



west virginia department of environmental protection

Office of Oil and Gas
601 57th Street SE
Charleston, WV 25304
(304) 926-0450
(304) 926-0452 fax

Earl Ray Tomblin, Governor
Randy C. Huffman, Cabinet Secretary
www.dep.wv.gov

March 08, 2016

WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-3901942, issued to BLUE CREEK GAS COMPANY, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

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

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

James Martin
Chief

Operator's Well No: 4-A
Farm Name: BLUE CREEK GAS CO.
API Well Number: 47-3901942
Permit Type: Plugging
Date Issued: 03/08/2016

PERMIT CONDITIONS

West Virginia Code §22-6-11 allows the Office of Oil and Gas to place specific conditions upon this permit. Permit conditions have the same effect as law. Failure to adhere to the specified permit conditions may result in enforcement action.

CONDITIONS

1. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
2. In the event of an accident or explosion causing loss of life or serious personal injury in or about the well or while working on the well, the well operator or its contractor shall give notice, stating the particulars of the accident or explosion, to the oil and gas inspector and the Chief within twenty-four (24) hours.
3. Well work activities shall not constitute a hazard to the safety of persons.
4. Operator shall plug this well 47-039-1942 according to the modified manner shown on Exhibit A attached. Modification was submitted by Blue Eagle Land and Blue Creek Gas agreed to plug in this manner.

Operator: BLUE CREEK GAS COMPANY
API: 3901942
WELL No: 4-A
Reviewed by: _____ Date: _____
15 Day End of Comment: 3/4/16

CHECKLIST FOR FILING A PERMIT

Plugging

- WW-4B
- Inspector signature on WW-4B *(Coal Co. Mod. Request)*
- Completion / Well Records of Previous Work
- WW-4A (Notarized)
- Certified Mail Receipts, Waivers, or Affidavits of Personal Service
- Surface Owner Waiver
- Coal Owner / Lessee / Operator Waiver
- WW-9 (Page 1) (Notarized)
- Inspector Signature on WW-9 (Optional)
- Topographic Map of location of well
- WW-7

OR

- Mylar Plat (Surface owner on plat matches WW-4A)
- Bond **50K*
- Company is Registered with the SOS
- Worker's Compensation / Unemployment Insurance account is OK
- ~~\$100.00 check~~ (\$0.00 if no pit)

03/11/2016

1) Date: 4-24-2016
2) Operator's Well Number 4-A
3) API Well No.: 47 - 39 - 1942-P

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE OF APPLICATION TO PLUG AND ABANDON A WELL

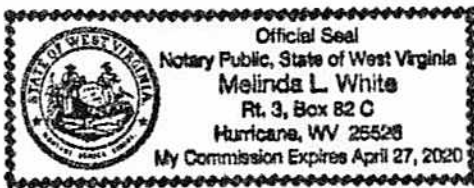
4) Surface Owner(s) to be served:	5) (a) Coal Operator
(a) Name <u>Blue Eagle Land</u>	Name _____
Address <u>13 Kan. Blvd. W.</u>	Address _____
<u>Suite 200</u>	
(b) Name <u>Charleston, WV 25302</u>	(b) Coal Owner(s) with Declaration
Address _____	Name _____
	Address _____
(c) Name _____	Name _____
Address _____	Address _____
6) Inspector <u>Terry Urban</u>	(c) Coal Lessee with Declaration
Address <u>P.O. Box 1207</u>	Name _____
<u>Clendenin, WV 25045</u>	Address _____
Telephone <u>304-290-6782</u>	

TO THE PERSONS NAMED ABOVE: You should have received this Form and the following documents:

- (1) The application to Plug and Abandon a Well on Form WW-4B, which sets out the parties involved in the work and describes the well its and the plugging work order; and
- (2) The plat (surveyor's map) showing the well location on Form WW-6.

The reason you received these documents is that you have rights regarding the application which are summarized in the instructions on the reverse side. However, you are not required to take any action at all.

Take notice that under Chapter 22-6 of the West Virginia Code, the undersigned well operator proposes to file or has filed this Notice and Application and accompanying documents for a permit to plug and abandon a well with the Chief of the Office of Oil and Gas, West Virginia Department of Environmental Protection, with respect to the well at the location described on the attached Application and depicted on the attached Form WW-6. Copies of this Notice, the Application, and the plat 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 Chief.



Well Operator Blue Creek Gas
 By: [Signature]
 Title: President
 Address 1700 Pennsylvania Ave.
Charleston, WV
 Telephone 304-342-0141

Subscribed and sworn before me this 25th day of February 2016
Melinda L. White Notary Public
 My Commission Expires April 27, 2020

Received
 FEB 29 2016

Oil and Gas Privacy Notice

The Office of Oil and Gas processes your personal information, such as name, address and phone number, as a part of our regulatory duties. Your personal information may be disclosed to other State agencies or third parties in the normal course of business or as needed to comply with statutory or regulatory requirements, including Freedom of Information Act requests. Our office will appropriately secure your personal information. If you have any questions about our use of your personal information, please contact DEP's Chief Privacy Officer at depprivacyofficer@wv.gov.

39-1942 P

7015 1660 0000 5962 4565

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

CHARLESTON, WV 25302

Certified Mail Fee	\$3.45
Extra Services & Fees (check box, add fee if applicable)	\$2.80
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$0.49

Total Postage and Fees \$5.74

Sent to *Live Edge Home*
 Street and Apt. No., or PO Box No. *13 Hampshire Pike, Suite 200*
 City, State, ZIP+4® *Charleston, WV 25302*



PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

Received

FEB 29 2016

Office of Oil and Gas
WV Dept. of Environmental Protection

03/11/2016

1) Date 2-24-2016 20
2) Operator's Well No. 4-A
3) API Well No. 47-39-1942-P

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

APPLICATION FOR A PERMIT TO PLUG AND ABANDON

4) Well Type: Oil ___/ Gas X/ Liquid injection ___/ Waste disposal ___/
(If "Gas, Production X or Underground storage ___) Deep ___/ Shallow X

5) Location: Elevation 1117 Watershed _____
District Elk 04 County Kanwha 3A Quadrangle Clendenin

6) Well Operator Blue Creek Gas 7) Designated Agent Steve Rubin
Address 1700 Pennsuville Ave. Address 1700 Pennsuville
Charleston, WV. Charleston, WV.

8) Oil and Gas Inspector to be notified Name Terry Urban
Address P.O. Box 1207
Clendenin, WV
9) Plugging Contractor Name Duckworth Well Service
Address P.O. Box 6872
Charleston, WV

10) Work Order: The work order for the manner of plugging this well is as follows:

- Cement 1950' - 1850'
- Cement 1777' - 1600'
- Cement 1150' - 1050'
- Cement 100' - 0'

*Cement 940'-921' All plugs were change
Cement 551'-522' ON previous permit by
per Exhibit A From Blue Bag Land, LLC Coal Co.
JW*

Gel between all plugs.
Pull all free pipe
Erect monument with API numbers

Notification must be given to the district oil and gas inspector 24 hours before permitted work can commence.

Work order approved by inspector [Signature] Date 2-29-16

Received
FEB 29 2016

EXHIBIT A
(Modified Plugging Procedure)

<u>Proposed Work Order for the Manner of Plugging API # 47-39-1942</u>	<u>Modified Work Order for the Manner of Plugging API # 47-39-1942</u>
Cement 1950' - 1850'	Cement 1950' - 1850'
Cement 1777' - 1600'	Cement 1777' - 1600'
Cement 1150' - 1050'	Cement 1150' - 1050'
Cement 100' - 0'	Cement 940' - 921'
Gel Between all Plugs	Cement 551' - 562'
Pull all free Pipe	Cement 100' - 0'
Erect Monument wit API numbers	Gel Between all Plugs
	Pull all free Pipe
	Erect Monument wit API numbers

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Office of Oil and Gas
MAR 08 2016
WV Department of
Environmental Protection



Chase Tower, Eighth Floor
 P.O. Box 1588
 Charleston, WV 25326-1588
 (304) 353-8000 (304) 353-8180 Fax
 www.steptoe-johnson.com

Writer's Contact Information
 Joseph G. Bunn, Esq.
 (304) 353-8106 (O)
 (304) 549-9090 (M)
 joseph.bunn@steptoe-johnson.com

March 8, 2016

VIA UNITED STATES MAIL

Mr. Steve Rubin
 Blue Creek Gas Co.
 1700 Pennsylvania Avenue
 Charleston, West Virginia 25302-3934
 304-342-0141 Telephone

RECEIVED
 Office of Oil and Gas
 MAR 08 2016
 WV Department of
 Environmental Protection

Re: Request for Modification of Plugging Procedure for API #47-39-1942-P (the "Gas Well")

Dear Steve:

The agent for service of process of Blue Eagle Land, LLC ("BEL") received the Notice of Application to Plug and Abandon a Well (the "Notice") from Blue Creek Gas Co. ("BCG") dated April 24, 2016. Since that time, representatives of BEL have evaluated the impact that BCG's planned plugging procedure will cause to BEL's coal.

Based upon our several discussions, BEL verified that the Gas Well is an older gas well and, as such, do not utilize coal protection casings. Moreover, based upon BEL's geologic information, there are workable coal beds that the Gas Well penetrates. Thus, the applicable statute governing the plugging procedure for the Gas Well is either W. Va. Code § 22-6-24(c) or W. Va. Code § 22-6-24(d). W. Va. Code § 22-6-24(d) is a statute that applies to the plugging procedure in the event that coal owner desires for it to apply. BEL is not interested in the protections provided by W. Va. Code § 22-6-24(d). Thus, W. Va. Code § 22-6-24(c) applies in this case.

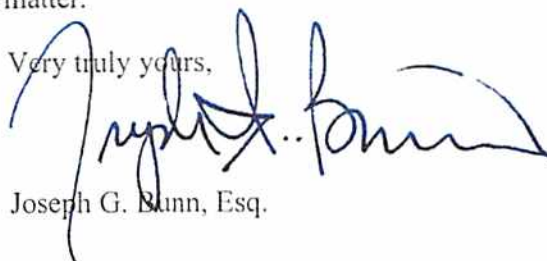
W. Va. Code § 22-6-24(c) provides generally that a concrete plug will be installed from 40 feet below the lowest workable seam to 20 feet above the lowest workable seam. Thereafter, a concrete plug will be installed from 40 feet below each workable seam to 20 feet above each workable seam. Finally, a concrete plug will be installed from 50 feet below the surface to 30 inches above the surface with a monument erected at that point. The voids in between each concrete plug shall be filled with mud, clay or other nonporous material.

Request for Modification of Plugging Procedure
(API #47-39-1942-P)
March 8, 2016
Page 2

Based upon the requirements of W. Va. Code § 22-6-24(c), BEL proposes that BCG modify its plugging procedure in accordance with Exhibit A. BEL would also like the opportunity to be present during the plugging procedure if it so chooses. Thus, please reply and indicate the respective dates on which BCG will begin plugging the Gas Well. If you have any questions, please feel free to contact me.

Thank you for your prompt attention on this matter.

Very truly yours,



Joseph G. Bunn, Esq.

JGB/mgb

cc: Gene C. Smith
West Virginia Dept. of Environmental Protection
Office of Oil & Gas
601 57th Street, SE
Charleston, WV 25304-2345
gene.c.smith@wv.gov
(via electronic mail)

Dave Hancock
P. O. Box 79
Alum Creek, WV 25003
(via United States mail)

Duckworth Well Service
P. O. Box 6871
Charleston, WV 25362
(via United States mail)

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MAR 08 2016

WV Department of
Environmental Protection

03/11/2016



STATE OF WEST VIRGINIA
DEPARTMENT OF MINES
OIL AND GAS DIVISION 6

Quadrangle Clendenin, S. W.

WELL RECORD

Permit No. KAN - 1942

Oil or Gas Well GAS
(RIND)

Company Blue Creek Gas Company
Address P. O. Box 6357, Charleston, W. Va.
Farm Blue Creek Coal & Land Co. Acres 2,329

Location (waters)
Well No. 4-A Elev. 1117.9

District Elk County Kanawha

The surface of tract is owned in fee by Union Carbide Corp.
Address So. Charleston, W. Va.

Mineral rights are owned by SAMO
Address _____

Drilling commenced April 9, 1963

Drilling completed May 6, 1963

Date Shot _____ From _____ To _____

With _____

Open Flow /10ths Water in _____ Inch

/10ths Merc. in _____ Inch

Volume _____ Cu. Ft.

Rock Pressure _____ lbs. _____ hrs.

Oil _____ bbls., 1st 24 hrs.

WELL ACIDIZED _____

WELL FRACTURED June 21/63 by Dowell

RESULT AFTER TREATMENT 1,000 MCF

ROCK PRESSURE AFTER TREATMENT 455# - 24 hrs.

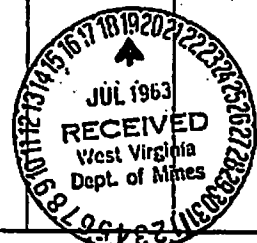
Fresh Water _____ Feet Salt Water _____ Feet

Casing and Tubing	Used in Drilling	Left in Well	Packers
Size			Kind of Packer _____
10			
13			
10	<u>440</u>	<u>440</u>	Size of _____
8 1/4	<u>1652</u>	<u>-</u>	
6 1/4			Depth set _____
5 3/16	<u>1965</u>	<u>1965</u>	
3			Perf. top _____
2			Perf. bottom _____
Linera Used _____			Perf. top _____
			Perf. bottom _____

CASING CEMENTED 4 1/2 SIZE 7.765 No. Ft. Jun 11/63 ate

COAL WAS ENCOUNTERED AT _____ FEET _____ INCHES
_____ FEET _____ INCHES FEET _____ INCHES
_____ FEET _____ INCHES FEET _____ INCHES

Formation	Color	Hard or Soft	Top	Bottom	Oil, Gas or Water	Depth	Remarks
Surface			0	20			
Sand			20	55			
Slate			55	61			
Sand			61	85			
Slate			85	120			
Sand			120	145			
Slate			145	168			
Coal			168	170			
Sh te			170	185			
Sand			185	215			
Slate			215	235			
Sand			235	313			
Slate			313	570	Water	406 to 414	
Sand			570	642			
Lime			642	678			
Slate & Shells			678	763			
Sand			763	918			
Slate & Shells			918	963			
Salt Sand			963	1165	Water	1030 to 1055	
Lime			1165	1187			
Sand			1187	1350			
Slate & Shells			1350	1368			
Red Rock			1368	1376			
Slate & Shells			1376	1390			
Red Rock			1390	1463			
Slate			1463	1486			
Lime			1486	1525			
Haxon			1525	1558			
Slate			1558	1571			



(over)

Formation	Color	Hard or Soft	Top	Bottom	Oil, Gas or Water	Depth Found	Remarks
Little Lime			1571	1612			
Slate			1612	1615			
Lime			1615	1635			
Slate			1635	1648			
Big Lime			1648	1805	Gas	1746 to 1756	
Gray Sand			1805	1816			
Injun	Red		1816	1844			
Slate & Shells			1844	1884			
Weir Sand			1884	1918			
Slate			1918	1965			
Slate-Lime			1965	1985			
Slate			1985	2005			
TOTAL DEPTH				2005			

Date June 29, 19 63

APPROVED Blue Creek Gas Company, Owner

By [Signature]
Vice-President (Title)

03/11/2016

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

CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM
GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name Steve Rubin / Blue Creek Gas Company OP Code _____

Watershed _____ Quadrangle Clendenin

Elevation 1117' County Kanawha District ELK

Description of anticipated Pit Waste: _____

Will a synthetic liner be used in the pit? _____

Proposed Disposal Method For Treated Pit Wastes:
____ Land Application
____ Underground Injection (UIC Permit Number: _____)
____ Reuse (at API Number _____)
____ Off Site Disposal (Supply form WW-9 for disposal location)
____ Other (Explain _____)

NO PIT

Proposed Work For Which Pit Will Be Used:
____ Drilling _____ Swabbing
____ Workover _____ Plugging
____ Other (Explain _____)

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on August 1, 2005, by the Office of Oil and Gas of the West Virginia Department of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

Company Official Signature Steve Rubin

Company Official (Typed Name) Steve Rubin

Company Official Title President

Subscribed and sworn before me this 25th day of February, 2016

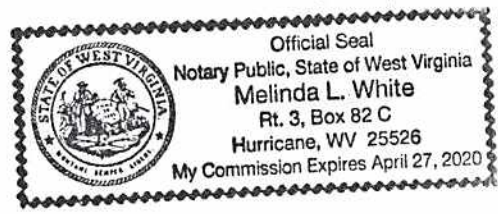
Melinda L. White Notary Public

Received

FEB 29 2016

My commission expires April 27, 2020

Office of Oil and Gas
WV Dept. of Environmental Protection



[Handwritten signature]

03/11/2016

Proposed Revegetation Treatment: Acres Disturbed 1/2 Prevegetation pH _____

Lime 3 Tons/acre or to correct to pH _____

Fertilizer (10-20-20 or equivalent) 500 lbs/acre (500 lbs minimum)

Mulch 2 Tons/acre

Seed Mixtures

Seed Type	Area I lbs/acre	Seed Type	Area II lbs/acre
Contractor Mix			

Attach:

Drawing(s) of road, location, pit and proposed area for land application.

Photocopied section of involved 7.5' topographic sheet.

Plan Approved by: [Signature]

Comments: _____

Title: Field Trip Oil Gas

Date: 2-29-16

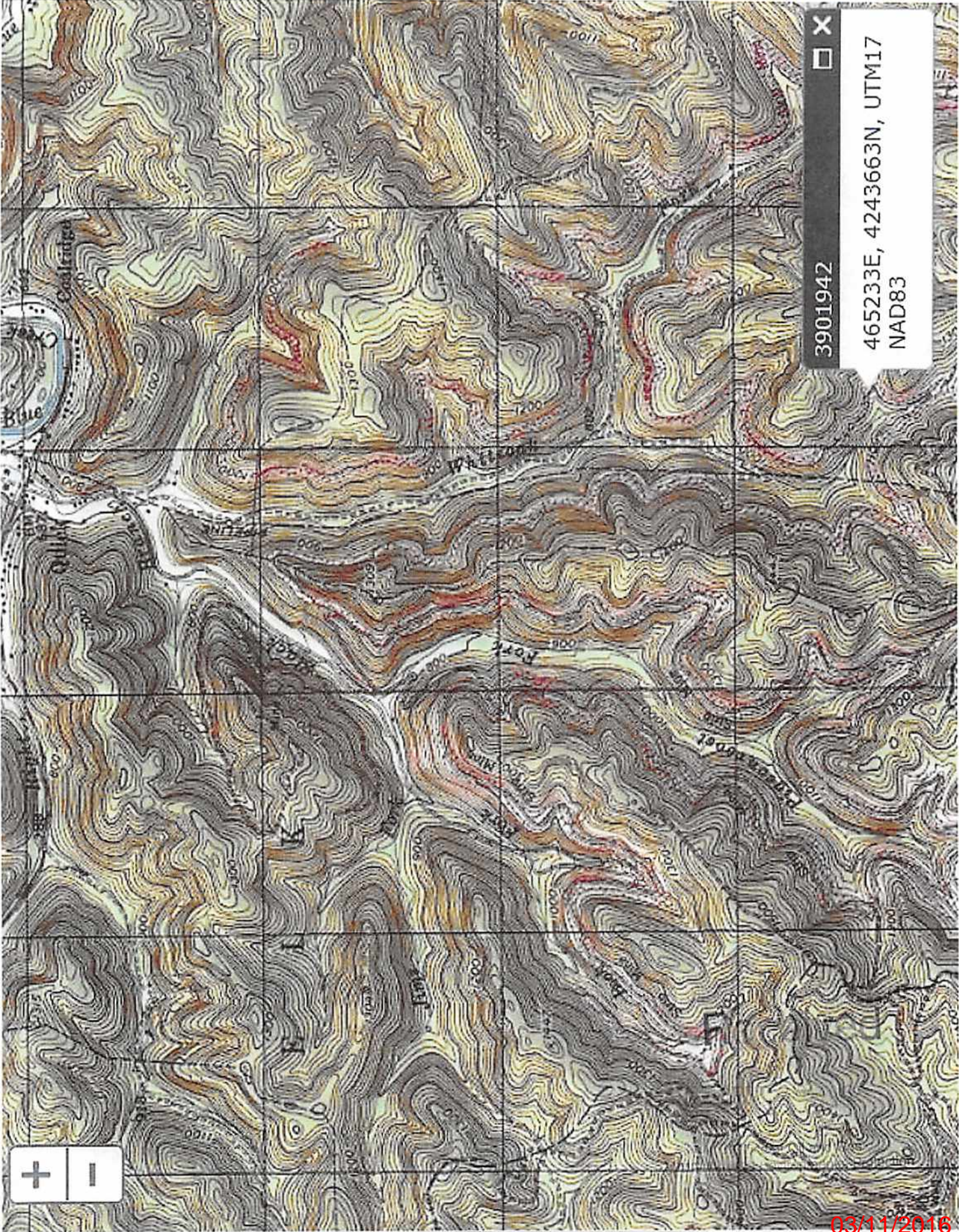
Field Reviewed? Yes No

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FEB 29 2016

Office of Oil and Gas
WV Dept. of Environmental Protection

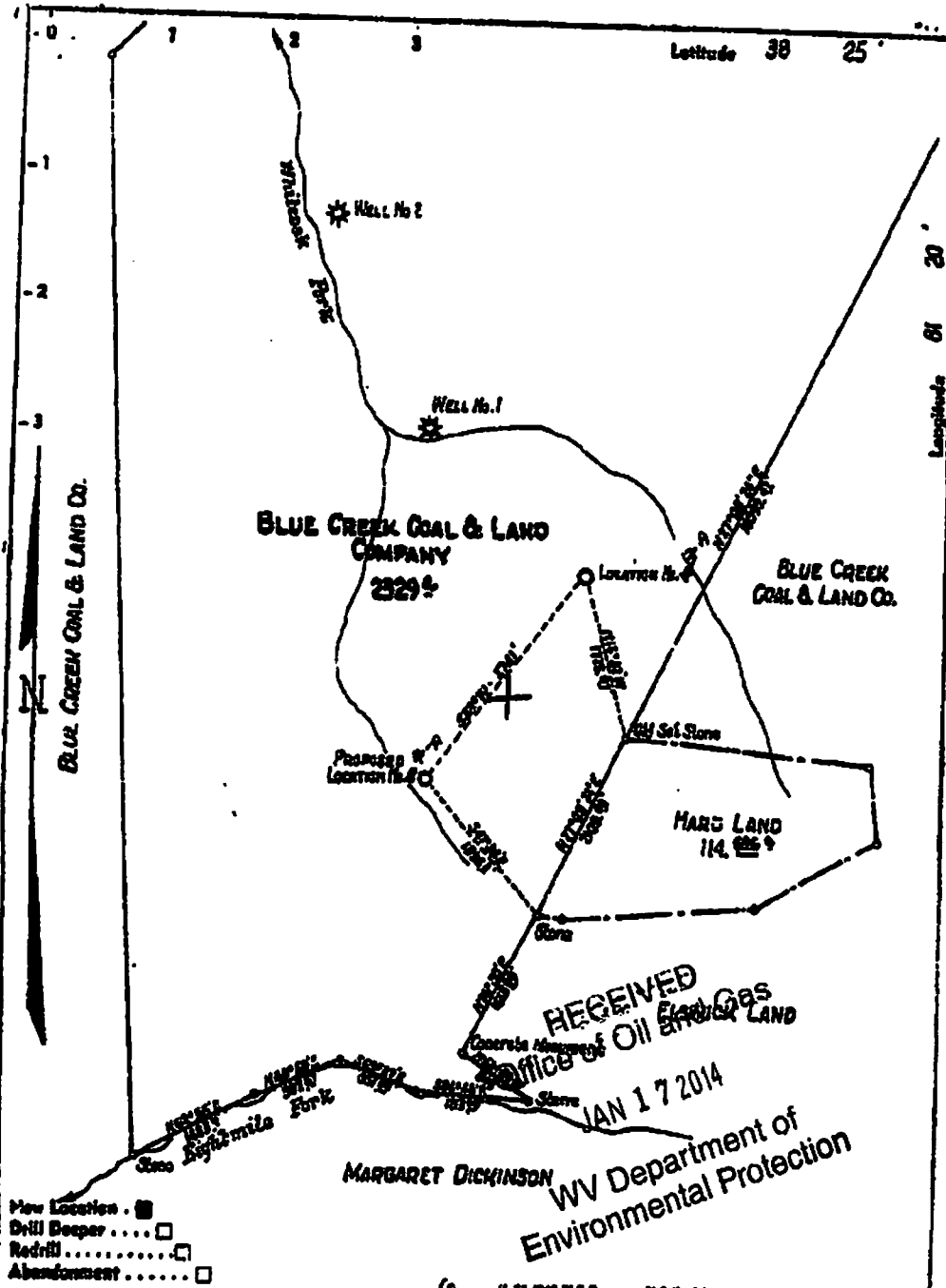
39-01942



3901942
465233E, 4243663N, UTM17
NAD83

+
-

03/11/2016



Company BLUE CREEK GAS COMPANY
 Address 1705 PENNA. AVE. CHARLESTON, W. VA.
 Firm BLUE CREEK COAL & LAND CO.
 Tract... Acres 2329 Lease No. _____
 Well (Form) No. 5-4-A Serial No. _____
 Elevation (feet level) 1173 VA.
 Quadrangle GLENDENIN G. W. C.
 County HANAWHA District ELK
 Engineer [Signature]
 Engineer's Registration No. 2024
 File No. _____ Drawing No. _____
 Date DEC. 12, 1962 Scale 1" = 1320'

(Cover Sheet of Well Location Map)

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

WELL LOCATION MAP
 FILE NO. Map 1942

★ Denotes location of well on United States Topographic Maps, scale 1 to 62,500, latitude and longitude lines being represented by border lines as shown.
 — Denotes one inch spaces on border line of original tracing.

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FEB 29 2016

Office of Oil and Gas
WV Dept. of Environmental Protection

03/11/2016

WW-7
8-30-06



West Virginia Department of Environmental Protection
Office of Oil and Gas
WELL LOCATION FORM: GPS

API: 47-39-01942 WELL NO.: 4 A

FARM NAME: Blue Creek Land and Coal Co.

RESPONSIBLE PARTY NAME: Steve Rubin Blue Creek Gas Company

COUNTY: Kanawha DISTRICT: Elk

QUADRANGLE: Clerden

SURFACE OWNER: Union Carbide Co.

ROYALTY OWNER: Union Carbide Co.

UTM GPS NORTHING: 4243663

UTM GPS EASTING: 465233 GPS ELEVATION: 1080

The Responsible Party named above has chosen to submit GPS coordinates in lieu of preparing a new well location plat for a plugging permit or assigned API number on the above well. The Office of Oil and Gas will not accept GPS coordinates that do not meet the following requirements:

1. Datum: NAD 1983, Zone: 17 North, Coordinate Units: meters, Altitude: height above mean sea level (MSL) - meters.
2. Accuracy to Datum - 3.05 meters
3. Data Collection Method:

Survey grade GPS ____: Post Processed Differential ____

Real-Time Differential ____

Mapping Grade GPS ____: Post Processed Differential ____

Real-Time Differential ____

4. Letter size copy of the topography map showing the well location.

I the undersigned, hereby certify this data 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 Office of Oil and Gas.

Steve Rubin
Signature

Contractor
Title

Received
FEB 29 2016
Date
Office of Oil and Gas
WV Dept. of Environmental Protection

03/11/2016