



1) Date: June 3, 19 83
 2) Operator's Well No. #3
 3) API Well No. 47 33 2914
 State County Permit

DRILLING CONTRACTOR:

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

OIL AND GAS WELL PERMIT APPLICATION

- 4) WELL TYPE: A Oil X / Gas X /
 B (If "Gas", Production X / Underground storage _____ / Deep _____ / Shallow X)
- 5) LOCATION: Elevation: 1418 Watershed: _____
 District: Clay County: Harrison Quadrangle: Clarksburg 7 1/2
- 6) WELL OPERATOR Hydrocarbon Energies Inc 11) DESIGNATED AGENT Alvin Sorcan
 Address P.O. Drawer 976 Address P.O. Drawer 976
Buckhannon, WV 26201 Buckhannon, WV 26201
- 7) OIL & GAS ROYALTY OWNER P. K. Balsly Hrs. 12) COAL OPERATOR _____
 Address c/o David Taylor Address _____
Spring St, Clarksburg, WV 26301
- 8) SURFACE OWNER George Kendal 13) COAL OWNER(S) WITH DECLARATION ON RECORD:
 Address 1806 Greensburg Ave, Apt 1A Name Clay Development
North Versailles, Pa 15137 Address P.O. Box 548
 Acreage 38 Shinnston, WV 26431
- 9) FIELD SALE (IF MADE) TO: Name _____
 Address _____
- 10) OIL & GAS INSPECTOR TO BE NOTIFIED Name _____
 Name Steven Casey Address _____
 Address Route 2, Box 232-D
Jane Lew, WV 26378
- 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, 5TH Sand
- 17) Estimated depth of completed well, 3050 feet
- 18) Approximate water strata depths: Fresh, 30 618 feet; salt, 730, 910 feet.
- 19) Approximate coal seam depths: 315, 565, 625 Is coal being mined in the area? Yes _____ / No X /

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 JUN -6 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	40	To Surface	Kinds
Fresh water	}					675	675	CTS	by Rule 15.05
Coal									
Intermediate	8 5/8		20	X		1450	1450	To Surface	Depths set OR AS REG by Rule 15-01
Production	4 1/2		10 1/2	X			3050	450 Sks.	
Tubing									Perforations:
Liners									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: Louis A. Ferraro Signed: Alvin Sorcan
 My Commission Expires 12/20/90 Its: PRESIDENT

OFFICE USE ONLY
DRILLING PERMIT

Permit number 47-033-2914 Date July 18 19 83

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 March 18, 1984 unless drilling is commenced prior to that date and prosecuted with due diligence.

Bond: <u>BB</u>	Agent: <u>lp</u>	Plat: <u>[Signature]</u>	Casing: <u>[Signature]</u>	Fee: <u>669</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 _____



1) Date: June 6, 19 84
 2) Operator's Well No. Balsley # 3
 3) API Well No. 47 - 033-2914 (REV)
 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 / Gas
 B (If "Gas", Production / Underground storage / Deep / Shallow
 5) LOCATION: Elevation: 1261 Watershed: West Fork River (M26)
 District: Clay County: Harrison Quadrangle: Clarksburg 7 1/2
 6) WELL OPERATOR Hydrocarbon Energies Inc 7) DESIGNATED AGENT Al Sorcan
 Address P. O. Drawer 976 Address Rt. 4, Box 444
Buckhannon, WV 26201 Buckhannon, WV 26201
 8) OIL & GAS INSPECTOR TO BE NOTIFIED 9) DRILLING CONTRACTOR:
 Name Steve Casey Name
 Address JaneLew Address
 10) PROPOSED WELL WORK: Drill / Drill deeper / Redrill / Stimulate
 Plug off old formation / Perforate new formation
 Other physical change in well (specify)
 11) GEOLOGICAL TARGET FORMATION, 5th Sand
 12) Estimated depth of completed well, 3000 feet
 13) Approximate trata depths: Fresh, 100 feet; salt, feet.
 14) Approximate coal seam depths: 305, 430, 680 Is coal being mined in the area? Yes / No

RECEIVED
 JUN 26 1984
 OIL & GAS DIVISION
 DEPT. OF MINES

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	35			Kinds
Fresh water									
Coal	8 5/8		23	X		1320	1320	to surface	Sizes
Intermediate	8 5/8		"	"		"	"	"	
Production	4 1/2		10 1/2	X			3000	300 sks	Depths set
Tubing									
Liners									Perforations:
									Top Bottom

OFFICE USE ONLY
 DRILLING PERMIT

Permit number 47-033-2914-REV Date July 18, 19 84

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 July 18, 1986 unless well work is commenced prior to that date and prosecuted with due diligence.

Bond:	Agent:	Plat:	Casing:	Fee:
BLANKET	<i>[Signature]</i>	<i>MU</i>	<i>MU</i>	627

Margaret J. Hesse
 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) LOCATION: District: _____ Elevation: _____ Well No: _____

2) WELL OPERATOR: Name: _____ Address: _____

3) PROPOSED WELL WORK: Drill Plug off old formation Perform new formation

4) DRILLING CONTRACTOR: Name: _____ Address: _____

5) APPROXIMATE COAL SEAM DEPTH: _____

6) APPROXIMATE TRAIL DEPTH: _____

7) HISTORICAL DEPTH OF COMPLETED WELL: _____

8) OTHER PHYSICAL CHANGE IN WELL (SPECIFY): _____

9) COAL BEING MINED IN DEPTH: Yes No

RECEIVED JUN 2 1984

DEPT. OF MINES OIL & GAS DIVISION

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	Follow-up inspection(s)
Well work started	" "
Completion of the drilling process	" "
Well Record received	" "
Reclamation completed	" "

OTHER INSPECTIONS

Reason: _____

Reason: _____

Blanket	Permit	Casing	Per
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I N S T R U C T I O N S T O A P P L I C A N T

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.

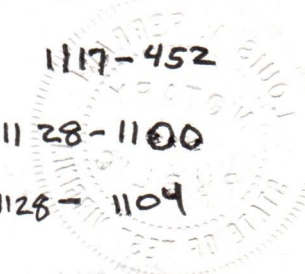
INFORMATION SUPPLIED UNDER CODE § 22-4-11(d)

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

Under the oath required to make the verification on the obverse 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
Josephine Balsley	Hydrocarbon Eng. Inc.	1/8	1117-448
Mrs. David Taylor	"	1/8	1117-456
Margeurite Balsley	"	1/8	1117-452
Oscar Volksdorf	"	1/8	1128-1100
Roland Weisner	"	1/8	1128-1104



1) Date: June 6, 19 84
2) Operator's Well No. Balsley # 3
3) API Well No. 47 - 033-2914(REV)
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 George Kendal
Address 609 Spring St.
Fairmont, WV 26554
(ii) Name Bridget Kendal
Address % John Kendal & Criss Kendal
(iii) Name _____
Address _____

5(i) COAL OPERATOR
Address _____

5(ii) COAL OWNER(S) WITH DECLARATION ON RECORD:
Name Clay Development
Address P. O. Box 386
Shinnston, WV 26431
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.

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 lease 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.

RECEIVED
JUN 26 1984
OIL & GAS DIVISION
DEPT. OF MINES

See the reverse side for line item instructions, and for instructions concerning the required copies of the Notice and Application, plat, and Construction and Reclamation Plan.

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 Alvin Sorran - President, this 6th day of JUNE, 1984. My commission expires 12-20, 1990.

Louis A. Jensen
Notary Public, UPSHUR County,
State of WEST VIRGINIA

WELL OPERATOR Hydrocarbon Energies, Inc.
By Alvin Sorran
Its President
Address P. O. Drawer 976
Buckhannon, WV 26201
Telephone (304) 472-9600



State of West Virginia
 Department of Mines
 Oil and Gas Division

Basic Hrs. #3

DATE 6/6/83
 WELL NO. #3
 API NO. 47 - 33 - 2914

CONSTRUCTION AND REVEGETATION PLAN

COMPANY NAME Hydrocarbon Energies Inc.
 Address PO Drawer 976, Buckhannon, WV
 Telephone 304/472-9600
 LANDOWNER George Kendal
 Revegetation to be carried out by Alvin Sorcan (Agent)
 This plan has been reviewed by West Fork SCD. All corrections and additions become a part of this plan:
 Date 6/14/83
 (SCD Agent) Kenneth [Signature]

ACCESS ROAD

Structure	Spacing	Page Ref. Manual	Structure	Spacing	Page Ref. Manual
(A) CURBERT (according to Oil & Gas Manual) (2) Minimum	2-7	2-7	(1) Diversion Ditch	Earth	2-1a
(B) DRAIN DITCH	Along Access Road	2-12	(2) Drilling Pit	Earth	N/A
(C) BREAKERS	60-80' APART	2-4	(3) Structure	Material	
				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.

REVEGETATION

Treatment Area I	Treatment Area II
*Lime or correct to pH 6.5	Lime As Area I or correct to pH
Fertilizer 600 lbs/acre (10-20-20 or equivalent)	Fertilizer lbs/acre (10-20-20 or equivalent)
Mulch Hay or Straw 2 Tons/acre	Mulch Tons/acre
Seed* Ry 31 fescue 35 lbs/acre	Seed* lbs/acre
LADINE Clover 5 lbs/acre	lbs/acre
Annual Rye 10 lbs/acre	lbs/acre

NOTES: Please contact landowner cooperation to protect new seeding for one growing season. Attach separate sheets as necessary for comments.

*Lime according to pH test, PLAN PREPARED BY Stewart Kirtley

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

ADDRESS P.O. Drawer 976
 Buckhannon, WV 26201
 PHONE NO. 304/472-9600

17/10

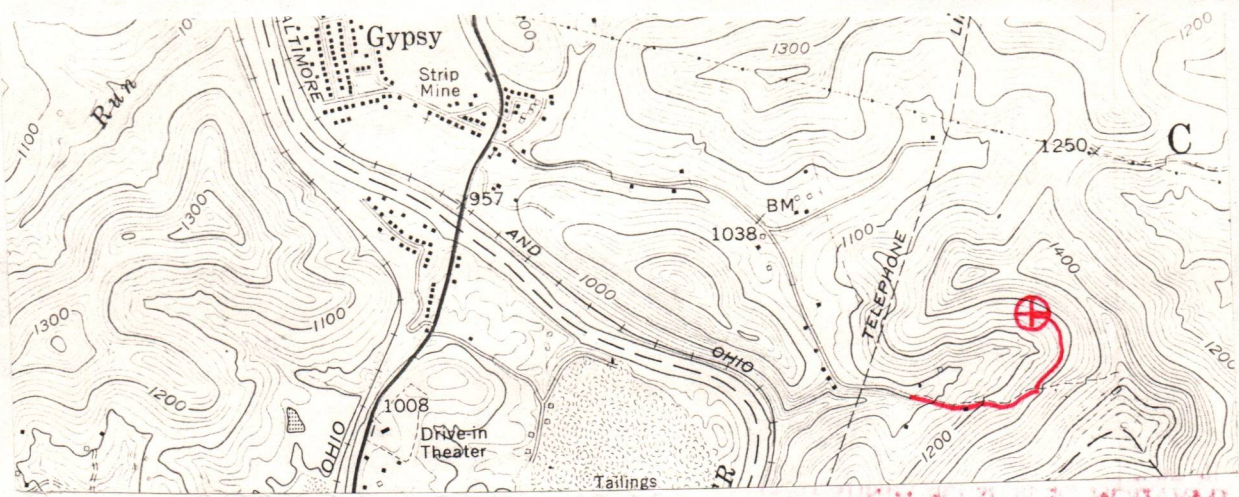
IV-9 REVERSE
(REV 8-81)

ATTACH OR PHOTOCOPY SECTION OF
INVOLVED TOPOGRAPHIC MAP.
QUADRANGLE CLARKSBURG 7 1/2

LEGEND

Well Site ⊕

Access Road ———



WELL SITE PLAN

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.

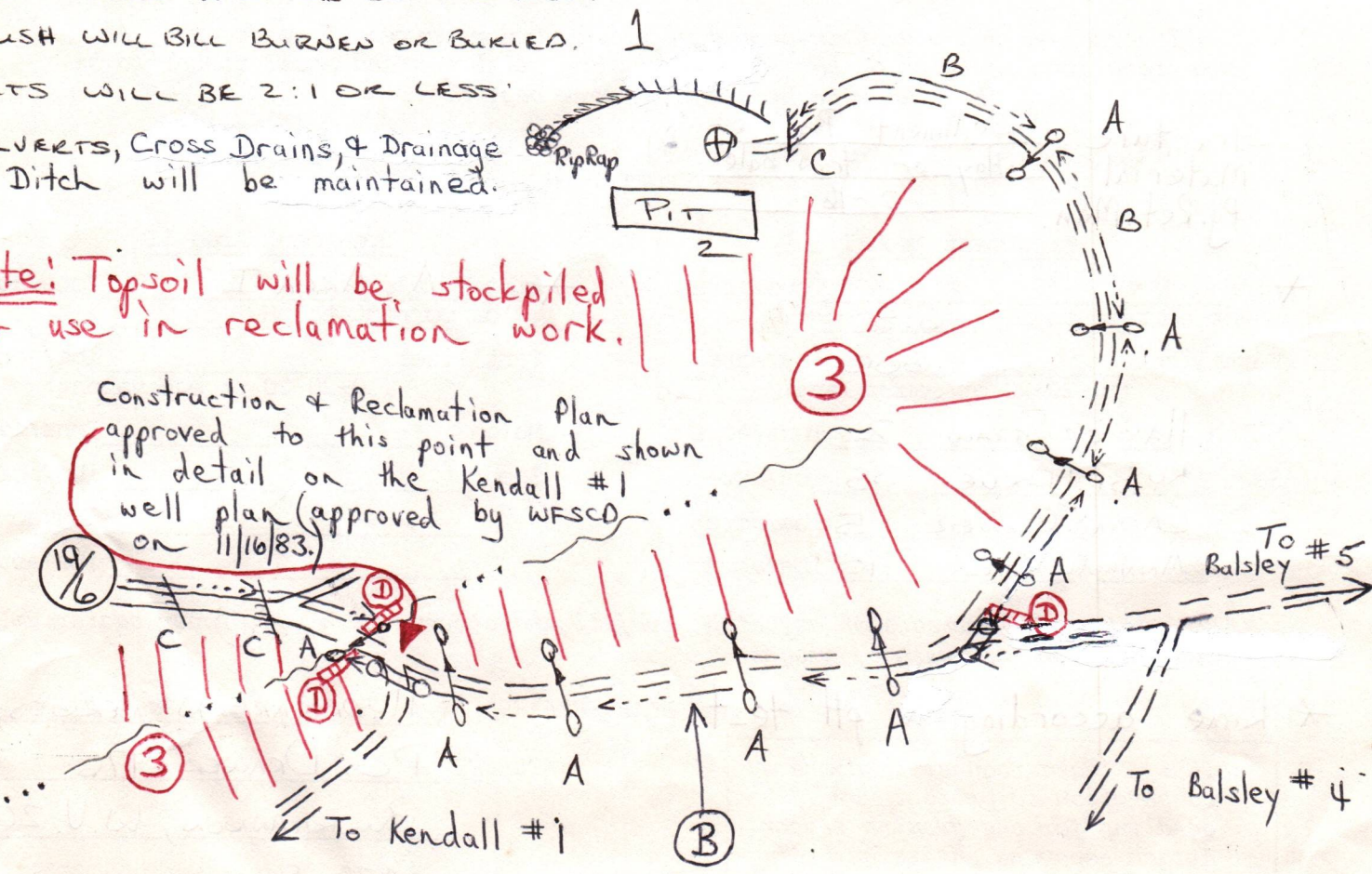
LEGEND

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

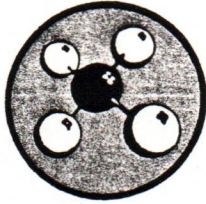
ALL TIMBER WILL BE CUT & STACKED.
BRUSH WILL BE BURNED OR BURIED.
CUTS WILL BE 2:1 OR LESS.
CULVERTS, CROSS DRAINS, & DRAINAGE
Ditch will be maintained.

Note! Topsoil will be stockpiled
for use in reclamation work.

Construction & Reclamation Plan
approved to this point and shown
in detail on the Kendall #1
well plan (approved by WFSCD
on 11/10/83.)



A-11



Hydrocarbon Energies, Inc.

PETROLEUM CONSULTING
COMPLETION — PRODUCTION — WELL OPERATING

RECEIVED
MAY 3 - 1984
OIL & GAS DIVISION
DEPT. OF MINES

Post Office Drawer 976
BUCKHANNON, WEST VIRGINIA 26201

(304) 472-9600

April 30, 1984

Mr. Ted M. Streit
Department Of Mines
Oil and Gas Division
1615 Washington Street East
Charleston, West Virginia 25311

Dear Ted:

The following permits are undrilled and will expire if they haven't already:

- 1) P. K. Balsly #2 (Harr - 2913)
- 2) P. K. Balsly #3 (Harr - 2914)
- 3) P. K. Balsly #4 (Harr - 2915)
- 4) P. K. Balsly #5 (Harr - 2916)

We will probably be renewing them, but the locations will be revised. Please contact me if I can provide you with any other information. Thank you.

Sincerely,

Louis A. Ferrari
Land Manager

LAF/mg
Enclosure

DETAILS OF PERFORATED INTERVALS, FRACTURING OR STIMULATING, PHYSICAL CHANGE, ETC.

<u>FORM</u>	<u>PERFS</u>	<u>BRKD</u>	<u>Holes</u>	<u>Sand</u>	<u>H2O</u>	<u>Rate</u>
5th sand	2779-2808	3100#	16	59,000	622	27.5
<u>ISIP</u>	<u>C02</u>					
1800	20tns					

WELL LOG

FORMATION	COLOR	HARD OR SOFT	TOP FEET	BOTTOM FEET	REMARKS
					Including indication of all fresh and salt water, coal, oil and gas
SH		G S	-0-	15	No Water Reported Coal @ 298, 332
SD		BR M	15	88	
SH		G S	88	142	
SD		H W	142	173	
SH		G S	173	298	
Coal		BL S	298	304	
SH		G S	304	332	
Coal		BL S	332	342	
SH		G S	342	850	
SD		W H	850	901	
SH		RD&G S	901	1680	
Lime		GR H	1680	1695	
SH		G S	1695	1716	
Big Lime		G H	1716	1780	
Big Injun		W H	1780	1877	
SH		G S	1877	2282	Show Gas @ 2030
Gantz		W H	2282	2316	
50'		W H	2316	2354	Show Gas @ 2340-2350
30'		W H	2354	2402	
Gordon Stray		BR M	2402	2510	
Gordon		BR M	2510	2626	
4th Sand		BR M	2626	2682	Show Gas @ 2660
SH		G S	2682	2778	
5th Sand		W H	2778	2826	Show Gas @ 2802
Sh		G S	2826	2940	
TD				2940	Gas @ T.D. 189MCF

(Attach separate sheets as necessary)

Well Operator

By: Alvin Loren President
Date: 10-9-84

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."

RECEIVED
MAR 19 1985

Date: 3-12, 1985

OIL & GAS DIVISION
DEPT. OF MINES

Operator's Well No. Balsley # 3
API Well No. 47 - 033 - 2914
State County Permit

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

WELL OPERATOR'S REPORT
OF
INITIAL GAS-OIL RATIO TEST

WELL OPERATOR Hydrocarbon Energies, Inc.
Address P. O. Drawer 976
Buckhannon, W. Va. 26201

DESIGNATED AGENT Alvin Sorcan
Address P.O. Drawer 976
Buckhannon, W. Va. 26201

GEOLOGICAL TARGET FORMATION: 5th Sand Depth 2775 feet
Perforation Interval 2779 - 2808 feet

GUIDELINES FOR TESTING:

- 1- A minimum of gas vented or flared
- 2- A 24 hour preflow into pipelines or tanks
- 3- Uniform producing rate during the 24 hour test per test period
- 4- Measurement standards as for Form IV-39, "Report of Annual Production" (see Regulation 21.01)
- 5- Separate Form IV-36 for each producing formation in a multiple completion

TEST DATA				
START OF TEST-DATE <u>2-15-85</u>	TIME	END OF TEST-DATE <u>2-21-85</u>	TIME	DURATION OF TEST <u>7 Days</u>
TUBING PRESSURE <u>400</u>	CASING PRESSURE <u>620</u>	SEPARATOR PRESSURE <u>100</u>	SEPARATOR TEMPERATURE <u>40</u>	
OIL PRODUCTION DURING TEST <u>40.3</u> bbls.	GAS PRODUCTION DURING TEST <u>126</u> Mcf		WATER PRODUCTION DURING TEST & SALINITY bbls. ppm.	
OIL GRAVITY <u>.46</u> °API	PRODUCING METHOD (Flowing, pumping, gas lift, etc.) <u>Flowing</u>			

GAS PRODUCTION		
MEASUREMENT METHOD FLANGE TAP <input checked="" type="checkbox"/> PIPE TAP <input type="checkbox"/> L-10 <input type="checkbox"/>	POSITIVE CHOKE CRITICAL FLOW PROVER <input type="checkbox"/>	
ORIFICE DIAMETER <u>3/8</u>	PIPE DIAMETER (INSIDE DIAM.) <u>2 inch</u>	NOMINAL CHOKE SIZE - IN.
DIFFERENTIAL PRESSURE RANGE	MAX. STATIC PRESSURE RANGE	PROVER & ORIFICE DIAM. - IN.
DIFFERENTIAL	STATIC	GAS GRAVITY (AIR-1.0) MEASURED ESTIMATED
GAS GRAVITY (AIR-1.0) <u>.65</u>	FLOWING TEMPERATURE	GAS TEMPERATURE _____ °F
24 HOUR COEFFICIENT	24 HOUR COEFFICIENT	
PRESSURE - _____ psia		

TEST RESULTS			
DAILY OIL <u>5.7</u> bbls.	DAILY WATER <u>None</u> bbls.	DAILY GAS <u>18</u> Mcf.	GAS-OIL RATIO SCF/STE

Hydrocarbon Energies, Inc.
Well Operator

By: Alvin Sorcan
Its: President

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

RECEIVED

MAY 29 1984

OIL & GAS DIVISION

~~DEPT. OF MINES~~

Permit No. 033-2914 County Harrison
 Company Hydrocarbon Energies, Inc. Farm P. K. Balsly Heirs
 Inspector Stephen Casey Well No. 3
 Date May 7, 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 3-18-84 and company says well was not 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: Steve Casey
 DATE: 5-22-84

RECEIVED

MAY 13 1934

OFFICE OF THE DIVISION

DEPT. OF MINES

Miss Gandy
1934



State of West Virginia
 Department of Mines
 Oil and Gas Division
 Charleston 25305
 May 30, 1984

WALTER N. MILLER
 DIRECTOR

THEODORE M. STREIT
 ADMINISTRATOR

Hydrocarbon Energies, Inc.
 P.O. Box 976
 Buckhannon, W.Va. 26201

In Re: PERMIT NO: 033-2914
 FARM: P.K. Balsly Heirs
 WELL NO: Three
 DISTRICT: Clay
 COUNTY: Harrison
 ISSUED: 7-18-83

Gentlemen:

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

XXX The well designated by the above 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
 Office of Oil & Gas - Dept. Mines

IV-20
Obverse
1-84

26-Mar-85

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES
OFFICE OF OIL AND GAS
CHARLESTON 25305
FINAL INSPECTION REPORT
INSPECTORS COMPLIANCE REPORT

RECEIVED
OCT 30 1985

DIVISION OF OIL & GAS
DEPT. OF ENERGY

Company: HYDROCARBON EXPLORATION, INC.
Farm: BALSLEY, P. K., HEIRS Well: BALSLEY 3

Permit No. 47- 33-2914 (7-18-84)
County: HARRISON

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 Casings	-----	-----
15.02	Adequate Coal Casings	-----	-----
15.01	Adequate Production Casings	-----	-----
15.04	Adequate Cement Strength	-----	-----
15.05	Cement Type	-----	-----
23.02	Maintained Access Roads	-----	-----
25.01	Necessary Equipment to Prevent Waste	-----	-----
23.04	Reclaimed Drilling Pits	-----	-----
23.05	No Surface or Underground Pollution	-----	-----
23.07	Requirements for Production & Gathering Pipelines	-----	-----
15.01	Well Records on Site	-----	-----
15.02	Well Records Filed	-----	-----
7.05	Identification Markings	-----	-----

I HAVE INSPECTED THE ABOVE CAPTIONED WELL AND RECOMMEND THAT IT BE RELEASED:

SIGNED Steve Casey
DATE 10-29-85

Your well record was received and reclamation requirements approved. In accordance with Charter 22, Article 4, Section 2, the above well will remain under bond coverage for the life of the well.

T. H. ...
Administrator

November 5, 1985
Date

1-1-77

Received for Recording _____ Lease # _____
 Recorded _____ Map Ref. _____
 Book _____ Pg _____ Renewal # _____
 Expires _____

BOOK 1117 PAGE 448 **OIL and GAS LEASE**

THIS AGREEMENT made and entered into this the 5th day of July,
 1982, by and between Josephine Balsley (widow)

hereinafter called Lessor (whether one or more), and HYDROCARBON ENERGIES, INC.
 hereinafter called Lessee, 64 1/2 E. MAIN STREET, P.O. DRAWER 976
BUCKHANNON, WV 26201

WITNESSETH, that said Lessor, in consideration of the sum of ONE DOLLAR (\$1.00), the receipt of which is hereby acknowledged, and of the covenants hereinafter contained on the part of said Lessee, to be paid, kept and performed, has granted, demised, leased and let, exclusively unto Lessee, with covenants of general warranty, for the purpose and with the rights of drilling, producing, and otherwise operating for oil and gas, and of laying pipe lines and building tanks, roads, stations, and electric power lines, houses for valves, meters, regulators and other appliances, with all other rights and privileges necessary, incident to or convenient for the operation of this land alone and jointly with neighboring lands, all that certain tract of land situate in the Township of Clay District, County of Harrison, State of West Virginia, and bounded substantially as follows:

On the North by lands of Minnie Bice
 On the East by lands of Lister Bice
 On the South by lands of Stone
 On the West by lands of Kourpas

and containing, for the purpose of calculating rentals, 101 acres of land whether actually containing more or less; and part of all of said land is described in that certain deed to Lessor from Phoebe Kate Balsley dated 1-27-19

recorded in Book 285, Page 466, in the Recorder's Office of said County, it being the intent of Lessor to include all lands owned by the Lessor in said County:

1. It is agreed that this lease shall remain in force for a primary term of 1 (one) years from the date hereof and as long thereafter as the said land is operated by Lessee in the production of oil or gas.
2. (a) Lessee covenants and agrees to deliver to the credit of Lessor, his heirs or assigns, free of costs, in the pipe line to which said Lessee may connect its wells, a royalty of one-eighth (1/8) of native oil produced and saved from the leased premises.
 (b) Lessee covenants and agrees to pay Lessor as a royalty for the native gas from each and every well drilled on said premises producing native gas, an amount equal to one-eighth (1/8) of the gross proceeds received from the sale of same at the prevailing price for gas sold at the well, for all native gas saved and marketed from the said premises, payable quarterly.

3. Lessor agrees to pay Lessor, in their proportionalte shares, an amount of (\$1500.00) Fifteen Hundred Dollars advanced royalty. The advance royalty shall be deducted from the initial royalty checks due to Lessor through the production of oil and/or gas, as described in item 2 above. In the event of completion of a commerically unproductive well on premises, the Lessee shall hold the lease in full force, without rental or royalty payments for a term of one year. At the expiration of this one year period the lease shall become null and void.

4. 1/6 of All payments under this lease shall be made by check or voucher to the order of _____
Josephine Balsley, mailed to 717 Stout St., Bridgeport, WV

2630230 J.B. until the Lessee shall have written notice from the Lessor, its heirs or assigns, accompanied by original or certified copies of deeds or other documents as Lessee may require evidencing such change of ownership directing payments to be made otherwise, and any payments made as above until such direction, and thereafter in accordance with such direction shall absolve the Lessee from any liability to any heir or assign of the Lessor. All payments of royalty are to be made according to Lessor's respective interests therein, as hereafter set forth, and this lease shall not be forfeited for Lessee's failure to pay any rentals or royalties until Lessee has received written notice by registered mail of such default and shall fail, for a period of thirty (30) days after receipt of such notice to pay same.

5. Lessor excepts and reserves a total amount of 200,000 cubic feet of gas annually or such part thereof as Lessor may use each year from the gas that Lessee may hereafter produce or otherwise have available from one gas production well completed and operated by Lessee hereunder upon the leased premises, which said amount of 200,000 cubic feet of gas per year Lessor shall be entitled to receive free of cost for heat and light in one dwelling house on the leased premises when and as long as Lessee may elect to produce or operate a well for the aforesaid purposes upon the leased premises, by Lessor laying the necessary lines and making connections at Lessor's cost at such point on the demised premises as may be designated by the Lessee, provided said gas is used with economical appliances and is measured by meter furnished by Lessee. The regulation of such gas will be by regulators furnished by Lessor, and approved by Lessee, placed at a point designated by Lessee, with said gas to be used at Lessor's own risk and Lessee not to be in any way liable for any interruption or insufficient supply of such gas for said domestic use caused by pumping stations, breakage of lines or otherwise, and nothing herein shall prevent the Lessee from abandoning any well or wells or pipelines on the leased premises and removing the pipe therefrom at any time. If more than 200,000 cubic feet per year is used, the excess shall be paid for at the rate charged to domestic consumers in the same area, and in case of default in payment for gas used in excess of said 200,000 cubic feet, Lessee is hereby authorized to deduct the amount thereof from any royalty or other payments that are then due, or may later become due, under the terms of this lease.

6. In addition to the covenants of general warranty hereinabove contained, Lessor further covenants and agrees, that if Lessor's title to the leased premises shall come into dispute or litigation, or, if, in the judgment of Lessee, there are bona fide adverse claims to the rentals or royalties hereinabove provided for, then Lessee, at its option, may withhold the payment of said rentals or royalties until final adjudication or other settlement of such dispute, litigation, claim or claims; and that Lessee, at its option, may pay and discharge any taxes, mortgages or other lien or liens, existing, levied, assessed or which may hereafter come into existence or be levied or assessed on or against the leased premises, and, in the event it exercises such option, Lessee shall be subrogated to the lien and any and all rights of any holder or holders thereof, and may reimburse itself by applying to the discharge of any such mortgage, tax, or other lien or liens, any rental or royalty accruing hereunder.

7. If an when drilling or other operations hereunder are delayed or interrupted by lack of water, labor or material, or by fire, storm, flood, war, rebellion, insurrection, riot, strike, differences with workmen, or failure of carriers to transport or furnish facilities for transportation, or as a result of some order, rule, regulation, requisition or necessity of the government, or as the result of any other cause whatsoever beyond the control of Lessee, the time of such delay or interruption shall not be counted against Lessee, anything in this lease to the contrary notwithstanding. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages for failure to comply therewith, if compliance is prevented by, or if such failure is the result of any such Law, Order, Rule or Regulation.

8. Lessee shall have the right at any time during the term of this lease or after the expiration or termination thereof to remove all machinery, fixtures, pipe lines, houses, buildings, and other structures placed on said premises, including the right to pull and remove all casing and tubing.

9. If the Lessee shall begin operations for the commencement of a well during the term of this lease or any extension thereof, the Lessee shall then have the right to complete the drilling of such wells, and if oil or gas or either of them be found in paying quantities, this lease shall continue and be in force and with like effect as if such well had been completed within the term first herein mentioned.

10. Lessee shall have the right to assign this lease or any interest and the assignee of Lessee shall have corresponding rights, privileges, and obligations with respect to said royalties and rentals as to the acreage assigned to it.

11. Lessee shall upon completion of the first productive well upon said premises make a diligent effort to obtain a pipeline connection but any delay shall not be counted against the Lessee provided Lessee shall resume delay rental payments for quarterly periods, beginning one year from the date that the first productive well shall be completed until said first well shall be connected to a pipeline.

12. Lessee may, at any time during the term hereof, cancel and surrender this lease, and be relieved of any and all obligations, payments and liabilities thereafter to accrue as to the leased premises, by the mailing of a notice of such surrender, and a check covering all rentals, if any, due up to the date of such cancellation or surrender.

13. It is agreed that said Lessee may drill or not drill on said land as it may elect, and the consideration and rentals paid and to be paid hereunder constitute adequate compensation for such privilege.

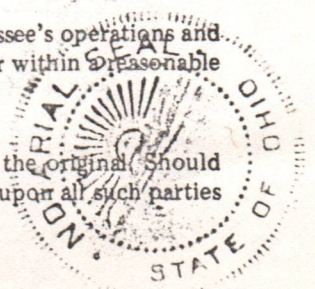
14. It is agreed that said Lessee shall have the privilege of using free of charge sufficient water, oil and gas from the said premises to run all machinery necessary for drilling and operations thereon, and at any time to remove all machinery and fixtures placed on said premises.

15. No well shall be drilled by Lessee within 200 feet of the dwelling house or barn now on said premises, except by consent of Lessor.

16. The leased premises may be fully and freely used by Lessor for any purpose, excepting such parts as are used by Lessee in operation hereunder.

17. Lessee shall pay Lessor for all damages to growing crops, fences or trees caused by Lessee's operations and shall bury all permanent pipelines below plow depth through cultivated areas upon request of Lessor or within a reasonable length of time thereafter.

18. This instrument may be executed in counterparts each having the same validity as if the original. Should any one or more of the parties named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor.



19. For the purpose of conserving the interest of the parties hereto and protecting said premises, and the oil or gas field within which the same are included from unnecessary and wasteful drilling and undue depletion of its resources, Lessor further grants to the Lessee, its heirs and assigns, the right to consolidate the above described premises or any part thereof at the option of Lessee with others to form a unit not to exceed 640 acres for development to the same effect as if said premises together with others in the area had been jointly leased by various Lessors to the Lessee as a single undivided tract and in such event Lessor agrees to accept, in lieu of the royalty hereinbefore recited, such proportion of one-eighth (1/8) of the oil or gas marketed from the unitized area as his acreage included therein bears to the total acreage of the unitized area. Lessee may give notice to Lessor of such consolidation by mail to the above address or by filing a declaration of record describing the properties so consolidated or unitized.

SIXTH

J.V.B

This lease covers one ~~half~~ interest in the above described tract.

All the terms, conditions, limitations and covenants herein contained shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, successors, personal representatives and assigns, but no representations other than those herein contained shall be binding on either party.

* *

IN WITNESS WHEREOF, the parties to this agreement have hereunto set their hands and seals the day and year first above written.

Josephine Babiley (Seal)

_____ (Seal)
_____ (Seal)

Attest: _____

Hydrocarbon Energies, Inc. _____

Larry Grubb
Larry Grubb; Vice-President

Alvin Sorcan
Alvin Sorcan; President

STATE OF WEST VIRGINIA

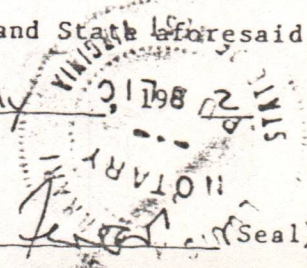
COUNTY OF UPSHUR

I, Louis A. Ferrari, a Notary Public in and for the County of Upshur and State aforesaid, do certify that Alvin Sorcan (President-Hydrocarbon Energies, Inc.) whose name has signed to the writing above, bearing date the 5th day of July, 1982, has this day acknowledged the same before me in my said County and State aforesaid.

Given under my hand and Official Seal this 5th day of July, 1982.

My Commission Expires Dec. 15, 1990.

Louis A. Ferrari (Seal)



1-1-77

Received for Recording _____ Lease # _____
 Recorded _____ Map Ref. _____
 Book _____ Pg _____ Renewal # _____
 Expires _____

BOOK 1117 PAGE 456 OIL and GAS LEASE

THIS AGREEMENT made and entered into this the 5th day of July,
 1982, by and between Maude B. Taylor and David D. Taylor (husband)

hereinafter called Lessor (whether one or more), and hereinafter called Lessee,
 HYDROCARBON ENERGIES, INC.
 64 1/2 E. MAIN STREET, P.O. DRAWER 976
 BUCKHANNON, WV 26201

WITNESSETH, that said Lessor, in consideration of the sum of ONE DOLLAR (\$1.00), the receipt of which is hereby acknowledged, and of the covenants hereinafter contained on the part of said Lessee, to be paid, kept and performed, has granted, demised, leased and let, exclusively unto Lessee, with covenants of general warranty, for the purpose and with the rights of drilling, producing, and otherwise operating for oil and gas, and of laying pipe lines and building tanks, roads, stations, and electric power lines, houses for valves, meters, regulators and other appliances, with all other rights and privileges necessary, incident to or convenient for the operation of this land alone and jointly with neighboring lands, all that certain

tract of land situate in the Township of Clay District, County of Harrison, State of West Virginia, and bounded substantially as follows:

On the North by lands of Minnie Bice
 On the East by lands of Lister
 On the South by lands of Stone
 On the West by lands of Kourpas

and containing, for the purpose of calculating rentals, 101 acres of land whether actually containing more or less; and part of all of said land is described in that certain deed to Lessor from

Phoebe Kate Balsley dated 1-27-19

recorded in Book 285, Page 466, in the Recorder's Office of said County, it being the intent of Lessor to include all lands owned by the Lessor in said County.

1. It is agreed that this lease shall remain in force for a primary term of 1 (one) years from the date hereof and as long thereafter as the said land is operated by Lessee in the production of oil or gas.

2. (a) Lessee covenants and agrees to deliver to the credit of Lessor, his heirs or assigns, free of costs, in the pipe line to which said Lessee may connect its wells, a royalty of one-eighth (1/8) of native oil produced and saved from the leased premises.

(b) Lessee covenants and agrees to pay Lessor as a royalty for the native gas from each and every well drilled on said premises producing native gas, an amount equal to one-eighth (1/8) of the gross proceeds received from the sale of same at the prevailing price for gas sold at the well, for all native gas saved and marketed from the said premises, payable quarterly.

3. Lessor agrees to pay Lessor, in their proportionalte shares, an amount of (\$1500.00) Fifteen Hundred Dollars advanced royalty. The advance royalty shall be deducted from the initial royalty checks due to Lessor through the production of oil and/or gas, as described in item 2 above. In the event of completion of a commerically unproductive well on premises, the Lessee shall hold the lease in full force, without rental or royalty payments for a term of one year. At the expiration of this one year period the lease shall become null and void.

4. 1/6 of All payments under this lease shall be made by check or voucher to the order of _____
Maude B. Taylor, mailed to 314 Spring Ave, Clarksburg, WV
26301

until the Lessee shall have written notice from the Lessor, its heirs or assigns, accompanied by original or certified copies of deeds or other documents as Lessee may require evidencing such change of ownership directing payments to be made otherwise, and any payments made as above until such direction, and thereafter in accordance with such direction shall absolve the Lessee from any liability to any heir or assign of the Lessor. All payments of royalty are to be made according to Lessor's respective interests therein, as hereafter set forth, and this lease shall not be forfeited for Lessee's failure to pay any rentals or royalties until Lessee has received written notice by registered mail of such default and shall fail, for a period of thirty (30) days after receipt of such notice to pay same.

5. Lessor excepts and reserves a total amount of 200,000 cubic feet of gas annually or such part thereof as Lessor may use each year from the gas that Lessee may hereafter produce or otherwise have available from one gas production well completed and operated by Lessee hereunder upon the leased premises, which said amount of 200,000 cubic feet of gas per year Lessor shall be entitled to receive free of cost for heat and light in one dwelling house on the leased premises when and as long as Lessee may elect to produce or operate a well for the aforesaid purposes upon the leased premises, by Lessor laying the necessary lines and making connections at Lessor's cost at such point on the demised premises as may be designated by the Lessee, provided said gas is used with economical appliances and is measured by meter furnished by Lessee. The regulation of such gas will be by regulators furnished by Lessor, and approved by Lessee, placed at a point designated by Lessee, with said gas to be used at Lessor's own risk and Lessee not to be in any way liable for any interruption or insufficient supply of such gas for said domestic use caused by pumping stations, breakage of lines or otherwise, and nothing herein shall prevent the Lessee from abandoning any well or wells or pipelines on the leased premises and removing the pipe therefrom at any time. If more than 200,000 cubic feet per year is used, the excess shall be paid for at the rate charged to domestic consumers in the same area, and in case of default in payment for gas used in excess of said 200,000 cubic feet, Lessee is hereby authorized to deduct the amount thereof from any royalty or other payments that are then due, or may later become due, under the terms of this lease.

6. In addition to the covenants of general warranty hereinabove contained, Lessor further covenants and agrees, that if Lessor's title to the leased premises shall come into dispute or litigation, or, if, in the judgment of Lessee, there are bona fide adverse claims to the rentals or royalties hereinabove provided for, then Lessee, at its option, may withhold the payment of said rentals or royalties until final adjudication or other settlement of such dispute, litigation, claim or claims; and that Lessee, at its option, may pay and discharge any taxes, mortgages or other lien or liens, existing, levied, assessed or which may hereafter come into existence or be levied or assessed on or against the leased premises, and, in the event it exercises such option, Lessee shall be subrogated to the lien and any and all rights of any holder or holders thereof, and may reimburse itself by applying to the discharge of any such mortgage, tax, or other lien or liens, any rental or royalty accruing hereunder.

7. If an when drilling or other operations hereunder are delayed or interrupted by lack of water, labor or material, or by fire, storm, flood, war, rebellion, insurrection, riot, strike, differences with workmen, or failure of carriers to transport or furnish facilities for transportation, or as a result of some order, rule, regulation, requisition or necessity of the government, or as the result of any other cause whatsoever beyond the control of Lessee, the time of such delay or interruption shall not be counted against Lessee, anything in this lease to the contrary notwithstanding. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages for failure to comply therewith, if compliance is prevented by, or if such failure is the result of any such Law, Order, Rule or Regulation.

8. Lessee shall have the right at any time during the term of this lease or after the expiration or termination thereof to remove all machinery, fixtures, pipe lines, houses, buildings, and other structures placed on said premises, including the right to pull and remove all casing and tubing.

9. If the Lessee shall begin operations for the commencement of a well during the term of this lease or any extension thereof, the Lessee shall then have the right to complete the drilling of such wells, and if oil or gas or either of them be found in paying quantities, this lease shall continue and be in force and with like effect as if such well had been completed within the term first herein mentioned.

10. Lessee shall have the right to assign this lease or any interest and the assignee of Lessee shall have corresponding rights, privileges, and obligations with respect to said royalties and rentals as to the acreage assigned to it.

11. Lessee shall upon completion of the first productive well upon said premises make a diligent effort to obtain a pipeline connection but any delay shall not be counted against the Lessee provided Lessee shall resume delay rental payments for quarterly periods, beginning one year from the date that the first productive well shall be completed until said first well shall be connected to a pipeline.

12. Lessee may, at any time during the term hereof, cancel and surrender this lease, and be relieved of any and all obligations, payments and liabilities thereafter to accrue as to the leased premises, by the mailing of a notice of such surrender, and a check covering all rentals, if any, due up to the date of such cancellation or surrender.

13. It is agreed that said Lessee may drill or not drill on said land as it may elect, and the consideration and rentals paid and to be paid hereunder constitute adequate compensation for such privilege.

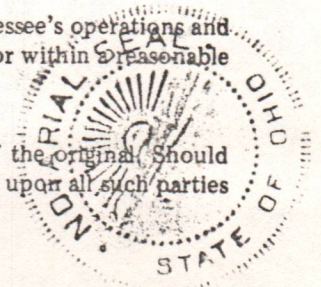
14. It is agreed that said Lessee shall have the privilege of using free of charge sufficient water, oil and gas from the said premises to run all machinery necessary for drilling and operations thereon, and at any time to remove all machinery and fixtures placed on said premises.

15. No well shall be drilled by Lessee within 200 feet of the dwelling house or barn now on said premises, except by consent of Lessor.

16. The leased premises may be fully and freely used by Lessor for any purpose, excepting such parts as are used by Lessee in operation hereunder.

17. Lessee shall pay Lessor for all damages to growing crops, fences or trees caused by Lessee's operations and shall bury all permanent pipelines below plow depth through cultivated areas upon request of Lessor or within a reasonable length of time thereafter.

18. This instrument may be executed in counterparts each having the same validity as if the original. Should any one or more of the parties named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor.



19. For the purpose of conserving the interest of the parties hereto and protecting said premises, and the oil or gas field within which the same are included from unnecessary and wasteful drilling and undue depletion of its resources, Lessor further grants to the Lessee, its heirs and assigns, the right to consolidate the above described premises or any part thereof at the option of Lessee with others to form a unit not to exceed 640 acres for development to the same effect as if said premises together with others in the area had been jointly leased by various Lessors to the Lessee as a single undivided tract and in such event Lessor agrees to accept, in lieu of the royalty hereinbefore recited, such proportion of one-eighth (1/8) of the oil or gas marketed from the unitized area as his acreage included therein bears to the total acreage of the unitized area. Lessee may give notice to Lessor of such consolidation by mail to the above address or by filing a declaration of record describing the properties so consolidated or unitized.

This lease covers one ~~1/8~~ interest in the above described tract.

All the terms, conditions, limitations and covenants herein contained shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, successors, personal representatives and assigns, but no representations other than those herein contained shall be binding on either party.

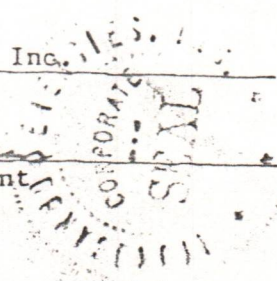
IN WITNESS WHEREOF, the parties to this agreement have hereunto set their hands and seals the day and year first above written.

_____ (Seal)
_____ (Seal)
_____ (Seal)

Naude B. Taylor (Seal)
Alvin Sorcan

Attest:
Larry Grubb
Larry Grubb, Vice-President

Hydrocarbon Energies, Inc.
Alvin Sorcan
Alvin Sorcan; President

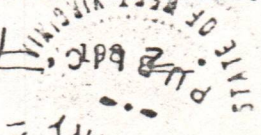


STATE OF WEST VIRGINIA
COUNTY OF UPSHUR

I, Louis A. Ferrari, a Notary Public in and for the County of Upshur and State aforesaid, do certify that Alvin Sorcan (President-Hydrocarbon Energies, Inc.) whose name has signed to the writing above, bearing date the 5th day of July, 1982, has this day acknowledged the same before me in my said County and State aforesaid.

Given under my hand and Official Seal this 1st day of August, 1982.
My Commission Expires Dec. 15, 1990.

Louis A. Ferrari (Seal)



1-1-77

Received for Recording _____ Lease # _____
Recorded _____ Map Ref. _____
Book _____ Pg _____ Renewal # _____
Expires _____

BOOK 1117 PAGE 452

RECEIVED

JUN -6 1983

OIL and GAS LEASE

THIS AGREEMENT made and entered into this the 5th day of July **OIL & GAS DIVISION**
DEPT. OF MINES
19 82, by and between Marguerite Balsley (widow)

hereinafter called Lessor (whether one or more), and HYDROCARBON ENERGIES, INC.
64 1/2 E. MAIN STREET, P.O. DRAWER 976
hereinafter called Lessee, BUCKHANNON, WV 26201

WITNESSETH, that said Lessor, in consideration of the sum of ONE DOLLAR (\$1.00), the receipt of which is hereby acknowledged, and of the covenants hereinafter contained on the part of said Lessee, to be paid, kept and performed, has granted, demised, leased and let, exclusively unto Lessee, with covenants of general warranty, for the purpose and with the rights of drilling, producing, and otherwise operating for oil and gas, and of laying pipe lines and building tanks, roads, stations, and electric power lines, houses for valves, meters, regulators and other appliances, with all other rights and privileges necessary, incident to or convenient for the operation of this land alone and jointly with neighboring lands, all that certain tract of land situate in the Township of Clay District, County of Harrison, State of West Virginia, and bounded substantially as follows:

On the North by lands of Minnie Bice
On the East by lands of Lister
On the South by lands of Stone
On the West by lands of Kourpas

and containing, for the purpose of calculating rentals, 101 acres of land whether actually containing more or less; and part of all of said land is described in that certain deed to Lessor from _____

Phoebe Kate Balsley dated 1-27-19

recorded in Book 285, Page 466, in the Recorder's Office of said County, it being the intent of Lessor to include all lands owned by the Lessor in said County.

1. It is agreed that this lease shall remain in force for a primary term of 1 (one) years from the date hereof and as long thereafter as the said land is operated by Lessee in the production of oil or gas.
2. (a) Lessee covenants and agrees to deliver to the credit of Lessor, his heirs or assigns, free of costs, in the pipe line to which said Lessee may connect its wells, a royalty of one-eighth (1/8) of native oil produced and saved from the leased premises.
(b) Lessee covenants and agrees to pay Lessor as a royalty for the native gas from each and every well drilled on said premises producing native gas, an amount equal to one-eighth (1/8) of the gross proceeds received from the sale of same at the prevailing price for gas sold at the well, for all native gas saved and marketed from the said premises, payable quarterly.

3. Lessor agrees to pay Lessor, in their proportionalte shares, an amount of (\$1500.00) Fifteen Hundred Dollars advanced royalty. The advance royalty shall be deducted from the initial royalty checks due to Lessor through the production of oil and/or gas, as described in item 2 above. In the event of completion of a commerically unproductive well on premises, the Lessee shall hold the lease in full force, without rental or royalty payments for a term of one year. At the expiration of this one year period the lease shall become null and void M-G-B

4. 1/6 of All payments under this lease shall be made by check or voucher to the order of Bend
Marguerite Balsley, mailed to 140 Nt. Varsity Drive, South, Ind.
46615

_____ until the Lessee shall have written notice from the Lessor, its heirs or assigns, accompanied by original or certified copies of deeds or other documents as Lessee may require evidencing such change of ownership directing payments to be made otherwise, and any payments made as above until such direction, and thereafter in accordance with such direction shall absolve the Lessee from any liability to any heir or assign of the Lessor. All payments of royalty are to be made according to Lessor's respective interests therein, as hereafter set forth, and this lease shall not be forfeited for Lessee's failure to pay any rentals or royalties until Lessee has received written notice by registered mail of such default and shall fail, for a period of thirty (30) days after receipt of such notice to pay same.

5. Lessor excepts and reserves a total amount of 200,000 cubic feet of gas annually or such part thereof as Lessor may use each year from the gas that Lessee may hereafter produce or otherwise have available from one gas production well completed and operated by Lessee hereunder upon the leased premises, which said amount of 200,000 cubic feet of gas per year Lessor shall be entitled to receive free of cost for heat and light in one dwelling house on the leased premises when and as long as Lessee may elect to produce or operate a well for the aforesaid purposes upon the leased premises, by Lessor laying the necessary lines and making connections at Lessor's cost at such point on the demised premises as may be designated by the Lessee, provided said gas is used with economical appliances and is measured by meter furnished by Lessee. The regulation of such gas will be by regulators furnished by Lessor, and approved by Lessee, placed at a point designated by Lessee, with said gas to be used at Lessor's own risk and Lessee not to be in any way liable for any interruption or insufficient supply of such gas for said domestic use caused by pumping stations, breakage of lines or otherwise, and nothing herein shall prevent the Lessee from abandoning any well or wells or pipelines on the leased premises and removing the pipe therefrom at any time. If more than 200,000 cubic feet per year is used, the excess shall be paid for at the rate charged to domestic consumers in the same area, and in case of default in payment for gas used in excess of said 200,000 cubic feet, Lessee is hereby authorized to deduct the amount thereof from any royalty or other payments that are then due, or may later become due, under the terms of this lease.

6. In addition to the covenants of general warranty hereinabove contained, Lessor further covenants and agrees, that if Lessor's title to the leased premises shall come into dispute or litigation, or, if, in the judgment of Lessee, there are bona fide adverse claims to the rentals or royalties hereinabove provided for, then Lessee, at its option, may withhold the payment of said rentals or royalties until final adjudication or other settlement of such dispute, litigation, claim or claims; and that Lessee, at its option, may pay and discharge any taxes, mortgages or other lien or liens, existing, levied, assessed or which may hereafter come into existence or be levied or assessed on or against the leased premises, and, in the event it exercises such option, Lessee shall be subrogated to the lien and any and all rights of any holder or holders thereof, and may reimburse itself by applying to the discharge of any such mortgage, tax, or other lien or liens, any rental or royalty accruing hereunder.

7. If an when drilling or other operations hereunder are delayed or interrupted by lack of water, labor or material, or by fire, storm, flood, war, rebellion, insurrection, riot, strike, differences with workmen, or failure of carriers to transport or furnish facilities for transportation, or as a result of some order, rule, regulation, requisition or necessity of the government, or as the result of any other cause whatsoever beyond the control of Lessee, the time of such delay or interruption shall not be counted against Lessee, anything in this lease to the contrary notwithstanding. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages for failure to comply therewith, if compliance is prevented by, or if such failure is the result of any such Law, Order, Rule or Regulation.

8. Lessee shall have the right at any time during the term of this lease or after the expiration or termination thereof to remove all machinery, fixtures, pipe lines, houses, buildings, and other structures placed on said premises, including the right to pull and remove all casing and tubing.

9. If the Lessee shall begin operations for the commencement of a well during the term of this lease or any extension thereof, the Lessee shall then have the right to complete the drilling of such wells, and if oil or gas or either of them be found in paying quantities, this lease shall continue and be in force and with like effect as if such well had been completed within the term first herein mentioned.

10. Lessee shall have the right to assign this lease or any interest and the assignee of Lessee shall have corresponding rights, privileges, and obligations with respect to said royalties and rentals as to the acreage assigned to it.

11. Lessee shall upon completion of the first productive well upon said premises make a diligent effort to obtain a pipeline connection but any delay shall not be counted against the Lessee provided Lessee shall resume delay rental payments for quarterly periods, beginning one year from the date that the first productive well shall be completed until said first well shall be connected to a pipeline.

12. Lessee may, at any time during the term hereof, cancel and surrender this lease, and be relieved of any and all obligations, payments and liabilities thereafter to accrue as to the leased premises, by the mailing of a notice of such surrender, and a check covering all rentals, if any, due up to the date of such cancellation or surrender.

13. It is agreed that said Lessee may drill or not drill on said land as it may elect, and the consideration and rentals paid and to be paid hereunder constitute adequate compensation for such privilege.

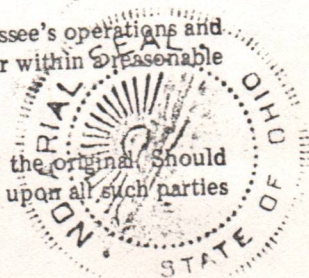
14. It is agreed that said Lessee shall have the privilege of using free of charge sufficient water, oil and gas from the said premises to run all machinery necessary for drilling and operations thereon, and at any time to remove all machinery and fixtures placed on said premises.

15. No well shall be drilled by Lessee within 200 feet of the dwelling house or barn now on said premises, except by consent of Lessor.

16. The leased premises may be fully and freely used by Lessor for any purpose, excepting such parts as are used by Lessee in operation hereunder.

17. Lessee shall pay Lessor for all damages to growing crops, fences or trees caused by Lessee's operations and shall bury all permanent pipelines below plow depth through cultivated areas upon request of Lessor or within a reasonable length of time thereafter.

18. This instrument may be executed in counterparts each having the same validity as if the original should any one or more of the parties named as Lessor fail to execute this lease, it shall nevertheless be binding upon all such parties who do execute it as Lessor.



19. For the purpose of conserving the interest of the parties hereto and protecting said premises and the oil or gas field within which the same are included from unnecessary and wasteful drilling and undue depletion of its resources, Lessor further grants to the Lessee, its heirs and assigns, the right to consolidate the above described premises or any part thereof at the option of Lessee with others to form a unit not to exceed 640 acres for development to the same effect as if said premises together with others in the area had been jointly leased by various Lessors to the Lessee as a single undivided tract and in such event Lessor agrees to accept in lieu of the royalty hereinbefore recited, such proportion of one-eighth (1/8) of the oil or gas marketed from the unitized area as his acreage included therein bears to the total acreage of the unitized area. Lessee may give notice to Lessor of such consolidation by mail to the above address or by filing a declaration of record describing the properties so consolidated or unitized.

b This lease covers one sixth interest in the above described tract.

All the terms, conditions, limitations and covenants herein contained shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, successors, personal representatives and assigns, but no representations other than those herein contained shall be binding on either party.

IN WITNESS WHEREOF, the parties to this agreement have hereunto set their hands and seals the day and year first above written.

x Marguerite Balsley

_____ (Seal)

AUG 9 11 51 AM '82
COUNTY CLERK
HARRISON COUNTY
WEST VIRGINIA

Attest: _____

Larry Grubb
Larry Grubb; Vice-President

STATE OF WEST VIRGINIA
COUNTY OF UPSHUR

Hydrocarbon Energies, Inc.

Alvin Sorcan
Alvin Sorcan; President

WEST VIRGINIA
NOTARY PUBLIC
STATE OF WEST VIRGINIA

I, Louis A. Ferrari, a Notary Public in and for the County of Upshur and State aforesaid, do certify that Alvin Sorcan (President-Hydrocarbon Energies, Inc.) whose name has signed to the writing above, bearing date the 5th day of July 1982, has this day acknowledged the same before me in my said County and State aforesaid.
Given under my hand and Official Seal this 1st day of August, 1982.
My Commission Expires Dec. 15, 1990.

L.A. Ferrari (Seal)

WEST VIRGINIA
NOTARY PUBLIC
STATE OF WEST VIRGINIA

SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

The following service is requested (check one):

- Show to whom and date delivered —¢
- Show to whom, date, and address of delivery... —¢
- RESTRICTED DELIVERY —¢
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ _____

ARTICLE ADDRESSED TO:

Clay Development
P.O. Box 386
Shiveston W.V. 26431

TYPE OF SERVICE:

- REGISTERED INSURED
- CERTIFIED COD
- EXPRESS MAIL

ARTICLE NUMBER
P 754 105 378

(Always obtain signature of addressee or agent) have received the article described above.

SIGNATURE Addressee Authorized agent

DATE OF DELIVERY _____ POSTMARK _____

ADDRESSEE'S ADDRESS (Only if requested)

UNABLE TO DELIVER BECAUSE: _____ 7% EMPLOYEES INITIALS _____

P 754 105 378

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

Sent to	Clay Development
Street and No.	P.O. Box 386
P.O. State and ZIP Code	Shiveston W.V. 26431
Postage	\$ _____
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ _____
Postmark or Date	JUN 2 1984

Balsley-Jett #2 Balsley No. 3, 4, 5

PS Form 3800, Feb. 1982 * U.S.G.P.O. 1983-403-517

CERTIFIED MAIL

P 754 105 378

RECEIVED

JUN 2 6 1984

Balsley No. 3, 4, 5
DEPT. OF MINES

937

● **SENDER:** Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one):
 Show to whom and date delivered
 Show to whom, date, and address of delivery ..
 RESTRICTED DELIVERY
 (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ _____

3. **ARTICLE ADDRESSED TO:**
 George Kendal
 609 Spring St.
 Fairmont W.Va. 26554

4. **TYPE OF SERVICE:**
 REGISTERED INSURED
 CERTIFIED COD
 EXPRESS MAIL

ARTICLE NUMBER
P 360 030 466

(Always obtain signature of addressee or agent)
 I have received the article described above:
 SIGNATURE Addressee Authorized agent

5. **DATE OF DELIVERY** _____ **POSTMARK** _____

6. **ADDRESSEE'S ADDRESS (Only if requested)** _____

7. **UNABLE TO DELIVER BECAUSE:** _____

7a. **EMPLOYEES INITIALS** _____

Balsley #3, #4, #5

DEPT. OF MINES
 OIL & GAS DIVISION
 JUN 26 1984
RECEIVED

RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED—
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

SENT TO
 STREET AND
George Kendal
609 Spring St.
 P.O., STATE AND ZIP CODE
Fairmont W.V. 26554

POSTAGE \$ _____

CONSULT POSTMASTER FOR FEES

CERTIFIED FEE	_____
SPECIAL DELIVERY	_____
RESTRICTED DELIVERY	_____
SHOW TO WHOM AND DATE DELIVERED	_____
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	_____
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	_____
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	_____
TOTAL POSTAGE AND FEES	_____

POSTMARK OR DATE
 JUN 26 1984
 BUCKHANNON W.VA.

CERTIFIED MAIL
P 360 030 466

Balsley #3, #4, #5

SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one):
 Show to whom and date delivered
 Show to whom, date, and address of delivery ..
 RESTRICTED DELIVERY
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$

3. ARTICLE ADDRESSED TO:
 Bridget Kendall
 c/o John & Cass Kendall
 201 South Spruce St.
 Blidsboro Pa.

4. TYPE OF SERVICE:
 REGISTERED INSURED
 CERTIFIED COD
 EXPRESS MAIL

ARTICLE NUMBER
 P 360-030-465

(Always obtain signature of addressee or agent)

I have received the article described above:
 SIGNATURE Addressee Authorized agent

5. DATE OF DELIVERY POSTMARK

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE: 7a. EMPLOYEES INITIALS

Balsley # 3, # 4, # 5



RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED - NOT FOR INTERNATIONAL MAIL
 (See Reverse)

SENT TO: John & Cass Kendall
 Bridget Kendall c/o John & Cass Kendall
 STREET AND NO. 201 South Spruce St.
 P.O., STATE AND ZIP CODE Blidsboro Pa.

POSTAGE \$

CONSULT POSTMASTER FOR FEES	
CERTIFIED FEE	¢
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	¢

POSTMARK: BUCKHORN PA JUN 26 1984

Balsley # 3, # 4, # 5

RECEIVED
 JUN 26 1984
 OIL & GAS DIVISION
 DEPT. OF MINES

REVISED BALSLEY #3

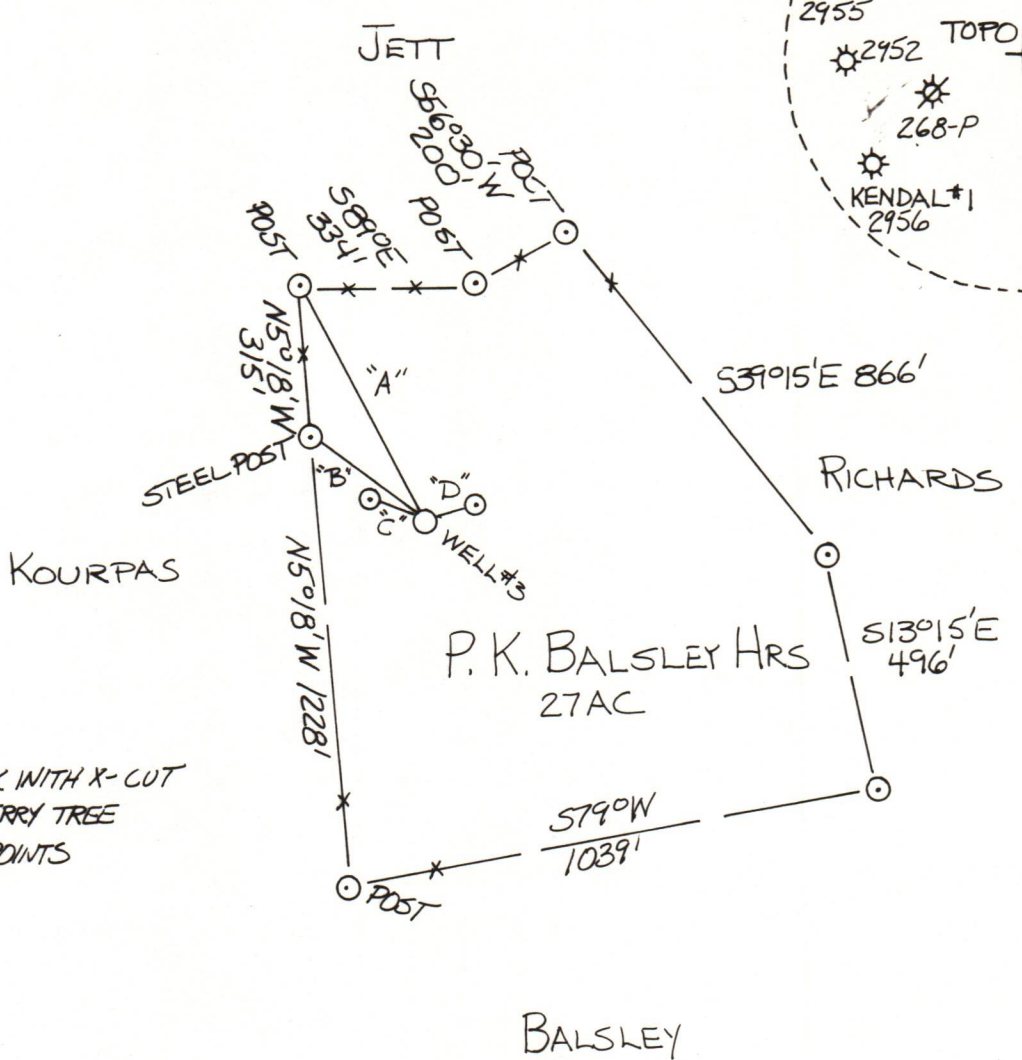
LATITUDE 39°22'30"

500'

80°17'30"

5000'

NORTH

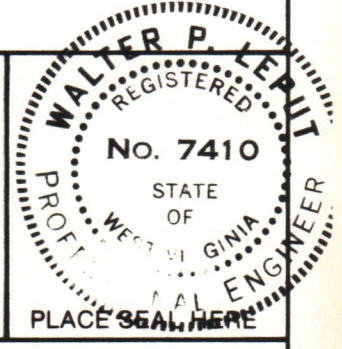


"A" S28°41'E 557'
 "B" S53°41'E 295'
 "C" N68°W 120' TO 3' ROCK WITH X-CUT
 "D" N75°E 109' TO 12" CHERRY TREE
 NOTE: "C" + "D" LANDMARK POINTS

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS

FILE NO. 6-5-84
 DRAWING NO. 6-5-84
 SCALE 1"=400'
 MINIMUM DEGREE OF ACCURACY 1/200
 PROVEN SOURCE OF ELEVATION ±2900' NORTHWEST (1038)

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) Walter P. Leput
 R.P.E. 7410 L.L.S. _____



STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES
 OIL AND GAS DIVISION



DATE JUNE 6, 1984
 OPERATOR'S WELL NO. _____
 API WELL NO. _____

WELL TYPE: OIL ___ GAS X LIQUID INJECTION ___ WASTE DISPOSAL ___
 (IF "GAS,") PRODUCTION ___ STORAGE X DEEP ___ SHALLOW ___
 STATE 47 COUNTY 033 PERMIT 2914-Rev

LOCATION: ELEVATION 1261 WATER SHED WEST FORK RIVER
 DISTRICT CLAY COUNTY HARRISON
 QUADRANGLE CLARKSBURG 7 1/2

SURFACE OWNER JOHN KENDAL ACREAGE 27
 OIL & GAS ROYALTY OWNER P.K. BALSLEY HRS LEASE ACREAGE 27

PROPOSED WORK: DRILL X 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 5TH SAND ESTIMATED DEPTH 3000
 WELL OPERATOR HYDROCARBON ENERGIES INC DESIGNATED AGENT AL SORCAN
 ADDRESS PO DRAWER 976 ADDRESS PO DRAWER 976
BUCKHANNON W.VA. 26201 BUCKHANNON W.VA. 26201

COUNTY NAME

PERMIT

FORM IV-6 (8-78) H.T. HALL