



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

February 22, 2016

WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-4301736, issued to HG ENERGY, LLC, 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: 3
Farm Name: HORSE CREEK TRACT C
API Well Number: 47-4301736
Permit Type: Plugging
Date Issued: 02/22/2016

Promoting a healthy environment.

02/26/2016

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. This well is under a consent order and must be plugged under the terms of that agreement.

WW-4B
Rev. 2/01

1) Date January 21, 20 16
2) Operator's
Well No. Horse Creek Tract "C" 3
3) API Well No. 47-043 - 1736

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 / Liquid injection ___ / Waste disposal ___ /
(If "Gas, Production or Underground storage ___) Deep ___ / Shallow

5) Location: Elevation 948' Watershed Laurel Fork
District Duval County Lincoln Quadrangle Garrett's Bend 7.5'

6) Well Operator HG Energy, LLC 7) Designated Agent Diane White
Address 5260 Dupont Road Address 5260 Dupont Road
Parkersburg, WV 26101 Parkersburg, WV 26101

8) Oil and Gas Inspector to be notified
Name Jeremy James
Address P. O. Box 36
Clendenin, WV 25045

9) Plugging Contractor
Name To Be Determined Upon Approval of Permit
Address _____

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


** See Attached Sheet **

Received

FEB 10 2016

Office of Oil and Gas
WV Dept. of Environmental Protection

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

Work order approved by inspector  Date 1-27-16

- 1) Date: January 21, 2016
- 2) Operator's Well Number
Horse Creek Tract "c" 3
- 3) API Well No: 47 - 043 - 1736
State County Permit

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 x Gas x Liquid Injection Waste Disposal
(If "Gas", Production Underground Storage) Deep Shallow x
- 5) LOCATION: Elevation: 948' Watershed: Laurel Fork
District: Duval County: Lincoln Quadrangle Garrett's Bend 7.5'
- 6) WELL OPERATOR: HG Energy, LLC 494497948 7) DESIGNATED AGENT Diane White
Address 5260 Dupont Road Address 5260 Dupont Road
 Parkersburg, WV 26101 Parkersburg, WV 26101
- 8) OIL & GAS INSPECTOR TO BE NOTIFIED 9) PLUGGING CONTRACTOR
Name Jeremy James Name To Be Determined Upon Approval of Permit
Address P. O. Box 36 Address
 Clendenin, WV 25045

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

TD- 2,507'

Manners of plugging;

- Plug #1 - ~~2300'~~ - ~~2200'~~ **2400-2300**
- Located above the highest perforation
- Free point, part and pull 4 1/2" casing at approx 1850'
- Plug # 2 - Approx. 1900' - 1800'
- Located at 4 1/2" casing stub
- Plug #3 - 1000' - 900'
- Located at elevation
- Plug #4 - 400' - 300'
- Located at 8 5/8" casing shoe, fresh water
- Plug # 5 - 100' - 0'
- Surface

Recover all possible casing. If casing can not be recovered, perforate for plug placement.

Monument -

- 6" minimum diameter metal pipe
- 30" above surface
- 10' in well below surface
- Sealed with cement
- API identification (1/2") height numbering

6% Gel between all plugs

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FEB 10 2016

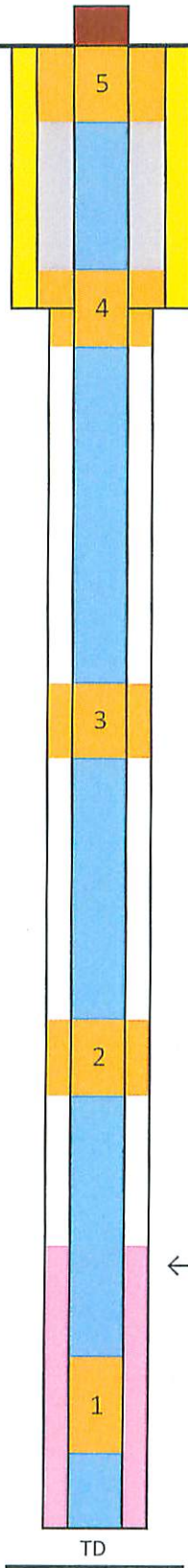
Office of Oil and Gas
WV Dept. of Environmental Protection

Well: Horse Creek Tract C #3

Monument to extend 30" above surface. 10' into well. 6" min metal pipe, sealed with cement. API i.D.

Elevation: 956'

Casing Information		
Size	Depth	Weight
8 5/8"	346'	20#/ft.
4 1/2"	2500'	10.5#/ft.



← 255 sacks cement to surface

Freepoint Cut and Pull Casing	
Size	Approx. Depth
4 1/2"	1850

Hole Size 6.75" →

Cement Plugs		
NO.	Bottom	Top
1	2300 2453	2200 2300
2	1900	1800
3	1000	900
4	400	300
5	100	0

Bottom Hole Cement Level Calculations

Sacks Used Cement Depth
 50 2200.079

Hole Size Casing Size Depth
 6.75 4.5 2507

diameter delta Conv. Factor bbls / ft.
 25.3125 1029.4 0.02459

cubic ft. per vertical ft. depth
 0.138058122

Sacks per vertical ft. depth
 0.162908584

Yield options

- 50/50 posmix 6% gel = 1.64
- Neat w/ salt flakes = 1.19
- 50/50 w/ 2% gel = 1.27

← 50 Sacks Cement T.O.C. 2200'

Highest Perforation 2453'

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Office of Oil and Gas
 WV Dept. of Environmental Protection

02/26/2016

Received

FEB 10 2016

Office of Oil and Gas
WV Dept. of Environmental ProtectionPENNZOIL COMPANY
Well Completion ReportLease: HORSE CREEK TRACT "C" Well No. 3 New Well X Old Well District: Duval County: Lincoln State: West VirginiaPool Name: Griffithsville Northeast Pool No. 57 Elevation 956.82' KB: ~~XX~~Producing Formation: Berea Depth: From 2444' to 2466'Date Drilled In: November 1, 1976 Pays: Oil: From 2444' to 2466'
From to Original Total Depth: 2507'Plug Back Depth: 2484'Gas: From 2444' to 2466'
From to

Production Initial Present After Fracture

Oil Gas Surface Csg. set @ 8-5/8" 354' KB: ~~XX~~ Gr. H-40 New:Used Wt. 20# Collars ST&CCement Req. Heat Amount 255 Sacks Plug Down @ 5:45 AM: ~~XX~~ Date 10/29/76
4-1/2"Production Csg. set @ 2507' KB: ~~XX~~ Gr. ERW New:Used Wt. 10.50# Collars ST&CCement 50/50 Posmix Amount 50 Sacks Plug Down @ 2:15 AM: ~~XX~~ Date 11/2/76Logged by: Basin Surveys Date: November 1, 1976Logs Used: Gamma Ray-Comp. Density-CaliperPerforated by: McCullough Date: November 20, 1976Perforations: 2453'-2485' - 4 holes/ft. - 20 holes

Treatment Data

	Fluid Lease	Sand	Acid	Solvent	Gel	Breaking Agent	Fluid Loss	F.R. Agent	N.E. Agent
Type	<u>Crude</u>	<u>20/40</u>	<u>15% HCl</u>	<u>Parathin</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>15-M</u>

Amount 574 26,000 500 55 2Breakdown Pressure: 2500 Treating Pressure: Max. 3000 Min. 2400 Avg. 2600Avg. Inj. Rate 31.0 BPM ISIP 1300 @ 12:25 ~~XX~~ PM 5 min. SIP 112510 min. SIP 1000 15 min. SIP 900 Other

EQUIPMENT USED

Service Company: Halliburton HHP 1975By: Jeffrey M. Beardmore Date Fractured: 11/20/76

02/26/2016

WW-4A
Revised 6-07

1) Date: January 21, 2016
2) Operator's Well Number
Horse Creek Tract "C" 3
3) API Well No.: 47 - 043 - 1736

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>Keith E. Tyler, Sr.</u>	Name <u>NA</u>
Address <u>P. O. Box 172</u>	Address _____
<u>Culloden, WV 25510</u>	
(b) Name _____	(b) Coal Owner(s) with Declaration
Address _____	Name <u>NA</u>
	Address _____
(c) Name _____	Name _____
Address _____	Address _____
6) Inspector <u>Jeremy James</u>	(c) Coal Lessee with Declaration
Address <u>PO Box 36</u>	Name <u>NA</u>
<u>Clendenin, WV 25045</u>	Address _____
Telephone <u>304-951-2596</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 reverses 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	<u>HG Energy, LLC</u>	
	By:	<u>Diane White</u> <i>Diane White</i>	
	Its:	<u>Agent</u>	
	Address	<u>5260 Dupont Road</u> <u>Parkersburg, WV 26101</u>	
	Telephone	<u>304-420-1119</u>	

Subscribed and sworn before me this 21th day of January, 2016
Mark J Schall Notary Public
My Commission Expires NOVEMBER 2, 2021

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 depprivacyoffier@wv.gov.

WW-9
(2/15)

API Number 47 - 043 - 1736
Operator's Well No. Horse Creek Tract "C" 3

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name HG Energy, LLC OP Code 494497948
Watershed (HUC 10) Laurel Fork Quadrangle Garrett's Bend 7.5'

Do you anticipate using more than 5,000 bbls of water to complete the proposed well work? Yes No

Will a pit be used? Yes No

If so, please describe anticipated pit waste: Fluids encountered while plugging subject well

Will a synthetic liner be used in the pit? Yes No If so, what ml.? 30 mil

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 _____)

Will closed loop system be used? If so, describe: No

Drilling medium anticipated for this well (vertical and horizontal)? Air, freshwater, oil based, etc. NA

-If oil based, what type? Synthetic, petroleum, etc. NA

Additives to be used in drilling medium? NA

Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. NA

-If left in pit and plan to solidify what medium will be used? (cement, lime, sawdust) NA

-Landfill or offsite name/permit number? NA

Permittee shall provide written notice to the Office of Oil and Gas of any load of drill cuttings or associated waste rejected at any West Virginia solid waste facility. The notice shall be provided within 24 hours of rejection and the permittee shall also disclose where it was properly disposed.

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 Diane White

Company Official (Typed Name) Diane White

Company Official Title Agent

Received
FEB 10 2016

Office of Oil and Gas
WV Dept. of Environmental Protection

Subscribed and sworn before me this 21st day of January, 2016

[Signature] Notary Public

My commission expires NOVEMBER 2, 2021



02/26/2016

HG Energy, LLC

Proposed Revegetation Treatment: Acres Disturbed 1.1 acres Prevegetation pH _____

Lime 3 Tons/acre or to correct to pH 6.5

Fertilizer type 10-20-20 or Equivalent

Fertilizer amount 500 lbs/acre

Mulch Straw 2 Tons/acre

Seed Mixtures

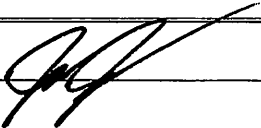
Temporary		Permanent	
Seed Type	lbs/acre	Seed Type	lbs/acre
Tall Fescue	40	Tall Fescue	40
Ladino Clover	5	Ladino Clover	5

**** Sediment Control Should Be In Place At All Times ****

Attach:

Drawing(s) of road, location, pit and proposed area for land application (unless engineered plans including this info have been provided)

Photocopied section of involved 7.5' topographic sheet.

Plan Approved by: 
Comments: _____

Received

Title: Inspector OOB

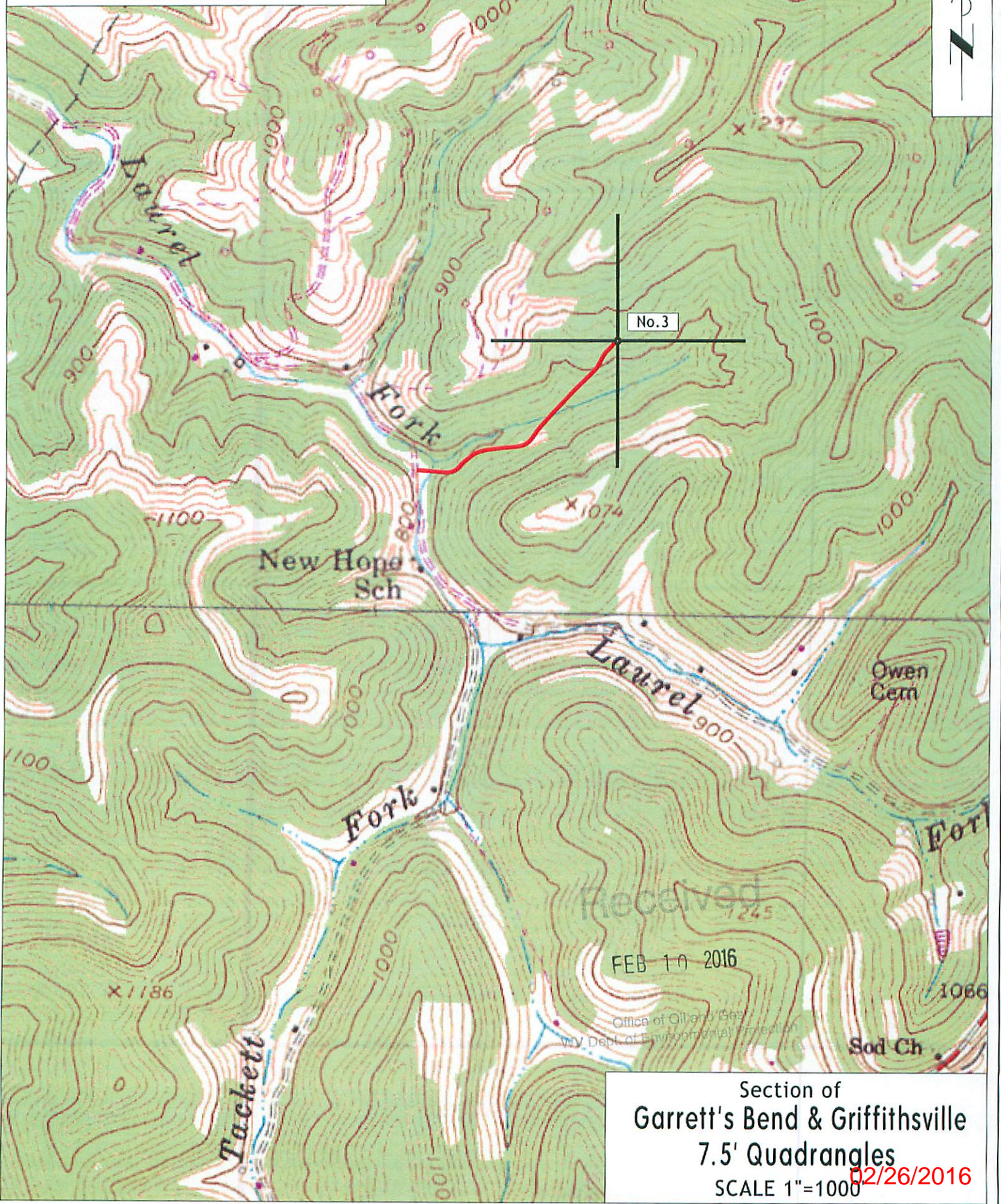
Date: 1-27-16

FEB 10 2016

Field Reviewed? () Yes () No

Office of Oil and Gas
WV Dept. of Environmental Protection

SUBJECT WELL
Horse Creek Tr."C" No.3
47-043-1736



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FEB 10 2016

Office of Oil and Gas
WV Dept. of Environmental Protection

Section of
Garrett's Bend & Griffithsville
7.5' Quadrangles
SCALE 1"=1000
02/26/2016

WW-7
5-02

West Virginia Department of Environmental Protection
Office of Oil & Gas

WELL LOCATION FORM: GPS

API: 47- 043 - 1736 WELL NO: 3

FARM NAME: Horse Creek Tr."C" No.3

RESPONSIBLE PARTY NAME: H.G. Energy, LLC

COUNTY: Lincoln DISTRICT: Duval

QUADRANGLE: Laurel Fork

SURFACE OWNER: Keith E. Tyler Sr.

ROYALTY OWNER: H.G. Energy, LLC et al.

UTM GPS NORTHING: 4,234,602 (NAD 83)

948 ft

UTM GPS EASTING: 421,373 (NAD 83) GPS ELEVATION: 289 m.

The Responsible Party named above has chosen to submit GPS coordinates in lieu of preparing a new well location plat for a plugging permit on the above well. The Office of Oil & 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	<input type="checkbox"/>	Post Processed Differential	<input type="checkbox"/>
		Real-Time Differential	<input type="checkbox"/>
Mapping Grade GPS	<input checked="" type="checkbox"/>	Post Processed Differential	<input checked="" type="checkbox"/>
		Real-Time Differential	<input type="checkbox"/>

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FEB 10 2016

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.

Office of Oil and Gas
WV Dept. of Environmental Protection

Diane White Diane C. White
Signature

Designated Agent
Title

November 24, 2015
Date

02/26/2016