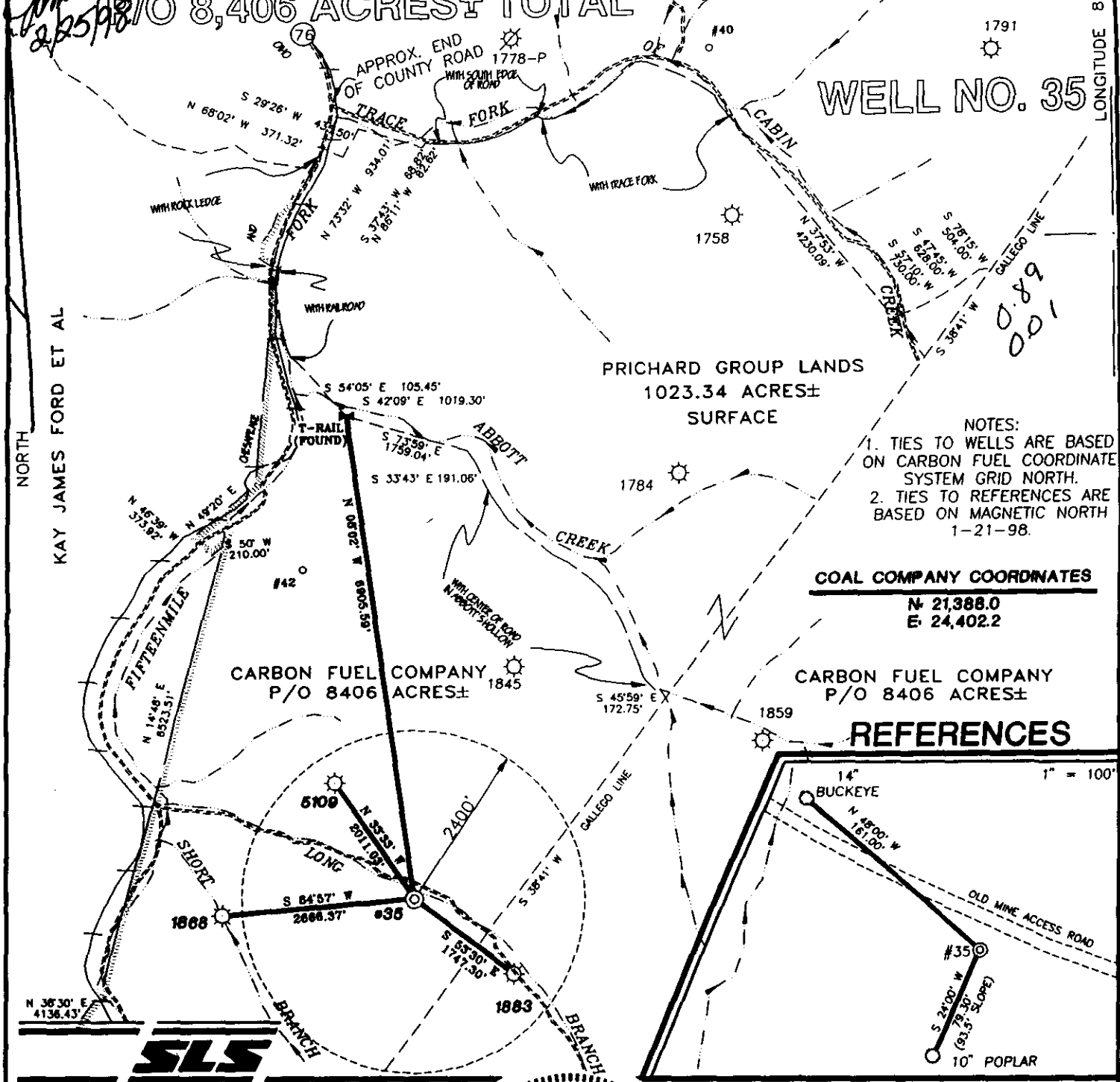


CARBON FUEL LEASE

Amie 2/25/98
8,406 ACRES ± TOTAL

LATITUDE 38°00'00"
 BRIAR MOUNTAIN COAL AND COKE ET AL
 3086 ACRES ±

WELL NO. 35



NOTES:
 1. TIES TO WELLS ARE BASED ON CARBON FUEL COORDINATE SYSTEM GRID NORTH.
 2. TIES TO REFERENCES ARE BASED ON MAGNETIC NORTH 1-21-98.

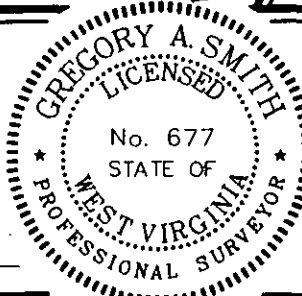
COAL COMPANY COORDINATES
 N 21,388.0
 E 24,402.2

CARBON FUEL COMPANY P/O 8406 ACRES ±

REFERENCES

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

P.S. *Gregory A. Smith*
 677



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.
 DATE JANUARY 28, 19 98
 OPERATORS WELL NO. CARBON FUEL #35
 API WELL NO. 47-039-05199
 STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 2500 FILE NO. 3851P35 (63-56)
 PROVEN SOURCE OF ELEVATION CARBON FUEL CONTROL POINT #8483 ELEVATION 1493.6'
 SCALE 1" = 2000'

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

WELL TYPE : OIL GAS LIQUID INJECTION WASTE DISPOSAL IF "GAS" PRODUCTION STORAGE DEEP SHALLOW

LOCATION :
 ELEVATION 1585' WATERSHED LONG BRANCH OF FIFTEENMILE FORK OF CABIN CREEK
 DISTRICT CABIN CREEK COUNTY KANAWHA QUADRANGLE DOROTHY 7.5'

SURFACE OWNER CARBON FUEL COMPANY ACREAGE 8406
 ROYALTY OWNER CARBON FUEL COMPANY LEASE ACREAGE 8406

PROPOSED WORK :
 LEASE NO. _____
 DRILL CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE PLUG OFF OLD FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER _____

PHYSICAL CHANGE IN WELL (SPECIFY) 6-6 262 TARGET FORMATION DEVONIAN SHALE
 ESTIMATED DEPTH 5500'

WELL OPERATOR BLAZER ENERGY CORPORATION 5884 DESIGNATED AGENT ROBERT ALLEY MAR 06 1998
 ADDRESS P.O. BOX 2347 CHARLESTON, WV 25328 ADDRESS P.O. BOX 2347 CHARLESTON, WV 25328

WR-35

23-Feb-98

API # 47-

039-05199

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

Reviewed [Signature]

Well Operator's Report of Well Work

Farm Name: CARBON FUEL COMPANY

Operator Well No.: CARBON FUEL 35

LOCATION: Elevation: 1,585.00

Quadrangle: DOROTHY

District: CABIN CREEK

County: KANAWHA

Latitude: 4670

Feet South of

38 DEG 00 MIN 00 SEC

Longitude: 90

Feet West of

81 DEG 25 MIN 00 SEC

Company: BLAZER ENERGY CORPORATION
P.O. BOX 2347
CHARLESTON, WV 25328

| Casing & Tubing Size | Used in Drilling | Left in Well | Cement Fill Up Cu. Ft. |
|----------------------|------------------|--------------|------------------------|
| 13 3/8" | 32' | 32' | 12 |
| 9 5/8" | 713.25' | 713.25' | 295 |
| 7" | 1607.55' | 1607.55' | 311 |
| 4 1/2" | 5280' | 5280' | 533 |
| | | | |

Agent: Richard Smeltzer

Inspector: CARLOS HIVELY

Permit Issued: 3/2/98

Well work commenced: 10/21/98

Well work completed: 11/17/98

Verbal Plugging

Permission granted on:

Rotary Rig X Cable Rig _____

Total Depth 5320 feet

Fresh water depths (ft) 425'

Salt water depths (ft) 870'

Is coal being mined in area? N

Coal Depths (ft): 82', 212', 467', 600'

OPEN FLOW DATA

Producing formation Dev. Shale, Gordon, L. Weir, M. Weir, Big Lime

Pay Zone Depth (ft): SEE ATT.

Gas: Initial open flow 4,691 MCF/d

Oil: Initial open flow _____ Bbl/d

Final open flow: 2,230 MCF/d

Final open flow: _____

Time of open flow between initial and final tests _____ Hours

Static rock pressure 450 psig (surface pressure) after _____ Hours

Second producing formation _____

Pay Zone Depth (ft): _____

Gas: Initial open flow _____ MCF/d

Oil: Initial open flow _____ Bbl/d

Final open flow: _____ MCF/d

Final open flow: _____

Time of open flow between initial and final tests _____ Hours

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

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

RECEIVED
Office of Oil & Gas
Permitting
MAY 20 1999
WV Division of
Environmental Protection

For: BLAZER ENERGY CORPORATION

By: Bryant Wayne Bowman II - Permitting Technician
Date: 5/20/99

JUN 01 1999

KAN 5199

EASTERN STATES OIL & GAS, INC.
WR-35 COMPLETION REPORT - Attachment
Well Treatment Summary

Well: Carbon Fuel 35

API# 47-039-05199

| Date | 11-12-98 | 11-12-98 | 11-12-98 | 11-12-98 | 11-14-98 | 11-14-98 |
|---|----------------|----------------|-----------|-----------|-----------|---------------------------------|
| Type Frac Acid, N ₂ , Foam, Water | N ₂ | N ₂ | 75Q Foam | 75Q Foam | 75Q Foam | Acid w/ N ₂ Flush |
| Zone Treated | Dev. Shale | U. Huron | Gordon | L. Weir | M. Weir | Big Lime |
| # Perfs | 37 | 14 | 26 | 30 | 27 | 25 |
| From - To: | 4374-5188 | 3622-4163 | 3421-3434 | 2926-2943 | 2814-2827 | 2611-2656 |
| BD Pressure @ psi | 3153 | 3584 | 1463 | 515 | 1530 | 2363 |
| ATP psi | 3083 | 3559 | 1325 | 1546 | 1242 | 925 |
| Avg. Rate, B=B/M, S= SCF/M | 59,000 S | 49,900 S | 20 B Foam | 20 B Foam | 20 B Foam | 4.5-B 10,500S |
| Max. Treat Press psi | | | | | 1260 | 2363 |
| iSP psi | | | | | 1123 | 1849 |
| Frac Gradient | .46 | .63 | .49 | .45 | .49 | .77 |
| 10 min S-I Pressure | | | | | 1419 | 1638 |
| Material Volume | | | | | | |
| Sand-sks | | | 403 | 462 | 535 | |
| Water-bbl | | | | | 222 | |
| SCF N ₂ | 794,000 | 400,000 | | | 245,000 | 10,500 |
| Acid-gal | | | | | 500 - 15% | 2200 15% |
| NOTES: | | | | | | |

Formation Record

| TOP | BOTTOM | FORMATION | Remarks |
|------|--------|----------------|--------------------------------|
| 0 | 8'4 | Sand & Shale | Coal @ 82', 212', 437', 600' |
| 814 | 1454 | Sand & Shale | |
| 1454 | 1696 | Sand & Shale | Hole damp @ 870', 1085', 1500' |
| 1696 | 1721 | Ravencliff | |
| 1721 | 1761 | Sand & Shale | |
| 1761 | 1789 | Avis | |
| 1789 | 2254 | Sand & Shale | GT @ 1888' No show |
| 2254 | 2303 | Lower Maxton | GT @ 2144' No show |
| 2303 | 2318 | Sand & Shale | GT @ 2368' No show |
| 2318 | 2390 | Little Lime | GT @ 2527' No show |
| 2390 | 2409 | Pencil Cave | GT @ 2622' No show |
| 2409 | 2692 | Big Lime | GT @ 2686' 169 mcf |
| 2692 | 2719 | Keener | GT @ 2815' 133mcf |
| 2719 | 2733 | Sand & Shale | GT @ 2907' 133 mcf |
| 2733 | 2762 | Big Injun | GT @ 3100' 133 mcf |
| 2762 | 2810 | Sand & Shale | GT @ 3321' 133 mcf |
| 2810 | 2876 | Middle Weir | GT @ 3510' 146 mcf |
| 2876 | 2921 | Sand & Shale | GT @ 3892' 169 mcf |
| 2921 | 2952 | Lower Weir | GT @ 4310' 133 mcf |
| 2952 | 3207 | Sand & Shale | GT @ 4691' 146 mcf |
| 3207 | 3248 | Berea | |
| 3248 | 3420 | Sand & Shale | |
| 3420 | 3434 | Gordon | |
| 3434 | 4348 | Sand & Shale | |
| 4348 | 5191 | Devonian Shale | |
| 5191 | 5320 | Java | |
| | 5320 | TD | |