

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

July 24, 2014

WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-6100538, 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 penalities 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.

Chief

James Martin

Operator's Well No: 2

Farm Name: THOMAS, SAUL

API Well Number: 47-6100538

Permit Type: Plugging Date Issued: 07/24/2014

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.

1) Date: June 10, 2014

2) Operator's Well Number

Saul Thomas No. 2
3) API Well No: 47 - 061

47 - 061 - 0538 State County Permit

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

	APPLICATI	ON FOR A PER	MIT TO PLUG	AND ABANDO	N		
4) WELL TYPE:	Oil (If "Gas"	X Gas , Production	Liquid Inje- Undergrou	ction nd Storage	Waste Dispo) Deep		llow
5) LOCATION:	Elevation: District:	1204' Clay	Watershed: County:	Thomas Run Monongalia	0	ademala.	Blacksville 7.5'
6) WELL OPERA	TOR: HG Energ	gy, LLC	4.94E+08	7) DESIGNATE	D AGENT	Micheal	G. Kirsch
Address		pont Road arg, WV 26101			Address	P.O. Box Vienna,	x 5519 WV 26105-5519
8) OIL & GAS INS Name Address	SPECTOR TO E John Shockey 1550 Cost Ave Stonewood, W	enue Apt. 31		9) PLUGGING Name Address	2 4 5 10 4 5 5 6 6 6		Approval of Permit
10) WORK ORDER	R: The work ord	der for the manner	of plugging this v	vell is as follows:			
		010110			201.0		Water and Court
	10" 8 1/4" 5 3/16" 4" liner	911 1,311' 3,052' 3,169'-3,019'	1276'6"	Plug No. 1 POH with 5 3/10 Plug No. 2 Plug No. 3	3,080'-2	2,700	Mapleton Coal: 788
RIF 65	D.	e cost d		Plug No. 4 Rip 8 1/4" casin Plug No. 5	1,600' - 1 g free & POH (i 1,250' - 1	1,500" Est. 1,200') 1,050'.	thru coal from 885 ' - 875'
GEL IS FRESH A OF G% BENTO GEL SPACER I		Cement Plugs are Cement tops will be All attempts will be	Class A, Regular be tagged be made to recove	Neat Cement r as much casing a	250' to S	urface.	
			OFFICE USE C	NLY			
			PLUGGING PE	RMIT			
	irements subject t spector 24 hours b	to the conditions cor before actual work has described in the Notice	stained herein and c as commenced.		Notification 1		
Permit expires		u	nless plugging is co	ommenced prior to the	hat date and pr	osecuted wi	th due diligence.
Bond: Agent:	Plat:	Casing:	WPCP	Other			
			J. J.		Chief (Office of O	il & Gae
NOTE: Keep one copy	of this permit po	sted at the plugging	location		Cinci, C		

		Legend	
Property Boundary	A	Diversion	11111111111
Road		Spring	○
Existing Fence	xx	Wet Spot	**
Planned Fence	<u> </u>	Drain Pipe	12)
Stream		Waterway	$\longleftrightarrow \longleftrightarrow \longleftrightarrow$
Open Ditch	—>	Cross Drain	
Rock	<i>ૣૢૢૢૢૢૢૢૢૢૢ</i>	Filter Strip	XXXXXXXXXX
		Pit: Cut Walls	Current
North	N		
Buildings		Pit: Compacted Fill Walls	
Water Wells	(W)	Area of Land	
Drill Site	\oplus	Application of Pit Waste	الرزيرة والمرتب
	Fertilizer (10-20-20 or Equivalent)	or Correct to pH 500 Lbs./Acre	6.5 e (500 lbs. Minimum)
	SECI	MIXTURES	
	Area I (Location)		Area II (Road)
Seed Type	Lbs/Ac.	Seed Ty	
Tall Fescue Ladino Clover		Tall Fesc Ladino C	
	ation, pit and proposed area for land applicatively and proposed area for land applicatively.	ation	
Plan Approved by:	fell Hackes hot		
Title: \mathcal{E}_{i}	NVI OMENTAL TURBO	725	Date: 6-27-14

Field Reviewed?

Yes

No

WW-4A Revised 6-07

1)	Date:	June 10,	2014			
2)	Operator's	Well Number Saul Th		No. 2		
3)	API Well N	lo: 47	7-1	061	8	0538
		State		County		Permit

STATE OF WEST VIRGINIA

DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS

NOTICE OF APPLICATION TO PLUG AND ABANDON A WELL

4)	Surface Own	ner(s) to be served:	5)	(a) Coal Op	erator:	MADO
	(a) Name	Joseph & Leona Wolfe Jr.	/	Name	Patriot Coal Corporation	100
	Address	698 Thomas Run Road		Address	12312 Olive Boulevard	
		Blacksville, WV 26521			St. Louis, Missouri 63141	
	(b) Name	-		(b) Coal O	wner(s) with Declaration	
	Address			Name	NA	
				Address		
	(c) Name		_			
	Address			Name		
			3	Address		
6)	Inspector	John Shockey		(c) Coal L	essee with Declaration	
0)	Address	1550 Cost Avenue Apt. 31	_	Name	NA	
	Address	Stonewood, WV 26301	-0	Address	NA	
	Telephone	380-2773	3	100,000		

TO THE PERSON(S) NAMED ABOVE: You should have received this Form and the following documents:

- 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 and its location and the plugging work order; and
- 2) The plat (surveyor's map) showing the well location on Form WW-6

The reason you have received these documents is that you have rights regarding the application which are summarized in the intructions 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.

Taxaa aa	Well Operator	HG Energy, LLC
OFFICIAL SEAL NOTARY PUBLIC	OFFICIAL SEAL NOTARY PUBLIC STATE OF WEST VIRGINIA TINA L. PETHTEL HG Energy, LLC 5260 Dupont Road arkersburg, West Virginia 26101 Commission Expires Nov 12, 2018 Telephone Telephone Diane C White Accountant Fig. Accountan	
OFFICIAL SEAL NOTARY PUBLIC STATE OF WEST VIRGINIA TINA L. PETHTEL HG Energy, LLC 5260 Dupont Road Parkersburg, West Virginia 26101 M. Commission Expires Nov 12, 2018 Telephone Seal Seal Seal Seal Seal Seal Seal Sea		
Parkersburg, West Virginia 26101 M. Commission Expires Nov 12, 2018	PICIAL SEAL ARY PUBLIC Its: WEST VIRGINIA L. PETHTEL Address Dupont Road West Virginia 26101 Expires Nov 12, 2018 Accountant Parkersburg, WV 26101 Of Oil a West Virginia 26101 Expires Nov 12, 2018 Telephone day of JUL 0 7 20 The properties of the properties	(304) 420-1119 /// and Gas
Subscribed and sworn before me this	day of Tu	2014 WV Dan
HG Energy, LLC 5260 Dupont Road Parkersburg, West Virginia 26101 M. Crimmission Expires Nov 12, 2018 Telephone	Fitteto Invironmental Day Public	
My Commision Expires	1100 13	,2018
	By: Diane White Diane C White Its: Accountant RECEIVED Parkersburg, WV 26161 Of Oil and Gay of The 2014 WV Done	07/25/2014

U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided) For delivery information visit our website at www.us 146 SAINT LOUIS MO 63141 27 0330 \$1.40 5 Postage П RKERSBU m \$3.30 17 Certified Fee 100 Q Postmark Return Receipt Fee (Endorsement Required) \$2.70 Here Restricted Delivery Fee (Endorsement Required) \$0.00 20 \$7,40 06) 29 Total Postage & Fees \$ Sent To Patriot Coal Corporation 707 Street, Apt. No.;

12312 Olive Boulevard

St. Louis, Missouri 63141

See Reverse for Instructions

or PO Box No.

City, State, ZIP+4

PS Form 3800, August 2006

U.S. Postal Service. CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided) m 948 For delivery information visit our website at www.usps.co BLACKSVILLE WV 26521 3227 \$1.40 0330. Postage ERSBURG Certified Fee \$3.30 1000 Return Receipt Fee (Endorsement Required) Postmark Here 4 \$2.70 Restricted Delivery Fee (Endorsement Required) 2920 \$0.00 06(月] 5T Z Total Postage & Fees \$ \$7.40 Street, Apt. No.; or PO Box No. 1098 Th П 701 698 Thomas Run Road City, State, ZIP+ Blacksville, WV 26521 PS Form 3800, August 2006 See Reverse for Instructions

> RECEIVED Office of Oil and Gas

JIL 172014

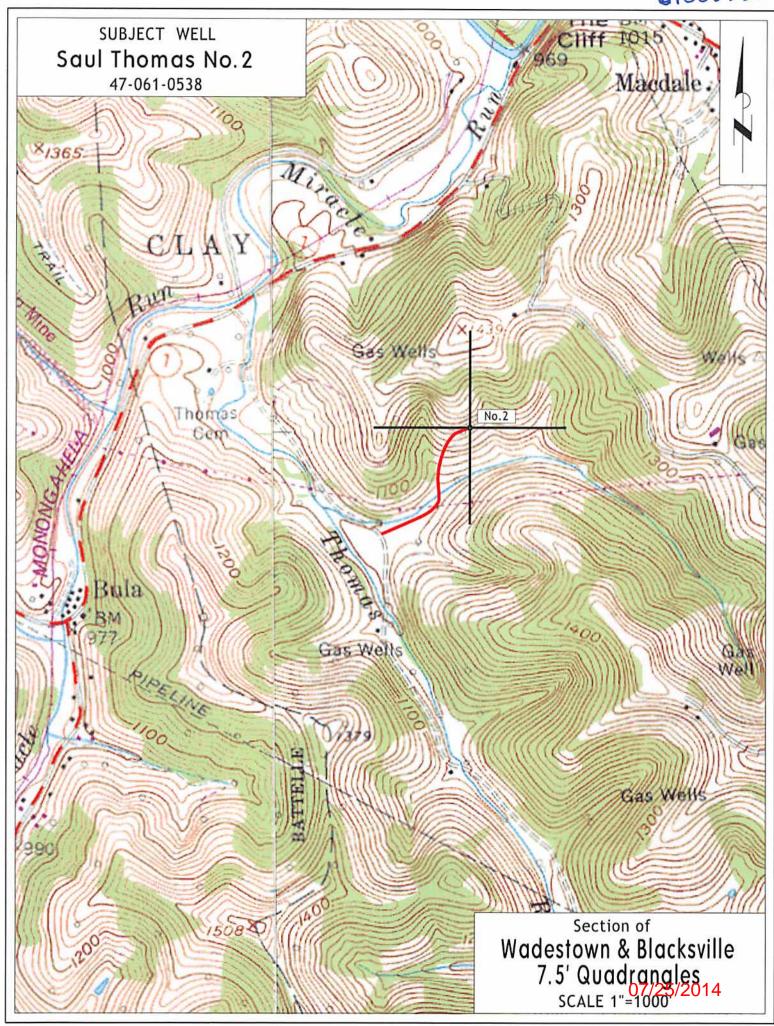
WV Department of Environmental protection WW-9 Rev. 02/03

		Page	_3_	of	3
API Number	47-		061	-	0538
Operator's Well No.		Sa	ıl Tho	mas	No. 2

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	HG Energy, LLC	ı			OP G- 1- 404405040
Watershed	Thomas Run	<u> </u>		One due le	OP Code 494497948
Elevation	1204'	County	Manangalia	Quadrangle	Blacksville 7.5'
•	of anticipated Pit Was	- -	Monongalia luids encountered	District	Clay
	tic liner be used in p				
	sal Method For Treated			ze of Liner? 20	<u>rrui</u>
- toposcu 22po	X Land Applicat				
	Underground	Injection (UI	C Permit Number)
	Reuse (at API	Number)
			orm WW-9 for dispos	al location)	
	 `	Explain	-		
	n anticipated for this we			NA NA	
ir - Additives to be	oilbased, what type? Sy used? Water, soap		leum, etc.		
	sposal method? Leave i		removed offsite, etc.	NA	· · · · · · · · · · · · · · · · · · ·
	left in pit and plan to so			Cement, lime, sa	wdust
- La	andfill or offsite name/po	rmit number	? NA		
this application f for obtaining the penalties for sub	der penalty of law that I h orm and all attachments t information, I believe tha mitting false information, icial Signature	hereto and tha t the informati	t, based on my inquiry on is true, accurate an ossibility of fine or im	of those individuals i d complete. I am awa	
Company Offi	icial (Typed Name)		Diane C W	<u> </u>	
Company Offi	icial Title		Accountan	t	
					RECEIVED
Subscribed and	sworn before me this	10	day of	lim 20	7/11/20 01 0
My commission	expires	NOV I	0,2018		TINA L. PETHTEL OF SEAL HIS Energy, LLC S260 Dupont Road Parkersburg, West Virginian 25107/2



West Virginia Department of Environmental Protection Office of Oil & Gas

WELL LOCATION FORM: GPS

API:47	7- 061 - 0538	WELL NO:	No.2
FARM NAME:	Saul Thomas		
RESPONSIBLE PARTY	NAME: H.G. E	nergy, LLC	
COUNTY:	Monongalia	DISTRICT:	Clay
QUADRANGLE:	Blacksville 7.5		
SURFACE OWNER:	Joseph & Leona W	/olfe Jr.	
ROYALTY OWNER:	HG Energy, LLC	et al.	
UTM GPS NORTHING:	4,395,691	(NAD 83)	
UTM GPS EASTING:	564,939	(NAD 83) GPS ELEVATION	N: 367 m. (1203.
preparing a new well loca Oil & Gas will not accept 1. Datum: N. height abo 2. Accuracy	tion plat for a plugging permit GPS coordinates that do not	mit GPS coordinates in lieu of it on the above well. The Office of meet the following requirements coordinate Units: meters, Altitudueters.	:
Survey Grade C	GPS — Post Processed Di Real-Time Differe	The state of the s	
Mapping Grade	e GPS X Post Processed Di Real-Time Differe	A CONTRACTOR OF THE PARTY OF TH	
	nformation required by law ar	the best of my knowledge and and the regulations issued and	
Diane C Wf	ite Diane C White	Designated	Agent
Signature		Title	
June 3, 2014			
Date			

McLaughlin, Jeffrey W

From:

Diane White <dwhite@hgenergyllc.com>

Sent:

Monday, July 21, 2014 11:38 AM

To:

McLaughlin, Jeffrey W

Subject:

FW: Status of Plugging Permits - API - 47-103-01540, 47-061-00538, 47-049-00512,

47-103-01217, 47-103-01532, 47-103-02056

Jeff.

Thank you for taking my call, it was good to talk with you earlier. See Roger's order of preference listed below:

#1	47-049-00512	JL Erwin 4
#2	47-061-00538	Saul Thomas 2
#3	47-103-01540	FL Hoge H-14
#4	47-103-01217	LS Hoyt 28
#5	47-103-01532	LS Hoyt 79
#6	47-103-02056	LS Hoyt 224

Thank You, Diane

From: Roger L. Heldman

Sent: Monday, July 21, 2014 11:23 AM

To: Diane White

Subject: RE: Status of Plugging Permits - API - 47-103-01540, 47-061-00538, 47-049-00512, 47-103-01217, 47-103-

01532, 47-103-02056

J L Erwin4, Saul Thomas 2, then the Hoyts – they were all submitted first half of June

From: Diane White

Sent: Monday, July 21, 2014 11:07 AM

To: Roger L. Heldman

Subject: FW: Status of Plugging Permits - API - 47-103-01540, 47-061-00538, 47-049-00512, 47-103-01217, 47-103-

01532, 47-103-02056

Roger,

Which one do you want approved first?

Diane

From: Diane White

Sent: Thursday, July 17, 2014 3:29 PM

To: McLaughlin, Jeffrey W

Subject: Status of Plugging Permits - API - 47-103-01540, 47-061-00538, 47-049-00512, 47-103-01217, 47-103-01532,

47-103-02056

Jeff,

Good afternoon. I wonder if you could tell me the status of several plugging permits? Roger has a rig working on plugging wells. If you're too busy to look them up, perhaps you could tell me in very general terms, how long plugging permits are at the DEP before they're approved? Thank You,

Diane C. White



HG Energy, LLC 5260 Dupont Road Parkersburg, WV 26101 304-420-1119 (O) 304-482-0108 (C) 304-863-3172 (F) dwhite@hgenergyllc.com



HG Energy, LLC 5260 Dupont Road

Parkersburg, WV 26101 (304) 420-1100 - Office

(304) 863-3172 - Fax

June 10, 2014

Jeff McLaughlin WVDEP Division of Oil & Gas 601 57th Street Charleston, West Virginia 25304

RE: Saul Thomas No. 2 (47-061-0538)

Clay District, Monongalia County

West Virginia

Dear Mr. McLaughlin:

Enclosed are Forms WW-4(A), WW-4(B), WW-9, and WW-7, topo map, well record, copy of certified mailing receipt and a check in the amount of \$100,00 to cover the permit fee to plug and abandon the above-captioned well.

Very truly yours,

Diane White

Diane C. White

Enclosures

RECEIVED
Office of Oil and Gas

JUL 0 7 2014

cc:

Joseph & Leona Wolfe Jr. – Certified Patriot Coal Corporation - Certified John Shockey - Inspector WV Department of Environmental Protection

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