



STATE OF WEST VIRGINIA
DEPARTMENT OF MINES

RECEIVED
NOV -5 1980

Oil and Gas Division

OIL AND GAS WELL PERMIT APPLICATION

OIL & GAS DIVISION
DEPT. OF MINES

TO THE DEPARTMENT OF MINES,
Charleston, W. Va.

DATE October 28, 1980

Surface Owner C.L. CARPENTER
Address St. Mary's, W. Va.

Company CARBONIT EXPLORATION INC.
Address 4430 Emerson Ave. Parkersburg, WV

Mineral Owner C.S. Dillon & Robert M. Dillon
Address P.O. Box 175, St. Mary's, WV

Farm D.W. Dillon Acres 60
Location (waters) Ohio River

Coal Owner none
Address _____

Well No. #1 Elevation 860.5
District Washington County Pleasants

Coal Operator none
Address _____

Quadrangle Raven Rock

THIS PERMIT MUST BE POSTED AT THE WELL SITE

All provisions being in accordance with Chapter 22, of the W. Va. Code, the location is hereby approved for drilling. This permit shall expire if operations have not commenced by 7-10-81.

INSPECTOR
TO BE NOTIFIED Phillip L. Tracy

ADDRESS Rt. 3, Alma, WV 26320

PHONE 758-4573

J. E. Sledge
Deputy Director - Oil & Gas Division

GENTLEMEN:

The undersigned well operator is entitled to drill upon the above named farm or tract of land for oil and gas, having fee title thereto, (or as the case may be) under grant or lease dated March 26 1980 by Big Injun Drilling Corp. made to C.D. Dillon & Virginia H. Dillon recorded on the 26th day of March 1980, in Pleasants County, Book 155 Page 236

NEW WELL DRILL DEEPER REDRILL FRACTURE OR STIMULATE
OIL AND GAS WELL ORIGINALLY DRILLED BEFORE JUNE 5, 1969.

The enclosed plat was prepared by a registered engineer or licensed land surveyor and all coal owners and/or operators have been notified as of the above date.

The above named coal owners and/or operator are hereby notified that any objection they wish to make, or are required to make by Section 3 of the Code, must be received by, or filed with the Department of Mines within ten (10) days. *

Copies of this notice and the enclosed plat were mailed by registered mail, or delivered to the above named coal operators or coal owners at their above shown respective address _____ day _____ before, or on the same day with the mailing or delivery of this copy to the Department of Mines at Charleston, West Virginia.

PLEASE SUBMIT COPIES OF ALL GEOPHYSICAL LOGS DIRECTLY TO:

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY
P. O. BOX 879
MORGANTOWN, WEST VIRGINIA 26505
AC-304 - 292-6331

Very truly yours,
(Sign Name) Steve A. Sledge
Well Operator

4430 Emerson Ave.
Street
Parkersburg,
City or Town
West Virginia
State

Address
of
Well Operator

*SECTION 3 If no objections are filed or found by the Department of mines, within said period of ten days from the receipt of notice and plat by the department of mines, to said proposed location, the department shall forthwith issue to the well operator a permit reciting the filing of such plat, that no objections have been made by the coal operators or found thereto by the department and that the same is approved and the well operator authorized to proceed.

BLANKET BOND

47-073-1023
PERMIT NUMBER

"I have read and understand the reclamation requirements as set forth in Chapter 22, Article 4, Section 12-b and will carry out the specified requirements."

Signed by Steve A. Sledge

(Formerly; PLEAS-863)

ACTUAL INFORMATION WILL BE SUBMITTED ON OG-10 UPON COMPLETION

PROPOSED WORK ORDER TO DRILL DEEPEN FRACTURE-STIMULATE
 DRILLING CONTRACTOR: (If Known) _____ RESPONSIBLE AGENT: _____
 NAME _____ NAME Gerald Townsend
 ADDRESS _____ ADDRESS 5th & Green Streets, Parkersburg,
 TELEPHONE _____ TELEPHONE (304) 422-5449
 ESTIMATED DEPTH OF COMPLETED WELL: 5000' ROTARY CABLE TOOLS _____
 PROPOSED GEOLOGICAL FORMATION: Ohio Shale
 TYPE OF WELL: OIL GAS COMB. _____ STORAGE _____ DISPOSAL _____
 RECYCLING _____ WATER FLOOD _____ OTHER _____

PROPOSED CASING PROGRAM:

CASING AND TUBING SIZE	USED FOR DRILLING	LEFT IN WELL	CEMENT-FILL UP OR SACKS - CUBIC FT.
10-3/4"			
250' of 10 3/4"	250' of 10-3/4"	250' of 10-3/4"	Circ., Cem. to Surface
1600' of 7-5/8"	1600' of 7-5/8"	1600' of 7-5/8" if necessary	50 saks if needed. <i>CTS</i>
5000' of 9.5"	5000' of 9.5"	5000' of 9.5"	450 saks, if productive
			Perf. Top <i>Perf. as req'd by rule 15(b)</i>
			Perf. Bottom
			Perf. Top
			Perf. Bottom

APPROXIMATE FRESH WATER DEPTHS 150 FEET None SALT WATER FEET _____
 APPROXIMATE COAL DEPTHS None
 COAL BEING MINED IN THE AREA? No BY WHOM? N/A

DRILL:
 SUBMIT FIVE (5) COPIES OF OG - 1, \$100.00 PERMIT FEE, PERFORMANCE BOND AND PERMANENT COPY OF PLAT.
 DRILL DEEPER OR REDRILL:
 SUBMIT FIVE (5) COPIES OF OG - 1, SHOWING ORIGINAL PERMIT NUMBER AND PERFORMANCE BOND. - ON WELLS DRILLED PRIOR TO 1929, A PERMANENT COPY OF THE PLAT AND THE ORIGINAL WELL RECORD MUST ALSO BE SUBMITTED.
 FRACTURE - STIMULATE:
 OIL AND/OR GAS WELL ORIGINALLY DRILLED BEFORE JUNE 5, 1929, FIVE (5) COPIES OG - 1, PERFORMANCE BOND, PERMANENT PLAT AND ORIGINAL WELL RECORD.
 OIL AND/OR GAS WELL ORIGINALLY DRILLED ON AND/OR AFTER JUNE 5, 1929, FIVE COPIES OG - 1, SHOWING ORIGINAL PERMIT NUMBER, AND PERFORMANCE BOND.
 Required forms must be filed within ninety (90) days of completion for bond release. Inspector to be notified four (24) hours in advance.

The following waiver must be completed by the coal operator if the permit is to be issued within ten days of receipt of...
 I the undersigned, Agent for _____ Coal Company, Owner or Operator of the coal under this lease have examined and place on our mine maps this proposed well location.
 We the _____ Coal Company have no objections to said well being drilled at this location, providing operator has complied with all rules and regulations in Articles 4, 5, and 7, Chapter 22 of the West Virginia Code.

 For Coal Company

 Official Title

STATE OF WEST VIRGINIA
OFFICE OF OIL AND GAS

Company Name Big Anjun Drilling Co. Designated Agent H. C. Dillion
Address 225 Putnam St. Marlinton, W. Va. Address St. Marys, W. Va.
Telephone 614-373-4463 Telephone 304-684-2810
Landowner C. L. Dillion Soil Cons. District Upper Ohio
Revegetation to be carried out by Upper Ohio SCD (Agent)

This plan has been reviewed by Upper Ohio SCD. All corrections and additions become a part of this plan. 5/19/80 Kenneth R. Mason
(Date) (SCD Agent)

Access Road	Location
Structure <u>12" Culvert</u> (A)	Structure <u>N/A</u> (1)
Spacing <u>N/A</u>	Material <u> </u>
Page Ref. Manual <u>1-7</u>	Page Ref. Manual <u> </u>
Structure <u> </u> (B)	Structure <u> </u> (2)
Spacing <u> </u>	Material <u> </u>
Page Ref. Manual <u> </u>	Page Ref. Manual <u> </u>
Structure <u> </u> (C)	Structure <u> </u> (3)
Spacing <u> </u>	Material <u> </u>
Page Ref. Manual <u> </u>	Page Ref. Manual <u> </u>

All structures should be inspected regularly and repaired if necessary.

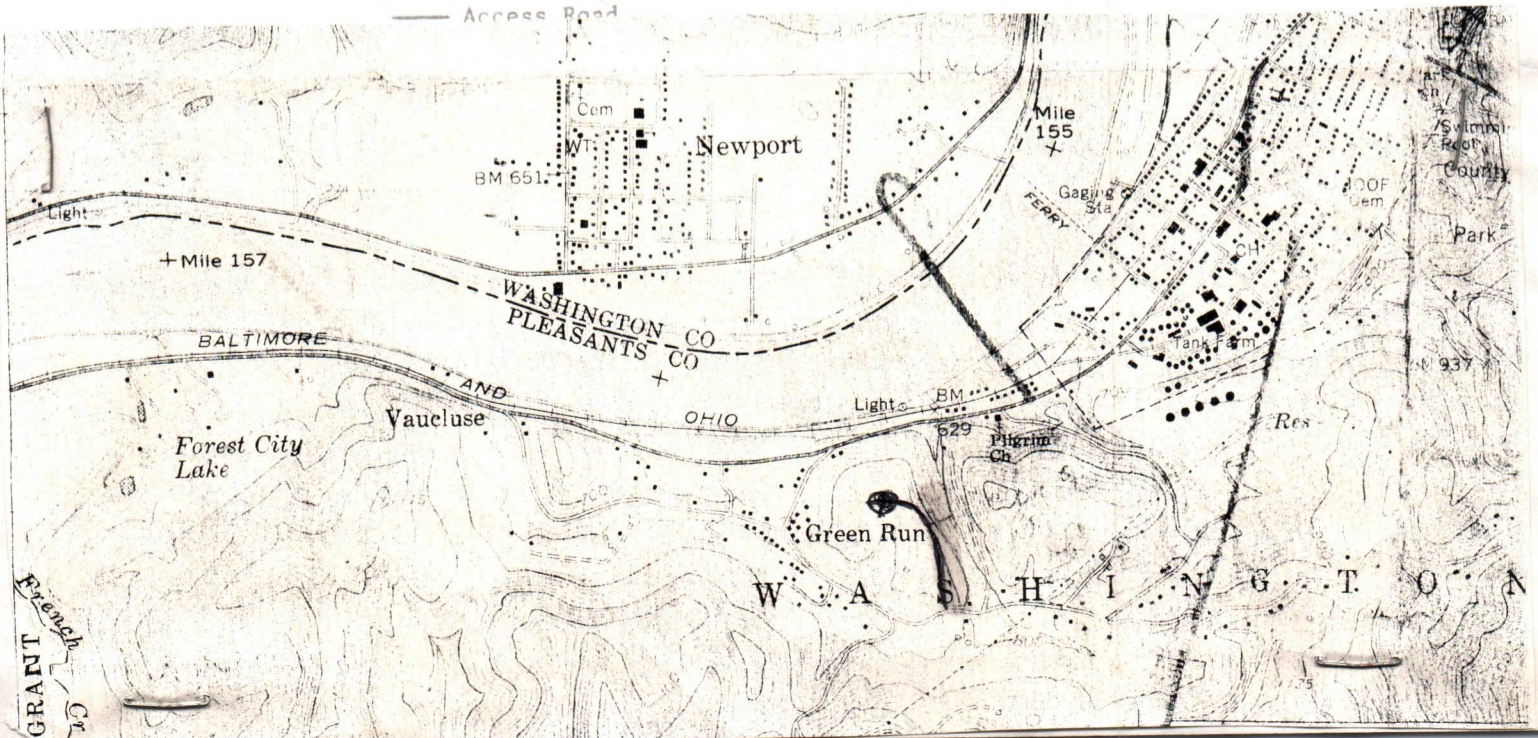
Revegetation

Treatment Area I			Treatment Area II		
Lime	Tons/acre		Lime	Tons/Acre	
or correct to pH <u>6.5</u>			or correct to pH <u>6.5</u>		
Fertilizer <u>500</u>	lbs/acre		Fertilizer <u>500</u>	lbs/acre	
(10-20-20 or equivalent)			(10-20-20 or equivalent)		
Mulch <u>Two</u>	Tons/Acre		Mulch <u>Two</u>	Tons/Acre	
Seed* <u>Ky 31</u> <u>30</u>	lbs/acre		Seed* <u>Ky 31</u> <u>30</u>	lbs/acre	
<u>Redtop</u> <u>10</u>	lbs/acre		<u>Redtop</u> <u>10</u>	lbs/acre	
	lbs/acre			lbs/acre	



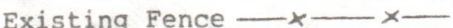



*Inoculate all legumes such as vetch, trefoil and clovers with the proper bacterium. Inoculate with 3X recommended amount.







Attach or photocopy section of involved Topographic map. Quadrangle Raven Rock.

Legend:  Well Site
 Access Road

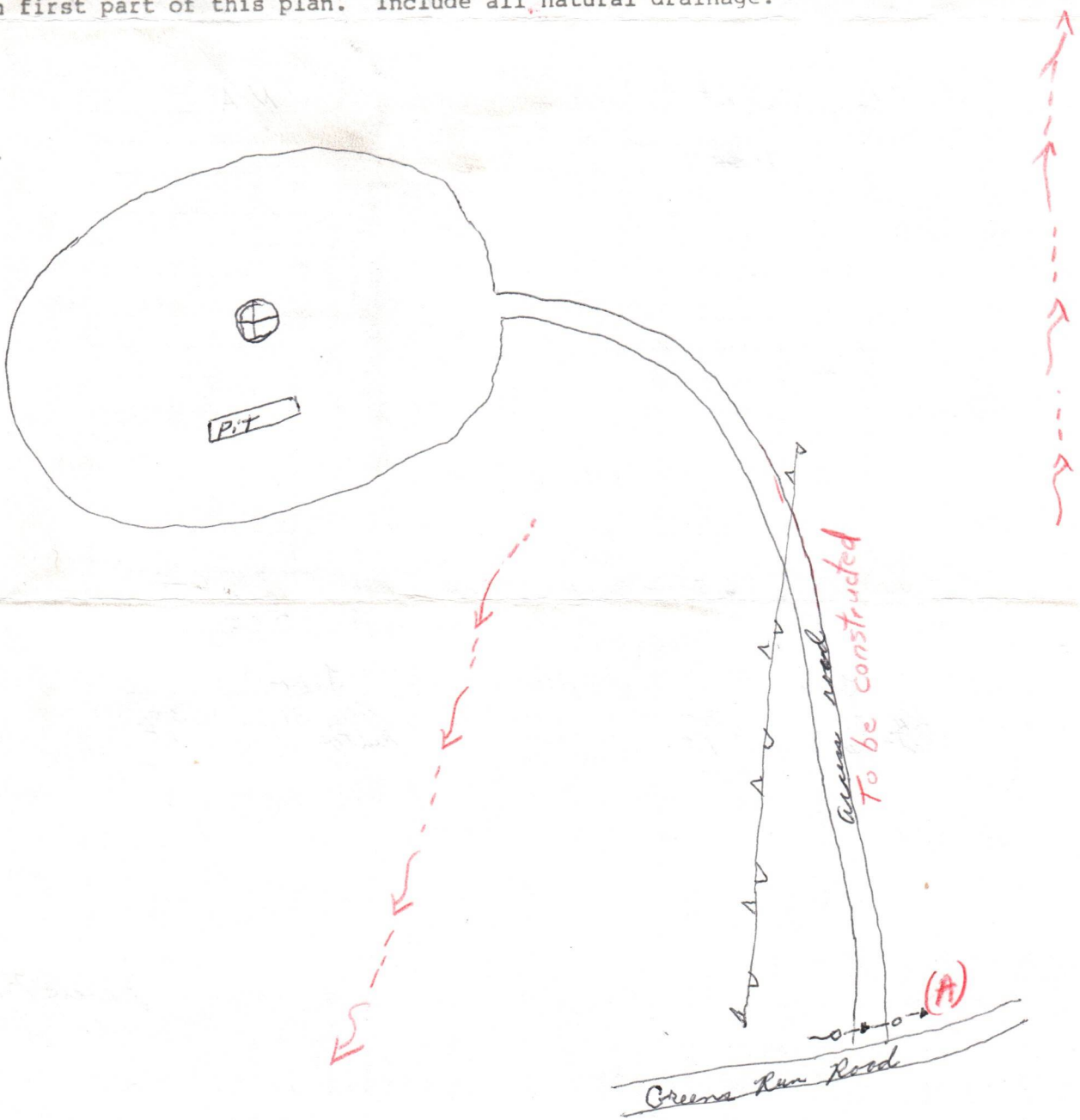


Well Site Plan

Legend: Property Boundry 
 Road 
 Existing Fence 
 Planned Fence 
 Stream 
 Open Ditch 

Diversion 
 Spring 
 Wet Spot 
 Building 
 Drain Pipe 
 Waterway 

Sketch to include well location, existing access road, roads to be constructed, wellsite, drilling pits and necessary structures numbered or lettered to correspond with first part of this plan. Include all natural drainage.



Comments: Access Road average grade 10%
Entrance road will be stoned

Signature: Don B. Coleman Pt #3 Stockport, O 614-749-3209
 Agent Address Phone Number

✓ Please request landowners cooperation to protect new seeding for one growing season.

RECEIVED

SEP 19 1980

OIL & GAS DIVISION
DEPT. OF MINES

ASSIGNMENT OF OIL AND GAS LEASES

THIS ASSIGNMENT, made this 16th day of September, 1980, by and between Big Injun Drilling Corporation, 225 Putnam Street, Marietta, Ohio 45750, party of the first part, and Carbonit Exploration, Inc., 4422 Emerson Avenue, Parkersburg, West Virginia 26101, party of the second part.

WITNESSETH: That for and in consideration of the sum of Ten Dollars (\$10.00) cash in hand paid and other good and valuable considerations this day paid to the party of the first part by the party of the second part, the receipt of which is hereby acknowledged, the party of the first part does hereby sell, assign, transfer, set over and deliver to the party of the second part an undivided 100% working interest in and to all his rights and title thereto in the following described Oil and Gas Leases:

- (1) Oil and Gas Lease from C. S. Dillon and wife, Virginia H. Dillon; and Robert W. Dillon and wife, Arlene M. Dillon, as Lessors to Big Injun Drilling Corporation, as Lessee, dated March 26, 1980, covering 60 acres of land, more or less and situated in Washington District of Pleasants County, West Virginia and being recorded in Deed Book 156 at page 522.
- (2) Oil and Gas Lease from Robert E. Johnson and wife, Mary E. Johnson, as Lessors to A. F. Marple, as Lessee, dated May 20, 1980, covering 20 acres of land, more or less and situated in Washington District of Pleasants County, West Virginia and being recorded in Deed Book 156 at page 294.

THIS ASSIGNMENT is made subject to all royalties, terms, conditions, and provisions set in and being part of the original Oil and Gas Lease hereinabove mentioned and described.

THIS ASSIGNMENT is made subject to that certain Letter of Agreement by and between Big Injun Drilling Corporation and Carbonit Exploration, Inc., dated September 16, 1980.

The conditions and stipulations hereof shall extend to the respective heirs, executors, administrators, successors, and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have executed this instrument as of the day and year first above written.

(Corporate
Seal)

BIG INJUN DRILLING CORPORATION

BY Don B. Herman

Its Chief President

Secretary

CORPORATE ACKNOWLEDGEMENT

THE STATE OF WEST VIRGINIA

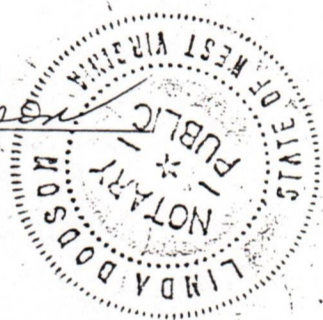
COUNTY OF Wood

BEFORE ME, the undersigned authority, on this day personally appeared Don B. Coleman, known to me to be the person whose name is subscribed to the foregoing instrument, as Vice President of Big Injun Drilling Corporation, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed in the capacity stated, and as the act and deed of said corporation.

Given under my hand and seal of office this the 16th day of September A. D. 19 80.

My Commission expires 10-3-89.

Linda R. Dodson
Notary Public





CARBONIT EXPLORATION, INC.

4422 EMERSON AVENUE, PARKERSBURG, WEST VIRGINIA 26101

Phone: (304) 485-8511

September 16, 1980

RECEIVED

SEP 16 1980

OIL & GAS DIVISION
DEPT. OF MINES

Mr. Fred Burdette
Department of Mines
Division of Oil & Gas
1615 Washington Street, East
Charleston, W. Va. 25311

Dear Mr. Burdette:

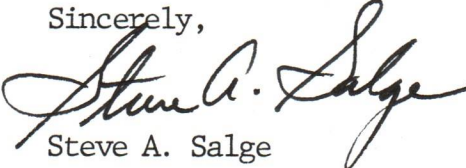
Carbonit Exploration, Inc. has acquired two Oil and Gas Leases in Pleasants County, West Virginia, on assignment from Big Injun Drilling Corporation. Prior to this assignment Big Injun Drilling Corporation had applied for and been granted two Drilling Permits, one on each lease as follows: PLEA-863 and 47-073-0894. Please find copies of each attached.

Mr. Thomas E. Huzzey advised us last week that it would be possible to use these existing permits if we changed the company name. Therefore, please change the permits from Big Injun Drilling Corporation, 225 Putnam Street, Marietta, Ohio, to Carbonit Exploration, Inc., 4422 Emerson Avenue, Parkersburg, West Virginia. Also please note that we have a blanket bond on file with your office.

Please advise us whether we can begin operations under the existing permit or whether you will send us a revised permit under that same number.

Your prompt reply will be greatly appreciated. Thank you very much for your assistance in this matter.

Sincerely,


Steve A. Salge

SAS/pjs



State of West Virginia

Department of Mines

Oil and Gas Division

Charleston 25305

WALTER N. MILLER
DIRECTOR

00G-047

September 17, 1980

Mr. Steve A. Salge
Carbonit Exploration, Inc.
4422 Emerson Avenue
Parkersburg, West Virginia 26101

Re: Permits Nos. 47-073-0963 and 47-073-0894

Dear Mr. Salge:

In order to transfer the permits for the above captioned wells we must have a document from you showing assignment, and from your bonding company stating their acceptance of the responsibility for these two wells.

Sorry if I misled you.

Very truly yours,

Thomas E. Huzzey

Thomas E. Huzzey, Administrator
Office of Oil and Gas

TEH/1s
cc - Philip Tracy, District Inspector



CARBONIT EXPLORATION, INC.

4422 EMERSON AVENUE, PARKERSBURG, WEST VIRGINIA 26101

Phone: (304) 485-8511

September 19, 1980

RECEIVED

SEP 19 1980

OIL & GAS DIVISION
DEPT. OF MINES

Mr. Thomas E. Huzzey, Administrator
Department of Mines
Office of Oil and Gas
1615 Washington Street, East
Charleston, West Virginia 25311

Re: Permits Nos. 47-073-0863 and 47-073-0894

Dear Mr. Huzzey:

In accordance with our telephone conversation of this morning, please find enclosed the following:

1. Xerox copy of executed Assignment of oil and gas leases which cover acreage covered by the above captioned permit numbers.
2. Xerox copy of Blanket Surety Bond for Carbonit Exploration, Inc. issued by Hartford Accident and Indemnity Company - Bond No. RN 4439191.

Thanking you very much for your help and your prompt attention to this matter, I am,

Yours very truly,

Judy K. Smith
Landman

JKS/j
Enclosures



STATE OF WEST VIRGINIA
DEPARTMENT OF MINES

Oil and Gas Division

WELL RECORD

Rotary Oil
 Cable _____ Gas
 Recycling _____ Comb. _____
 Water Flood _____ Storage _____
 Disposal _____ (Kind) _____

Quadrangle Raven Rock

Permit No. 47-073-1023
(Formerly: PLEAS-863)

Company Carbonit Exploration, Inc.
 Address 4424 Emerson Avenue, Parkersburg, WV
 Farm C.L. Carpenter Acres 60
 Location (waters) Ohio River
 Well No. 1 Elev. 860.5
 District Washington County Pleasants
 The surface of tract is owned in fee by _____
C. L. Carpenter
 Address St. Marys, WV
 Mineral rights are owned by C.S. Dillon & Robert
M. Dillon Address P.O. Box 175, St. Marys, WV
 Drilling Commenced 9-23-80
 Drilling Completed 10-2-81
 Initial open flow 0 cu. ft. 0 bbls.
 Final production ^{not} measured cu. ft. per day 0 bbls.
 Well open _____ hrs. before test _____ RP.

Casing and Tubing	Used in Drilling	Left in Well	Cement fill up Cu. ft. (Sks.)
Size 20-16			
Cond. 13-10"			
9 5/8			
8 5/8	349'	349'	200 sks reg
7			
5 1/2			
4 1/2	4377'	4377'	500 sks 50-50 poz
3			
2			
Liners Used			

Well treatment details:

Attach copy of cementing record.

Perf'd 86 holes from 2067'- 4333'. 11-3-80 HOWCO and BJ Hughes frac'd well w/total of 1500 gal 15% HCL, 65,000# of 20/40 sand, 1,300,000 SCF of N² & 468 BBL KCL water. dropped half of acid and 20 balls after 1/3 treatment and rest of balls last 2/3 of frac. 12-12-80 frac'd 360,000 SCF of nitrogen, 556 bbl of water, 68,500# of 20/40 sand, 1000 gal 28% acid.

Coal was encountered at 0 Feet _____ Inches
 Fresh water 0 Feet 0 Salt Water 0 Feet 0
 Producing Sand _____ Depth _____

Formation	Color	Hard or Soft	Top Feet	Bottom Feet	Oil, Gas or Water	* Remarks
Big Lime			1472	1526		
Big Injun			1548	1622		
Squaw			1648	1688		
Berea			2065	2072	Gas/Oil	
Gordon Stray			2462	2475	Gas/Oil	
Gordon			2486	2504	Gas/Oil	
Shale			2504	TD		

RECEIVED

JUL 15 1981

OIL & GAS DIVISION
DEPT. OF MINES

Date 7-9- 81

Approved Steve A. Sage Owner

* Indicates Electric Log tops in the remarks section.

Formation	Color	Hard or Soft	Top Feet	Bottom Feet	Oil, Gas or Water	* Remarks

Date _____, 19__

APPROVED _____, Owner



CARBONIT EXPLORATION, INC.

4424 EMERSON AVENUE, PARKERSBURG, WEST VIRGINIA 26101

Phone: (304) 485-8511

VERIFICATION OF DEVONIAN SHALE CLASSIFICATION

CARBONIT EXPLORATION, INC.

Well Name: Dillon #1 Permit #863

Location: Washington District
Pleasants County, West Virginia

RECEIVED
JUL 15 1981

Top of Devonian: 2072'

OIL & GAS DIVISION
DEPT. OF MINES

Shale Base Lines:

- Interval A) 2072' - 2692' = 140 API units
70% Shale Line: $.7 \times 140 = 98$ API
- Interval B) 2692' - 3238' = 150 API units
70% Shale Line: $.7 \times 150 = 105$ API
- Interval C) 3238' - 3430' = 170 API units
70% Shale Line: $.7 \times 170 = 119$ API
- Interval D) 3430' - 4054' = 160 API units
70% Shale Line: $.7 \times 160 = 112$ API
- Interval E) 4054' - 4108' = 170 API units
70% Shale Line: $.7 \times 170 = 119$ API
- Interval F) 4108' - 4140' = 180 API units
70% Shale Line: $.7 \times 180 = 126$ API
- Interval G) 4140' - 4361' = 170 API units
70% Shale Line: $.7 \times 170 = 119$ API

Total thickness of Devonian penetrated: 4361' - 2072' = 2289'

5% Disqualifying footage allowed: 2289' x .05 = 114.45'

Actual footage < .7 Gamma Ray index: 40'

Well should qualify as a Devonian Shale Producer.



RECEIVED
AUG 20 1984
OIL & GAS DIVISION
DEPT. OF MINES

State of West Virginia
Department of Mines
Oil and Gas Division
Charleston 25305

FINAL INSPECTION REPORT
INSPECTORS COMPLIANCE REPORT
August 3, 1984

COMPANY Carbonit Exploration, Inc. PERMIT NO 073-1023 (11-10-80)
396 W. Greens Road, Suite 900 FARM & WELL NO D. W. Dillon #1
Houston, Texas 77067 DIST. & COUNTY Washington/Pleasants

RULE	DESCRIPTION	IN COMPLIANCE	
		YES	NO
23.06	Notification Prior to Starting Work	_____	_____
25.04	Prepared before Drilling to Prevent Waste	_____	_____
25.03	High-Pressure Drilling	_____	_____
16.01	Required Permits at Wellsite	_____	_____
15.03	Adequate Fresh Water Casing	✓	_____
15.02	Adequate Coal Casing	_____	_____
15.01	Adequate Production Casing	✓	_____
15.04	Adequate Cement Strenght	_____	_____
15.05	Cement Type	_____	_____
23.02	Maintained Access Roads	✓	_____
25.01	Necessary Equipment to Prevent Waste	✓	_____
23.04	Reclaimed Drilling Pits	✓	_____
23.05	No Surface or Underground Pollution	✓	_____
23.07	Requirements for Production & Gathering Pipelines	✓	_____
16.01	Well Records on Site	✓	_____
16.02	Well Records Filed	✓	_____
7.05	Identification Markings	_____	_____

I HAVE INSPECTED THE ABOVE CAPTIONED WELL AND RECOMMEND THAT IT BE RELEASED:

SIGNED R. A. Lowther
DATE Aug 15, 1984

Your well record was received and reclamation requirements approved. In accordance with Chapter 22, Article 4, Section 2, the above well will remain under bond coverage for the life of the well.

T. L. v. B. B.
Administrator-Oil & Gas Division
September 13, 1984

TMS/chm

DATE

Houston Regional Office
The Main Building
1212 Main Street
Houston, Texas 77002
Telephone: (713) 651-1651

RECEIVED
JSA
OCT 03 1980
W. VA. OIL & GAS
CONSERVATION COMMISSION



THE HARTFORD

October 1, 1980

Mr. Thomas E. Huzzey, Administrator
Department of Mines, Oil & Gas Division
State of West Virginia
1613 Washington East
Charleston, West Virginia 25311

Re: Carbonite Exploration Inc.
Permit No. 470730863 & Permit No. 470730894
Date of Ownership for Both Leases by Carbonite Exploration Inc. -
9/16/80

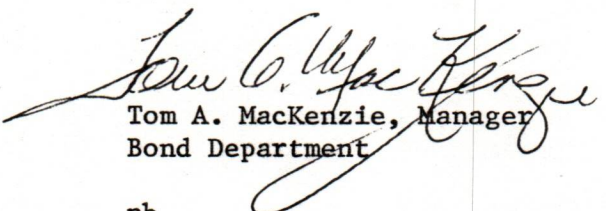
(Prior Owner of Leases was Big Engine Drilling Company)

Dear Mr. Huzzey:

Effective 9/16/80, The Hartford Accident & Indemnity Company accepts liability under "Blanket Bond for Wells" No. 4446541, for Permit Number 470730863 and Permit Number 470730894 in the name of Carbonite Exploration Inc.

It is understood and agreed that all of the other conditions of bond number 4446541 obligation remain the same.

Very truly yours,


Tom A. MacKenzie, Manager
Bond Department

nb



State of West Virginia

Department of Mines

Oil and Gas Division

Charleston 25305

OOG-078

WALTER N. MILLER
DIRECTOR

October 22, 1980

Mr. Steve A. Salge
Carbonit Exploration
4422 Emerson Avenue
Parkersburg, WV 26101

Re: 47-073-0863, Well No. 1, D. W. Dillion Farm
47-073-0894, Well No. 1, Robert Johnson Farm

Dear Mr. Salge:

Please refer to pages 49 and 50 of the West Virginia Administrative Regulations paying particular attention to Rule 7.02(g) which states that "No permit issued under this Regulation 7 shall be transferrable."

In view of my error, I must retract my decision to transfer these permits from Big Injun Drilling Corporation to you under the above captioned permit numbers. In order for these permits to be in your name you will have to send to the Office of Oil and Gas, a completed application for drilling and the \$100.00 reclamation fee for each well.

I am sorry for any inconvenience this may have caused you.

Very truly yours,

Thomas E. Huzzey

Thomas E. Huzzey, Administrator
Office of Oil and Gas

TEH/ljs



CARBONIT EXPLORATION, INC.

4422 EMERSON AVENUE, PARKERSBURG, WEST VIRGINIA 26101

Phone: (304) 485-8511

October 31, 1980

STATE OF WEST VIRGINIA
Department of Mines Oil & Gas Division
1615 Washington St., East
Charleston, WV 25311

ATTENTION: Mr. Thomas E. Huzzey

Dear Mr. Huzzey:

Pursuant to your letter of October 22, 1980, and our conversation of October 28, 1980, please find enclosed two applications for drilling permits in Pleasants County, West Virginia. These applications are for the Carbonit Exploration, Inc. No. 1 D.W. Dillon Well and the Carbonit Exploration, Inc. No. 1 Robert Johnson Well.

These two wells were permitted to Big Injun Drilling Corporation as 47-073-0863 and 47-073-0894 and subsequently assigned to Carbonit Exploration Inc.; however, it was later discovered that drilling permits cannot be assigned (See Rule 7.02(g) W.Va. Administrative Regs.). Therefore, we are now applying for new permits on these two locations. Please refer to your well files under the above two permit numbers to obtain original survey plats.

Thank you very much for your assistance in this matter. If you have any questions, please call.

Sincerely,

Steve A. Salge
Regional Land Manager, Appalachia

SS:cc

Enclosures

RECEIVED
10V-5 1980

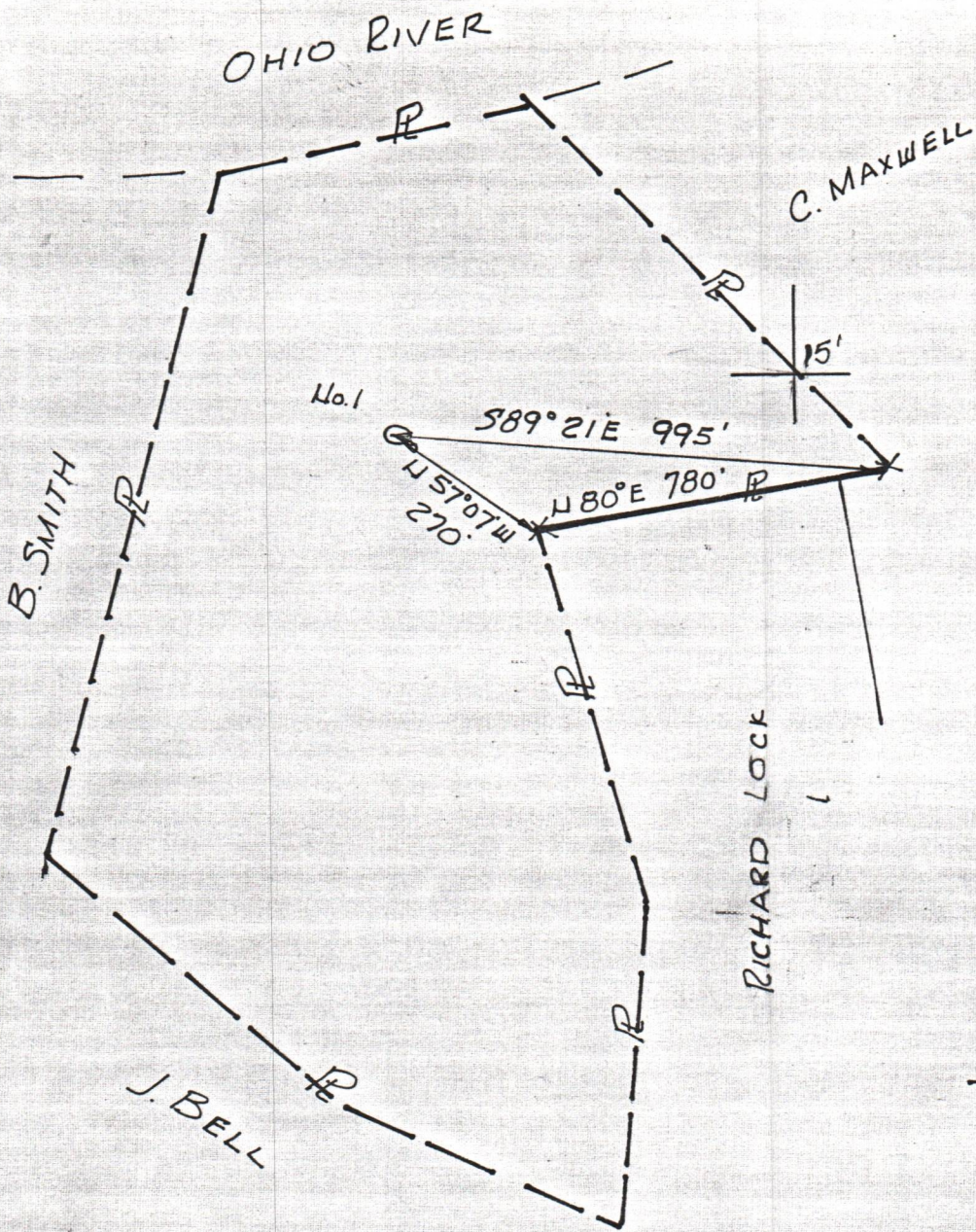
OIL & GAS DIVISION
DEPT. OF MINES

39°25'

4-33

HO 6-6-80

81°10'



FRATURE
 REDRILL
 NEW LOCATION X
 DRILL DEEPER
 ABANDONMENT

Source of Elevation OHIO RIVER 9:00 AM 3-31-80 El: 602.20

I, the undersigned, hereby certify that this map is correct to the best of my knowledge and belief and shows all the information required by paragraph 6 Of the rules and regulations of the oil and gas section of the mining laws of West Virginia.

ELEVATION (Spirit Level) 860.5
 DATE 5-30-80 SCALE 1" = 400'

MINIMUM ACCURACY, one part in 200'

COMPANY CARBONIT EXPLORATION, INC.
 ADDRESS 4422 EMERSON AVE, PARKERSBURG, W.Va.
 FARM D. W. DILLON
 TRACT _____ ACRES 60 LEASE NO. _____
 WELL (Farm) NO. 1 SERIAL NO. _____
 QUADRANGLE RAVEN ROCK 7 1/2 ST. MARY 15'
 COUNTY PLEASANT DISTRICT WASHINGTON
 SURVEYOR or ENGINEER Thomas D. Schultheis
 SURVEYOR or ENGINEER REGISTRATION NO. 604

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

WELL LOCATION MAP
 FILE NO. 073-1023

+ Denotes location of well on United States topographic Maps, Scale 1 to 24,000 latitude and longitude lines being represented by border lines as shown.

- Denotes one inch spaces on border line of original tracing.

3500' OHIO SHALE