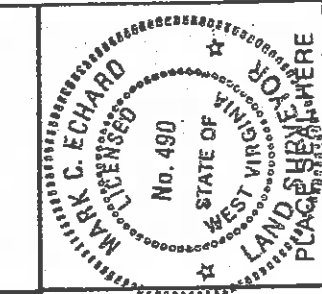
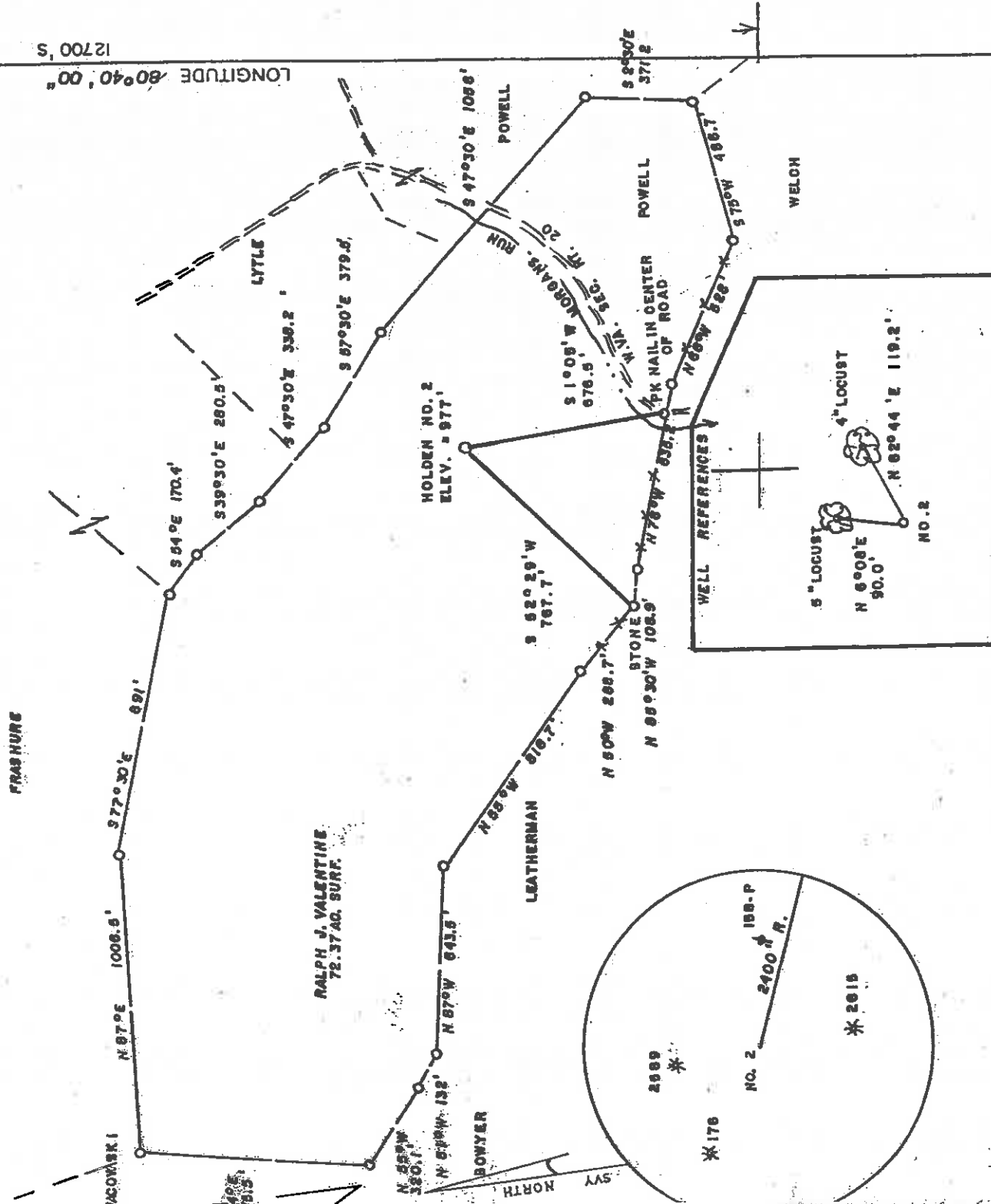


HOLDEN LEASE 82.5 AC. of 88 AC.

5600' W
 LATITUDE 39°20'00"
 LONGITUDE 80°40'00"
 12700' S



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 ENERGY.
 (SIGNED) Mark C. Echard
 R.P.E. _____ L.L.S. _____ 190

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS 1" = 200'
 FILE NO. _____
 DRAWING NO. _____
 SCALE 1" = 500'
 MINIMUM DEGREE OF ACCURACY 1/200
 PROVEN SOURCE OF ELEVATION TOP OF KNOB
 NW OF LEASE ELEV. = 1420'



STATE OF WEST VIRGINIA
 Division of Environmental Protection,
 OFFICE OF OIL AND GAS

DATE APRIL 23, 2004
 OPERATOR'S WELL NO. HOLDEN NO. 2
 API WELL NO. 47-017-04854
 STATE WEST VIRGINIA COUNTY MORGANS RUN
 WASTE DISPOSAL SHALLOW
 WELL TYPE: OIL GAS LIQUID INJECTION WATER SHED
 (IF "GAS") PRODUCTION 971 STORAGE GRANT DEEP WATER SHED DISTRICT SMITHBURG
 LOCATION: ELEVATION 971 WATER SHED GRANT COUNTY DODDRIDGE
 QUADRANGLE SMITHBURG ACREAGE 72.37
 SURFACE OWNER RALPH J. VALENTINE LEASE ACREAGE 82.5 OF 88
 OIL & GAS ROYALTY OWNER ISABELL L. FRAZIER, et al

PROPOSED WORK: DRILL CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE PLUG OFF OLD FORMATION PERFORATE NEW FORMATION OTHER PHYSICAL CHANGE IN WELL (SPECIFY)
 LEASE NO. _____
 PLUG AND ABANDON CLEAN OUT AND REPLUG
 TARGET FORMATION GORDON ESTIMATED DEPTH 2750
 WELL OPERATOR R&K OIL & GAS, INC. DESIGNATED AGENT RUSTY HUTSON
 ADDRESS 6304 WALNUT DRIVE ADDRESS LUMBERPORT, WV 26386
PINSON, AL 35126

County Name Dodd Permit 4854

6-6 Smithlow-Flat - Sdk's 99

State of West Virginia
Division of Environmental Protection
Section of Oil and Gas

MP

Well Operator's Report of Well Work

Farm name: Holden Operator Well No.: 2

LOCATION: Elevation: 977' Quadrangle: Smithburg

District: Grant County: Doddridge
Latitude: 12,700 Feet South of 39 Deg. 20 Min. 00 Sec.
Longitude 5,600 Feet West of 80 Deg. 40 Min. 00 Sec.

Company: R & K Oil & Gas Inc.

Address: <u>6304 Walnut Drive</u>	Casing & Tubing	Used in drilling	Left in well	Cement fill up Cu. Ft.
<u>Pinson, AL 35126</u>	<u>7"</u>	<u>996'</u>	<u>996'</u>	<u>175 Cu Ft</u>
Agent: <u>Rusty Hutson</u>	<u>4-1/2"</u>		<u>2595'</u>	<u>180 Cu Ft</u>
Inspector: <u>Mike Underwood</u>				
Date Permit Issued:				
Date Well Work Commenced: <u>10/11/04</u>				
Date Well Work Completed: <u>10/18/04</u>				
Verbal Plugging:				
Date Permission granted on:				
Rotary x Cable <u>Rlg</u>				
Total Depth (feet): <u>2670'</u>				
Fresh Water Depth (ft.): <u>65'</u>				
Salt Water Depth (ft.): <u>NR</u>				
Is coal being mined in area (N/Y)? <u>No</u>				
Coal Depths (ft.): <u>None</u>				

OPEN FLOW DATA Gordon Injun

Producing formation Keener Pay zone depth (ft) 1796'-1820'

Gas: Initial open flow Show MCF/d Oil: Initial open flow Show Bbl/d

Final open flow 680 MCF/d Final open flow Show Bbl/d

Time of open flow between initial and final tests 6 Days HOURS

Static rock Pressure 240 psig (surface pressure) after 48 Hours

ALL FORMATIONS CO-MINGLED

Second producing formation _____ Pay zone depth (ft) _____

Gas: Initial open flow _____ MCF/d Oil: Initial open flow _____ Bbl/d

Final open flow _____ MCF/d Final open flow _____ Bbl/d

Time of open flow between initial and final tests _____ Hours

Static rock Pressure _____ psig (surface pressure) after _____ Hours

NOTE: ON BACK OF THIS FORM PUT THE FOLLOWING: 1). DETAILS OF PERFORMATED INTERVALS, FRACTURING OR STIMULATING, PHYSICAL CHANGE, ETC. 2). THE WELL ENVIRONMENTAL PROTECTION LOG WHICH IS A SYSTEMATIC DETAILED GEOLOGICAL RECORD OF ALL FORMATIONS, INCLUDING COAL ENCOUNTERED BY THE WELLBORE.

RECEIVED
Office of Oil & Gas
Office of Chief
NOV 18 2004
DEPARTMENT OF ENVIRONMENTAL PROTECTION

D000 4854

Signed: R & K OIL & GAS INC.
By: [Signature]
Date: 11/2/04

DEC 10 2004

TREATMENT:

Stage #1 - Gordon; 2488'-94' (13 Holes) 500 GA, 20,000# 20/40 Sand and 392 Bbls.
60 Quality Foam

Stage #2 - Injun; 1862'-96' (13 Holes) 750 GA, 40,000# 20/40 Sand and 572 Bbls.
60 Quality Foam

Stage #3 - Keener; 1807'-10' (13 Holes) 750 GA, 40,000# 20/40 Sand and 541 Bbls.
60 Quality Foam

FORMATIONS:

Dirt	0'	-	20'
Sand	20'	-	80'
Sand & Shale	80'	-	210'
Sand	210'	-	380'
Sand & Shale	380'	-	420'
Shale & Red Rock	420'	-	570'
Red Rock	570'	-	680'
Sand & Shale	680'	-	1100'
Shale	1100'	-	1150'
Sand & Shale	1150'	-	1460'
Shale	1460'	-	1510'
Shale & Sand	1510'	-	1590'
Sand	1590'	-	1630'
Shale	1630'	-	1680'
L Lime	1680'	-	1700'
B Lime	1700'	-	1790'
Injun	1790'	-	1910'
Sand & Shale	1910'	-	2240'
Sand	2240'	-	2350'
Shale & Sand	2350'	-	2440'
Gordon	2440'	-	2450'
Sand & Shale	2450'	-	2670'
RTD	2670'	-	

Water @ 65'