemented in place, to a depth of 726' or 87' above the coal seam. The well's maximum horizontal depth is 3,414 ft. The horizontal legs are completely within the Pocahontas No. 3 coal seam. The well is not yet abandoned but will be abandoned shortly after issuance of this revision. The current average production pressure is -3 p.s.i. (gauge) as the well is operated on vacuum. Current average production is 72 MCF/day. Maximum average production of 618 MCF/day occurred in January, 2007. The well has produced a total of 324,573 MCF through the end of 2009. A summary of the well's production history, taken from the WVDEP Office of Oil & Gas website, is attached. Peak well pressure would have occurred prior to initial production in December, 2006 and is estimated to have been 352 p.s.i. or less, based on 813' of seam cover. Average well life is estimated at 5 years.

Well no.PC-003A was drilled prior to PC-003B and was used to drill or establish the horizontal branch system. Its API No. is 47-109-02768. The well was then intersected by the production well PC-003B. Well PC-002A is a non-producing well.

Well no. PC-003B was drilled and began initial production on 12/21/06. Its API No. is 47-109-02769. The horizontal bore diameter is 4 5/8" diameter. The vertical well is cased with 7" diameter casing, cemented in place, to a depth of 909', or 184' above the coal seam. The well's maximum horizontal depth is 3,944 ft. The horizontal legs are completely within the Pocahontas No. 3 coal seam. The well is not yet abandoned but will be abandoned shortly after issuance of this revision. The current average production pressure is -1 p.s.i. (gauge) as the well is operated on vacuum. Current average production is 87 MCF/day. Maximum average production of 895 MCF/day occurred in April, 2007. The well has produced a total of 361959 MCF through the end of 2009. A summary of the well's production history, taken from the WVDEP Office of Oil & Gas website, is attached. Peak well pressure would have occurred prior to initial production in December, 2006 and is estimated to have been 473 p.s.i. or less, based on 1,093' of seam cover. Average well life is estimated at 5 years.

Equipment used to drill the well and borings was not immediately available from the well operator. The accuracy of the machine was reported from the operator as a maximum deviation of 25 feet in 3,000 feet of boring. That equates to an accuracy of +/- 0.48 degrees or 0 degrees 28 minutes and 39 seconds. We propose an accuracy factor over double that or +/- 1 degree plus an addition static barrier of 50 feet.

Procedure for Mining Within 50' + 1 Degree Factor of A Horizontal Wellbore:

Prior to mining within 50' + 1 degree deviation or accuracy factor (tangent of 1 degree multiplied by the length of the horizontal wellbore at the anticipated cut-through point) of a horizontal wellbore, Spartan Mining Company ("Spartan") will verify that the following procedures have been performed on the well:

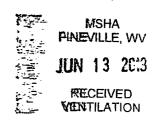
1. Prior to the mining unit entering the minimum barrier zone established for the CBM well and/or well bores or set of intersections, a notice from a professional engineer will be submitted to the District Manager noting that a review of the proposed method(s) to prepare coal that the applicability of the proposed wells for intersection has been completed and that the applicability of the proposed watch or procedures in regard to the mine specific conditions is appropriate. A section the large seven NOV

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entries, all entries intersecting a single well bore would be deemed a set of intersections and one would be deemed

- 2. The well will be vented to outside atmospheric pressure for at least 8 hours.
- 3. A volume of fresh water sufficient to fill the horizontal (lateral) wellbores, plus 25%, will be injected into the well. Fresh water will be injected at an approximate flow rate of 2,500 gph. Fresh water only injection will be gravity fed, not pressure injected. A daily record of water quantities pumped and pumping times will be recorded and maintained.
- 4. A volume of gel, sufficient to fill the horizontal wellbores plus 25% excess, will be injected into the well. Gel formulation will be a simple mixture of made up of 2% to 4% bentonite and fresh water with no other additives. The bentonite and water formulation will be pumped at an approximate flow rate of 2,500 gph and with either (a) sufficient pressure to attain a bottom hole pressure of approximately 500 p.s.i., or (b) sufficient volume to equal or exceed 200% of the volume of the horizontal wellbores. Because no gel has yet been pumped or injected, no background data has been gathered or obtained for this area or these strata and therefore no gel infiltration and permeability reduction data are yet available. A daily record of gel quantities pumped and pumping times will be recorded and maintained.
- 5. The well bore will be filled to the surface with fresh water, if possible, and allowed to stand for at least 72 hours, with the water level being supplemented as required. In the alternative, water will be injected into the wellbore for 72 hours at an average rate of 2 gallons per minute or more.
- 6. A record will be prepared, maintained and signed by the drill/pump operator outlining the procedures of all well or hole preparations. Specifics to be recorded shall at a minimum be as follows: 1. Time of well or hole opening for venting purposes and duration. 2. Any test results showing levels of venting gases and times. 3. Water injection showing quantities, times, pumping pressure and flow rates. 4. Gel formulation. 5. Gel quantity. 6. Pumping pressures. 7. Pumping times. 8. Quantities, flow rates and pumping times for well evacuations or bailing shall be documented as well.

Procedure for Mining Through A Horizontal Wellbore (Initial Minethrough):

Prior to mining through the first lateral wellbore of a horizontal coalbed methane well, Spartan will verify that the following procedures have been performed on the well:

- a. The water will be bailed from the vertical section of the wellbore, as close to the coal seam elevation as practical using normal bailing equipment.
- b. The surface wellhead will be maintained open, so as to bring the vertical section of the wellbore to outside atmospheric pressure.

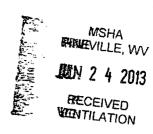
In addition, Spartan will:

c. Notify the MSHA District Manager and the appropriate WVOMHST representative 2Deast 72 hours prior to the anticipated minethrough time.

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- d. Drivage sites or site lines shall be installed prior to mining within 80 ft. of the projected well cutthrough. Drivage sites or site lines set in excess of 100 ft. prior to well bore intersection will not be deemed to comply with this requirement.
- e. A mobile sled or trailer will be stocked and maintained with equipment and supplies as outlined herein on the working section at all times. The sled or trailer will be positioned at or near (not to exceed 500 feet outby) the last open crosscut near the projected mine through immediately upon reaching the minimum barrier distance. The trailer or sled will be labled as "Firefighting Equipment and Emergency Supplies for CBM Minethroughs" to distinguish it from general supply or stationary equipment stores. Equipment or supplies required on this sled or trailer are:
 - 1. Firefighting equipment to include a minimum of two 10-pound fire extinguishers, 240 pounds of rock dust, fire hose of sufficient length to reach the working face and capable of delivering at least 50 gallons per minute of water at a minimum pressure of 50 psi. The fire hose shall be located in the last open crosscut and shall be connected and ready for use but shall not be required being charged with water during the cut-through.
 - 2. Roof support supplies sufficient to handle emergency or unplanned roof control situations associated with the well mine through.
 - 3. Ventilation supplies sufficient to handle emergency or unplanned ventilation situations associated with the well mine through.
 - 4. An emergency plug or plugs to plug the mined through well bore in the event such measures are required or become necessary.
- f. An airflow quantity of at least 9,000 CFM and mean air velocity of 60 fpm shall be supplied at the mine face. This quantity shall be required beginning at the minimum barrier distance line and shall continue until mining has progressed 20 ft. past the initial mine through point. In no circumstances shall the quantity be less than that approved in the current ventilation plan if greater.
- g. Cut depths will be limited to 20 ft. from the end of the line curtain beginning at the minimum barrier distance line and continue until mining has progressed 20 ft. past the initial mine through point.
- h. MMU's to be performing mine throughs in areas shown as part of this revision will maintain stoppings between intake and return air courses up to and including the third connecting crosscut outby the working face.
- i. Service all equipment to be used in the immediate area of the mine through and assure it's permissibility, prior to use, once every 24 hours during which the mine through is anticipated or is occurring.
- j. Calibrate the continuous miner methane monitor, prior to use, once every 24 hours during which the mine through is anticipated or is occurring.
- k. When mining, tests for methane with a hand held methane detector at least every 10 minutes from the time mining commences at the minimum barrier distance line or within thirty feet of the wellbore, whichever is greater and continue until such time as the well is intersected. Tests MED methane with a hand held detector will be made immediately prior to mining through the oil and wellbore regardless of timing.

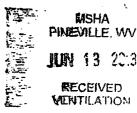
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- 1. De-energize all equipment and thoroughly examine the area when the wellbore is intersected. The area will be determined safe by a certified person before mining is resumed.
- m. Once the wellbore is intersected and the area is determined safe, mining may resume. Hand held methane detector tests, however, will continue at least every 10 minutes while mining, until mining has progressed 20 feet past the initial mine through point.
- n. Once the wellbore is intersected and the area has been determined safe, mining shall continue a sufficient distance to permit adequate ventilation in or around the area of the well.
- o. No open flame shall be permitted in the area until adequate ventilation has been established
- p. During the actual cutting process, no individuals shall be allowed on the return side until the well bore has been intercepted and the area has been examined by a certified person and declared safe.
- q. All workplace examinations shall be conducted on the return side of the continuous miner while the continuous miner is idle.
- r. The working place shall be free from accumulations of coal dust and coal spillage. Rock dust shall be placed on the roof, rib and floor to within 20 feet of the face when mining through the
- s. No person shall be permitted in the area of the mine through operation except those actually engaged in the operation, including company personnel, representatives of the miners, personnel from MSHA and personnel from the appropriate State agency.
- t. Alert all personnel in the mine to the planned intersection of the well prior to their going underground if the planned intersection is to occur during their shift. This warning shall be repeated for all shifts until the well has been mined through.
- u. The mine through operation shall be under the direct supervision of a certified individual. Instructions concerning the mine through operations shall be issued only by the certified individual in charge.

Procedure for Mining Through A Horizontal Wellbore (Subsequent Minethroughs):

Prior to mining through a lateral wellbore of a coalbed methane well which has already had at least one lateral wellbore mined through, Spartan will verify that the following procedures have been performed on the well:

a. The water will be bailed from the vertical section of the wellbore, as close to the coal seam elevation as practical using normal bailing equipment.

b. The surface wellhead will be maintained open, so as to bring the vertical section extracted by to outside atmospheric pressure.

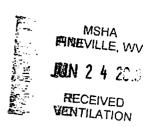
In addition, Spartan will:

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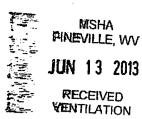


- c. Prior to the mining unit entering the minimum barrier zone of subsequent intersections or sets of intersections, a notice from a professional engineer will be submitted to the District Manager noting that a review of the proposed method(s) to prepare coal bed methane wells for intersection has been completed and that the applicability of the proposed system or procedures in regard to the mine specific conditions is still appropriate.
- d. Drivage sites or site lines shall be installed prior to mining within 80 ft. of the projected well cut-through. Drivage sites or site lines set in excess of 100 ft. prior to well bore intersection will not be deemed to comply with this requirement.
- e. A mobile sled or trailer will be stocked and maintained with equipment and supplies as outlined herein on the working section at all times. The sled or trailer will be positioned at or near (not to exceed 500 feet outby) the last open crosscut near the projected mine through immediately upon reaching the minimum barrier distance. The trailer or sled will be labled as "Firefighting Equipment and Emergency Supplies for CBM Minethroughs" to distinguish it from general supply or stationary equipment stores. Equipment or supplies required on this sled or trailer are:
 - 1. Firefighting equipment to include a minimum of two 10-pound fire extinguishers, 240 pounds of rock dust, fire hose of sufficient length to reach the working face and capable of delivering at least 50 gallons per minute of water at a minimum pressure of 50 psi. The fire hose shall be located in the last open crosscut and shall be connected and ready for use but shall not be required being charged with water during the cut-through.
 - 2. Roof support supplies sufficient to handle emergency or unplanned roof control situations associated with the well mine through.
 - 3. Ventilation supplies sufficient to handle emergency or unplanned ventilation situations associated with the well mine through.
 - 4. An emergency plug or plugs to plug the mined through well bore in the event such measures are required or become necessary.
- f. An airflow quantity of at least 9,000 CFM and mean air velocity of 60 fpm shall be supplied at the mine face. This quantity shall be required beginning at the minimum barrier distance line and shall continue until mining has progressed 20 ft. past the initial mine through point. In no circumstances shall the quantity be less than that approved in the current ventilation plan if greater.
- g. Cut depths will be limited to 20 ft. from the end of the line curtain beginning at the minimum barrier distance line and continue until mining has progressed 20 ft. past the initial mine through point.
- h. MMU's to be performing mine throughs in areas shown as part of this revision will maintain stoppings between intake and return air courses up to and including the third connecting crosscut outby the working face.
- i. Service all equipment to be used in the immediate area of the mine through and assure it's permissibility, prior to use, once every 24 hours during which the mine through is anticipated or is occurring.

j. Calibrate the continuous miner methane monitor, prior to use, once every 24 hours during ECEIVED the mine through is anticipated or is occurring.

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- k. When mining, tests for methane with a hand held methane detector at least every 10 minutes from the time mining commences at the minimum barrier distance line or within thirty feet of the wellbore, whichever is greater and continue until such time as the well is intersected. Tests for methane with a hand held detector will be made immediately prior to mining through the wellbore regardless of timing.
- I. De-energize all equipment and thoroughly examine the area when the wellbore is intersected. The area will be determined safe by a certified person before mining is resumed.
- m. Once the wellbore is intersected and the area is determined safe, mining may resume. Hand held methane detector tests, however, will continue at least every 10 minutes while mining, until mining has progressed 20 feet past the initial mine through point.
- n. Once the wellbore is intersected and the area has been determined safe, mining shall continue a sufficient distance to permit adequate ventilation in or around the area of the well.
- o. No open flame shall be permitted in the area until adequate ventilation has been established around the wellbore.
- p. During the actual cutting process, no individuals shall be allowed on the return side until the well bore has been intercepted and the area has been examined by a certified person and declared safe.
- q. All workplace examinations shall be conducted on the return side of the continuous miner while the continuous miner is idle.
- r. The working place shall be free from accumulations of coal dust and coal spillage. Rock dust shall be placed on the roof, rib and floor to within 20 feet of the face when mining through the
- s. No person shall be permitted in the area of the mine through operation except those actually engaged in the operation, including company personnel, representatives of the miners, personnel from MSHA and personnel from the appropriate State agency.
- t. Alert all personnel in the mine to the planned intersection of the well prior to their going underground if the planned intersection is to occur during their shift. This warning shall be repeated for all shifts until the well has been mined through.
- u. The mine through operation shall be under the direct supervision of a certified individual. Instructions concerning the mine through operations shall be issued only by the certified individual in charge.

Other Plan Specifics

Mining with a Parallel Wellbore

When mining parallel with a horizontal wellbore, every attempt will be made to adjust policy to intersect the wellbore in the crosscuts as opposed to continuously in the adolfficing entry.

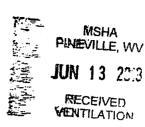
Wellbore the 6.11 However, should mining be conducted such that it advances parallel and continuously out or the following modifications will be made to the procedure at the same and the same and the same at the same wellbore, the following modifications will be made to the procedures. All other requirements and precautions listed herein shall apply.

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- 1. Cut depths will be limited to 20 ft. from the end of the line curtain.
- 2. Upon completion of the cut, the workplace shall be thoroughly examined by a certified person and declared safe.
- 3. No person(s) shall be allowed on the return side until the cut has been completed and the area declared safe by a certified person.
- 4. Tests for methane with a hand-held methane detector at least every 10 minutes from the time mining commences while mining and while bolting until the cut-through is completed.

Over Drilling

No vertical wells are currently proposed for cut-through.

Separation of airways connected by horizontal bores

Should a wellbore be intersected multiple times and subsequently provide an open wellbore or conduit between different or uncommon splits of air, the hole will be plugged with a minimum of a temporary plug as soon as all required safety precautions are met and it is declared safe to do so by a certified person. A permanent plug will be installed as soon as practical but shall not be required until the section has advanced a full line of crosscuts inby the wellbore intersection or 120 ft. Permanent plugging may consist of: 1.) the wellbore will be completely filled with cement for a length of at least 3 feet or its equivalent or 2.) manufactured plugs or casings cemented into place that are typically used in conjunction with drivable horizontal long hole drilling machines with a sampling port and that use cement and or epoxy compounds. Wellbore connections between common or like air splits will not require any plugs.

Plugging A Wellbore or Leg

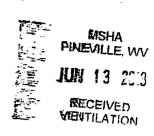
Should a wellbore be intersected and should it then be determined by mine management that the wellbore or leg will not be intersected again or subsequently for reasons as determined by mine management, it may be permanently plugged. The hole may be left open as in the normal sequence outlined herein and then plugged, it may be first temporarily plugged as soon as all required safety precautions are met and it is declared safe to do so by a certified person or it may be immediately permanently plugged. A permanent plug may be installed at the determination of mine and can be installed as soon as all required safety precautions are met and it is declared safe to do so by a certified person. Permanent plugging may consist of: 1.) the wellbore will be completely filled with cement for a length of at least 3 feet or its equivalent or 2.) manufactured plugs or casings cemented into place that are typically used in conjunction with drivable horizontal long hole drilling machines with a sampling port and that use cement and or epoxy compounds. In the event a wellbore is permanently plugged, its location will be will be located by survey within 1 week of the installation of such permanent plug and such information posted to the permanent maps.

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Intersection Map to Be Kept On the Mining Section

A map shall be kept on the section showing all projected mining, all CBM gas wells with the vertical holes and their horizontal bores or legs for that area, outlines of minimum safety barrier to each bore for that area and anticipated intersections with those bores. The section map will be updated at a minimum of once per shift and preferably at the ending of each shift. Updating will consist of the

progression of mining, all hole intersections, the date holes were intersected, the number of the intersection and how far from the anticipated intersection the actually was. Such information will then be transferred to the wall map or 1200 map outside at the mine office in a like manner. Connections or intersections with the wellbores will be located by survey within 1 week of their connection and such information posted to the permanent maps. Any large discrepancies in actual location verses anticipated location will be reported to mine management and adequately evaluated for need of corrective action. Large discrepancy will be considered "outside of the probable error of 1 degree.

Specific times when actions are to be taken.

Specific times when checks or tests are made, supplies and/or emergency equipment are delivered and positioned or driveage sights are outlined throughout these guidelines. However, unless otherwise stated they are required upon reaching the minimum required barrier.

Equipment List

List all equipment to be used to prepare and pump the water and gel: Equipment used to prepare and pump the water and gel will include a truck-mounted triplex pump and mixing vat of the type used to mix and pump cement in gas well applications. We will likely use BJ Services or Schlumberger on these holes so we can get a computer printout of the weight and volume of the gel mix. The exact make and model of the pump and vat used by the contractor will not be known until the day we use it. Fresh water only injection will be gravity feed not pressure injected.

MSDS and PPE

See attached, MSDS sheets for bentonite clay. Bentonite is the only component to be injected into the wells other than fresh water.

No special personal protective equipment (PPE) is required in using bentonite compounds. Normal PPE is required at all times on the active site such as metatarsal hard toe boots, eye protection, noise protection, reflective high visibility clothing, gloves and hard hat.

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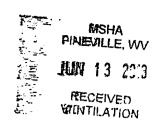
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Page 9 of 10



Minimum Air quantities.

A quantity of at least 9,000 CFM, but no less than the approved ventilation plan amount, of intake air shall be supplied at the mine face. A minimum quantity of 15,000 cfm shall be maintained in the LOB when mining within the minimum required barrier.

Ongoing Examinations

- a. All intersections with wells, legs, horizontal bores or branches that are in the intake air courses shall be examined as part of the preshift examinations required under 75.360.
- b. All other intersections with wells, legs, horizontal bores or branches shall be examined as part of the weekly examinations required under 75.364.
- c. All examinations shall be recorded in the appropriate record book and shall be specific to the hole, leg, and intersection number with location.

Mine Map Requirements

The mine map shall show all wells in the current and projected areas of the mine as per 75.372(a)(14) and shall include:

- a. Identify CBM wells (i.e. API hole # or equivalent)
- b. Date gas production began.
- c. Seams intersected.
- d. All vertical holes and all horizontal segments with an outline of minimum barriers.
- e. Dates holes were intersected and the distance of variance.

Review By Responsible Person

The responsible person required per 30 CFR 75.1501 is responsible for well intersection emergencies. The well intersection procedures shall be reviewed by the responsible person prior to any planned well intersection or cut-through.

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Ultra Production Company, LLC Plugging Volumes PC-004E

	5	Diameter	Volume	Beginning X	Beginning Y	Funding V Count	S. dia ay Gaard
	Footage	(in)	(CuFt)	Coord	Coord	Enaing X Coord	Ending Y Coord
PC-004E	1,301	7	347.70	450442.758	4157172.736	-	-
Leg 1	3,497	4.5	386.27	450436.675	4157190.908	450403.134	4158251.583
Leg 2	2,028	4.5	224.01	450183.900	4157621.100	450158.295	4158234.658
Leg 3	3,478	4.5	384.13	450452.829	4157166.714	449969.176	4158002.408
Leg 4	1,280	4.5	141.40	450189.248	4157612.917	449832.252	4157700.549
Leg 5	1,692	4.5	186.82	450318.220	4157371.871	449832.979	4157454.484
Leg 6	2,049	4.5	226.31	450442.200	4157182.874	449847.237	4157213.184

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

Farm name: Heartwood Forestland Fund	Opera	ator Well N	o <u>: PC-004</u>	<u>E</u>	
Location: Elevation: 2149.80'		Quadran	gle: <u>Pine</u>	/ille	
District: Center I		County:_	Wyo	ming	
Latitude: <u>8450</u> Feet Longitude: <u>5687</u> Feet	South of 37 West of 81	Deg. 35 M Deg. 32 N	in. 00 Sec. Iin. 30 Sec) .	
Company: CDX Gas, LLC P.O. Box 609 Pineville, WV 24874 Agent: Michael McCown Inspector: Terry Urbine Permit Issued: 08/24/06 Well Work commenced: 03/19/07 Well Work completed: 4/23/07 Verbal plugging Permission granted on: Rotary x Cable Rig Total depth (ft) 1301'. Fresh water depths (ft) N/A Salt water depths (ft) N/A Is coal being mined in the area (Y/N)? Y Coal depths (ft): 1251'.	Casing & Tubing Size 13 3/8" 9 5/8" 7" 2 7/8"	Used in Drilling 31 737 1096 1251	Left in Well 31 737 1096 1251	Cement Fill up Cu.ft. 21.5 52 165 Hanging	
OPEN FLOW DATA Producting formation(Pocahontas 3) Gas: Initial open flowN/A Mcf/d Final open flowN/A Mcf/d Time of open flow between initial and Static rock pressure psig (sur	d final tests: face pressure	e) after	ne depth (ft Initial open Final open ho	urs urs	_00"4
Second Producing formation Gas: Initial open flow Mcf/d Final open flow Mcf/d Time of open flow between Static rock pressure psig (sur	initial and fina	al tests:	Final open	flow flow hours urs	Bbi/d Bbi/d Bbi/d
Third Producing formation Gas: Initial open flow Mcf/c Final open flow Mcf/c Time of open flow between Static rock pressure psig (su	I d initial and fin	Oil:	Pay zone Initial oper Final oper	depth	(ft) Bbl/d Bbl/d
Note: ON BACK OF THIS FORM, PUT THE FOL FRACTURING OR STIMULATING, PHYSICAL CHANG DETAILED GEOLOGICAL RECORD OF ALL FORM WELLBORE.	LOWING: 1) SE, ETC. 2) NATIONS, INC FO	DETAILS OF THE WELL IN CHARLES OF THE WELL IN CHARLES OF THE CONTROL OF THE CONTR	F PERFOR	ATED INTE I IS A SYSTE UNTERED OUT OF	ERVALS, EMATICK BY THE
			,,,,	tmeN	t of

WV Department of Environmental Protection 1/20/2015

Operator: PC-004E API No. 47-109-02763

Location: Wyoming County

Details of Perforated Intervals, Fracturing or Stimulation, Physical Change, Etc. - N/A

Well Log & Geologic Record - Depths from G.L.

	Depth in feet		
Lithology	Top I	Bottom	
Casing	0	30	
Shale	30	60	
Sandy Shale	60	65	
Shale	65	165	
Sandy Shale	165	180	
Shale	180	215	
Sandy Shale	215	270	
Shale	270	327	
Sandy Shale	327	385	
Shale	385	445	
Sandy Shale	445	505	
Shale	505	560	
Sandy Shale	560	640	
Shale	640	660	
Sandy Shale	660	725	
Shale	725	780	
Sandy Shale	780	880	
Shale	880	890	
Sandy Shale	890	925	
Shale	925	985	
Sandy Shale	985	1010	
Shale	1010	1045	
Sandy Shale	1045		
Shale	1065		
Sandy Shale	1072		
Shale	1145		
Sandy Shale	1215		
Shale	1225		
Coal (cavity)	1251		
Shale	1255 1301		
TD	1301		

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WV Department of Environmental Protection

WW-4A			1) Da	ate:		
Revised 6-07			2) O ₁	perator's Well Numb	er	ACTION OF THE PARTY OF THE PART
			PC-004E			
			3) AF	I Well No.: 47 -	109	- 02763
			E OF WEST VIRG			
D.	EPARTMENT OF NOTICE 0	ENVIRONMEN F APPLICATION	NTAL PROTECT ON TO PLUG A	TION, OFFICE OF ND ABANDON A W	OIL AND GA ÆLL	S
4) Surface Ow	ner(s) to be served:	/ 5)	(a) Coal Operato	r		
(a) Name	Heartwood Forest Land	V	Name	Spartan Mining Co.		
Address	19045 Stone Mountain F	Road	Address	208 Business Street		NAME OF THE PARTY
	Abingdon, VA 24210			Beckley, WV 25801		
(b) Name			(b) Coal Ov	vner(s) with Declara	tion /	
Address	****		Name	Western Pocahontas Pro	perties, LLC 🗸	
		****	Address	5260 Irwin Road		
(a) Manua				Huntington, WV 25705	***************************************	
(c) Name Address	****		Name	**************************************		
Address			Address			
				All the companion of the contract of the contr		
6) Inspector	Brian Ferguson			ssee with Declaratio	ŋ	
Address	Box 124 Big Trace Fork	Road	Name	Spartan Mining Co.	/	mundakan Araman Kriminik Araman Araman Araman Kriminik (Albriminia)
m t t	Harts, WV 25524	***	Address	208 Business Street		
Telephone	304-550-6265		-	Beckley, WV 25801	, , , , , , , , , , , , , , , , , , , 	
well (2) The The reason However, y Take notic accompany Protection, the Applic	its and the plugging wor plat (surveyor's map) sho n you received these docume you are not required to take to e that under Chapter 22-6 of ying documents for a permit with respect to the well at the solution.	ck order; and owing the well located to the sense is that you have rainy action at all. If the West Virginia Co to plug and abandon a the location described on mailed by registere.	ghts regarding the appli de, the undersigned well well with the Chief of the on the attached Applicated do or certified mail or de	cation which are summarized operator proposes to file or I are Office of Oil and Gas, We ion and depicted on the attactivered by hand to the persent of the	I in the instructions has filed this Notice st Virginia Departme hed Form WW-6	on the reverses side and Application and ent of Environmental opies of this Notice.
		W. U.O.	N	711		
COMMONWEALTH OF P	EHNSYLVANIA	Well Operator By:	New River Energy	The sea of		
HOTAFIAL S		Its:	President	for 1990		
DEBORAH M DI Notary Pub		Address	158 Portal Road / P.C	D. Box 1020		
FRANKLIN TWP. GREE	ENE COUNTY		Waynesburg, PA 153			***
ly Commission Expire	Jan 24, 2019	Telephone	724-627-4511	ndelet kale kerkula kerkulan kerkulan kerkula di kalendari da kerkula kerkula kerkula kerkula kerkula kerkula Kerkula kerkula kerkulan kerkulan kerkula kerkula kerkula kerkula kerkula kerkula kerkula kerkula kerkula kerk	HERMONDON HERMONDON EN LEGISLA DE RESENTANTO DE SENTENCIO DE PROPERTO DE PARA PARA PARA PARA PARA PARA PARA P	
		•				Marie Carlos (April 1997) Company of the Carlos (April 1997) Carlo
Subscribed and	sworn before me th	is 30th	lay of Octobe	7 2015 Notary Pub	lic	
My Commission	n Expires	Janu	any 24, 2019	Trocary I do	/IIC	
	ARRENTS CONTROL OF THE PROPERTY OF THE PROPERT	and the state of t	anninente frammarinisterra a frienderiniste describ		REC	EIVED
onice will appro	acy Notice and Gas processes you s. Your personal inforeded to comply with s priately secure your p ase contact DEP's Chic	ersonal informati	on. II you have any	ne, address and phone ate agencies or third pass, including Freedom o questions about our u	se of your perso	Oil and Gas rt of our mal contents. Our calculates. Our epartment of ental Protection
					Environm	ental Flotostis
					lean 1 1 1	11/20/2015

11/20/2015

WW-4B

API No.	47-109-02763
Farm Name	Heartwood Forest Land
Well No.	PC-004E

INSTRUCTIONS TO COAL OPERATORS OWNERS AND LESSEE

The well operator named on the obverse side of WW-4 (B) is about to abandon the well described in the enclosed materials and will commence the work of plugging and abandoning said well on the date the inspector is notified. Which date shall not be less then five days after the day on which this notice and application so mailed is received, or in due course should be received by the Department of Environmental Protection Office of Oil & Gas.

This notice and application is given to you in order that your respective representatives may be present at the plugging and filling of said well. You are further notified that whether you are represented or not the operator will proceed to plug and fill said well in the manner required by Section 24, Article 6, Chapter 22 of the Code and given in detail on obverse side of this application.

NOTE: If you wish this well to be plugged according to 22-6-24(d) then as per Regulation 35CSR4-13.9 you must complete and return to this office on form OB-16 "Request by Coal Operator, Owner, or Lessee for plugging" prior to the issuance of this plugging permit.

	WAIVER	
The undersigned coal operatorhas examined this proposed plugging work of done at this location, provided, the well of Virginia Code and the governing regulations	order. The undersigned herator has complied wit	
Date:		
	Ву:	
	Its	<u></u>

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SURFACE OWNER WAIVER

Operator's Well Number

	C-	Λ	n	1		
Γ'	∪ -	v	v	4	ㄷ	

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW4-A

The well operator named on page WW-4A is applying for a permit from the State to plug and abandon a well. (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 57th St. SE
Charleston, WV 25304
(304) 926-0450

<u>Time Limits and methods for filing comments</u>. The law requires these materials to be served on or before the date the operator files his Application. You have **FIVE** (5) **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.

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 A Permit To Plug And Abandon on Forms WW-4A and WW-4B, and a survey plat.

	-	-	ed work	described in these materials, and \boldsymbol{I} have no
objection to a permit being issued on thos		rıals.		TOD DVDGVMION DV A GODDOD AMION
FOR EXECUTION BY A NATURAL PER	RSON			FOR EXECUTION BY A CORPORATION,
ETC.				
	Date	1	Name _	_
Signature			By	
-		I	lts	Date

WW-9 Rev. 5/08

	Page	of	
API Number 4	7 - 109	- 02763	
Operator's Well	No. PC-0048	•	the majors have not been

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

CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE
Operator Name New River Energy Corporation OP Code 309919
Watershed Rich Branch of Guyandotte River Quadrangle Pineville, WV
Elevation 2,149.80' County Wyoming District Center
Description of anticipated Pit Waste: No pit will be required for this operation
Will a synthetic liner be used in the pit? N/A
Proposed Disposal Method For Treated Pit Wastes:
Land Application
Underground Injection (UIC Permit Number)
Reuse (at API Number
Off Site Dispposal (Supply form WW-9 for disposal location) Other (Explain
Proposed Work For Which Pit Will Be Used:
Drilling
Drilling Swabbing Workover Plugging Other (Explain
Other (Explain
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) Amas A. Cappucci
Subscribed and sworn before me this 30th day of October . 20 15
Motory Public RECEIVED Notory Public RECEIVED
My commission expires January 34, 3019 My commission expires January 34, 3019 FRANKLIN TWP, GREENE COUNTY My Commission Expires Jan 26 Prints WV Departmental Protection
11/20/2015

Operator's Well No	PC-004E
--------------------	---------

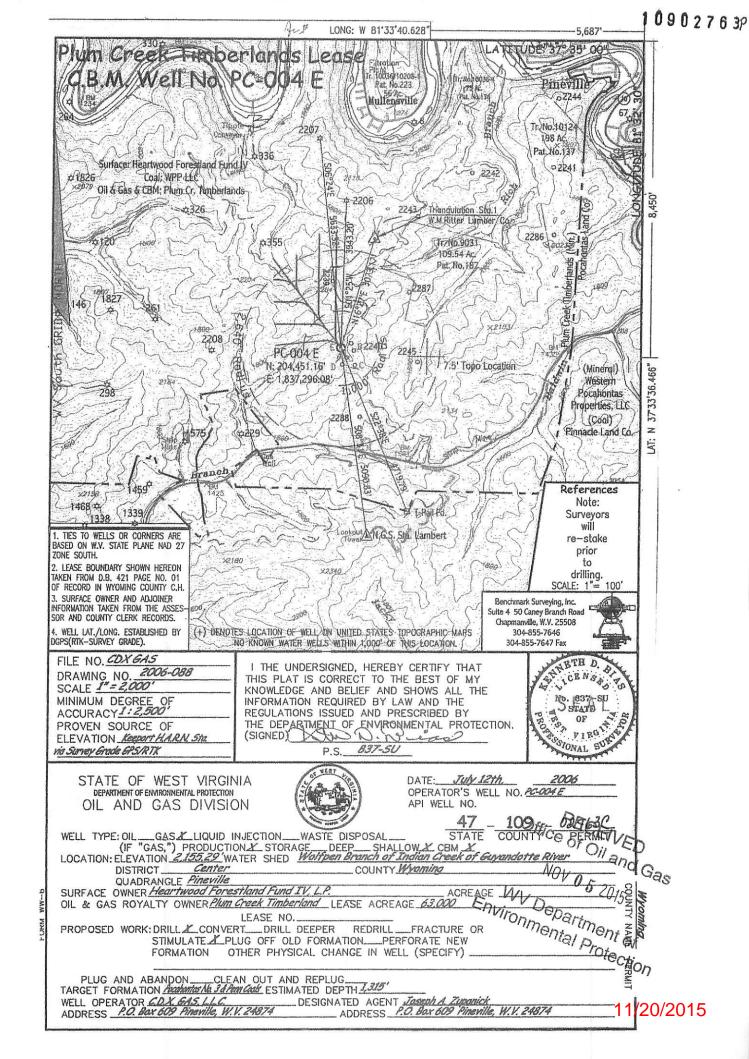
Property Boundary		Diversion Links Like Like Like	
Road = = = = =		Spring —	
Existing Fence — X —	- × ×	Wet Spat	
Planned Fence /	_//_	Drain Pipe with size in inches	₍₁₎
Stream Change		∀ Waterway ← ← ←	\rightarrow
Open Ditch		> Cross Drain	
Rock ESES		Artificial Filter Strip XXXX	*****
North N	•	Pit: cut walls	
Buildings		Pit: compacted fill walls	THE STATE OF THE S
Water wells W		Area for Land Application of Pit	Waste
Drill site		<u> </u>	
Proposed Revegetation Treatm	nent: Acres Disturbed 0.5	Prevegetation pH	
Lime 2	Tons/acre or to correct	to pH 6.0	
Fertilizer (10-20-20 o		lbs/acre (500 lbs minimum)	
Mulch Fiber Mu	Ich 0.5		
Mulch		l'ons/acre	
		Seed Mixtures	
Area	a I	Area	II
Seed Type	lbs/acre	Seed Type	lbs/acre
Tall Fescue	40	Tall Fescue	40
Orchard Grass	6	Orchard Grass	6
Perennial Rye Gra	ass 39	Perennial Rye Grass	39
Red Clover	17	Red Clover	17
Attach: Drawing(s) of road, location,p	sit and proposed area for lar	nd application.	
Photocopied section of involv	ed 7.5' topographic sheet.		
Plan Approved by: Sue	V Jegan	WELLOW DRAW SOME THE THE STATE OF THE STATE	
Comments:			
	<u> </u>		RECEIVED
		- 10 ln l.	Office of Oil and Gas
Title: OOG Tuspector		• •	
Field Reviewed? (_) Yes () No	NOV 1 3 2015

LEGEND

WV Department of Environmental Protection

L	EGEND	
Property Boundary	Diversion (1.1/1/11.11/1/11	
Rond = = = = = = = = = = = = = = = = = = =	Spring	
Existing Fence — X — X — X —	Wet Spot	
Planned Fence///	Drain Pipe with size in inches	— ® —
Stream Stream	Waterway \longleftrightarrow	$\Rightarrow \Leftrightarrow \Leftrightarrow$
Open Ditch	Cross Drain 777777	
Rock ESEBE	Artificial Filter Strip XXXX	
North N	Pit: cut walls	ALLI.
Buildings	Pit: compacted fill walls	THE STATE OF THE S
Water wells W	Area for Land Application of Pit	Waste
Drill site		
	Prevegetation pH	
Fertilizer (10-20-20 or equivalent) 500 lbs/s	acre (500 lbs minimum)	
Fiber Mulch 0 5	,	
Mulch Tons/ac	re	
Seed	Mixtures	
Area I	Area	II
Seed Type lbs/acre	Seed Type	lbs/acre
Tall Fescue 40	Tall Fescue	40
Orchard Grass 6	Orchard Grass	6
Perennial Rye Grass 39	Perennial Rye Grass	39
Red Clover 17	Red Clover	17
Attach: Drawing(s) of road, location,pit and proposed area for land appli Photocopied section of involved 7.5' topographic sheet.	cation.	
Plan Approved by:		
Comments:		
Title:	Date:	RECEIVED ice of Oil and Gas
Field Reviewed? () Yes (_) No	NOV 0 5 2015

WV Department of Environmental Protection 5





West Virginia Department of Environmental Protection Office of Oil and Gas

WELL LOCA	TION FORM: GPS		
_{арі:} 47-109-02763	WELL NO.:P	C-004E	
FARM NAME: Heartwood F	orest Land		_
responsible party name: Ne	w River Energy C	Corporation	
COUNTY: Wyoming	Cel	nter	
QUADRANGLE: Pineville, W	V		
surface owner: Heartwoo	d Forest Land F	und	_
ROYALTY OWNER: Plum Cre	ek Timberlands		
UTM GPS NORTHING: 415717	2.736		tors
UTM GPS NORTHING: 4157172 UTM GPS EASTING: 450442.7	758 GPS ELEVATI	_{on:} 655.259 [°]	2149.80ft
The Responsible Party named above has preparing a new well location plat for a pabove well. The Office of Oil and Gas withe following requirements: 1. Datum: NAD 1983, Zone: 17 height above mean sea level (2. Accuracy to Datum – 3.05 means and 2. Data Collection Method: Survey grade GPS: Post Process Real-Time I	lugging permit or assigned A ill not accept GPS coordinate North, Coordinate Units: me MSL) – meters. eters sed Differential	PI number on the s that do not meet	
	ne Differential X		
4. Letter size copy of the topog I the undersigned, hereby certify this data belief and shows all the information requirescribed by the Office of Oil and Gas.	raphy map showing the we	ns issued and of (NOV	EIVED Oil and Gas 0 5 2015 partment of charal Protection 1/20/2015