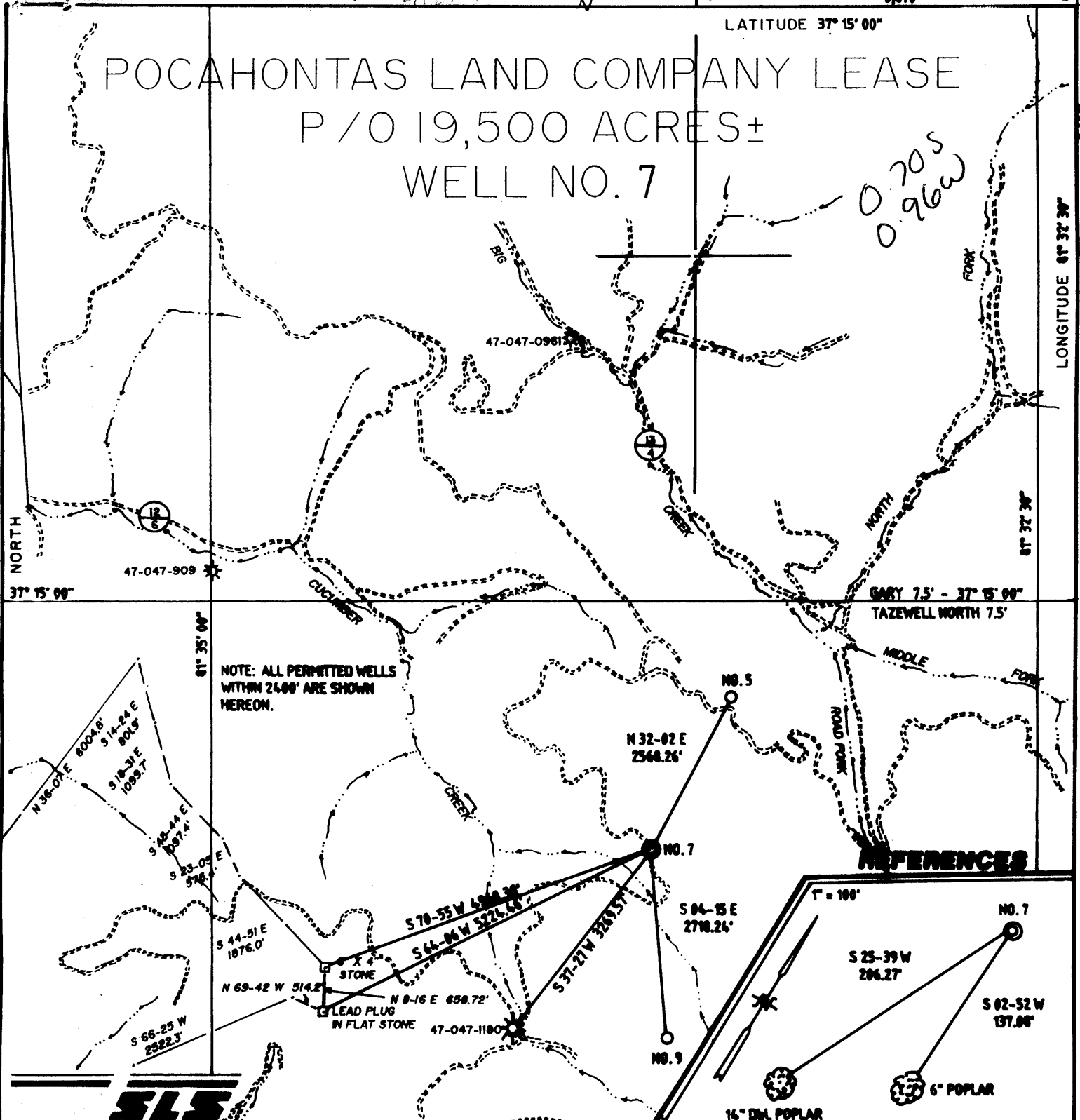


450 402.1
4121 406.7

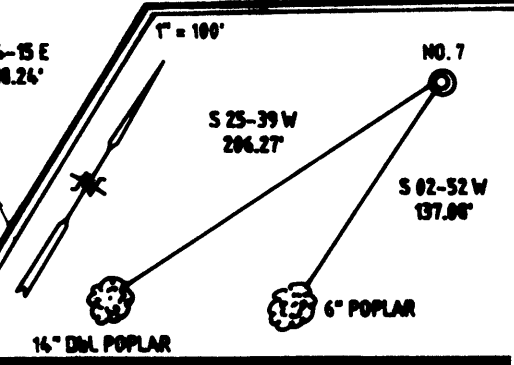
LATITUDE 37° 15' 00"

POCAHONTAS LAND COMPANY LEASE P/O 19,500 ACRES ± WELL NO. 7



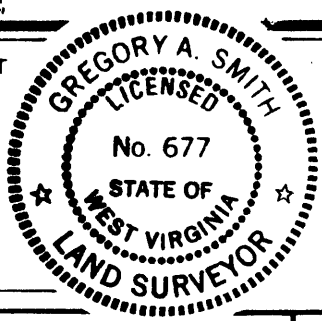
NOTE: ALL PERMITTED WELLS WITHIN 2400' ARE SHOWN HEREON.

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.

L.L.S. Gregory A. Smith
677



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

DATE MAY 27, 19 94
OPERATORS WELL NO. POCA # 7

API WELL NO. 47 - 047 - 1233
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1 / 200 FILE NO. 2921 (43-42)
PROVEN SOURCE OF ELEVATION BENCH MARK ELEVATION 1773' SCALE 1" = 2000'

STATE OF WEST VIRGINIA
DEPARTMENT OF ENERGY
OIL AND GAS DIVISION



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

LOCATION: ELEVATION 2142' WATERSHED CUCUMBER CREEK OF JACOBS FORK
DISTRICT BIG CREEK COUNTY McDOWELL QUADRANGLE TAZEWELL NORTH 7.5'

SURFACE OWNER POCAHONTAS LAND COMPANY (DONALD D. SMITH) (TRACT # 2920 - A) ACREAGE 899.66
ROYALTY OWNER POCAHONTAS LAND COMPANY (DONALD D. SMITH) LEASE ACREAGE 899.66 OF 19,500

PROPOSED WORK: LEASE NO. _____
DRILL X CONVERT ___ DRILL DEEPER ___ REDRILL ___ FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION ___ PERFORATE NEW FORMATION ___ PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___ OTHER
PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION DEVONIAN SHALE
ESTIMATED DEPTH 6500'

WELL OPERATOR PHOENIX DIVERSIFIED VENTURES Inc. DESIGNATED AGENT TOM DUNN
ADDRESS P.O. BOX 428 BUCKHANNON, WV 26201 ADDRESS P.O. BOX 428 BUCKHANNON, WV 26201

4554 6-6 0

JUL 1 1994

COUNTY NAME PERMIT

SEP 27 1994

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

Permitting
Office of Oil & Gas

Well Operator's Report of Well Work

Farm name: **POCAHONTAS LAND CO.** Operator Well No.: **POCA #7**
LOCATION: Elevation: **2,142.00** Quadrangle: **TAZEWELL NORTH**
District: **BIG CREEK** County: **MCDOWELL**
Latitude: **3680** Feet South of **37** Deg. **15** Min. **0** Sec.
Longitude: **5670** Feet West of **81** Deg. **32** Min. **30** Sec.

Company: **PHOENIX DIVERSIFIED VENTURES**
P. O. BOX 428
BUCKHANNON, WV 26201-0428

Agent: **THOMAS B. DUNN**

INSPECTOR: **OFIE HELMICK**
Permit Issued: **07/13/94**
Well work commenced: **08/12/94**
Well Work completed: **08/18/94**

Verbal Plugging
Permission granted on:
Rotary Cable Rig
Total Depth (feet) **4,883'**
Fresh water depths (ft) **71'**
Salt water depths (ft) **625'**
Is coal being mined in area (Y/N)? **Y**
Coal Depths (ft): **50-52**

Casing & Tubing Size	Used in Drilling	Left in Well	Cement Fill Up Cu. Ft.
11-3/4"	215'	215'	C.T.S.
8-5/8"	1,374'	1,374'	C.T.S.
4-1/2"		3,637'	110 Sks.

OPEN FLOW DATA

Producing formation **Big Lime** Pay zone depth (ft) **See Treatment**
Gas: Initial open flow **33** MCF/d Oil: Initial open flow **N/A** Bbl/d
Final open flow **582** MCF/d Final open flow **N/A** Bbl/d
Time of open flow between initial and final tests **4** Hours
Static Rock pressure **790** psig (surface pressure) after **48** 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 _____ Bbl/d
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 STIMULATION, PHYSICAL CHANGE, ETC. 2). THE WELL LOG WHICH IS A SYSTEMATIC DETAILED GEOLOGICAL RECORD OF ALL FORMATIONS, INCLUDING COAL ENCOUNTERED BY THE WELLBORE.


For: **WACO OIL AND GAS COMPANY, INC.**

By: **Daniel R. Chapman, Geologist**
Date: **September 19, 1994**

1st Stage: Big Lime (3537-46) 5,000 gal 15% FE acid, 104 mcf N₂

Sand, Shale	0	563	2" stream H ₂ O @ 71'
Sand, Shale, Red Rock	563	2000	1-1/2" H ₂ O @ 625'
Sand, Shale	2000	3263	
Big Lime	3263	4060	
Sand, Shale	4060	4685	
Berea	4685	4707	
Shale	4707	4759	
Gordon	4759	4805	
Shale	4805	4883	T. D.

Coal Seams

50-52

1948

047-1233

Issued 07/13/94
Page of

Expires 07/13/96

FORM No. 2B

STATE OF WEST VIRGINIA
DEPARTMENT OF ENERGY, DIVISION OF OIL AND GAS
WELL WORK PERMIT APPLICATION

19458

Permitting
of Oil & Gas

- 1) Well Operator: ⁴⁵⁵⁴ Phoenix Diversified Ventures, Inc. 38605 (2) 636
- 2) Operator's Well Number: Poca No. 7 3) Elevation: 2,142
- 4) Well type: (a) Oil ___ / or Gas X /
(b) If Gas: Production X / Underground Storage ___ /
Deep ___ / Shallow X /
- 5) Proposed Target Formation(s): Berea 395
- 6) Proposed Total Depth: 6,500' feet
- 7) Approximate fresh water strata depths: None
- 8) Approximate salt water depths: None
- 9) Approximate coal seam depths: 200'
- 10) Does land contain coal seams tributary to active mine? Yes ___ / No X /
- 11) Proposed Well Work: Drill and stimulate new well.
- 12)

CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft.	For drilling	Left in well	Fill-up (cu. ft.)
Conductor						30CSR/11.1
Fresh Water	11-3/4"	H	42#	220	220	C. T. S.
Coal						38CSR/11.1
Intermediate	8-5/8"	J	23#	1,360	1,360	C. T. S.
Production	4-1/2"	J	10.5#		4,400	200 ft ³
Tubing						
Liners						30CSR/11.1

PACKERS : Kind _____
Sizes _____
Depths set _____

For Division of Oil and Gas Use Only

03/08
24

Fee(s) paid: Well Work Permit Reclamation Fund WPCF

Plat WW-9 WW-2B Bond CC Blanket (Type) Ager

RECEIVED
WV
Environmental

JUL 1 1994

- 1) Date: June 13, 1994
- 2) Operator's well number
Poca No. 7
- 3) API Well No: 47 - 047 - 1233
State - County - Permit

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

NOTICE AND APPLICATION FOR A WELL WORK PERMIT

- 4) Surface Owner(s) to be served:
 - (a) Name Pocahontas Land Company
Address Mr. Daniel D. Smith
P. O. Box 1517, Bluefield, VA 24701
 - (b) Name _____
Address _____
 - (c) Name _____
Address _____
- 5) (a) Coal Operator:
 - Name _____
Address _____
 - (b) Coal Owner(s) with Declaration
 - Name Pocahontas Land Company
Address P. O. Box 1517
Bluefield, VA 24701
 - Name _____
Address _____
 - (c) Coal Lessee with Declaration
 - Name U. S. Diversified Group
Address Mr. Robert Pawlowski
P.O. Box 5685, Princeton, WV 24740
- 6) Inspector Ofie Helmick
Address P. O. Box 218
Fanrock, WV 24824
Telephone (304)- 732-9135

TO THE PERSON(S) NAMED ABOVE TAKE NOTICE THAT:

 Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas OR
 X Included is the information required by Chapter 22B, Article 1, Section 8(d) of the Code of West Virginia (see page 2)

I certify that as required under Chapter 22B of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through 7 on the above named parties, by:

- Personal Service (Affidavit attached)
- X Certified Mail (Postmarked postal receipt attached)
- Publication (Notice of Publication attached)

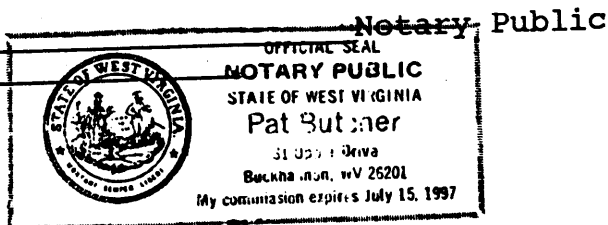
I have read and understand Chapter 22B and 38 CSR 11-18, and I agree to the terms and conditions of any permit issued under this application. I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments, and 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 and imprisonment.

Well Operator Phoenix Diversified Ventures, Inc.
By: [Signature] Tom Dunn
Its: _____ Designated Agent
Address P. O. Box 428
Buckhannon, WV 26201
Telephone (304) 472-1940

Subscribed and sworn before me this 13th day of June, 19 94

Pat Butcher
My commission expires July 15, 1997



FORM WW-2B

Page ____ of ____

**STATE OF WEST VIRGINIA
DEPARTMENT OF ENERGY, DIVISION OF OIL AND GAS
WELL WORK PERMIT APPLICATION**

- 1) Well Operator: Phoenix Diversified Ventures, Inc.
- 2) Operator's Well Number: Poca No. 7 3) Elevation: 2,142'
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(b) If Gas: Production Underground Storage
Deep Shallow
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Coal						
Intermediate	8-5/8"	J	23#	1,360	1,360	C. T. S.
Production	4-1/2"	J	10.5#		4,400	200 ft ³
Tubing						
Liners						

PACKERS : Kind _____
 Sizes _____
 Depths set _____

For Division of Oil and Gas Use Only

Fee(s) paid: Well Work Permit Reclamation Fund WPCP
 Plat WW D WY-7B Bond _____ Agent _____
 (Type)