

A-1



1) Date: May 24, 1983  
 2) Operator's Well No. Hogue B-82-2  
 3) API Well No. 47 021 4057  
 State            County            Permit           

DRILLING CONTRACTOR:

Gene Stalnaker, Inc.  
P.O. Box 178

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

OIL AND GAS WELL PERMIT APPLICATION

- Glenville, WV 26351
- 4) WELL TYPE: A Oil            / Gas x /  
 B (If "Gas", Production            / Underground storage            / Deep            / Shallow x /)
- 5) LOCATION: Elevation: 1128 Watershed: Tanner Creek  
 District: Dekalb County: Gilmer Quadrangle: Tanner 7.5
- 6) WELL OPERATOR Gene Stalnaker, Inc. 11) DESIGNATED AGENT Gene Stalnaker  
 Address P.O. Box 178 Address P.O. Box 178  
Glenville, WV 26351 Glenville, WV 26351
- 7) OIL & GAS ROYALTY OWNER Leo Hogue et.al. 12) COAL OPERATOR n/a  
 Address Tanner, WV Address
- 8) SURFACE OWNER Leo Hogue et.al. 13) COAL OWNER(S) WITH DECLARATION ON RECORD:  
 Address            Name n/a  
 Address            Address             
 Acreage 97 Name             
 Address            Address
- 9) FIELD SALE (IF MADE) TO:  
 Address            Address
- 10) OIL & GAS INSPECTOR TO BE NOTIFIED  
 Name Deo Mace Address             
 Address Box 5 Sand Ridge, WV Address             
655-7398 Address
- 15) PROPOSED WORK: Drill X / Drill deeper            / Redrill            / Fracture or stimulate             
 Plug off old formation            / Perforate new formation             
 Other physical change in well (specify)
- 16) GEOLOGICAL TARGET FORMATION, Marcellus
- 17) Estimated depth of completed well, 5325 feet
- 18) Approximate water strata depths: Fresh, n/a feet; salt, 328 feet.
- 19) Approximate coal seam depths:            Is coal being mined in the area? Yes            / No x /

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 MAY 27 1983  
 OIL & GAS DIVISION  
 DEPT. OF MINES

20) 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	11 3/4				X	40'			Kinds
Fresh water									
Coal									Sizes
Intermediate	8 5/8	CW	201b	x		375-300'	375-300'	To Surface	N&A
Production	4 1/2	ERW	10.50	x			5325'	2000' Fill	Depths set
Tubing								Up	
Liners									Perforations:
									Top Bottom

- 21) 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.)
- 22) ROYALTY PROVISIONS  
 Is the right to extract, produce or market the oil or gas based upon a lease or other continuing 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.
- 23) Required Copies (See reverse side.)

24) Copies of this Permit Application and the enclosed plat and reclamation plan have been mailed by registered mail or delivered by hand to the above named coal operator, coal owner(s), and coal lessee on or before the day of the mailing or delivery of this Permit Application to the Department of Mines at Charleston, West Virginia.

Notary: Steven B. Duffield  
 My Commission Expires August 6, 1992

Signed: Gene Stalnaker  
 Its: President

OFFICE USE ONLY

Permit number 47-021-4057 **DRILLING PERMIT** Date June 7 1983

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. 10) 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.)

Permit expires February 7, 1984 unless drilling is commenced prior to that date and prosecuted with due diligence.

Bond: <u>Blanket ok</u>	Agent: <u>ok</u>	Plat: <u>ok</u>	Casing: <u>ok</u>	Fee: <u>135.88</u>
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[Signature]  
 Administrator, Office of Oil and Gas

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

Line Item Explanation

- 1) Date of Application
- 2) Your well name and number
- 3) To be filled out by office of oil & gas
- 4A) "Oil" means natural crude oil or petroleum and other hydrocarbons, regardless of gravity, which are produced at the well in liquid form by ordinary production methods and which are not the result of condensation of gas after it leaves underground reservoirs: "Gas" means all natural gas and all other fluid hydrocarbons not defined as oil.
- 4B) "Shallow well" means any well drilled and completed in a formation above the top of the uppermost member of the "Onondaga Group" or a depth less than six thousand feet, whichever is shallower.  
"Deep well" means any well drilled and completed in a formation at or below the top of the uppermost member of the "Onondaga Group" or at a depth less than six thousand feet, whatever is shallower.
- 5) Where well is located
- 6) Before a permit can be issued in a corporation, company partnership, or fictitious name, the name must be registered with the Secretary of State Office
- 7) Use separate sheet if necessary
- 8) Present surface owner at time application is filed.
- 9) Optional
- 11) See Reg. 7.01 relating to code §22-4-1k
- 12) "Coal Operator" means any persons, firm, partnership, partnership association or corporation that proposes to or does operate a coal mine. See Note 24
- 13 & 14) As per §22-4-20; See Note 24
- 15) Work that will be attempted—A separate Form IV-2 shall not be required for fracturing or stimulating a well where fracturing or stimulating is to be part of the work for which a permit is sought and is noted as such on the Form IV-2 filed in connection therewith.
- 16) Anticipated formation for which well will be completed
- 17) Self explanatory
- 18) Depth to deepest freshwater, and shallowest salt water, taken from nearby wells corrected for differences in elevation
- 19) All coal seam depths
- 20) Proposed casing program and cementing refer to Code 22-4-5, 22-4-6, 22-4-7, 22-4-8, 22-4-8a Reg 9.01, 15.01, 15.02, 15.03, 15.04, 25.01, 25.02, 25.03, 25.04
- 21) Code 22-4-11(c) - In lieu of filing the lease or leases or other continuing contract or contracts, the applicant for a permit described herein may file the following:
  - (1) A brief description of the tract of land including the district and county wherein the tract is located;
  - (2) The identification of all parties to all leases or other continuing contractual agreements by which the right to extract, produce or market the oil or gas is claimed;
  - (3) The book and page number wherein each such lease or contract by which the right to extract, produce or market the oil or gas is recorded;
  - (4) A brief description of the royalty provisions of each such lease or contract.
- 22) Code 22-4-11(d) and 22-4-11(e).
- 23) Regulation 7.02 of the Department of Mines provides that the original and four copies of Form IV-2 must be filed with the Department, 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 §22-4-2, (iii) Form IV-9, "Reclamation Plan", applicable to the reclamation required by Code §22-4-12b and Regulation 23, (iv) unless previously paid on the same well, the fee required by Code §22-4-12a, and (v) if applicable, the consent required by Code §22-4-8a from the owner of any water well or dwelling within 200 feet of the proposed well.
- 24) **The above 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 receipt thereof.

**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: \_\_\_\_\_, 19\_\_\_\_

By \_\_\_\_\_

Its \_\_\_\_\_

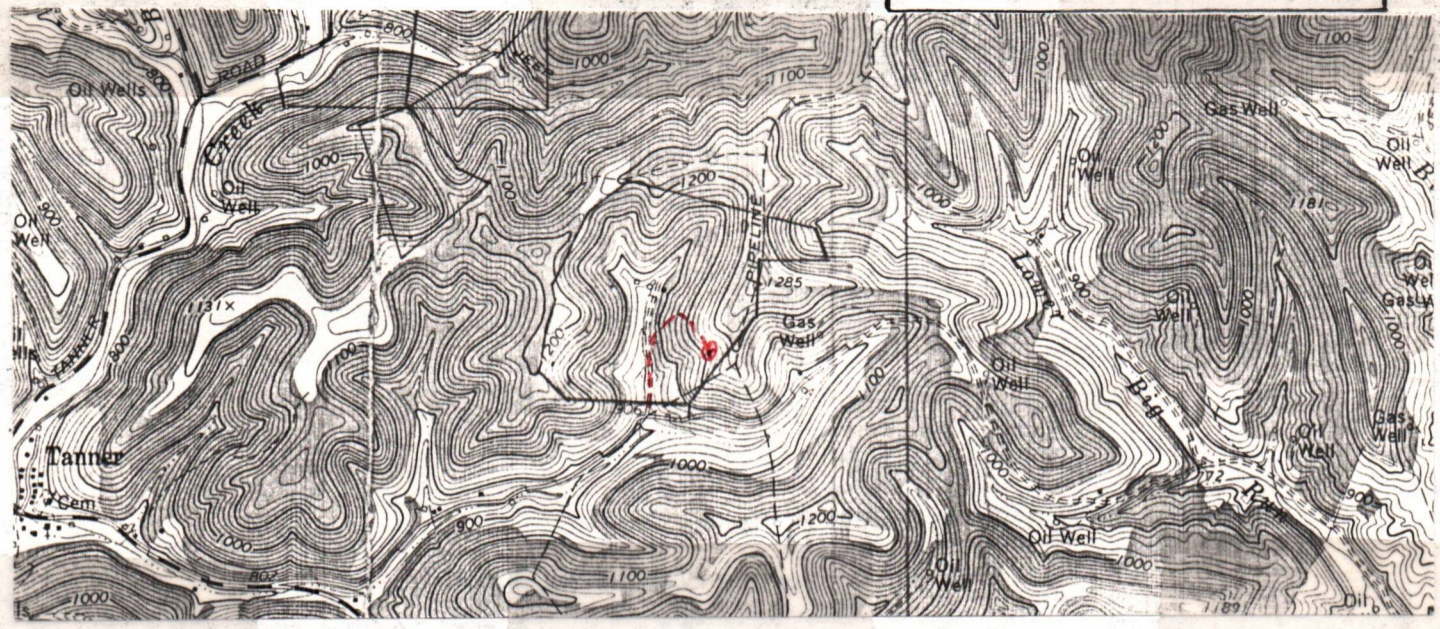
A-5

ATTACH OR PHOTOCOPY SECTION OF INVOLVED TOPOGRAPHIC MAP. QUADRANGLE Tanner 7.5'

LEGEND

Well Site ⊕

Access Road ———



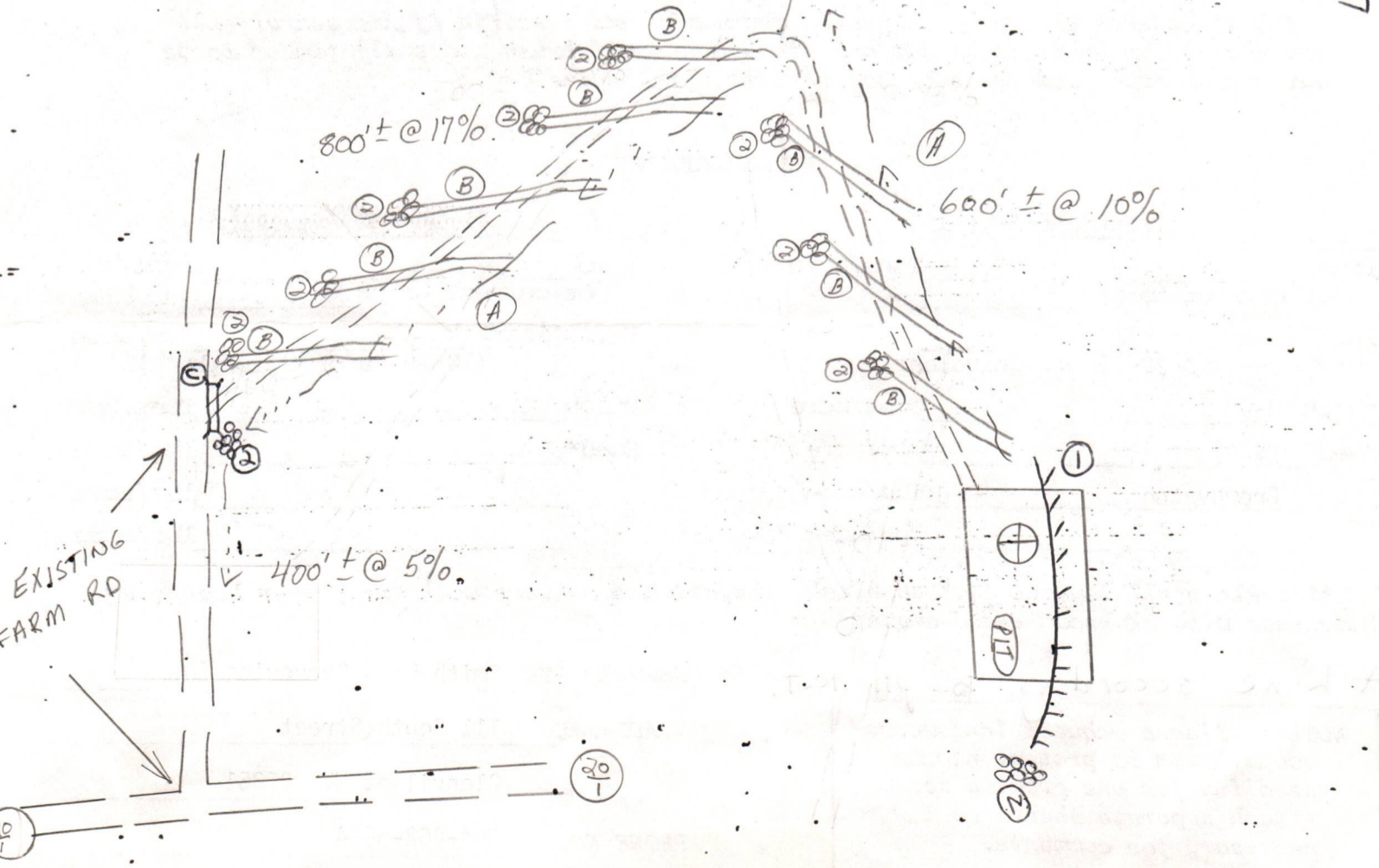
Sketch to include well location, existing access road, roads to be constructed, wellsite, drilling pits and necessary structures numbered or lettered to correspond with the first part of this plan. Include all natural drainage.

LEGEND

Property boundary ———▲———	Diversion ———/———/———
Road = = = = =	Spring ○→
Existing fence ———x———x———	Wet spot ⊕
Planned fence ———/———/———	Building [ ]
Stream ~~~~~	Drain pipe —○→○→
Open ditch ———>———>———>———>	Waterway <==>==>==>

NOTE: EXISTING FARM ROAD TO BE MAINTAINED

Note: topsoil will be stockpiled for use in reclaiming.



A-4



DATE December 17, 1982

WELL NO. B82-2

State of West Virginia

API NO. 47 - 021 - 4057

Department of Mines  
Oil and Gas Division

CONSTRUCTION AND RECLAMATION PLAN

COMPANY NAME Gene Stalnaker Inc.

DESIGNATED AGENT Gene Stalnaker

Address P.O. Box 178 Glenville, WV 26351

Address P.O. Box 178 Glenville, WV 26351

Telephone 304-462-5701

Telephone 304-462-5701

LANDOWNER Leo Hogue

SOIL CONS. DISTRICT West Fork

Revegetation to be carried out by Gene Stalnaker Inc. (Agent)

This plan has been reviewed by West Fork SCD. All corrections and additions become a part of this plan:

5/13/83  
(Date)

Kenneth E Knight  
(SCD Agent)

ACCESS ROAD

LOCATION

Structure Drainage Ditch (A)

Structure Diversion Ditch (1)

Spacing N/A Inside Road Cuts

Material Earthen

Page Ref. Manual 2-12

Page Ref. Manual 2-12

Structure Cross Drain (B)

Structure Sediment Barrier (2)

Spacing 17% - 55' apart 10% - 80' apart  
as required per grade

Material Brush & Stone

Page Ref. Manual 2-1

Page Ref. Manual 2-16

Structure Culvert (12" minimum) (C)

Structure (3)

Spacing according to Oil & Gas Manual

Material

Page Ref. Manual 2-7

Page Ref. Manual

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.

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MAY 27 1983  
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REVEGETATION

Treatment Area I

~~Treatment Area II~~

Lime \_\_\_\_\_ Tons/acre  
or correct to pH 6.5

Lime \_\_\_\_\_ Tons/acre  
or correct to pH \_\_\_\_\_

Fertilizer 600 lbs/acre  
(10-20-20 or equivalent)

Fertilizer \_\_\_\_\_ lbs/acre  
(10-20-20 or equivalent)

Mulch Hay 2 Tons/acre

Mulch \_\_\_\_\_ Tons/acre

Seed\* KY-31 35 lbs/acre

Seed\* \_\_\_\_\_ lbs/acre

Crownvetch 10 lbs/acre

\_\_\_\_\_ lbs/acre

\_\_\_\_\_ lbs/acre

\_\_\_\_\_ lbs/acre

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

\*Lime according to pH test PLAN PREPARED BY Smith Land Surveying Co.

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

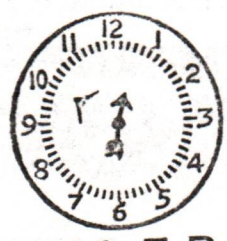
ADDRESS 111 South Street

Glenville, WV 26351

PHONE NO. 304-462-5634

STATE OF WEST VIRGINIA, COUNTY OF Gilmer To-wit  
 I, John J. Kennedy  
 a Notary Public of said State of West  
 that Leo H. Hogue and \_\_\_\_\_  
 his wife, whose name is are signed to the writing above bearing date the  
February A. D. 1982 have this day acknowledged the  
 Given under my hand this 17<sup>th</sup> day of February

FEB 18 '82 AM



My Commission expires \_\_\_\_\_  
John J. Kennedy  
Notary Public

**FILED**  
 LOUELLA STALNAKER, Clerk  
 GILMER COUNTY, W. VA.

STATE OF WEST VIRGINIA,  
 GILMER COUNTY COMMISSION CLERK'S OFFICE February

The foregoing writing, together with the certificate thereto annexed, is  
 said office.

TESTE: Loeuella

CASTO & HARRIS INC., SPENCER, W. VA. RE-ORDER NO 76779

STATE OF WEST VIRGINIA, COUNTY OF \_\_\_\_\_ To-wit  
 I, \_\_\_\_\_  
 a \_\_\_\_\_ of said county of \_\_\_\_\_  
 that \_\_\_\_\_ and \_\_\_\_\_  
 his wife, whose name \_\_\_\_\_ signed to the writing above bearing date the \_\_\_\_\_  
 \_\_\_\_\_, A. D. 19\_\_\_\_ ha\_\_\_\_ this day acknowledged the \_\_\_\_\_ do certify  
 Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_  
 \_\_\_\_\_ day of \_\_\_\_\_  
 \_\_\_\_\_ A. D. 19\_\_\_\_  
 My Commission expires \_\_\_\_\_

*Bad copy*

No. \_\_\_\_\_

**Oil and Gas Lease**

FROM \_\_\_\_\_

TO \_\_\_\_\_

Date \_\_\_\_\_, 19\_\_\_\_

Term, Ten Years \_\_\_\_\_

Number of Acres \_\_\_\_\_

LOCATION \_\_\_\_\_

District \_\_\_\_\_

Recorded \_\_\_\_\_, 19\_\_\_\_

Book 324 Page 490

Prepared By: Junior Kennedy

DEPT. OF MINES  
OIL & GAS DIVISION

MAY 27 1983

RECORDED

J. R. Kennedy  
Witness

Leo H. Hogue  
Witness

(Seal)  
(Seal)  
(Seal)  
(Seal)

It is agreed that the Leasee 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 (\$1,000) One Dollar at any time, by the party of the second part, or by its successors and assigns if or they shall have the right to surrender this lease for cancellation, after which all payments and liabilities thereafter to accrue under and by virtue of its terms shall cease and determine, and this lease becomes absolutely null and void. Leasee agrees 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 amounts 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.

State of West Virginia  
Bay 101  
Tanner  
P. O.  
Gilmer  
County, West Virginia  
or by check mailed to Irene C. Hogue  
Bank of

The said Lessee covenants and agrees to pay a rental at the rate of Three dollars per acre per year (\$3.00) Dollars quarterly in advance, beginning immediately. Months from this date, until, but not after, a well yielding royalty to the Lessee 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 Lessee or be deposited to their credit, or to the credit of their heirs and assigns in the same manner to

And it is agreed that the leased premises may be fully and freely used by the Lessee for farming purposes, excepting such parts as are used by the Lessee in operating hereunder, and further, that the said Lessee may drill or not drill on said land, as it may elect, and that the consideration and rentals paid and to be paid constitute adequate compensation for such privilege. Leasee covenants and agrees to locate all wells so as to interfere as little as possible with the cultivated portion of the farm, and subject to the use, operation, pumping and right of abandonment of the well by Lessee, its successors and assigns, may require to 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, and regulations of said Lessee, its successors and assigns, published at such time relating to such use of gas.

any part thereof should be manufactured into gasoline or other by-products by said company, said Lessee shall receive one-eighth of the net value at the factory of the gasoline and other by-products so manufactured. 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 above provided to be paid or delivered. 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 Lessee or their predecessor in title or otherwise. And any such that outstanding royalty or interest shall first be deducted from the royalties and rentals

and saved from the leased premises; and second, to pay their proportionate share of the equal one-eighth (1/8) part of all oil produced from the leased premises; and second, to pay their proportionate share 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.

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 Lessee, their heirs or assigns, free of cost, in the pipe line to which the Lessee may connect with its wells

Containing Ninety Seven 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. On the West by lands of Briggs heirs On the South by lands of Briggs heirs On the East by lands of Jesse Marks On the North by lands of Evans heirs Road Run

West Virginia, on the waters of Road Run bounded as follows: District of Gilmer County and State of West Virginia, all that certain tract of land situate in

hereinafter called Lessee, whether one or more, and party of the second part, hereinafter called Lessee. WITNESSETH, that the said Lessee for and in consideration of the sum of \$100.00 Dollars to them in hand well and truly paid by 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 Lessee, for the purpose of conveying oil, gas, steam or water thereon 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 Lessee.

County of Gilmer and state of West Virginia  
P. O. of Tanner  
Bay 101  
Irene C. Hogue & Leo H. Hogue, his wife  
day of the 17th 1982

AGREEMENT, made and entered into the 17th day of May, 1982, by and between Leo H. Hogue & Irene C. Hogue, his wife

No. 2761

A-9

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APR 10 1984

OIL & GAS DIVISION  
DEPT. OF MINES

State of West Virginia

Department of Mines

Charleston 25305  
April 4, 1984

JOHN D. ROCKEFELLER, IV.  
Governor

WALTER N. MILLER  
Director

Gene Stalnaker, Inc.  
P. O. Box 178  
Glenville, West Virginia 26351

In Re: Permit No. 021-4057

Farm: Leo Hogue

Well No: B-82-2

District: Dekalb

County: Gilmer

Issued 6-7-83

Gentlemen:

Please send an original and two copies of the completion drilling record for the above described well location. This record must be submitted before we can request the district inspector to make a "Final Inspection".

Administrative Regulations - Rule 16.02 Filing of Well Record and Related Forms.

(a) Within 90 days after the completion of permitted work, three copies of Form IV-35, "Well Operator's Report of Drilling, Fracturing and/or Stimulating or Physical Change", containing the geological information required by Code 22-4-8b in the form specified . . . . . shall be filed with the Administrator, Office of Oil & Gas-Dept. Mines.

Sincerely,

Theodore M. Streit  
Administrator-Oil & Gas

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APR 07 1984

Gene Stalnaker, Inc.  
Glenville, WV 26351

IF WELL WAS NOT DRILLED, PLEASE ADVISE.

The above well was never drilled.





B-12

STATE OF WEST VIRGINIA  
DEPARTMENT OF MINES  
OIL AND GAS DIVISION  
FINAL INSPECTION REQUEST  
INSPECTOR'S COMPLIANCE REPORT

**RECEIVED**  
FEB 26 1985  
OIL & GAS DIVISION  
**DEPT. OF MINES**

Permit No. 021-4057 County Gilmer  
Company Gene Stalnaker, Inc. Farm Leo Hogue et al  
Inspector Deo Mace Well No. B-82-2  
Date April 11, 1984

RULE	DESCRIPTION	IN COMPLIANCE	
		Yes	No
23.06	Notification Prior to starting Work	_____	_____
25.04	Prepared before Drilling to prevent waste	_____	_____
25.03	High-Pressure Drilling	_____	_____
16.01	Required Permits at wellsite	_____	_____
15.03	Adequate Fresh Water Casing	_____	_____
15.02	Adequate Coal Casing	_____	_____
15.01	Adequate Production Casing	_____	_____
15.04	Adequate Cement Strength	_____	_____
23.02	Maintained Access Roads	_____	_____
25.01	Necessary Equipment to prevent Waste	_____	_____
23.03	Reclaimed Drilling Site	_____	_____
23.04	Reclaimed Drilling Pits	_____	_____
23.05	No surface or underground Pollution	_____	_____
7.03	Identification Markings	_____	_____

COMMENTS: Please issue final on cancellation if location is okay.  
Permit expired on 2-7-84 and company says well was never drilled.  
\_\_\_\_\_  
\_\_\_\_\_

I have inspected the above well and (HAVE/HAVE NOT) found it to be in compliance with all of the rules and regulations of the Office of Oil and Gas Department of Mines of the State of West Virginia.

SIGNED: Deo Mace  
DATE: 2-22-85

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DEPT. OF MINES

B-11



State of West Virginia

BARTON B. LAY, JR.  
DIRECTOR

Department of Mines  
Oil and Gas Division  
Charleston 25305

THEODORE M. STREIT  
ADMINISTRATOR

February 28, 1985

Gene Stalnaker, Inc.  
P.O. Box 178  
Glenville, WV 26351

In Re: Permit No: 47-021-4057

Farm: Leo Hogue et al

Well No: B-82-2

District: Dekalb

County: Gilmer

Issued: 6-7-83

Gentlemen:

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

XXXXX The well designated by the above captioned permit number has been released under your Blanket Bond. (PERMIT CANCELLED - NEVER DRILLED)

Please return the enclosed cancelled single bond which covered the well designated by the above permit number to the surety company who 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 22, Article 4, Section 2, the above captioned well will remain under bond coverage for life of the well.

Very truly yours,

Theodore M. Streit, Administrator  
Dept. Mines-Office of Oil & Gas

