



1) Date: August 8, 19 83
 2) Operator's Well No. Clayton #2
 3) API Well No. 47 - 001 - 1972
 State County Permit

STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES, OIL AND GAS DIVISION
 APPLICATION FOR A WELL WORK PERMIT

- 4) WELL TYPE: A Oil XX / Gas XX /
 B (If "Gas", Production XX / Underground storage / Deep / Shallow XX /)
- 5) LOCATION: Elevation: 1856' Watershed: Raccoon Creek
 District: Cove County: Barbour Quadrangle: Colebank 7.5
- 6) WELL OPERATOR Fox Drilling Co., Inc.
 Address P.O. Box 129
Glenville, WV 26351
- 7) DESIGNATED AGENT Robert E. Fox
 Address P.O. Box 129
Glenville, WV 26351
- 8) OIL & GAS INSPECTOR TO BE NOTIFIED
 Name Phillip L. Tracy
 Address Ellamore, WV
472-0091
- 9) DRILLING CONTRACTOR:
 Name Fox Drilling Co., Inc.
 Address P.O. Box 129
Glenville, WV 26351
- 10) PROPOSED WELL WORK: Drill XX / Drill deeper / Redrill / Stimulate
 Plug off old formation / Perforate new formation
 Other physical change in well (specify)
- 11) GEOLOGICAL TARGET FORMATION, Fox Sand
- 12) Estimated depth of completed well, 5600 feet
- 13) Approximate trata depths: Fresh, 80-120 feet; salt, feet.
- 14) Approximate coal seam depths: 550' Is coal being mined in the area? Yes / No XX /
- 15) CASING AND TUBING PROGRAM

RECEIVED

SEP 6 - 1983

OIL & GAS DIVISION
 DEPT. OF MINE

CASING OR TUBING TYPE	Size	SPECIFICATIONS				FOOTAGE INTERVALS		CEMENT FILL-UP OR SACKS (Cubic feet)	Kinds
		Grade	Weight per ft.	New	Used	For drilling	Left in well		
Conductor	11 3/4			X		20	20	To surface	
Fresh water									
Coal									
Intermediate	8 5/8	J 55	23.0	X		1000	1000	To surface	Sizes
Production	4 1/2	J 55	10.5	X			5600	460 SKS	By Rule 15.05 Depths set <u>OR AS REQ</u> by Rule 15.01
Tubing									Perforations:
Liners									Top Bottom

OFFICE USE ONLY
 DRILLING PERMIT

Permit number 47-001-1972

September 13, 19 83
 Date

This permit covering the well operator and well location shown below is evidence of permission granted to drill in accordance with the pertinent legal requirements subject to the conditions contained herein and on the reverse hereof. **Notification must be given to the District Oil and Gas Inspector, (Refer to No. 8) Prior to the construction of roads, locations and pits for any permitted work.** In addition, the well operator or his contractor shall notify the proper district oil and gas inspector 24 hours before actual permitted work has commenced.)

The permitted work is as described in the Notice and Application, plat, and reclamation plan, subject to any modifications and conditions specified on the reverse hereof.

Permit expires September 13, 1985 unless well work is commenced prior to that date and prosecuted with due diligence.

Bond:	Agent:	Plat:	Casing	Fee
LANKET BOND	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	8242

[Signature: Michael Lewis]
 Administrator, Office of Oil and Gas

NOTE: Keep one copy of this permit posted at the drilling location.

See the reverse side of the APPLICANT'S COPY for instructions to the well operator.

File



OFFICE USE ONLY

PERMIT MODIFICATIONS AND CONDITIONS (IF ANY) TO THE PROPOSED WELL WORK

1) Well No. _____

2) Operator _____

3) AP1 Well No. _____

4) Well Operator _____

5) Oil & Gas Inspector to be notified _____

6) Proposed Well Work _____

7) Designated Agent _____

8) Drilling Contractor _____

9) Estimated depth of completed well _____

10) Approximate true depth _____

11) Approximate coal seam depths _____

12) Other physical change in well (specify) _____

13) Geological Target Formation _____

14) Estimated depth of completed well _____

15) Approximate true depth _____

16) Approximate coal seam depths _____

17) Estimated depth of completed well _____

18) Approximate true depth _____

19) Approximate coal seam depths _____

20) Estimated depth of completed well _____

21) Approximate true depth _____

22) Approximate coal seam depths _____

OFFICE USE ONLY

This part of Form IV-2(b) is to record the dates of certain occurrences and any follow-up inspections.

	Date	Date(s)
Application received		
Well work started		
Completion of the drilling process		
Well Record received		
Reclamation completed		

OTHER INSPECTIONS

Reason: _____

Reason: _____

_____	_____	_____	_____	_____
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MARKET BOND

NOTE: Keep one copy of this permit posted at the drilling location.

See the reverse side of the APPLICANT'S COPY for instructions to the well operator.

File

1) Date: August 11, 1983
2) Operator's Well No. Clayton #2
3) API Well No. 47 001
State County Permit

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES, OFFICE OF OIL & GAS
NOTICE OF APPLICATION FOR A WELL WORK PERMIT

- 4) SURFACE OWNER(S) OF RECORD TO BE SERVED
 - (i) Name Dorsey Clayton
Address Rt. Box 50
New Martinsville, WV 26155
 - (ii) Name _____
Address _____
 - (iii) Name _____
Address _____
- 5(i) COAL OPERATOR
Address _____
- 5(ii) COAL OWNER(S) WITH DECLARATION ON RECORD:
 - Name Hellman Coal Co.
Address Grant Building
Pittsburgh, PA 15219
 - Name _____
Address _____
- 5(iii) COAL LESSEE WITH DECLARATION ON RECORD:
 - Name _____
Address _____

TO THE PERSON(S) NAMED ABOVE: You should have received this Form and the following documents:

- (1) The Application for a Well Work Permit on Form IV-2(B) (or Form IV-4 if the well is to be plugged, which sets out the parties involved in the drilling or other work, and describes the well and its location and, if applicable, the proposed casing and cementing program;
- (2) The plat (surveyor's map) showing the well location on Form IV-6; and
- (3) The Construction and Reclamation Plan on Form IV-9 (unless the well work is only to plug a well), which sets out the plan for erosion and sediment control and for reclamation for the site and access road.

THE REASON YOU RECEIVED THESE DOCUMENTS IS THAT YOU HAVE RIGHTS REGARDING THE APPLICATION WHICH ARE SUMMARIZED IN THE "INSTRUCTIONS" ON THE REVERSE SIDE OF THE COPY OF THE APPLICATION (FORM IV-2(B) OR FORM 4, DESIGNATED FOR YOU. HOWEVER, YOU ARE NOT REQUIRED TO TAKE ANY ACTION AT ALL.

Take notice that under Chapter 22 of the West Virginia Code, the undersigned well operator proposes to file or has filed this Notice and Application and accompanying documents for a Well Work Permit with the Administrator of the Office of Oil and Gas, West Virginia Department of Mines, with respect to a well at the location described on attached Application and depicted on attached Form IV-6. Copies of this Notice, the Application, the plat, and the Construction and Reclamation Plan have been mailed by registered or certified mail or delivered by hand to the person(s) named above (or by publication in certain circumstances) on or before the day of mailing or delivery to the Administrator.

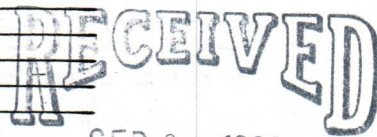
The truth of the information on the Notice and Application is verified and sworn to and the Notice is signed on behalf of the Well Operator in my County and State by

WELL OPERATOR Fox Drilling Co., Inc.

By Robert E. Fox
Its President
Address P.O. Box 129
Glenville, WV 26351
Telephone 462-7353

this 11 day of August, 1983.
My commission expires 4-10, 1990.

Paul D. [Signature]
Notary Public, Gilmer County,
State of West Virginia



SEP 6 - 1983

OIL & GAS DIVISION
DEPT. OF MINES

6) EXTRACTION RIGHTS

Check and provide one of the following:

- Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil or gas.
- The requirement of Code 22-4-1-(c) (1) through (4). (See reverse side for specifics.)

7) ROYALTY PROVISIONS

Is the right to extract, produce or market the oil or gas based upon a lease or leases or other contract or contracts providing for flat well royalty or any similar provision for compensation to the owner of the oil or gas in place which is not inherently related to the volume of oil or gas so extracted, produced or marketed? Yes No

If the answer above is No, nothing additional is needed. If the answer is Yes, you may use Affidavit Form IV-60.

INSTRUCTIONS TO APPLICANT

CONCERNING THE LINE ITEMS:

- 1) Date of Notice.
- 2) Your well name and number.
- 3) To be filled out by the Office of Oil & Gas.
- 4) & 5) Use separate sheet if necessary.
- 4) Surface owner(s) of record to be served with Notice and Application. However, see also Code § 22-4-1b(b) if "more than three tenants in common or other co-owners of interest described in subsection (a) of this section hold interests in such lands".
- 5(i) "Coal Operator" means any person, firm, partnership, partnership association or corporation that proposes to or does operate a coal mine.
- 5(ii, iii) See Code § 22-4-20.
- 6) See Code § 22-4-11(c). However, in lieu of filing the lease(s) or other continuing contract(s), the Applicant may fill out the information in the space provided below.
- 7) See Code § § 22-4-11(d, e).

CONCERNING THE REQUIRED COPIES FOR FILING AND SERVICE:

Filing. Code § 22-4-1k and Regulation 7.02 provide that the original and required copies of the Notice and Application must be filed with the Administrator, accompanied by (i) a plat in the form prescribed by Regulation 11, (ii) a bond in one of the forms prescribed by Regulation 12, or in lieu thereof the other security allowed by Code § 22-4-1k(d) and the reclamation required by Code § 22-4-12b and Regulation 23, (iv) unless previously paid on the same well, the fees required by Code § 22-4-1a(c) and 22-3-12a, and (v) if applicable, the consent required by Code § 22-4-8a from the owner of any water well on dwelling within 200 feet of the proposed well.

Service. In addition, service must be made on the surface owner(s) and the person(s) with an interest in the coal. See Code § § 22-4-1m, 22-4-2, 22-4-2a, and 22-4-2b.

INFORMATION SUPPLIED UNDER CODE § 22-4-11(d)

IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on the reverse side of this Notice, I depose and say that I am the person who signed the Notice for the Applicant, and that—

- (1) the tract of land is the same tract described in the Application to which this Notice applies, 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 or gas are as follows:

Grantor, lessor, etc.	Grantee, lessee, etc.	Royalty	Book Page
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2) Operator's Well No. Clayton #2

3) API Well No. 47 001

State County Permit

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES, OFFICE OF OIL & GAS
NOTICE OF APPLICATION FOR A WELL WORK PERMIT

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(i) Name Dorsey Clayton
Address Rt. Box 50
New Martinsville, WV 26155
(ii) Name
Address
(iii) Name
Address

5(i) COAL OPERATOR
Address
5(ii) COAL OWNER(S) WITH DECLARATION ON RECORD:
Name Hallman Coal Co.
Address Grant Building
Pittsburgh, PA 15219
Name
Address
5(iii) COAL LESSEE WITH DECLARATION ON RECORD:
Name
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The truth of the information on the Notice and Application is verified and sworn to and the Notice is signed on behalf of the Well Operator in my County and State by

WELL OPERATOR Fox Drilling Co., Inc.
By Robert E. Fox
Its President
Address P.O. Box 129
Glenville, WV 26351
Telephone 462-7353

Robert E. Fox
this 11 day of August, 1983.
My commission expires 4-10, 1990.
Notary Public, Gilmer County, State of West Virginia

6) EXTRACTION RIGHTS

Check and provide one of the following:
[X] Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil or gas.
[] The requirement of Code 22-4-1-(c) (1) through (4). (See reverse side for specifics.)

7) ROYALTY PROVISIONS

Is the right to extract, produce or market the oil or gas based upon a lease or leases or other contract or contracts providing for flat well royalty or any similar provision for compensation to the owner of the oil or gas in place which is not inherently related to the volume of oil or gas so extracted, produced or marketed? Yes No

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 3) API Well No. 47 State 001 County Permit

**STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES, OIL AND GAS DIVISION
 APPLICATION FOR A WELL WORK PERMIT**

- 4) WELL TYPE: A Oil / Gas XX /
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- 5) LOCATION: Elevation: 1856' Watershed: Raccoon Creek
 District: Cove County: Barbour Quadrangle: Colebank 7.5
- 6) WELL OPERATOR Fox Drilling Co., Inc. 7) DESIGNATED AGENT Robert E. Fox
 Address P.O. Box 129 Address P.O. Box 129
Glenville, WV 26351 Glenville, WV 26351
- 8) OIL & GAS INSPECTOR TO BE NOTIFIED 9) DRILLING CONTRACTOR:
 Name Phillip L. Tracy Name Fox Drilling Co., Inc.
 Address Ellamore, WV Address P.O. Box 129
472-0091 Glenville, WV 26351
- 10) PROPOSED WELL WORK: Drill XX / Drill deeper / Redrill / Stimulate
 Plug off old formation / Perforate new formation
 Other physical change in well (specify)
- 11) GEOLOGICAL TARGET FORMATION, Fox Sand
- 12) Estimated depth of completed well, 5600 feet
- 13) Approximate trata depths: Fresh, 80-120 feet; salt, feet.
- 14) Approximate coal seam depths: 350' Is coal being mined in the area? Yes / No XX /

15) CASING AND TUBING PROGRAM

CASING OR TUBING TYPE	SPECIFICATIONS					FOOTAGE INTERVALS		CEMENT FILL-UP OR SACKS (Cubic feet)	PACKERS	
	Size	Grade	Weight per ft.	New	Used	For drilling	Left in well		Kinds	Sizes
Conductor	1 3/4			X		20	20	To surface		
Fresh water										
Coal										
Intermediate	8 5/8	J 55	23.0	X		1900	1900	To surface		
Production	4 1/2	J 55	10.5	X			5600			Depths set
Tubing										
Liners										Perforations:
										Top Bottom

The law requires a comment period for surface owners. However, the permit can be issued in less than 15 days from the filing of the Application if the surface owner(s) of record sign(s) the following "Voluntary Statement of No Objection" on a facsimile of this surface owner's copy of the Application.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners on the reverse side of this Application for a Well Work Permit, and that I have received copies of (1) a Notice of Application for a Well Work Permit on Form IV-2(A), (2) an Application for a Well Work Permit on Form IV-2(B), (3) a survey plat on Form IV-6, and (4) a Construction and Reclamation Plan on Form IV-9, all for proposed well work on my surface land as described therein.

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

(For execution by corporation, partnership, etc.)

(For execution by natural persons)

NAME: _____

By _____

Date: September 1 83

Rosey A. Clayton (Signature) Date: 8/8/83

Will R. Kohl (Signature) Date: _____

Geologist

**INSTRUCTIONS TO SURFACE OWNERS
AND
EXPLANATION OF METHODS AND TIME LIMITS TO COMMENT
ON OIL AND GAS WELL WORK PERMIT**

The well operator named in the Notice and this Application and the attached materials is applying for a permit from the State to do oil or gas well drilling or other well work. You are being served with these materials because surface owners have the right to file comments before the permit is issued. (**NOTE:** If the surface tract is owned by more than three persons, in multiple heirship for example, 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, Article 4 of the W. Va. Code. 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 named in the materials and the Administrator of the Office of Oil and Gas in the West Virginia Department of Mines immediately.

NOTE: You are not required to file any comment at all.

Where to file comments and obtain additional information:

Administrator of the Office of Oil and Gas
West Virginia Department of Mines
1615 Washington Street East
Charleston, West Virginia 25311
(304) 348-2057

Who may file comments? If you wish to file comments, you must be an owner of record of (1) an interest in the surface tract on which the well already is or is about to be located, or (2) an interest in any other surface tract under the same oil or gas lease which will be utilized for roads or other land disturbances.

Time limits for comments. The law requires these materials to be delivered on or before the date the operator files his Application. You have **FIFTEEN (15) DAYS** after the filing date to file your comments as provided in **Methods for Filing Comments** below. You may call the Administrator's office at the above telephone number to be sure of the date. However, if you have been contacted by the well operator, and if you have signed a "voluntary statement of no objection" to any of 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.

Methods for filing comments. Comments must be filed in person or received in the mail at the Administrator's office by the time stated above. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling.

The Administrator for Oil and Gas has the power to deny or condition a well work permit based on your comments on the following grounds:

- "(1) The proposed well work will constitute a hazard to the safety of persons; or
- "(2) The plan for soil erosion and sediment control is not adequate or effective; or
- "(3) Damage would occur to publicly owned lands or resources; or
- "(4) The proposed well work fails to protect fresh water sources or supplies."

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

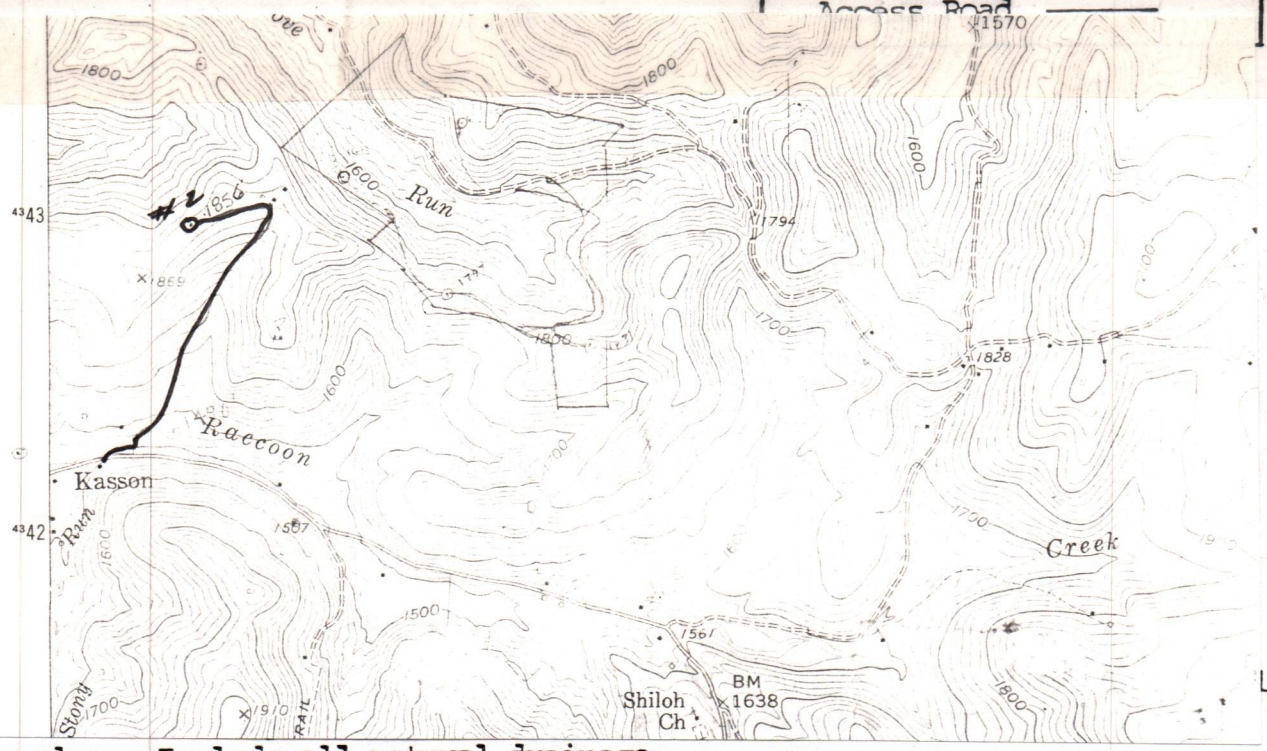
List of Water Testing Laboratories. The Administrator maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Administrator's office or an Oil and Gas Inspector to obtain a copy of the list.

ATTACH OR PHOTOCOPY SECTION OF INVOLVED TOPOGRAPHIC MAP. QUADRANGLE Colebank 7.5

LEGEND

Well Site ⊕

Access Road ———



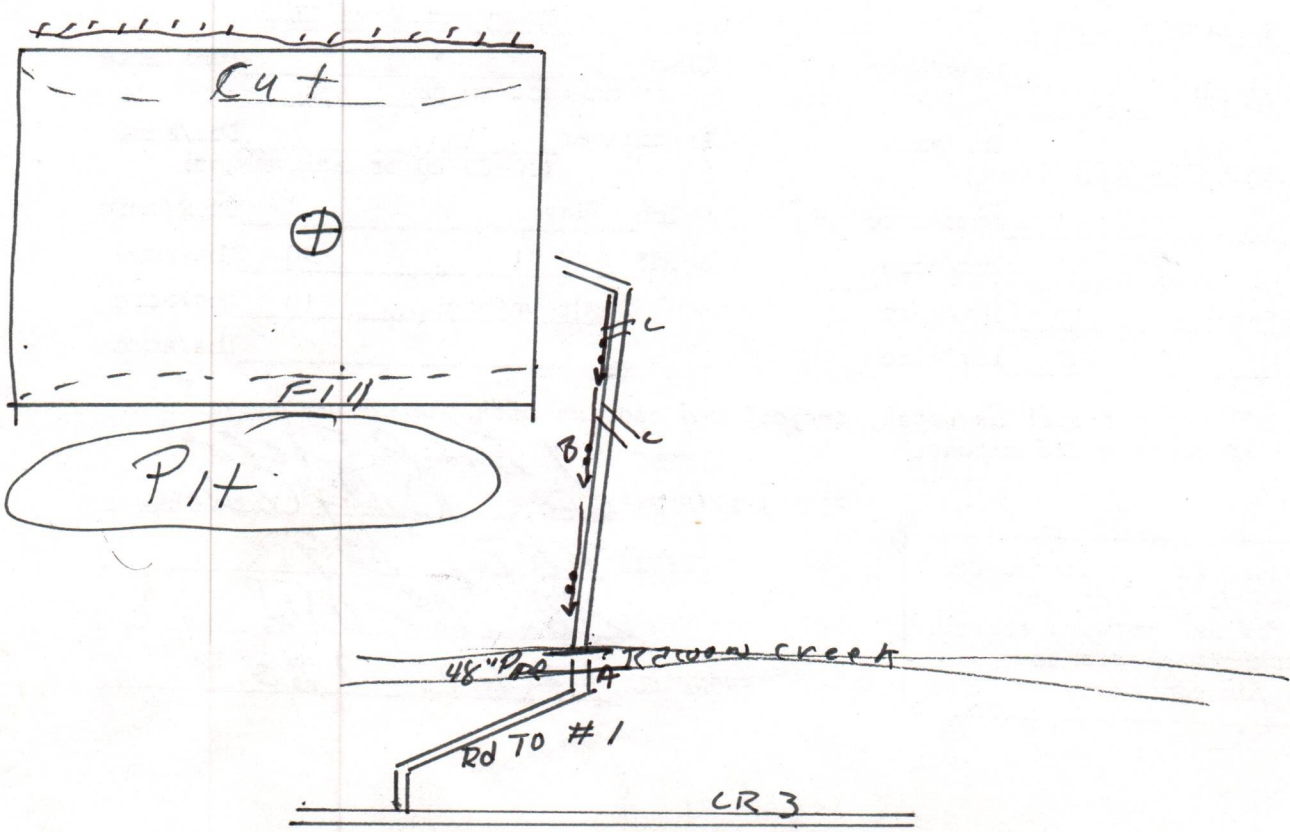
part of this plan. Include all natural drainage.

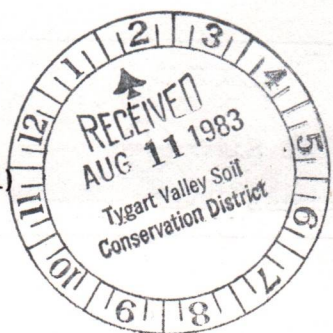
Site, first

LEGEND

Property boundary ———	Diversion ———
Road = = = = =	Spring ○ →
Existing fence — x — x —	Wet spot ♀
Planned fence — / — / —	Building ■
Stream ~ ~ ~ ~ ~	Drain pipe — ○ — ○ — ○ —
Open ditch — ···· →	Waterway ← = = = =

1. Well located in brushy field.
2. Top soil to be stock piled for use during reclamation.
3. All cuts on 2:1 slope.
4. Grade of road will vary from 0 - 9%.





DATE August 11, 1983

WELL NO. Clayton #2

State of West Virginia
Department of Mines
Oil and Gas Division

API NO. 47 - 001 - 1972

CONSTRUCTION AND RECLAMATION PLAN

COMPANY NAME Fox Drilling Co., Inc. DESIGNATED AGENT Robert E. Fox
Address P.O. Box 129, Glenville, WV 26351 Address P.O. Box 129, Glenville, WV 26351
Telephone 462-7353 Telephone 462-7353

LANDOWNER Dorsey A. Clayton SOIL CONS. DISTRICT Tygart Valley
Revegetation to be carried out by Fox Pipeline Construction (Agent)

This plan has been reviewed by Tygart Valley SCD. All corrections
and additions become a part of this plan: 8-11-83 (Date)

Justin Pepich
(SCD Agent)

ACCESS ROAD

LOCATION

Structure Pipe (A)
Spacing Size 48"
Page Ref. Manual 2.8

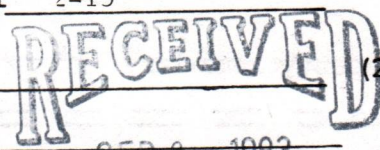
Structure Diversion Ditch (1)
Material Earthen
Page Ref. Manual 2-15

Structure V Ditch (B)
Spacing Parallel
Page Ref. Manual 2-15

Structure _____ (2)
Material _____
Page Ref. Manual _____

Structure Drainage Ditch - Pipe (C)
Spacing As required 16"
Page Ref. Manual 2-12 9-8

Structure _____ (3)
Material _____
Page Ref. Manual _____



OIL & GAS DIVISION
DEPT. OF MINES

All structures should be inspected regularly and repaired if necessary. All commercial timber is to be cut and stacked and all brush and small timber to be cut and removed from the site before dirt work begins.

REVEGETATION

Treatment Area I

Lime 3 Tons/acre
or correct to pH 6.5
Fertilizer 600 lbs/acre
(10-20-20 or equivalent)
Mulch Hay 2 Tons/acre
Seed* KY 31 30 lbs/acre
Crownfetch 10 lbs/acre
_____ lbs/acre

Treatment Area II

Lime 3 Tons/acre
or correct to pH 6.5
Fertilizer 600 lbs/acre
(10-20-20 or equivalent)
Mulch Hay 2 Tons/acre
Seed* KY 31 30 lbs/acre
Crownfetch 10 lbs/acre
_____ lbs/acre

*Inoculate all legumes such as vetch, trefoil and clovers with the proper bacterium. Inoculate with 3X recommended amount.

NOTES: Please request landowner's cooperation to protect new seedling for one growing season. Attach separate sheets as necessary for comments.

PLAN PREPARED BY Fox Drilling Co Inc
ADDRESS PO Box 129
Glenville WV
PHONE NO. 462 7353

AGREEMENT, made and entered into the 5th day of April 1982 by and between Dorsey A. Clayton and Rosa Lee Clayton

of New Martinsville P. O. County of Wetzel and State of W. Va 26155 part 123 of the first part,

hereinafter called Lessors, whether one or more, and Robert E. Fox party of the second part, hereinafter called Lessee.

WITNESSETH, that the said Lessors for and in consideration of the sum of 500.00 Five Hundred Dollars to them in hand well and truly paid by the said Lessee, the receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of the said Lessee, to be paid, kept, and performed, have granted, demised, leased and let and by these presents do grant, demise, lease and let with covenants of quiet possession, and that they have the sole right so to grant and demise, unto the said Lessee, its successors and assigns, for the purpose of mining and operating for oil and gas, and of building tanks, stations, power plants, water stations and structures thereon to take care of the said products, and of laying pipe lines on, over and across the leased premises and other lands of Lessors, for the purpose of conveying oil, gas, steam or water therein from and to wells and pipe lines on the premises and on adjoining and adjacent farms, and rights of way for road ways over this and other land of Lessors.

all interest in Cove District Barbour County and State of West Virginia, on the waters of Racoon Creek bounded as follows:

On the North by lands of Now or Formally D. Hordin DB 279/72

On the East by lands of Now or Formally E. Runner (map 10 parcel 5)

On the South by lands of Now or Formally V. Howdershelt, D. Clayton, G. Wilson

On the West by lands of Now or Formally J. Edge, T. J. Lewis

Containing Sixty Two (62) acres, more or less, reserving, however, therefrom all lands within two hundred feet of the resident buildings, now on the premises on which no well shall be drilled by either party except by mutual consent. Eighteen (18) months

It is agreed that this lease shall remain in force for the term of ten years from this date and as long thereafter as oil or gas, or either of them, is produced from the said lands by the said Lessee, its successors and assigns.

In consideration of the premises the said party of the second part, covenants and agrees: 1st-to deliver to the credit of the Lessors, their heirs or assigns, free of cost, in the pipe line to which the Lessee may connect with its wells all of the the equal one-eighth (1/8) part of all oil produced

and saved from the leased premises; and second, to pay all of the one-eighth (1/8) of the value at the well of the gas from each and every gas well drilled on said premises, the product from which is marketed and used off the premises, said gas to be measured at a meter set on the farm.

The Lessee shall not be required in any event to increase the rate of said gas well payments or said royalty of oil by reason of any royalty or interest in said oil or gas that may have been heretofore sold, reserved or conveyed by Lessors or their predecessor in title or otherwise. And any such outstanding royalty or interest shall first be deducted from the royalties and rentals above provided to be paid or delivered.

It is agreed by the parties hereto that the Lessee, its successors and assigns, shall have the right to use off the farm for such purposes as it may desire, "Casing Head Gas," (being gas produced from wells on the premises), but if said "casing head gas" or any part thereof should be manufactured into gasoline or other by-products by said company, said Lessors shall receive all of the one-eighth of the net value at the factory of the gasoline and other by-products so manufactured.

The Lessors may lay a line to any gas well drilled on said land and take gas therefrom free for their own domestic use in one dwelling house on said land, out of any surplus gas over and above what Lessee, its successors and assigns, may require to operate the lease, and subject to the use, operation, pumping and right of abandonment of the well by Lessee, its successors and assigns; Lessors are to provide and use economical appliances and to use said gas at their own risk, subject to the reasonable rules and regulations of said Lessee, its successors and assigns, published at such time relating to such use of gas.

The said Lessee covenants and agrees to pay a rental at the rate of Five Hundred Dollars (\$500.00) Dollars annually in advance, beginning in immediately 18 months from this date, until, but not after, a well yielding royalty to the Lessors is drilled on the leased premises, and any rental paid for time beyond the date of completion of a gas well shall be credited upon the first royalty due upon the same and all rentals shall cease after the surrender of the lease as hereinafter provided for. All payments for delay, for gas produced and marketed, for gasoline and other by-products may be made direct to the Lessors or be deposited to their credit, or to the credit of their heirs and assigns, in the Bank of

or by check mailed to Dorsey Clayton at R. 2 Box 50 New Martinsville P. O. Wetzel County,

State of West Virginia 26155; such payments may also be made in the same manner to who is hereby appointed agent for the lessors to receive the same.

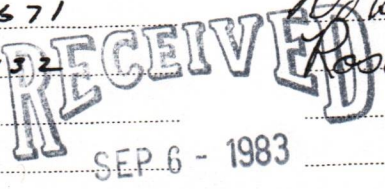
As part consideration hereof Lessors agree to pay, and Lessees are authorized to deduct from any royalty payment, the Lessors' proportionate part of all the excise, depletion, privilege and/or production tax levied, assessed or charged on or against the oil and/or gas produced from said premises.

It is agreed that the Lessee is to have the privilege of using free sufficient water and gas from the said premises to run all machinery necessary for drilling and operating thereon and at any time to remove all machinery and fixtures placed on said premises; and further, upon the payment of (\$1.00) One Dollar at any time, by the party of the second part, or by its successors and assigns it or they shall have the right to surrender of the lease as hereinafter provided for. All payments for royalties thereafter to accrue under and by virtue of its terms shall cease and determine, and this lease become absolutely null and void.

Lessors agree that the recordation of a deed of surrender in the proper county, and the mailing in the postoffice of a check, payable as above provided, for said last mentioned sum and all amount then due hereunder, shall be a full surrender and termination of this lease.

All provisions of this lease shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto. In Witness Whereof, the parties of this agreement have hereunto set their hands and seals the day and year first above written.

Witness: S/S # 234 58- 5671 Dorsey A. Clayton (Seal) S/S # 233- 62- 3432 Rosalee Clayton (Seal)



Lease prepared by Fox Drilling Co., Inc. P.O. Box 129 Glenville, W. Va. The maximum number of wells are to be drilled as per spacing permitting. Mr. Clayton is to assist in picking locations and roads.

Must continue paying rental after a well is drilled until same is placed into production. All casing lines must be buried unless permission is given by Mr. Clayton in writing.

STATE OF WEST VIRGINIA, COUNTY OF Wetzel To-wit:

I, Robert Gary Holl
a Notary Public of said county of STATE WIDE do certify
that Dorsey A. Clayton and Rosalea Clayton
his wife, whose name is ore signed to the writing above bearing date the 5th day of
April, A. D. 1982 have this day acknowledged the same before me in my said county.
Given under my hand this 5th day of April A. D. 1982

Robert Gary Holl

My Commission expires Sept 29, 1991

STATE OF WEST VIRGINIA, COUNTY OF _____ To-wit:

I, _____ of said county of _____ do certify
that _____ and _____
his wife, whose name _____ signed to the writing above bearing date the _____ day of
_____, A. D. 19____ ha____ this day acknowledged the same before me in my said county.
Given under my hand this _____ day of _____ A. D. 19_____

My Commission expires _____

STATE OF WEST VIRGINIA, COUNTY OF _____ To-wit:

I, _____ of said county of _____ do certify
that _____ and _____
his wife, whose name _____ signed to the writing above bearing date the _____ day of
_____, A. D. 19____ ha____ this day acknowledged the same before me in my said county.
Given under my hand this _____ day of _____ A. D. 19_____

My Commission expires _____

23-45-34
BARBOUR COUNTY, W.V.
FILED OR RECORDED

1982 APR -7 PM 1:05

90 PAGE 493
GLENN A. PROPST, CLERK

STATE OF WEST VIRGINIA, County of Barbour, To-wit:

I, Glenna G. Propst, Clerk of the County Commission of said County, do hereby certify that the foregoing writing, with Certificate thereto annexed, was this day produced to me in my office and duly admitted to record.

Witness my hand. Glenna G. Propst CLERK.

DAYTON LEGAL FEE PAID \$2.00
GLENN A. PROPST
CLERK BARBOUR COUNTY



1) Date: August 8, 19 83
 2) Operator's Well No. Clayton 42
 3) API Well No. 47 001
 State County Permit

Waiver

STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES, OIL AND GAS DIVISION
 APPLICATION FOR A WELL WORK PERMIT

- 4) WELL TYPE: A Oil _____ / Gas XX /
 B (If "Gas", Production XX / Underground storage _____ / Deep _____ / Shallow XX /)
- 5) LOCATION: Elevation: 1856' Watershed: Raccoon Creek
 District: Cove County: Barbour Quadrangle: Colebank 7.5
- 6) WELL OPERATOR Fox Drilling Co., Inc. 7) DESIGNATED AGENT Robert E. Fox
 Address P.O. Box 129 Address P.O. Box 129
Glenville, WV 26351 Glenville, WV 26351
- 8) OIL & GAS INSPECTOR TO BE NOTIFIED 9) DRILLING CONTRACTOR:
 Name Phillip L. Tracy Name Fox Drilling Co., Inc.
 Address Ellamore, WV Address P.O. Box 129
472-0091 Glenville, WV 26351
- 10) PROPOSED WELL WORK: Drill XX / Drill deeper _____ / Redrill _____ / Stimulate _____
 Plug off old formation _____ / Perforate new formation _____
 Other physical change in well (specify) _____
- 11) GEOLOGICAL TARGET FORMATION, Fox Sand
 12) Estimated depth of completed well, 5600 feet
 13) Approximate strata depths: Fresh, 80-120 feet; salt, _____ feet.
 14) Approximate coal seam depths: 550' Is coal being mined in the area? Yes _____ / No XX /

15) CASING AND TUBING PROGRAM

CASING OR TUBING TYPE	SPECIFICATIONS					FOOTAGE INTERVALS		CEMENT FILL-UP OR SACKS (Cubic feet)	PACKERS
	Size	Grade	Weight per ft.	New	Used	For drilling	Left in well		
Conductor	<u>11 3/4</u>			<u>X</u>		<u>20</u>	<u>20</u>	<u>To surface</u>	Kinds
Fresh water									
Coal									Sizes
Intermediate	<u>8 5/8</u>	<u>J 55</u>	<u>23.0</u>	<u>X</u>		<u>1900</u>	<u>1900</u>	<u>To surface</u>	
Production	<u>4 1/2</u>	<u>J 55</u>	<u>10.5</u>	<u>X</u>			<u>5600</u>		Depths set
Tubing									
Liners									Perforations: Top Bottom

INSTRUCTIONS TO COAL OPERATOR, OWNER, OR LESSEE

The named coal operator, coal owner(s), and coal lessee are hereby notified that any objection they wish to make or are required to make by Code §22-4-3 must be filed with the Department of Mines within fifteen (15) days after the receipt of this Application by the Department.

The following waiver must be completed by the coal operator and by any coal owner or coal lessee who has recorded a declaration under Code §22-4-20, if the permit is to be issued within fifteen (15) days of the filing of the Application.

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 the 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.

Date: September 1, 19 83

Hillman Coal & Coke Co.
 By William R. Kohl
 Its Geologist

MAY 15 1985



oncomf

State of West Virginia
Department of Mines
Oil and Gas Division
Charleston 25305

This is to acknowledge that the wells listed on the reverse of this form are hereby transferred from Fox Drilling Company, Inc. 18000 (the transferor) to D. G. Haney, Inc. 20900 (the transferee).

The transferee by this document is accepting all responsibility for compliance with the provisions of Chapter 22 Article 4 of the West Virginia Code and all rules and regulations promulgated thereunder, for the listed wells.

The transferee's designated agent (name) D. G. Haney, (address) Box 3810, Charleston, West Virginia 25338 is on file with the Office of Oil and Gas.

The transferee has bonded the said wells by securities, cash, or surety (circle one) bond identified below by amount, effective date, issuing authority, and any identifying number. \$50,000.00 October 13, 1984, United States Fidelity & Guarantee Company, No. 93784

(Transferee) D. G. Haney, Inc.
By [Signature]
Its President

Taken, subscribed and sworn to before me this 31 day of May 19 85
Notary Public Herbert K. Dew
My commission expires 4-30 19 91

(Transferor) _____
By _____
Its _____

Taken, subscribed and sworn to before me this _____ day of _____ 19 _____
Notary Public _____
My commission expires _____ 19 _____

ACCEPTED THIS 2 DAY OF July 1985
BY: [Signature]
Administrator-Office of Oil and Gas

NO RELEASE OF
Fox Drilling's Bond.
10-77 Reflects two
persons liable for violations

(Attach separate sheets as necessary)

Fox Drilling Co. Inc.
Well Operator
By: [Signature] President
Date: February 7, 1984

Note: Regulation 2.02(i) provides as follows:
"The term 'log' or 'well log' shall mean a systematic detailed geological record of all formations, including coal, encountered in the drilling of a well."

API (Permit) Number



IV-35
(Rev 8-81)

RECEIVED
MAR 1 - 1984

State of West Virginia
Department of Mines
Oil and Gas Division

Date February 7, 1984
Operator's
Well No. 2 (Two)
Farm Clayton
API No. 47 - 001 - 1972

OIL & GAS DIVISION

DEPT. OF MINES WELL OPERATOR'S REPORT

OF
DRILLING, FRACTURING AND/OR STIMULATING, OR PHYSICAL CHANGE

WELL TYPE: Oil ___ / Gas XX / Liquid Injection ___ / Waste Disposal ___ /
(If "Gas," Production XX / Underground Storage ___ / Deep ___ / Shallow XX /)

LOCATION: Elevation: 1856' Watershed Raccoon Creek
District: Cove County Barbour Quadrangle Colebank 7.5

OWNER Fox Drilling Co. Inc.
ADDRESS P.O. Box 129 Glenville, W.V. 25361
DESIGNATED AGENT Robert E. Fox
ADDRESS P.O. Box 129 Glenville, W.V. 25361
SURFACE OWNER Dorsey Clayton
ADDRESS Box 50 New Martinsville, W.V. 26155
MINERAL RIGHTS OWNER Same
ADDRESS _____
OIL AND GAS INSPECTOR FOR THIS WORK Phillip Tracy ADDRESS Elkins, W.V. 26241
PERMIT ISSUED 9-13-83
DRILLING COMMENCED 1-3-84
DRILLING COMPLETED 1-9-84
IF APPLICABLE: PLUGGING OF DRY HOLE ON CONTINUOUS PROGRESSION FROM DRILLING OR REWORKING. VERBAL PERMISSION OBTAINED ON _____

Casing & Tubing	Used in Drilling	Left in Well	Cement fill up Cu. ft.
Size 20-16 Cond.			
13-10"			
9 5/8			
8 5/8	1950'	1950'	470 SKS
7			
5 1/2			
4 1/2		5816'	615 SKS
3			
2			
Liners used			

GEOLOGICAL TARGET FORMATION Fox Sand Depth 5890 feet
Depth of completed well 5995 feet Rotary XX / Cable Tools _____
Water strata depth: Fresh 787 feet; Salt _____ feet
Coal seam depths: 107, 785 Is coal being mined in the area? No

FLOW DATA

Producing formation Haverty, 4th Elk Pay zone depth See Treatment feet
Gas: Initial open flow _____ Mcf/d Oil: Initial open flow _____ Ebl/d
Final open flow 920 Mcf/d Oil: Final open flow _____ Ebl/d
Time of open flow between initial and final tests 4 hours
Static rock pressure 1300 psig (surface measurement) after 48 hours shut in
(If applicable due to multiple completion--)
Second producing formation 2nd Elk, 1st Elk, Benson Pay zone depth See Treatment feet
Gas: Initial open flow _____ Mcf/d Oil: Initial open flow _____ Ebl/d
Final open flow Commingle Mcf/d Oil: Final open flow _____ Ebl/d
Time of open flow between initial and final tests _____ hours
Static rock pressure _____ psig (surface measurement) after _____ hours shut in

(Continue on reverse side)

BAR 1712

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES
OIL AND GAS WELLS DIVISION

RECEIVED

JUL - 9 1984

INSPECTOR'S WELL REPORT

OIL & GAS DIVISION
DEPT. OF MINES
Oil or Gas Well _____
(KIND)

Permit No. 001-1972

Company Fox

Address _____

Farm D Clayton #2

Well No. _____

District _____ County 001

Drilling commenced _____

Drilling completed _____ Total depth _____

Date shot _____ Depth of shot _____

Initial open flow _____ /10ths Water in _____ Inch

Open flow after tubing _____ /10ths Merc. in _____ Inch

Volume _____ Cu. Ft.

Rock pressure _____ lbs. _____ hrs.

Oil _____ bbls., 1st 24 hrs.

Fresh water _____ feet _____ feet

Salt water _____ feet _____ feet

CASING AND TUBING	USED IN DRILLING	LEFT IN WELL	PACKERS
Size			
16			Kind of Packer _____
13			
10			Size of _____
8 1/4			
6 5/8			Depth set _____
5 3/16			
3			Perf. top _____
2			Perf. bottom _____
Liners Used			Perf. top _____
			Perf. bottom _____
CASING CEMENTED _____ SIZE _____ No. FT. _____ Date _____			
NAME OF SERVICE COMPANY _____			
COAL WAS ENCOUNTERED AT _____ FEET _____ INCHES			
_____ FEET _____ INCHES _____ FEET _____ INCHES			
_____ FEET _____ INCHES _____ FEET _____ INCHES			

Drillers' Names _____

Remarks:

Road Severely Washed, Needs Cray
drains — Needs patched & sealed

Violated 7/5/84

7/3/84
DATE

Physical
DISTRICT WELL INSPECTOR

7/6/84
DATE

RG Beall
DISTRICT WELL INSPECTOR

RECEIVED

JUL 16 1984

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES
OIL AND GAS WELLS DIVISION

OIL & GAS DIVISION
DEPT. OF MINES

INSPECTOR'S WELL REPORT

Permit No. 001-1972

Oil or Gas Well _____
(KIND)

Company	CASING AND TUBING	USED IN DRILLING	LEFT IN WELL	PACKERS
<u>Fox</u>	Size			
Address _____	16			Kind of Packer _____
Farm <u>D. Clayton</u>	13			
Well No. <u>#2</u>	10			Size of _____
District _____ County <u>001</u>	8 1/4			
Drilling commenced _____	6 3/8			Depth set _____
Drilling completed _____ Total depth _____	5 3/16			
Date shot _____ Depth of shot _____	3			Perf. top _____
Initial open flow _____ /10ths Water in _____ Inch	2			Perf. bottom _____
Open flow after tubing _____ /10ths Merc. in _____ Inch	Liners Used			Perf. top _____
Volume _____ Cu. Ft.				Perf. bottom _____
Rock pressure _____ lbs. _____ hrs.	CASING CEMENTED _____ SIZE _____ No. FT. _____ Date _____			
Oil _____ bbls., 1st 24 hrs.	NAME OF SERVICE COMPANY _____			
Fresh water _____ feet _____ feet	COAL WAS ENCOUNTERED AT _____ FEET _____ INCHES			
Salt water _____ feet _____ feet	_____ FEET _____ INCHES	_____ FEET _____ INCHES	_____ FEET _____ INCHES	_____ FEET _____ INCHES

Drillers' Names Fox

Remarks: Violated for having cross ditches -
lifting violation - cross ditches, tracks
Put in for Temporary Control

7/12/84
DATE

Phyllis (501)
DISTRICT WELL INSPECTOR

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES
OIL AND GAS WELLS DIVISION

INSPECTOR'S WELL REPORT

RECEIVED
OCT 9 1984

Permit No. 001-1972

OIL & GAS DIVISION
(KIND) Gas Well

DEPT. OF MINES

Company <u>Fox</u>	CASING AND TUBING	USED IN DRILLING	LEFT IN WELL	PACKERS
Address _____	Size			
Farm <u>D. Clayton</u>	16			Kind of Packer _____
Well No. <u>#2</u>	13			
District _____ County <u>001</u>	10			Size of _____
Drilling commenced _____	8 1/4			Depth set _____
Drilling completed _____ Total depth _____	6 3/8			
Date shot _____ Depth of shot _____	5 3/16			Perf. top _____
Initial open flow _____ /10ths Water in _____ Inch	3			Perf. bottom _____
Open flow after tubing _____ /10ths Merc. in _____ Inch	2			Perf. top _____
Volume _____ Cu. Ft.	Liners Used _____			Perf. bottom _____
Rock pressure _____ lbs. _____ hrs.	CASING CEMENTED _____ SIZE _____ No. FT. _____ Date _____			
Oil _____ bbls., 1st 24 hrs.	NAME OF SERVICE COMPANY _____			
Fresh water _____ feet _____ feet	COAL WAS ENCOUNTERED AT _____ FEET _____ INCHES			
Salt water _____ feet _____ feet	_____ FEET _____ INCHES _____ FEET _____ INCHES			
	_____ FEET _____ INCHES _____ FEET _____ INCHES			

Drillers' Names _____

Remarks: Fox Employees reclaiming - Adding lime, the most of which was put in the middle of the road, Hay for muck, seed but no fertilizer. Surface was too wet to get over without leaving deep tracks.

10/5/84
DATE

RG REA 11
DISTRICT WELL INSPECTOR

137

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES
OIL AND GAS WELLS DIVISION

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OCT 11 1984
OIL & GAS DIVISION
DEPT. OF MINES

INSPECTOR'S WELL REPORT

Permit No. 001-1972

Oil or Gas Well
(KIND)

Company <u>Fox</u>	CASING AND TUBING	USED IN DRILLING	LEFT IN WELL	PACKERS
	Size			Kind of Packer
Address	16			
Farm <u>D. Clayton</u>	13			
Well No. <u>#2</u>	10			Size of
District _____ County <u>001</u>	8 1/4			Depth set
Drilling commenced _____	6 5/8			
Drilling completed _____ Total depth _____	5 3/16			
Date shot _____ Depth of shot _____	3			Perf. top
Initial open flow _____ /10ths Water in _____ Inch	2			Perf. bottom
Open flow after tubing _____ /10ths Merc. in _____ Inch	Liners Used			Perf. top
Volume _____ Cu. Ft.				Perf. bottom
Rock pressure _____ lbs. _____ hrs.	CASING CEMENTED _____ SIZE _____ No. FT. _____ Date _____			
Oil _____ bbls., 1st 24 hrs.	NAME OF SERVICE COMPANY _____			
Fresh water _____ feet _____ feet	COAL WAS ENCOUNTERED AT _____ FEET _____ INCHES			
Salt water _____ feet _____ feet	_____ FEET _____ INCHES FEET _____ INCHES			
	_____ FEET _____ INCHES FEET _____ INCHES			

Drillers' Names WELL UNDER "FAILURE TO ABANDON"

Remarks: Some work being done - I am unable to tell if work is satisfactory - lime, seed, & mulch has been applied but ground too wet when it was done - suggested he appeal if he wished to shut out or street

10/9/84

DATE

R. G. BEALL

DISTRICT WELL INSPECTOR

Print Fiche

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES
OIL AND GAS WELLS DIVISION

RECEIVED

AUG 10 1984

INSPECTOR'S WELL REPORT OIL & GAS DIVISION
DEPT. OF MINES

Permit No. 001-1972

Oil or Gas Well _____
(KIND)

Company	CASING AND TUBING	USED IN DRILLING	LEFT IN WELL	PACKERS
<u>Fox</u>	Size			
Address _____	16			Kind of Packer _____
Farm <u>@clayton</u>	13			
Well No. <u>#2</u>	10			Size of _____
District _____ County <u>001</u>	8 1/4			
Drilling commenced _____	6 5/8			Depth set _____
Drilling completed _____ Total depth _____	5 3/16			
Date shot _____ Depth of shot _____	3			Perf. top _____
Initial open flow _____ /10ths Water in _____ Inch	2			Perf. bottom _____
Open flow after tubing _____ /10ths Merc. in _____ Inch	Liners Used			Perf. top _____
Volume _____ Cu. Ft.				Perf. bottom _____
Rock pressure _____ lbs. _____ hrs.	CASING CEMENTED _____ SIZE _____ No. FT. _____ Date _____			
Oil _____ bbls., 1st 24 hrs.	NAME OF SERVICE COMPANY _____			
Fresh water _____ feet _____ feet	COAL WAS ENCOUNTERED AT _____ FEET _____ INCHES			
Salt water _____ feet _____ feet	_____ FEET _____ INCHES _____ FEET _____ INCHES			
	_____ FEET _____ INCHES _____ FEET _____ INCHES			

Drillers' Names _____

Remarks: Finish grading by Fox — No Sealing —

8/11/84
DATE

RG Beace 501
DISTRICT WELL INSPECTOR

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES
OIL AND GAS WELLS DIVISION

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OIL & GAS DIVISION
DEPT. OF MINES

INSPECTOR'S WELL REPORT

Permit No. 001-1972

Oil or Gas Well _____
(KIND)

Company Address Farm Well No. District _____ County <u>001</u> Drilling commenced _____ Drilling completed _____ Total depth _____ Date shot _____ Depth of shot _____ Initial open flow _____ /10ths Water in _____ Inch Open flow after tubing _____ /10ths Merc. in _____ Inch Volume _____ Cu. Ft. Rock pressure _____ lbs. _____ hrs. Oil _____ bbls., 1st 24 hrs. Fresh water _____ feet _____ feet Salt water _____ feet _____ feet	CASING AND TUBING	USED IN DRILLING	LEFT IN WELL	PACKERS
	Size			Kind of Packer _____ Size of _____ Depth set _____ Perf. top _____ Perf. bottom _____ Perf. top _____ Perf. bottom _____
	16			
	13			
	10			
	8 1/4			
	6 5/8			
	5 3/16			
	3			
	2			
	Liners Used _____			

CASING CEMENTED _____ SIZE _____ No. FT. _____ Date _____
NAME OF SERVICE COMPANY _____
COAL WAS ENCOUNTERED AT _____ FEET _____ INCHES
_____ FEET _____ INCHES FEET _____ INCHES
_____ FEET _____ INCHES FEET _____ INCHES

Drillers' Names _____

Remarks: No Seeding _____

8/24/84
DATE

R. Beall - 501-
DISTRICT WELL INSPECTOR

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES
OIL AND GAS WELLS DIVISION

RECEIVED
AUG 29 1984

OIL & GAS DIVISION

INSPECTOR'S WELL REPORT DEPT. OF MINES

Permit No. 001-1972

Oil or Gas Well _____
(KIND)

Company	CASING AND TUBING	USED IN DRILLING	LEFT IN WELL	PACKERS
<u>Foy</u>	Size			
Address _____	16			Kind of Packer _____
Farm <u>D. Clayton</u>	13			
Well No. <u>#2</u>	10			Size of _____
District _____ County <u>001</u>	8 1/4			
Drilling commenced _____	6%			Depth set _____
Drilling completed _____ Total depth _____	5 3/16			
Date shot _____ Depth of shot _____	3			Perf. top _____
Initial open flow _____ /10ths Water in _____ Inch	2			Perf. bottom _____
Open flow after tubing _____ /10ths Merc. in _____ Inch	Liners Used			Perf. top _____
Volume _____ Cu. Ft.				Perf. bottom _____
Rock pressure _____ lbs. _____ hrs.	CASING CEMENTED _____ SIZE _____ No. FT. _____ Date _____			
Oil _____ bbls., 1st 24 hrs.	NAME OF SERVICE COMPANY _____			
Fresh water _____ feet _____ feet	COAL WAS ENCOUNTERED AT _____ FEET _____ INCHES			
Salt water _____ feet _____ feet	_____ FEET _____ INCHES _____ FEET _____ INCHES			
	_____ FEET _____ INCHES _____ FEET _____ INCHES			

Drillers' Names _____

Remarks: Violated; - Rough grading done but no seeding or mulch - excessive sedimentation

8/27/84

DATE

RL Beace - 501 -

DISTRICT WELL INSPECTOR

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES
OIL AND GAS WELLS DIVISION

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SEP 10 1984

OIL & GAS DIVISION
DEPT. OF MINES

INSPECTOR'S WELL REPORT

Permit No. 001-1972

Oil or Gas Well _____
(KIND)

Company <u>Fox</u>	CASING AND TUBING	USED IN DRILLING	LEFT IN WELL	PACKERS
Address _____	Size			
Farm <u>Clayton</u>	16			Kind of Packer _____
Well No. <u>#2</u>	13			
District _____ County <u>001</u>	10			Size of _____
Drilling commenced _____	8 1/4			
Drilling completed _____ Total depth _____	6 5/8			Depth set _____
Date shot _____ Depth of shot _____	5 3/16			
Initial open flow _____ /10ths Water in _____ Inch	3			Perf. top _____
Open flow after tubing _____ /10ths Merc. in _____ Inch	2			Perf. bottom _____
Volume _____ Cu. Ft.	Liners Used _____			Perf. top _____
Rock pressure _____ lbs. _____ hrs.				Perf. bottom _____
Oil _____ bbls., 1st 24 hrs.	CASING CEMENTED _____ SIZE _____ No. FT. _____ Date _____			
Fresh water _____ feet _____ feet	NAME OF SERVICE COMPANY _____			
Salt water _____ feet _____ feet	COAL WAS ENCOUNTERED AT _____ FEET _____ INCHES			
	_____ FEET _____ INCHES _____ FEET _____ INCHES			
	_____ FEET _____ INCHES _____ FEET _____ INCHES			

Drillers' Names _____

Remarks: No Additional work done since violation — did NOT shut well in.

9/6/84

DATE

RE Beall

DISTRICT WELL INSPECTOR

Quadrangle 001-1972

Elev. 1856

OPER. Fox Drilling

FARM Dorsey Clayton

MAG. DIST. Cove

COUNTY Barbour

WK. DIST. 9-13-85

ABD

COMM. _____ COMP. _____

RECEIVED
OCT 2^{TD} 1985

D.D. COMM. _____ D.D. COMP. _____ DIVISION OF OIL & GAS

DEPT. OF ENERGY

DATE

REMARKS

DATE	REMARKS
12-30-83	Location
1-5-84	Drilling at 750
6/22-84	Grading Completed, ready for soil
7/9/84	Severely washed Road needs Cross drains -
	Violated 7/5/84
7/5/84 -	Dorsey & Loren King - met
7/12/84 -	Breakdown get in Road Abatement 7/12/84
8/24/84 -	No Seeding -
8/27 -	Violated
9/6 -	Failure to Abate
11-5-84	NOTICE OF ABATMENT
10-23-85	Release



STATE OF WEST VIRGINIA
 DEPARTMENT OF ENERGY
 DIVISION OF OIL AND GAS
 1615 Washington Street, East
 Charleston, West Virginia 25311
 Telephone: 348-3500

November 4, 1985

ARCH A. MOORE, JR.
 Governor

Fox Drilling Company
 C/O D. G. Haney
 Post Office Box 3810
 Charleston, West Virginia 25338

In Re: Permit No: 47-001-1972
 Farm: Dorsey A. Clayton, et. ux.
 Well NO: Clayton #2
 District: Cove
 County: Barbour
 Issued: 9-13-83

Gentlemen:

The FINAL INSPECTION REPORT for the above captioned well has been received in this office. ONLY the Column checked below applies:

 The well designated by the above captioned permit number has been released under your Blanket Bond.

 Please return the enclosed cancelled single bond which covered the well designated by the above captioned permit number to the surety company that executed said bond in your behalf, in order that they may give you credit on their records.

Your well record was received and reclamation requirements approved. In accordance with Chapter 22B, Article 1, Section 26, the above captioned well will remain under
XXXX bond coverage for life of the well.

 PERMIT CANCELLED - NEVER DRILLED

Respectively,

Theodore M. Streit

TMS/ nw

1.0 API well number: (if not available, leave blank. 14 digits.)	47-001-1972			
2.0 Type of determination being sought: (Use the codes found on the front of this form.)	103 Section of NGPA	RECEIVED Category Code		
3.0 Depth of the deepest completion location: (Only needed if sections 103 or 107 in 2.0 above.)	5699	feet	FEB 24 1984	
4.0 Name, address and code number of applicant: (35 letters per line maximum. If code number not available, leave blank.)	Fox Drilling Co., Inc. URI Code Name P.O. Box 129 Street Glenville WV 26351 City State Zip Code			
5.0 Location of this well: [Complete (a) or (b).]	N/A			
(a) For onshore wells (35 letters maximum for field name.)	Field Name Barbour	WV	State	
(b) For OCS wells:	Area Name	Block Number	Date of Lease: Mo. Day Yr.	
(c) Name and identification number of this well: (35 letters and digits maximum.)	Clayton #2			
(d) If code 4 or 5 in 2.0 above, name of the reservoir: (35 letters maximum.)				
6.0 (a) Name and code number of the purchaser: (35 letters and digits maximum. If code number not available, leave blank.)	Tennessee Gas Transmission Buyer Code			
(b) Date of the contract:	Mo. Day Yr.			
(c) Estimated annual production:	25 MMcf.			
	(a) Base Price (\$/MMBTU)	(b) Tax	(c) All Other Prices (Indicate (+) or (-).)	(d) Total of (a), (b) and (c)
7.0 Contract price: (As of filing date. Complete to 3 decimal places.)	N/A	N/A		N/A
8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)		N/A		
9.0 Person responsible for this application:	Robert E. Fox (Fox Drilling Co., Inc.) President			
Agency Use Only	Name Title			
Date Received by Juris. Agency	Signature <i>Robert E. Fox</i>			
Date Received by FERC	Feb. 14, 1984		304-462-7353	
	Date Application is Completed		Phone Number	

DATE: MAR 30 1984

BUYER-SELLER CODE _____

PARTICIPANTS:

WELL OPERATOR: Fox Drilling Co. Inc.

FIRST PURCHASER: Tennessee Gas

OTHER: _____

1500' Radius

W. Va. Department of Mines, Oil & Gas Division

WELL DETERMINATION FILE NUMBER

840224-103-001-1972
1976

Use Above File Number on all Communications
Relating to Determination of this Well

Qualifies

HT

APPROVED

APR 27 1984

CHECK EACH ITEM AS COMPLETE OR NOTE WHAT IS MISSING

ITEM NO.

- 1. FERC -121 _____ Items not completed - Line No. _____
- 2. IV-1 Agent _____
- 3. IV-2 Well Permit _____
- 4. IV-6 Well Plat _____
- 5. IV-35 Well Record _____ Drilling _____ Deepening _____
- 6. IV-36 Gas-Oil Test: Gas Only _____ Was Oil Produced? _____ Ratio _____
- 7. IV-39 Annual Production _____ years
- 8. IV-40 90 day Production _____ Days off line: _____
- 9. IV-48 Application for certification. Complete? _____
- 10-17. IV Form 51 - 52 - 53 - 54 - 55 - 56 - 57 - 58 Complete? _____ Affidavit Signed _____
- 18-28. Other: Survey _____ Logs _____ Geological Charts _____
Structure Map _____ 1: 4000 Map _____ Well Tabulations _____
Gas Analyses _____
- (5) Date commenced: _____ Date completed _____ Deepened _____
- (5) Production Depth: _____
- (5) Production Formation: _____
- (5) Final Open Flow: _____
- (5) After Frac. R. P. _____
- (6) Other Gas Test: _____
- (7) Avg. Daily Gas from Annual Production: _____
- (8) Avg. Daily Gas from 90-day ending w/1-120 days _____
- (8) Line Pressure: _____ PSIG from Daily Rep _____
- (5) Oil Production: _____ From Completion Report: _____
- 10-17. Does lease inventory indicate enhanced recovery being done _____
- 10-17. Is affidavit signed? _____ Notarized? _____
- Does official well record with the Department confirm the submitted information? _____
- Additional information _____ Does computer program confirm? _____
- Was Determination Objected to _____ By Whom? _____

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES, OIL AND GAS DIVISION

Operator's Well No. Clayton #2
API Well No. 47 - 001 - 1972
State County Permit

WELL CLASSIFICATION FORM
NEW ONSHORE PRODUCTION WELL
MCPA Section 103

WELL OPERATOR Fox Drilling Co. Inc.
ADDRESS P.O. Box 129
Glenville, W.V. 26351
GAS PURCHASER Tennessee Gas
ADDRESS P.O. Box 2511
Houston, Texas 77001

DESIGNATED AGENT Robert E. Fox
ADDRESS P.O. Box 129
Glenville, W.V. 26351
LOCATION: Elevation 1856'
Watershed Raccoon Creek
Dist. Cove County Barbour Quad. Colebank 7.5
Gas Purchase Contract No. *
Meter Chart Code *
Date of Contract *

* * * * *

Date surface drilling was begun: 01/03/84

Indicate the bottom hole pressure of the well and explain how this was calculated:

SEE ATTACHED SHEET

AFFIDAVIT

I, Robert E. Fox, having been first sworn according to law state that surface drilling of the well for which this determination is sought was begun on or after February 19, 1977; the well satisfies applicable state or federal well spacing requirements and the well is not within a proration unit, in existence at the time surface drilling began, which was applicable to the reservoir from which gas is or will be produced and which applied to any other well producing gas in commercial quantities or on which surface drilling began on or after February 19, 1977, and which was capable of producing gas in commercial quantities. I state, further, that I have concluded, to the best of my information, knowledge and belief, that the well for which this determination is sought is a new onshore production well and that I am not aware of any information not described in the application which is inconsistent with this conclusion.

Robert E. Fox

STATE OF WEST VIRGINIA,
COUNTY OF Gilmer, TO WIT:

I, Terry H. Fox, a Notary Public in and for the state and county aforesaid, do certify that Robert E. Fox, whose name is signed to the writing above, bearing date the 14 day of February, 19 84, has acknowledged the same before me, in my county aforesaid. Given under my hand and official seal this 14 day of Feb., 19 84. My term of office expires on the 24 day of August, 19 88.

[NOTARIAL SEAL]

Terry H. Fox
Notary Public

* Information not available at time of submission.

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES, OIL AND GAS DIVISION

Date Feb. 14, 19 84

Operator's Well No. Clayton #2

API Well No. 47 - 001 - 1972
State County Permit

STATE APPLICATION FOR WELL CLASSIFICATION

Previous File No. _____
(If Applicable)

WELL OPERATOR FOX Drilling Co., Inc.

DESIGNATED AGENT Robert E. FOX

ADDRESS P.O. Box 129
Glenville, WV 26351

ADDRESS P.O. Box 129
Glenville, WV 26351

Gas Purchase Contract No. _____ * and Date _____ *
(Month, day and year)

Meter Chart Code _____ *

Name of First Purchaser Tennessee Gas
P.O. Box 2511
Houston, TX 77001
(City) (State) (Zip Code)

FERC Seller Code _____

FERC Buyer Code _____

TYPE OF DETERMINATION BEING SOUGHT:

- (1) Initial determination (See FERC Form 121.) Section of NGPA 103 Category Code _____
- (2) Determination that increased production is the result of enhanced recovery technology.
- (3) Determination of a seasonally affected well.

Robert E. Fox Pres.-Fox Drilling Co.,
Name (Print) Title
Robert E. Fox
Signature
P.O. Box 129
Street or P. O. Box
Glenville WVa 26351
City State (Zip Code)
(304) 462-7353
Area Phone Number
Code

(Certificate of Proof of Service to Purchaser)

(All of the above to be completed by the Operator/Applicant)

(To be completed by Jurisdictional Agency. Executed copy to be returned to Operator/Applicant and purchaser, if known).

The Department of Mines has received a request for certification of the above described well as meeting the requirements of Section _____ under the Natural Gas Policy Act of 1978. (NGPA); for determination that increased production is the result of enhanced recovery technology under Section 108 of (NGPA); or for determination of a seasonally affected well under Section 106 of (NGPA).

All interested parties are hereby notified that on the _____ day of _____, 19____ at the office of the Oil and Gas Division in Charleston, West Virginia, or as soon thereafter as it may be heard, there will be a public hearing, if requested, or if objection is filed.

This Application is assigned File No. _____

Initial review of information submitted indicates the well is, is not entitled to certification as claimed under the Natural Gas Policy Act (NGPA). A review of this evidence and any additional evidence will be made at the time appointed for a public hearing or as soon thereafter as the matter may be heard.

Unless objections are timely filed or a request for a hearing is made within fifteen (15) days, a hearing will not be held except on ex parte motion of the department and the matter will go to determination.

WEST VIRGINIA DEPARTMENT OF MINES

FEB 24 1984

Date received by _____
Jurisdictional Agency

By [Signature]
Title _____

* Information not available at time of submission

FOX DRILLING COMPANY, INC.

P. O. BOX 129

GLENVILLE, WV 26351

PHONE 304-462-7353

Clayton #2
47-001-1972

Formula for calculation of Bottom Hole Pressure

$$P_f = P_w e^{XGLS}$$

P_f = Bottom Hole Pressure

P_w = Top Hole Pressure

e = 2.72

X = $1/53.34 \times AT$ (Absolute Temperature)

G = Specific Gravity

L = $\frac{\text{Top Perforations} + \text{Bottom Perforations}}{2}$

S = Z Factor (In WVa. = 0.9)

P_w = 1300

X = $1/53.34 \times (60 + (.0075 \times 5699) + 460) = .0000333$

G = .602

L = $\frac{(5699 + 4374)}{2} = 5036$

P_f = $1300 \times 2.72 \times (.602) \times (.0000333) \times (5036) \times (.9)$

P_f = 1340 PSI

1.0 API well number: (if not available, leave blank. 14 digits.)	47-001-1972												
2.0 Type of determination being sought: (Use the codes found on the front of this form.)	107 Section of NGPA												
3.0 Depth of the deepest completion location: (Only needed if sections 103 or 107 in 2.0 above.)	5699 feet												
4.0 Name, address and code number of applicant: (35 letters per line maximum. If code number not available, leave blank.)	<div style="float: right; border: 1px solid black; padding: 2px; font-weight: bold; font-size: 1.2em;">RECEIVED</div> <div style="clear: both;"></div> <div style="text-align: right; font-weight: bold; font-size: 0.8em;">OIL & GAS DIVISION</div> <div style="text-align: right; font-weight: bold; font-size: 0.8em;">DEPT. OF MINES</div> <div style="text-align: right; font-size: 0.7em;">Seller Code</div> Name: Fox Drilling Co., Inc. P.O. Box 129 Street: Glenville City: WV State Zip Code: 26351												
5.0 Location of this well: (Complete (a) or (b).) (a) For onshore wells (35 letters maximum for field name.)	N/A Field Name: Barbour County: WV State												
(b) For OCS wells:	Area Name: _____ Block Number: _____ Date of Lease: _____ Mo. Day Yr. OCS Lease Number: _____												
(c) Name and identification number of this well: (35 letters and digits maximum.)	Clayton #2												
(d) If code 4 or 5 in 2.0 above, name of the reservoir: (35 letters maximum.)	_____												
6.0 (a) Name and code number of the purchaser: (35 letters and digits maximum. If code number not available, leave blank.)	Tennessee Gas Name: _____ Buyer Code: _____												
(b) Date of the contract:	_____ Mo. Day Yr.												
(c) Estimated annual production:	25 MMcf.												
7.0 Contract price: (As of filing date. Complete to 3 decimal places.)	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:25%;">(a) Base Price (\$/MMBTU)</th> <th style="width:25%;">(b) Tax</th> <th style="width:25%;">(c) All Other Prices (Indicate (+) or (-).)</th> <th style="width:25%;">(d) Total of (b) and (c)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">N/A</td> <td style="text-align: center;">N/A</td> <td style="text-align: center;">---</td> <td style="text-align: center;">N/A</td> </tr> <tr> <td style="text-align: center;">---</td> <td style="text-align: center;">N/A</td> <td style="text-align: center;">---</td> <td style="text-align: center;">---</td> </tr> </tbody> </table>	(a) Base Price (\$/MMBTU)	(b) Tax	(c) All Other Prices (Indicate (+) or (-).)	(d) Total of (b) and (c)	N/A	N/A	---	N/A	---	N/A	---	---
(a) Base Price (\$/MMBTU)	(b) Tax	(c) All Other Prices (Indicate (+) or (-).)	(d) Total of (b) and (c)										
N/A	N/A	---	N/A										
---	N/A	---	---										
8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)	<table border="1" style="width:100%; border-collapse: collapse;"> <tbody> <tr> <td style="text-align: center;">---</td> <td style="text-align: center;">N/A</td> <td style="text-align: center;">---</td> <td style="text-align: center;">---</td> </tr> </tbody> </table>	---	N/A	---	---								
---	N/A	---	---										
9.0 Person responsible for this application:	Robert E. Fox (Fox Drilling Co., Inc.) President Name: _____ Title: _____ Signature: <u>Robert E. Fox</u> Date Application is Completed: Feb. 15, 1984 Phone Number: 304-462-7353												
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="text-align: center; font-size: 0.8em;">Agency Use Only</td> </tr> <tr> <td style="text-align: center;">Date Received by Juris. Agency</td> </tr> <tr> <td style="text-align: center; font-size: 1.2em; font-weight: bold;">MAR 6 1984</td> </tr> <tr> <td style="text-align: center;">Date Received by FERC</td> </tr> </table>	Agency Use Only	Date Received by Juris. Agency	MAR 6 1984	Date Received by FERC									
Agency Use Only													
Date Received by Juris. Agency													
MAR 6 1984													
Date Received by FERC													

PARTICIPANTS:

DATE: APR 25 1984

BUYER-SELLER CODE

WELL OPERATOR: Fox Drilling Co, Inc.

FIRST PURCHASER: Tennessee Gas Trans

OTHER: _____

Dev

W. Va. Department of Mines, Oil & Gas Division
 WELL DETERMINATION FILE NUMBER
840306-107-001-1972
 Use Above File Number on all Communications
 Relating to Determination of this Well

OK

APPROVED

APR 27 1984

CHECK EACH ITEM AS COMPLETE OR NOTE WHAT IS MISSING

ITEM NO.

- 1. FERC -121 _____ Items not completed - Line No. _____
- 2. IV-1 Agent _____
- 3. IV-2 Well Permit _____
- 4. IV-6 Well Plat _____
- 5. IV-35 Well Record _____ Drilling _____ Deepening _____
- 6. IV-36 Gas-Oil Test: Gas Only _____ Was Oil Produced? _____ Ratio _____
- 7. IV-39 Annual Production _____ years
- 8. IV-40 90 day Production _____ Days off line: _____
- 9. IV-48 Application for certification. Complete? _____
- 10-17. IV Form 51 - 52 - 53 - 54 - 55 - 56 - 57 - 58 Complete? _____ Affidavit Signed _____
- 18-28. Other: Survey _____ Logs _____ Geological Charts _____
 Structure Map _____ 1: 4000 Map _____ Well Tabulations _____
 Gas Analyses _____
- (5) Date commenced: _____ Date completed _____ Deepened _____
- (5) Production Depth: _____
- (5) Production Formation: _____
- (5) Final Open Flow: _____
- (5) After Frac. R. P. _____
- (6) Other Gas Test: _____
- (7) Avg. Daily Gas from Annual Production: _____
- (8) Avg. Daily Gas from 90-day ending w/1-120 days _____
- (8) Line Pressure: _____ PSIG from Daily Rep _____
- (5) Oil Production: _____ From Completion Report _____
- 10-17. Does lease inventory indicate enhanced recovery being done? _____
- 10-17. Is affidavit signed? _____ Notarized? _____
- Does official well record with the Department confirm the submitted information? _____
- Additional information _____ Does computer program confirm? _____
- Was Determination Objected to _____ By Whom? _____

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES, OIL AND GAS DIVISION

Date Feb. 15, 1984

Operator's Well No. Clayton #2

API Well No. 001 - 1972
State County Permit

WELL CLASSIFICATION FORM
HIGH COST GAS WELL - DEVONIAN SHALE

MGPA Section 107

DESIGNATED AGENT Robert E. Fox

ADDRESS P.O. Box 129
Glenville, WV 26351

WELL OPERATOR Fox Drilling Co., Inc.

ADDRESS P.O. Box 129
Glenville, WV 26351

LOCATION Elevation 1856'

Watershed Raccoon Creek

Dist Cove County Barbour Quad Colebank 7.5

GAS PURCHASER Tennessee Gas

ADDRESS P.O. Box 2511
Houston, TX 77001

Gas Purchase Contract No. *

Meter Chart Code *

Date of Contract *

* * * * *

Date surface drilling began: 01/03/84

Indicate the bottom hole pressure of the well and explain how this was calculated.

See attached sheet

AFFIDAVIT

I, Robert E. Fox, having been first sworn according to law, state that, I have calculated the percentage of footage of the producing interval which is not Devonian shale as indicated by a Gamma Ray index of less than 0.7 if a Gamma Ray log described subparagraph (3)(i) or (3)(ii)(A) has been filed, or as indicated by the report described in subparagraph (3)(ii)(B); I have demonstrated that the percentage of potentially disqualifying non-shale footage is equal to or less than five (5) percent of the gross Devonian age interval; and I have no knowledge of any information not described in the application which is inconsistent with a conclusion that the well qualifies as a high cost natural gas well.

Robert E. Fox

STATE OF WEST VIRGINIA.
COUNTY OF Gilmer. TO WIT:

I, Terry H. Fox, a Notary Public in and for the state and county aforesaid, do certify that Robert E. Fox, whose name is signed to the writing above, bearing date the 15 day of February, 19 84, has acknowledged the same before me, in my county aforesaid.

Given under my hand and official seal this 15 day of February, 19 84.
My term of office expires on the 24 day of August, 19 88.

Terry H. Fox
Notary Public

[NOTARIAL SEAL]

Operator's Well No. Clayton #2

API Well No. 47 - 001 - 1972
State County Permit

STATE APPLICATION FOR WELL CLASSIFICATION

Previous File No. (If Applicable)

WELL OPERATOR FOX Drilling Co., Inc.
ADDRESS P.O. BOX 129
Glenville, WV 26351

DESIGNATED AGENT Robert E. FOX
ADDRESS P.O. BOX 129
Glenville, WV 26351

Gas Purchase Contract No. * and Date *
(Month, day and year)

Meter Chart Code *

Name of First Purchaser Tennessee Gas
P.O. Box 2511
Houston, TX 77001
(City) (State) (Zip Code)

FERC Seller Code FERC Buyer Code

TYPE OF DETERMINATION BEING SOUGHT:

- (1) Initial determination (See FERC Form 121.) Section of NGPA 107 Category Code
- (2) Determination that increased production is the result of enhanced recovery technology.
- (3) Determination of a seasonally affected well.

Robert E. FOX Pres. - Fox Drilling Co., Inc.
Name (Print) Title

Signature Robert E. Fox

P.O. BOX 129
Street or P. O. Box

Glenville WVa 26351
City State (Zip Code)

(304) 462-7353
Area Phone Number
Code

(Certificate of Proof of Service to Purchaser)

(All of the above to be completed by the Operator/Applicant)

(To be completed by Jurisdictional Agency. Executed copy to be returned to Operator/Applicant and purchaser, if known).

The Department of Mines has received a request for certification of the above described well as meeting the requirements of Section _____ under the Natural Gas Policy Act of 1978 (NGPA); for determination that increased production is the result of enhanced recovery technology under Section 108 of (NGPA); or for determination of a seasonally affected well under Section 108 of (NGPA).

All interested parties are hereby notified that on the _____ day of _____, 19____ at the office of the Oil and Gas Division in Charleston, West Virginia, or as soon thereafter as it may be heard, there will be a public hearing, if requested, or if objection is filed.

This Application is assigned File No. _____

Initial review of information submitted indicates the well is, is not entitled to certification as claimed under the Natural Gas Policy Act (NGPA). A review of this evidence and any additional evidence will be made at the time appointed for a public hearing or as soon thereafter as the matter may be heard.

Unless objections are timely filed or a request for a hearing is made within fifteen (15) days, a hearing will not be held except on ex parte motion of the department and the matter will go to determination.

WEST VIRGINIA DEPARTMENT OF MINES

MAR 6 1984

Date received by Jurisdictional Agency

By [Signature] Director
Title

* Information not available at time of submission



FOX DRILLING COMPANY, INC.

P. O. BOX 129

GLENVILLE, WV 26351

PHONE 304-462-7353

Clayton #2
47-001-1972

Formula for calculation of Bottom Hole Pressure

$$P_f = P_w e^{XGLS}$$

P_f = Bottom Hole Pressure

P_w = Top Hole Pressure

e = 2.72

X = $1/53.34 \times AT$ (Absolute Temperature)

G = Specific Gravity

L = $\frac{\text{Top Perforations} + \text{Bottom Perforations}}{2}$

S = Z Factor (In WVa. = 0.9)

$$P_w = 1300$$

$$X = 1/53.34 \times (60 + (.0075 \times 5699) + 460) = .0000333$$

$$G = .602$$

$$L = \frac{(5699 + 4374)}{2} = 5036$$

$$P_f = 1300 \times 2.72 \times (.602) \times (.0000333) \times (5036) \times (.9)$$

$$P_f = 1340 \text{ PSI}$$



FOX DRILLING COMPANY, INC.

P. O. BOX 129

GLENVILLE, WV 26351

PHONE 304-462-7353

DEVONIAN SHALE QUALIFICATION CALCULATION

1. Calculation of thickness of Devonian Interval:

Bottom of Devonian Interval 5986 ft.

Top of Devonian Interval 2231 ft.

Thickness of Devonian Interval 3755 ft.

2. Calculation of 0.7 Gamma Ray Index:

Shale Base Line 144.1 API Units

0.7 Gamma Ray Index (70% of Shale Base Line) = 101 API Units

3. Calculation of Disqualifying Footage:

3755 ft. x 5% = 187.75 ft.

4. Actual footage < 0.7 Gamma Ray Index = 118 ft.

Using the above calculations, the Clayton #2 (47-001-1972) well qualifies as Devonian Shale.

By: Mark E. Slaughenhaupt
Mark .E Slaughenhaupt, Geologist

Sworn to and acknowledged before me by Mark E. Slaughenhaupt,
this 29th day of February, 19 84.

Thomas L. Reuser
Notary Public

My commission expires: 2/9/88

RECEIVED

IV-27 JUL - 6 1984
9-83



OIL & GAS DIVISION
DEPT. OF MINES

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES

Date: 7-5-84
Well No: DClayton #2
API NO: 47-601-1992
State County Permit

Oil and Gas Division NOTICE OF VIOLATION

WELL TYPE: Oil ___ / Gas Liquid Injection ___ / Waste Disposal ___ /
Of "Gas" - Production ___ / Storage ___ / Deep ___ / Shallow
LOCATION: Elevation: 1856 Watershed: _____
District: _____ County: BARBOUR Quadrangle: _____
WELL OPERATOR Fox Drilling Co, Inc DESIGNATED AGENT ROBERT E. FOX
Address P.O. Box 129 Address P.O. Box 129
GLENNVILLE, WV-25351 GLENNVILLE, WV-25351

The above well is being posted this 3rd day of July, 1984, for a violation of Code 22-4-126 and/or Regulation 23, set forth in detail as follows:

(USE REVERSE SIDE OF THIS NOTICE IF NECESSARY)

Inadequate cross drains in road up the hill to the well - High siltation and soil run off. Area must be seeded, mulched and treated.

A copy of this notice has been posted at the well site and sent by certified or registered mail to the indicated well operator or his designated agent.

You are hereby granted until July-12, 1984 to abate this violation.

Failure to abate the violation may result in action by the Department under Code 22-4-17 or Code 22-4-18.

James H. Bussell
Oil and Gas Inspector
Address P.O. Box 160
Phillippi, WV-26416
Telephone: 866-4608

RECEIVED

JUL 16 1984

FORM IV-31
9-83

Date: 7-13-84
Operator's
Well Number D Clayton #2
API Well No.: 47 - 001 - 1972
State County Permit

OIL & GAS DIVISION
DEPT. OF MINES

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES, OIL AND GAS DIVISION

NOTICE OF ABATEMENT

WELL TYPE: Oil _____ / Gas Liquid Injection _____ / Waste disposal _____
Underground
If "Gas" - Production _____ / Storage _____ / Deep _____ / Shallow _____
LOCATION: Elevation: 1856 Watershed: _____
District: _____ County: BARBOOR Quadrangle: _____
WELL OPERATOR Fox Drilling, Inc DESIGNATED AGENT Robert E. Fox
Address P.O. Box 129 Address P.O. Box 129
Glenville, W.Va-25351 Glenville, W.Va-25351

Notice is hereby given that the undersigned authorized oil and gas inspector made a special inspection of the above named well on 7-12, 19 84,

The violation of Code § 22-4-12b heretofore found to exist on July 3, 19 84, by Form IV-27, "Notice of Violation" Form IV-28, "Imminent Danger Order" _____ of that date has been totally abated. If the abated violation was found by an Imminent Danger Order requiring operations to cease, such requirement is hereby rescinded, and the well operator is hereby notified that he may resume operations.

COMMENTS

Cross ditches will temporarily reduce the soil off but if total reclamation, seeding & mulching is not completed in the near future I will be forced to "violate" this well again.

A copy of this notice has been posted at the well site and sent by certified or registered mail to the indicated well operator or his designated agent.

Russell B. Beale
Oil and Gas Inspector
Address P.O. Box 160
Phillippi, W.Va-26416
Telephone 866-4608

IV-27
9-83

RECEIVED

AUG 29 1984



612

OIL & GAS DIVISION STATE OF WEST VIRGINIA
DEPT. OF MINES DEPARTMENT OF MINES

Date: 8-27-84
Well No: D. Mayfield #2
API NO: 47-001-1972
State County Permit

18000

Oil and Gas Division
NOTICE OF VIOLATION

WELL TYPE: Oil ___ / Gas Liquid Injection ___ / Waste Disposal ___ /
Of "Gas" - Production / Storage ___ / Deep ___ / Shallow

LOCATION: Elevation: _____ Watershed: _____
District: _____ County: Barbour Quadrangle: _____

WELL OPERATOR John Dinning Co. Inc. DESIGNATED AGENT Robert E. Fox
Address P.O. Box 129 Address P.O. Box 129
Glenville, WV-25351 Glenville, WV-25351

The above well is being posted this 27th day of August, 1984, for a violation of Code 22-4-12b and/or Regulation _____, set forth in detail as follows:

(USE REVERSE SIDE OF THIS NOTICE IF NECESSARY)

No Remediation has been done other than grading - no sealing, etc. No remediation has been done. - There is excessive subsidence and derrick. - I anticipate no extension of time for abatement. -

A copy of this notice has been posted at the well site and sent by certified or registered mail to the indicated well operator or his designated agent.

You are hereby granted until Sept 30, 1984, to abate this violation.

Failure to abate the violation may result in action by the Department under Code 22-4-17 or Code 22-4-18.

Philip H. Russell
Oil and Gas Inspector

Address P.O. Box 160
Phillips WV-26006

Telephone: 304-4607

RECEIVED

AUG 2 9 1884

DEPT. OF MINES
OIL & GAS DIVISION

RECEIVED
SEP 10 1984
OIL & GAS DIVISION
DEPT. OF MINES

Date: 9-6-84
Operator's Well Number: D. Clayton #2
API Well No.: No. 47 - 001 - 1972
State County Permit

19

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES OFFICE OF OIL AND GAS
ORDER FOR FAILURE TO ABATE VIOLATION

WELL TYPE: Oil _____ / Gas Liquid Injection _____ / Waste disposal _____
Underground
If "Gas" - Production / Storage _____ / Deep _____ / Shallow
LOCATION: Elevation: _____ Watershed: _____
District: _____ County: BARBOUR Quadrangle: _____
WELL OPERATOR: FOX DRILLING CO. INC, P.O. Box 129
Address: Glennville, WVa-26351
DESIGNATED AGENT: Robert E. Fox, P.O. Box 129
Address: Glennville, WVa-26351

Notice is hereby given that the undersigned authorized oil and gas inspector has made a special inspection of the above-named well on 9-6, 1984.

The violation of Code 12B, heretofore found to exist on 8/27, 1984 by Form IV-27, "Notice of Violation" , Form IV-28, "Imminent Danger Order" _____ of that date has not been totally abated and it has been determined that no further extension of time should be permitted for the following reasons:

(USE REVERSE SIDE OF THIS ORDER IF NECESSARY)

More than enough time, good weather, etc has been granted. There is excessive erosion and sedimentation. No seeding or mulching has been done.

Therefore, in accordance with the provisions of Code 22-4-1g, the well operator is hereby ORDERED:

- To continue cessation of operations until the imminent danger is fully abated.
- To cease further operations until the violation has been fully abated.

In accordance with Code 22-4-1h, a well operator or complaining coal operator, owner, or lessee may apply for review of this Order within 15 days of the date of this Order.

PURCHASER: _____
Address: _____
Telephone: _____
Oil and Gas Inspector: Phillip H. Bruce
Address: P.O. Box 160
Phillippi, WVa-26416
Telephone: 866-4608

(Copies of this ORDER have been posted at the well site and sent by certified or registered mail to the indicated well operator or his designated agent.)

Date: NOV 5 1984
Operator's D. CLAYTON 2
Well Number _____
API Well No.: 47 - 001 - 1972
State County Permit

612

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES, OIL AND GAS DIVISION

RECEIVED
NOV 27 1984

NOTICE OF ABATEMENT

OIL & GAS DIVISION
DEPT. OF MINES

WELL TYPE: Oil _____ / Gas _____ / Liquid Injection _____ / Waste disposal _____ /
Underground _____
If "Gas" - Production _____ / Storage _____ / Deep _____ / Shallow _____
LOCATION: Elevation: 1836 Watershed: _____
District: COVE County: BABOUR Quadrangle: _____
WELL OPERATOR FOX DRUG CO. DESIGNATED AGENT ROBERT F. FOX
Address PO BOX 129 Address P.O. BOX 129
GLENVILLE W.V. GLENVILLE W.V. 26351

Notice is hereby given that the undersigned authorized oil and gas inspector made a special inspection of the above named well on NOV 3, 1984,

The violation of Code § 22-4-12B heretofore found to exist on 8-27, 1984, by Form IV-27, "Notice of Violation" / Form IV-28, "Imminent Danger Order" of that date has been totally abated. If the abated violation was found by an Imminent Danger Order requiring operations to cease, such requirement is hereby rescinded, and the well operator is hereby notified that he may resume operations.

COMMENTS THIS IS NOT A RELEASE OF RECLAMATION
THAT WORK UNDER VIOLATION WAS DONE.

A copy of this notice has been posted at the well site and sent by certified or registered mail to the indicated well operator or his designated agent.

DONALD R. ELLIS
Oil and Gas Inspector
Address 2604 CRAB APPLE LANE
FAIRMONT W.V. 26554
Telephone 304-534-5596

HOWARD LEE NORRIS
PROFESSIONAL CORPORATION
ATTORNEY AT LAW
3304 S. BROADWAY — SUITE 102
POST OFFICE BOX 7398
TYLER, TEXAS 75711
214 - 595-4736

June 11, 1985

RECEIVED
JUN 17 1985
OIL & GAS DIVISION
DEPT. OF MINES

Robert E. Fox
Fox Drilling Company
P.O. Box 129
Glenville, WV 26351

Dear Mr. Fox:

Be advised that Robert E. Fox and Fox Drilling Company have been relieved of all operations in relation to the following wells:

H.R. Marsh No. 2, API No. 47-001-1881
Don Kines No. 1, API No. 47-001-1875
Don Kines No. 2, API No. 47-001-1876
H.R. Marsh No. 1, API No. 47-001-1878
O.R. Satterfield No. 1, API No. 47-049-0742
B.B. Hill No. 2, API No. 47-001-1977
George H. Nestor No. 1, API No. 47-001-2011
Dorsey A. Clayton No. 2, API No. 47-001-1972
C. Ricottilli No. 2, API No. 47-083-0890

copy files

You, your employees and agents shall not go upon the premises nor in any way or manner deal with the wells, wellsites, leases or with any production therefrom.

Inspection of all wells and wellsites is being conducted by our agents and the State Inspector. A complete list of all deficiencies and work not properly completed by you will be furnished to you and your Bending Company.


Howard Lee Norris

HLN/trm

HOWARD LEE NORRIS
PROFESSIONAL CORPORATION
ATTORNEY AT LAW
3304 S. BROADWAY — SUITE 102
POST OFFICE BOX 7398
TYLER, TEXAS 75711

214 - 595-4736

RECEIVED
AUG 5 - 1985

DIVISION OF OIL & GAS
DEPARTMENT OF ENERGY

July 31, 1985

Mr. Theodore Streit
Administrator, Office of
Oil & Gas Division
1615 Washington St. East
Charleston, WV 25311

Re: B.B. Hill No. 2, API
No. 47-001-1977

Dorsey A. Clayton No. 2 ✓
API No. 47-001-1972

George H. Nestor No. 1 ✓
API No. 47-001-2011

File

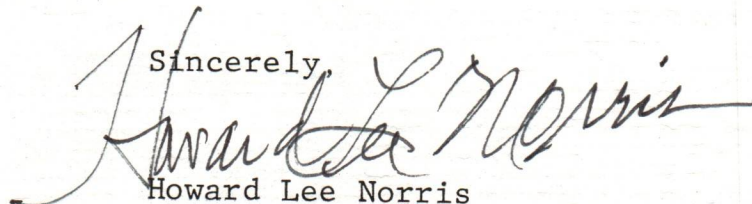
Dear Mr. Streit:

It is my understanding that the above captioned wells have not been released by the State inspector and that remedial work needs to be done. As you undoubtedly know, Fox Drilling Company is not going to respond and apparently is going out of business. I understand that everything is to be auctioned August 13th.

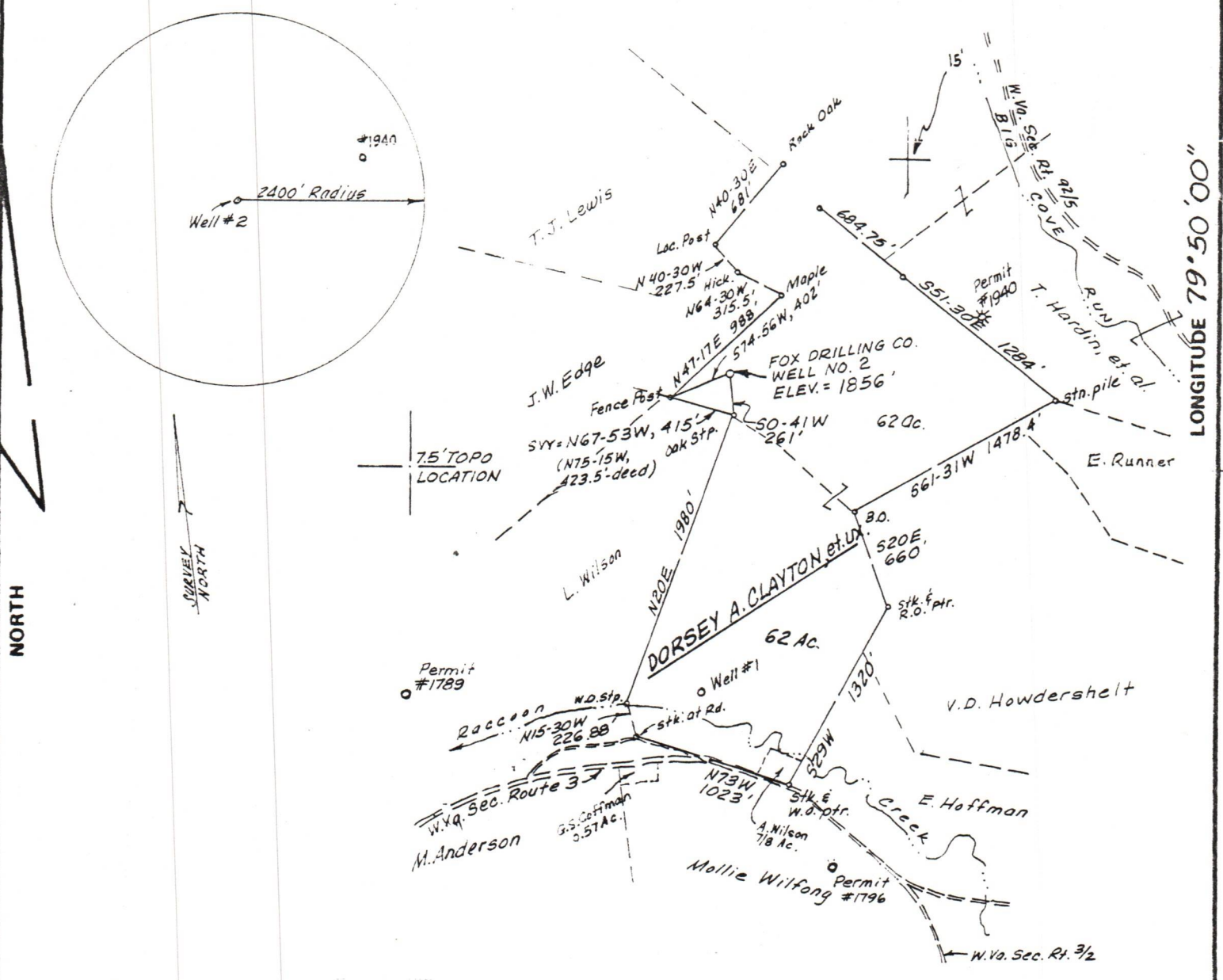
I request that the State make the proper demand upon Fox's bonding company to meet the necessary reclamation.

You would have thought it was Fall here the past three weeks.

Sincerely,


Howard Lee Norris

HLN/trm



Coal Owners:

HILLMAN COAL Co.
170 THOMPSON DR. SUITE F
BRIDGEPORT, W.VA. 26330

FILE NO. _____
 DRAWING NO. _____
 SCALE 1" = 1000'
 MINIMUM DEGREE OF ACCURACY 1/200
 PROVEN SOURCE OF ELEVATION TOP OF KNOB 700'± S.W. OF LOCATION, ELEV. = 1869'

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DEPARTMENT OF MINES.

(SIGNED) Mark C. Echard
 MARK C. ECHARD
 R.P.E. _____ L.L.S. 490

PLACE SEAL HERE

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS
 FORM IV-6 (8-78)



DATE AUGUST 10, 19 83
 OPERATOR'S WELL NO. TWO
 API WELL NO. 47 - 001 - 1972
 STATE COUNTY PERMIT

STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES
 OIL AND GAS DIVISION

WELL TYPE: OIL GAS LIQUID INJECTION _____ WASTE DISPOSAL _____
 (IF "GAS,") PRODUCTION STORAGE _____ DEEP _____ SHALLOW
 LOCATION: ELEVATION 1856' WATER SHED RACCOON CREEK
 DISTRICT COVE COUNTY BARBOUR
 QUADRANGLE COLEBANK 7.5'
 SURFACE OWNER DORSEY A. CLAYTON, et ux. ACREAGE 62
 OIL & GAS ROYALTY OWNER DORSEY A. CLAYTON, et ux. LEASE ACREAGE 62
 LEASE NO. _____
 PROPOSED WORK: DRILL CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE _____ PLUG OFF OLD FORMATION _____ PERFORATE NEW FORMATION _____ OTHER PHYSICAL CHANGE IN WELL (SPECIFY) _____
 PLUG AND ABANDON _____ CLEAN OUT AND REPLUG _____
 TARGET FORMATION FOX SAND ESTIMATED DEPTH 5600'
 WELL OPERATOR FOX DRILLING CO. DESIGNATED AGENT MR. ROBERT E. FOX
 ADDRESS P.O. BOX 129 ADDRESS P.O. BOX 129
GLENVILLE, W.VA. 26351 GLENVILLE, W.VA. 26351