WR-35 Rev. 8/23/13

State of West Virginia Department of Environmental Protection - Office of Oil and Gas Well Operator's Report of Well Work

API <u>47</u> 095	02312	County Tyler	I	District Lincoln	
Quad Paden City				Field/Pool Name	
Farm name Russell and	d Mary Myers	5			
Operator (as registered v Address 4150 Belden Vi	with the OOG)	Alliance Petroleu	m Corporation	358	
Landing Point of	op hole Nof Curve Nom Hole N	orthing orthing orthing Type of Well	East Easti Easti	ing _	
Type of Operation □ Co	onvert \square De	epen 🖪 Drill 🗆	Plug Back □ Redril	ling □ Rework	■ Stimulate
Well Type □ Brine Disp	oosal 🗆 CBM	■ Gas ■ Oil □ Seco	ondary Recovery 🗆 So	olution Mining Stor	age 🗆 Other
Type of Completion Drilled with Cable Drilling Media Surface Production hole Air Mud Type(s) and Additi Clay Stay -KCL - S	Rotary hole Air Mud	□ Mud □Fresh Wate			□ Fresh Water □ Brine
Date permit issued	10/9/15		enced11/3/15		
Date completion activities			Date completion activ		1-14-16
Verbal plugging (Y/N)	D	ate permission granted		Granted by	
Please note: Operator is	required to sub	mit a plugging applica	tion within 5 days of ve	erbal permission to plu Office of Oil	¥ED ∣and Gas
Freshwater depth(s) ft		Recorded	Open mine(s) (Y/N) de	epths FEB 2 6	3 2016
Salt water depth(s) ft	1154'	- 1458'	Void(s) encountered (N
Coal depth(s) ft	Pittsburg 4		Cavern(s) encountered	ARCH COLORS CO.	
Is coal being mined in ar	ea (Y/N)	N	APPF	ROVE	Revewed by:

NAME: Decre A. Hogit

DATE: 3-16-16

Rev. 8/23/13									
API 47- 095	_ 02312	Farm na	ame_Russell	and Mary N	/lyers	w	ell number_	Scruboak	1 V-1
CASING STRINGS	Hole Size	Casing Size	Depth	New or Used	Grade wt/ft		Basket Depth(s)		nent circulate (Y/ N) ide details below*
Conductor	15"	13-3/8"	30'	New		36#			Driven
Surface	13-3/4"	9 1-5/8"	379'	New	H-40	26#			Υ
Coal	-	• • • • • • • • • • • • • • • • • • • •			-				
Intermediate 1	8-3/4"	7"	1878'	New	J-55	5 17#			Υ
Intermediate 2		-		_					
Intermediate 3				1					
Production	6-1/2"	4-1/2"	5361'	New	J-55	10.5#			N/A
Tubing		1-1/2"	5200	Used		2.75#			N/A
Packer type and de	epth set			1	1		<u>.l.,</u>	<u> </u>	
Comment Details	4-1/2 - 6 Total C	entralizers - Every 100' c	off bottom						
CEMENT DATA	Class/Type of Cement				Yield 1 ³ /sks)	Volun		Cement p (MD)	WOC (hrs)
Conductor	Driven								
Surface	Class A	130						CTS	8
Coal									
Intermediate 1	Class A	252						CTS	8
Intermediate 2									
Intermediate 3									
Production	50/50 POZ	145	-					2490'	N/A
Tubing									-
Drillers TD (ft Deepest format Plug back production	tion penetrated			Loggers T Plug back					
Kick off depth	(ft)					<u>-</u>			
Check all wire	line logs run	■ caliper ■ neutron	■ density □ resistivity		ed/direction a ray		induction temperature	e a soni	c
Well cored	Yes 🖶 No	Convention	onal Side	ewall	We	ere cuttir	ngs collected	■ Yes	⊐ No
DESCRIBE TI		LIZER PLACEM	ENT USED FO	OR EACH CA	ASING ST	RING			
								· · · · · · · · · · · · · · · · · · ·	
								Filozi	VED
WAS WELL C	COMPLETED	AS SHOT HOLE	∑ □ Yes ■	No Di	ETAILS _		Ois	<u> 2000 - 1000 - </u>	and Gas
WAS WELL C	COMPLETED	OPEN HOLE?	□ Yes ■ N	No DET	AILS			FE3 2 (3 2019
				-			**************************************		in ani of
WERE TRACE	ERS USED T	Yes 🖪 No	TYPE OF 1	racer(s)	USED		F		· Calardian

A DI	47	095		02312
ΔΡΙ	41.	~~~	-	

Farm name Russell and Mary Myers

Well number Scruboak 1 V-1

PERFORATION RECORD

Stage No.	Perforation date	Perforated from MD ft.	Perforated to MD ft.	Number of Perforations	Formation(s)
1	1-6-16	5212'	5143'	21	Rhinestreet Shale
		4970'			Big Bore Frac Plug
2	1-7-16	4900'	4891'	12	Stray Zone
2	1-7-16	4688'	4684'	10	Alexander
				 	
		-			
<u> </u>					
				†	

Please insert additional pages as applicable.

STIMULATION INFORMATION PER STAGE

Complete a separate record for each stimulation stage.

Stage No.	Stimulations Date	Ave Pump Rate (BPM)	Ave Treatment Pressure (PSI)	Max Breakdown Pressure (PSI)	ISIP (PSI)	Amount of Proppant (lbs)	Amount of Water (bbls)	Amount of Nitrogen/other (units)
1	1/7/16	25	2345	3000	1536	200 Sks.	1113	500 Gal. Acid
2	1/7/16	28	2047	2400	1563	200 Sks.	895	500 Gal. Acid
1								
								IVED
							Hos of C	land Gas
								i
						-	FEB 2	5 2010

Please insert additional pages as applicable.

WM Department of Engineerical Partment of 03/18/2016

Completed by

Signature

Martin L. Miller

Title

Telephone

Sr. VP Of Operations

740-373-8771epartment

Date Feb. 16, 2016

12956 Claylick Road Newark, Ohio 43056-9146 Office 740-763-2758 Home 740-763-2758 Mobile 330-763-0479

National Minerals Corporation

ALLIANCE PETROLEUM CORPORATION

SCRUB OAK 1V-1

LINCOLN DISTRICT

TYLER COUNTY, WEST VIRGINIA

WELL: Alliance Petroleum Corporation #1V-1 Scrub Oak

LOCATION: Lincoln District, Tyler County, West Virginia.

PERMIT NUMBER: 47-095-02312.

ELEVATION: 814' Ground 822'KB.

STATUS: Preparing to complete as a gas producer.

CASING: 7" @ 1878'.

TOTAL DEPTH: 5401' Driller 5399' Logger.

CONTRACTOR: Nexus Drilling Co.

TOOLS: Rotary.

COMPLETED DRILLING: 11/10/2015.

FORMATION AT TOTAL DEPTH: Devonian shale.

ELECTRICAL SURVEYS: Gamma Ray- Compensated Density- Neutron-Caliper- Temperature- Induction- Gas Detector by Weatherford

SHOWS: A good show of oil and gas was encountered in the Big Injun at 1700'. Fair shows of gas were noted in the Rhinestreet, Alexander, Benson & Berea. Small shows of gas were noted in the Warren, 5th & Weir. Very small shows of gas were noted in the Riley and Speechley. No hydrocarbon fluorescence was noted in the samples below the 7" casing.

FORMAT	ION T	OPS:
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1154'	- 340
1332'	- 518
1438'	- 624
1536'	- 722
1578'	- 764
1635'	- 821
1654'	- 840
2053'	RECEIVER239
2230'	এই ০°িটা আ -1416 .S
2268'	-1454
2370'	FEB 2 6 2040 556
2474'	-1660
2544' 🚟	/ Depart 421730
2646'	-1832
2710'	-1896
	1332' 1438' 1536' 1578' 1635' 1654' 2053' 2258' 2268' 2370' 2474' 2544'

Scrub Oak 1V-1 Page 2

Warren Sandstone	3195'	-2381
Speechley Sandstone	3540'	-2726
Balltown Sandstone	3758'	-2944
Bradford Sandstone	3918'	-3104
Riley Sandstone	4298'	-3484
Benson Sandstone	4638'	-3824
Alexander Sandstone	4884'	-4070
Rhinestreet Shale	5012'	-4198

STRUCTURAL COMPARISON:

	Alliance Petroleum	Alliance Petroleum
	Scrub Oak 1V-1	Parr 1V North
Big Lime	- 764	- 854
Gordon Sandstone	-1660	-1726
Warren Sandstone	-2381	-2426
Benson Sandstone	-3824	-4058

GEOLOGY:

The best chances for commercial production in this well are in the 5th Sand & Berea Sandstone and will be discussed later.

Since this well is on the opposite side of lease block from the Parr 1V North, I believe it would be wise to test the potential of the lower zones (Rhinestreet Shale, Alexander Sandstone and Benson Sandstone). This would be a great help in knowing how deep to drill on future wells. I would recommend a two stage completion, the first being the Rhinestreet and the second being the Alexander and Benson together. The Rhinestreet Shale from 5114 to 5248' shows fair porosity development in numerous thin zones. Small to fair shows of gas (background of 70 to a maximum of 223 units) were recorded on the mud log in these same zones. The Alexander Sandstone is represented in this well by a porous shale interval 9' thick (4893 to 4902'). A fair show of gas (background of 70 to a maximum of 278 units) was recorded on the mud log at 4904'. The Benson is poorly developed in this well, but did have a fair show of gas (background of 75 to a maximum of 158 units) at 4684', in a very thin porous zone near the base.

Additional zones, that may be productive in this well, are the Warren, 5th, Berea, Weir and Big Injun. The Warren from 3195 to 3240 has a couple of thins zones with good porosity. However, the mud log indicated only very small shows of gas in these zones. Based upon what we have seen in other wells in the area, I would not complete the Warren.

As mentioned before, the best chances for commercial production in this well are the 5th and Berea Sandstones. The 5th, from 2646 to 2668' has 2 thin

Scrub Oak 1V-1 Page 3

zones of good to very good porosity. Water saturations are low and the mud log recorded a show of gas in this zone (background of 18 to a maximum of 80 units). A good temperature anomaly was also noted in the lower of the two zones. A note by the logging engineer indicated that this may be due to a change in logging speed, but I do not believe that is the case. The Berea from 2230 to 2234' is a single porous zone with very good to excellent porosities. Water saturations are low. A fair show of gas (background of 10 to a maximum of 128 units) was noted in this zone. The production potential of these two zones is indicated by the offset well shown on the attached map. The Earl Grimes #1 (47-095-00488) was completed in December, 1977. This well lies approximately 3780' northwest of the Scrub Oak 1V-1, and was completed in the 5th and Berea. I have attached copies of the induction log (the only log available) for both zones. Compared to the Scrub Oak 1V-1, they are identical in thickness. The production information reported to the state indicates that this well produced 139,160 MCF of gas and 4 BO from 1981 through 2013 (30 years reported). Note that this is missing the first 3 years of production.

The upper portion of the Weir is well developed in this well. From 2054 to 2074', is has good to very good porosities and low water saturations. A show of gas (background of 6 to a maximum of 58 units) was noted on the mud log at 2065'. A very good show of oil and gas was noted by the driller in the Big Injun at 1700'. Since this is behind the 7", we only have a gamma ray-neutron log for evaluation. It appears that a hydrocarbon bearing zone from 1696 to 1709' is lying on top of a water bearing zone (1710 to 1732'). Because of the chance for significant water production, completion of this zone should only be done after depletion of all lower zones. Perforations should also be limited to the upper 6' of the zone, and the only treatment should be a small amount of acid to clean up the perforation.

Respectfully submitted,

Que L. Core

NATIONAL MINERALS CORPORATION

By: Douglas L. Core, President

November 11, 2015

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FEB 2 6 2016

V/V Department of