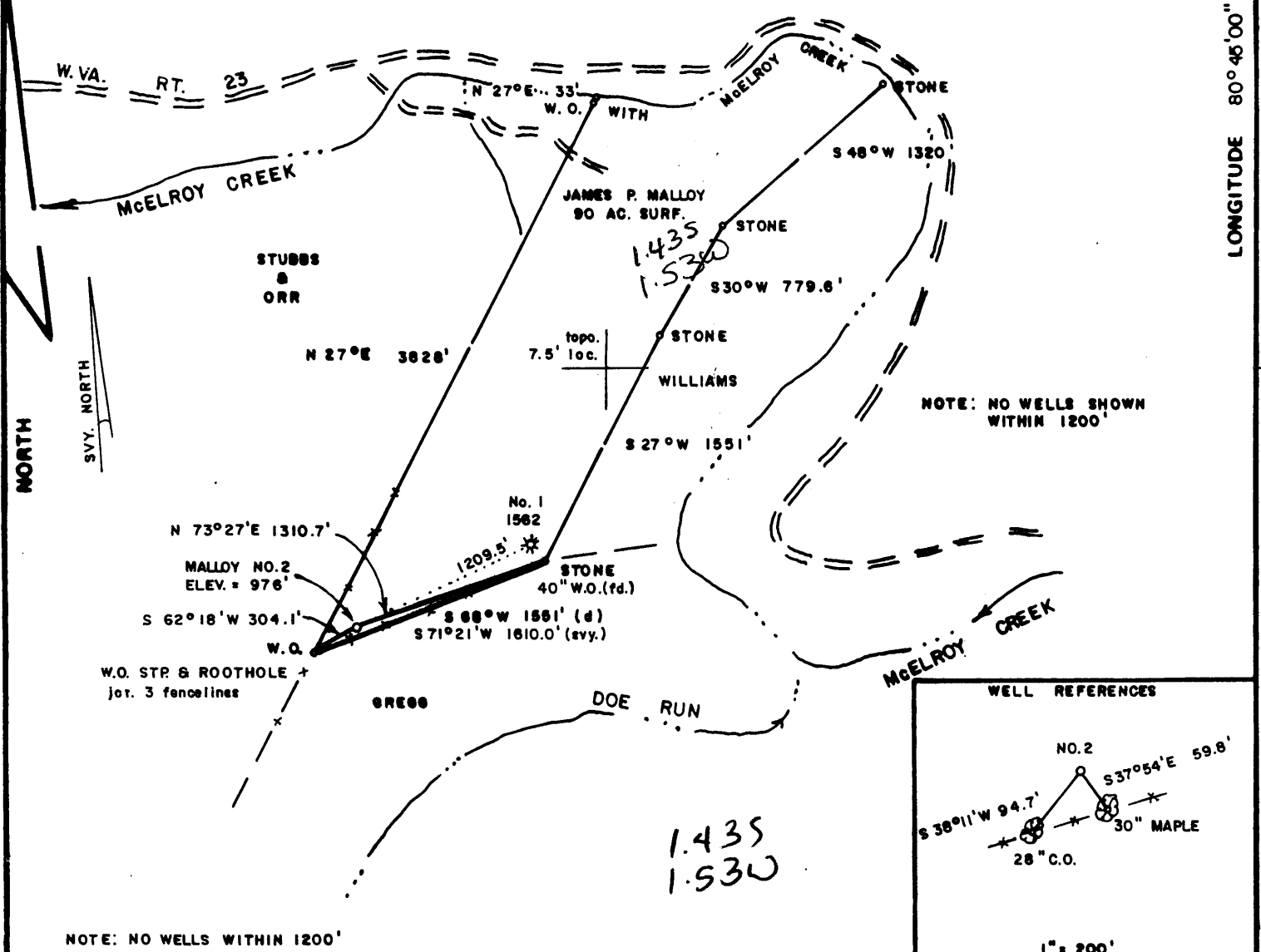


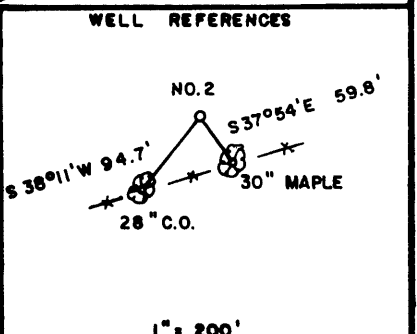
MALLOY LEASE 90 AC. ±

LATITUDE 39°25'00"

LONGITUDE 80°45'00"



NOTE: NO WELLS WITHIN 1200'



1" = 200'

FILE NO. _____
 DRAWING NO. _____
 SCALE 1" = 1000'
 MINIMUM DEGREE OF ACCURACY 1/200
 PROVEN SOURCE OF ELEVATION B.M. NORTH OF LOC. ELEV. = 737'

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 MINES. Mark C. Echard
 (SIGNED) MARK C. ECHARD
 R.P.E. _____ L.L.S. 490



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS
 FORM IV-6 (8-78)



DATE OCTOBER 6, 1994
 OPERATOR'S WELL NO. MALLOY NO. 2
 API WELL NO. 47-095-1623
 STATE TYLER COUNTY TYLER PERMIT

STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES
 OIL AND GAS DIVISION

WELL TYPE: OIL GAS LIQUID INJECTION WASTE DISPOSAL
 (IF "GAS,") PRODUCTION STORAGE DEEP SHALLOW
 LOCATION: ELEVATION 976' WATERSHED McELROY CREEK
 DISTRICT McELROY COUNTY TYLER
 QUADRANGLE SHIRLEY 7.5' WU U
 SURFACE OWNER JAMES P. MALLOY ACREAGE 90
 OIL & GAS ROYALTY OWNER JAMES P. MALLOY, ET AL LEASE ACREAGE 90
 LEASE NO. _____
 PROPOSED WORK: DRILL CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE PLUG OFF OLD FORMATION PERFORATE NEW FORMATION OTHER PHYSICAL CHANGE IN WELL (SPECIFY) _____
 PLUG AND ABANDON CLEAN OUT AND REPLUG
 TARGET FORMATION GORDON ESTIMATED DEPTH 2900'
 WELL OPERATOR D.A.C. DESIGNATED AGENT KENNETH MASON
 ADDRESS P.O. BOX 99 ALMA, W.VA. 26320 ADDRESS P.O. BOX 99 ALMA, W.VA. 26320

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

NOV 17 1994

Well Operator's Report of Well Work

Permitting
Office of Oil & Gas

Farm name: MALLOY, JAMES P.

Operator Well No.: MALLOY #2

LOCATION: Elevation: 976.00 Quadrangle: SHIRLEY

District: MCELROY County: TYLER
Latitude: 7450 Feet South of 39 Deg. 25Min. 0 Sec.
Longitude 8080 Feet West of 80 Deg. 45 Min. 0 Sec.

Company: DRILLING APPALACHIAN CORP
P. O. BOX 99
ALMA, WV 26320-0099

Agent: KENNETH R. MASON

Inspector: MIKE UNDERWOOD
Permit Issued: 10/12/94
Well work Commenced: 10/25/94
Well work Completed: 10/28/94
Verbal Plugging
Permission granted on: -----
Rotary Cable Rig
Total Depth (feet) 2090
Fresh water depths (ft) n/a

Salt water depths (ft) n/a

Is coal being mined in area (Y/N)? N
Coal Depths (ft): 638-647

Casing & Tubing Size	Used in Drilling	Left in Well	Cement Fill Up Cu. Ft.
9-5/8	139	129	55 sks
6-5/8	1867	1842	305 sks

OPEN FLOW DATA

Producing formation Big Injun Pay zone depth (ft) 1938-1990
Gas: Initial open flow 1319 MCF/d Oil: Initial open flow 0 Bbl/d
Final open flow 1319 MCF/d Final open flow 0 Bbl/d
Time of open flow between initial and final tests 0 Hours
Static rock Pressure 205 psig (surface pressure) after 72 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 STIMULATING, PHYSICAL CHANGE, ETC. 2). THE WELL LOG WHICH IS A SYSTEMATIC DETAILED GEOLOGICAL RECORD OF ALL FORMATIONS, INCLUDING COAL ENCOUNTERED BY THE WELLBORE.

For: DRILLING APPALACHIAN CORP.

By: Kenneth R. Mason
Date: 11-9-94

Well completed as a natural and will be produced as such.

DRILLERS LOG

Clay	0	10		
sand	10	77		
RR	77	97		
sd/sh	97	638		
coal	638	647		
sh	647	1011		
RR	1011	1035		
sh/sd	1035	1285		
RR	1285	1291		
sh/sd	1291	1827	damp @	1582
lime	1827	1837		
sh	1837	1846		
Big lime	1846	1925	gas	@ 1934 N/S
sand	1925	2037	gas	@ 1997 30/10 ths 2" Hg
sh	2037	2090	gas	@ TD 80/10 ths 2" Hg

26861

1) Date: October 7, 1994
2) Operator's well number
Malloy #2
3) API Well No: 47 - 095 - 1623
State - County - Permit

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

4) Surface Owner(s) to be served:
(a) Name James P. Malloy
Address HC 74, Box 123
Alma, WV 26320
(b) Name _____
Address _____
(c) Name _____
Address _____
6) Inspector Mike Underwood
Address Rte. 2, Box 135
Salem, WV 26426
Telephone (304)- 782-1043

5) (a) Coal Operator:
Name n/a
Address _____
(b) Coal Owner(s) with Declaration
Name _____
Address _____
Name _____
Address _____
(c) Coal Lessee with Declaration
Name _____
Address _____

RECEIVED
W Division of
Environmental Protection
OCT 12 1994
Permitting
Office of Oil & Gas

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 ___ on the above named parties, by:

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

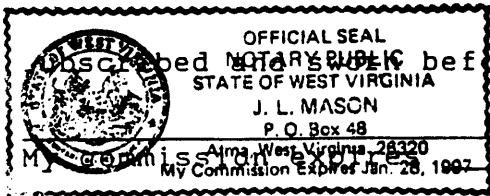
I have read and understand Chapter 22B and 38 CSR 11-18, and I agree to the terms and conditions of any permit issued under this application.

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 DRILLING APPALACHIAN CORPORATION 14425
By: Kenneth R. Mason
Its: President
Address P.O. Box 99
Alma, WV 26320-0099

Telephone 304-758-4638
I appear before me this 7th day of October, 1994



Jan 28, 1997 Notary Public

095 1600
 Issued 10/12/94
 Page of
 Expires 10/12/96

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

19892

- 1) Well Operator: Drilling Appalachian Corporation 14425 (5) 607
- 2) Operator's Well Number: Malloy #2 3) Elevation: 976'
- 4) Well type: (a) Oil X/ or Gas X/
- (b) If Gas: Production X/ Underground Storage /
 Deep / Shallow X/
- 5) Proposed Target Formation(s): Gordon 419
- 6) Proposed Total Depth: 2,900' feet
- 7) Approximate fresh water strata depths:
- 8) Approximate salt water depths:
- 9) Approximate coal seam depths:
- 10) Does land contain coal seams tributary to active mine? Yes / No X/
- 11) Proposed Well Work: Drill, perforate, stimulate new formation
- 12)

CASING AND TUBING PROGRAM *New Well.*

TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT
	Size	Grade	Weight per ft.	For drilling	Left in well	Fill-up (cu. ft.)
Conductor	9-5/8"			120'	120'	38CSR18-11.3 CTS
Fresh Water						ok NY
Coal						
Intermediate	7"	J-55	17#	1,925'	1,925'	38CSR18-11.2.2
Production	4-1/2"	J-55	10.5#	2,800'	2,800'	38CSR18-11.1
Tubing						
Liners						

RECEIVED
 WV Division of
 Environmental Protection

PACKERS : Kind
 Sizes
 Depths set

OCT 12 1994

For Division of Oil and Gas Use Only Permitting Office of Oil & Gas

Fee(s) paid: \$ Well Work Permit \$ Reclamation Fund \$ WPCP
 Plat \$ WW-9 \$ WW-2B \$ Bond Blanket Agent \$

112394
33

10/11