



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

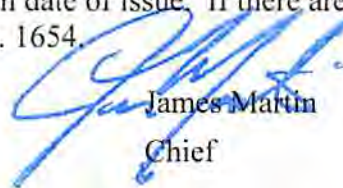
WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-10302056, 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 penalties 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.



James Martin
Chief

Operator's Well No: L. S. HOYT 224
Farm Name: DALLISON LUMBER INC.
API Well Number: 47-10302056
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.

10302056 P

WW-4B
Rev. 2/01

1) Date: June 10, 2014
2) Operator's Well Number L. S. Hoyt No. 224
3) API Well No: 47 - 103 - 02056 P
State County Permit

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

APPLICATION FOR A PERMIT TO PLUG AND ABANDON

4) WELL TYPE: Oil X Gas _____ Liquid Injection _____ Waste Disposal _____
(If "Gas", Production _____ Underground Storage _____) Deep _____ Shallow _____
5) LOCATION: Elevation: 1346' Watershed: Betsy Run
District: Grant County: Wetzel Quadrangle Pine Grove 7.5'
6) WELL OPERATOR: HG Energy, LLC 4.94E+08 7) DESIGNATED AGENT Micheal G. Kirsch
Address 5260 Dupont Road Address P.O. Box 5519
Parkersburg, WV 26101 Vienna, WV 26105-5519
8) OIL & GAS INSPECTOR TO BE NOTIFIED 9) PLUGGING CONTRACTOR
Name Derek Haught Name To Be Determined Upon Approval of Permit
Address P. O. Box 85 Address _____
Smithville, WV 26178

10) WORK ORDER: The work order for the manner of plugging this well is as follows:

CASING		
6 5/8"	218'	(Cm't'd To Sur)
4 1/2"	2,076'	(Cm't'd To Sur)

TD - 2,100
Plug
Plug No. 1
Plug No. 2

NOTCHES
Perforations: 1913, 1907; 1,890; 1,861; 1,797; 1,712' 7 1,707'
2050 - 1950
1,800' - 1,600'
300' - Surface

Erect Monument with API No. per regulations
Note: 6% Gel between all cement plugs.
Cement Plugs are Class A, Regular Neat Cement
Cement tops will be tagged
All attempts will be made to recover as much casing and tubing as possible

PMH
6-13-14

OFFICE USE ONLY

PLUGGING PERMIT

Permit Number _____ Date _____ 19____

This permit covering the well operator and the well location shown below is evidence of permission granted to plug in accordance with the pertinent legal requirements subject to the conditions contained herein and on the reverse hereof. Notification must be given to the District Oil and Gas Inspector 24 hours before actual work has commenced.

The permitted work is as described in the Notice and Application, plat, subject to any modifications and conditions on the reverse hereof.

Permit expires _____ unless plugging is commenced prior to that date and prosecuted with due diligence.

Bond:	Agent:	Plat:	Casing:	WPCP	Other
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RECEIVED
Office of Oil and Gas

JUN 25 2014

Chief, Office of Oil & Gas
Department of Environmental Protection

NOTE: Keep one copy of this permit posted at the plugging location.

See the reverse side of the APPLICANT'S COPY for instructions to the well operator

07/25/2014

Treatment :

Notched Coal @ 2020'- treated w/ 410 bbls gelled water and 9,400# 20/40 sand, Notched Coal @ 1913' and 1907'- treated w/ 258 bbls gelled water and 16,800# 20/40 sand, Notched Coal @ 1890'-treated w/ 454 bbls gelled water and 16,100# 20/40 sand, Notched Coal 1861'- unable to treat- Notched Coal @ 1797'- treated w/ 420bbls gelled water and 18,500# 20/40 sand- Notched Coal @ 1712' and 1707'- treated w/ 248 bbls gelled water and 7,6000# 20/40 sand

Well Log :

0	104	Sand and Shale
104	128	Sand
128	703	Shale
703	710	Coal
710	775	Shale
775	776	Coal
776	827	Shale
827	828	Coal
828	950	Shale
950	978	sand
978	1006	Shale
1006	1063	sand
1063	1064	Coal
1064	1076	Shale
1076	1088	Sand
1088	1127	Shale
1127	1146	Sand
1146	1165	Shale
1165	1176	Coal
1176	1650	Sand and Shale
1650	1696	Sand
1696	1782	Shale
1782	1795	Sand
1795	1798	Coal
1798	1820	Shale
1820	1861	Sand
1861	1862	Coal
1862	1889	Shale
1889	1891	Coal
1891	1906	Shale
1906	1907	Coal
1907	1912	Shale
1912	1914	Coal
1914	1990	Shale
1990	2004	Sand
2004	2019	Shale
2019	2021	Coal
2021	2100	Shale
2100		TD

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

Ant

Well Operator's Report of Well Work

Farm name: DALLISON LUMBER, INC.

Operator Well No.: L.S. HOYT 224

LOCATION: Elevation: 1,346.00

Quadrangle: PINE GROVE 7.5'

District: CENTER
Latitude: 10,875 Feet south of
Longitude: 7,450 Feet west of

County: WETZEL
39 Deg 37 Min 30 Sec.
80 Deg 37 Min 30 Sec.

Company: EAST RESOURCES, INC.
P.O. BOX 5519
VIENNA, WV 26105-5519

Agent: PHILIP S. ONDRUSEK

Inspector: MIKE UNDERWOOD
Permit Issued: 02/22/05
Well work Commenced: 02/23/05
Well work Completed: 04/13/05

Verbal plugging permission granted on:
Rotary Cable _____ Rig _____
Total Depth (feet) 2100
Fresh water depths (ft) NA
Salt water depths (ft) NA

Casing & Tubing Size	Used in Drilling	Left in Well	Cement Fill Up Cu. Ft.
7"	218.00'	218.00'	50 sks
4 1/2"	2076.60'	2076.60'	225 sks

Is coal being mined in area (Y/N) N
Coal Depths (ft): 703, 775, 827, 1063, 1185, 1705, 1860, 1889, 1906, 1912, 2019,

OPEN FLOW DATA

Coal Formation

Producing formation * COAL BED METHANE Pay zone depth (ft) 1707'-2020'

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

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: EAST RESOURCES, INC.

By: _____
Date: 5/23/05

RECEIVED
Office of Oil & Gas
Office of Chief
MAY 24 2005
WV Department of
Environmental Protection

WET 2250

WW-4A
Revised 6-07

- 1) Date: June 10, 2014
- 2) Operator's Well Number L. S. Hoyt No. 224
- 3) API Well No: 47 - 103 - 02056
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

ck 2087
10060

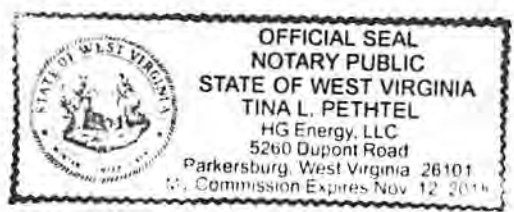
<p>4) Surface Owner(s) to be served:</p> <p>(a) Name <u>Dallison Lumber, Inc.</u> Address <u>HC 79, Box 50</u> <u>Jacksonburg, WV 26377</u></p> <p>(b) Name _____ Address _____</p> <p>(c) Name _____ Address _____</p>	<p>5) (a) Coal Operator:</p> <p>Name <u>CONSOL Energy</u> Address <u>1000 CONSOL Energy Drive</u> <u>Cannonsburg, PA 15317-6506</u></p> <p>(b) Coal Owner(s) with Declaration</p> <p>Name <u>NA</u> Address _____</p> <p>Name _____ Address _____</p> <p>(c) Coal Lessee with Declaration</p> <p>Name <u>NA</u> Address _____</p>
<p>6) Inspector <u>Derek Haught</u> Address <u>P. O. Box 85</u> <u>Smithville, WV 26178</u> Telephone <u>206-7613</u></p>	

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

- 1) 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 instructions 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.



Well Operator HG Energy, LLC

By: Diane C White Diane C White
Accountant

Its: _____

Address 5260 Dupont Road
Parkersburg, WV 26101

Telephone (304) 420-1119

Subscribed and sworn before me this 10 day of June 2014

Tina L. Pettel Notary Public

My Commission Expires Nov 12, 2014

RECEIVED
Office of Oil and Gas
JUN 25 2014
WV Department of
Environmental Protection

10302056P

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

JACKSONBURG WV 26377

Postage	\$ 1.40
Certified Fee	\$3.30
Return Receipt Fee (Endorsement Required)	\$2.70
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 7.40

0330
17
Postmark Here
PARKERSBURG WV
06/11/2014

LSH 224

Sent To
 Dallison Lumber
 Street, Apt. No.; or PO Box No. HC 79, Box 50
 City, State, ZIP+4 Jacksonburg, WV 26377
 PS Form 3800, August 2006 See Reverse for Instructions

7012 2920 0001 3227 9261

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

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CANONSBURG PA 15317

Postage	\$ 1.40
Certified Fee	\$3.30
Return Receipt Fee (Endorsement Required)	\$2.70
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 7.40

0330
17
Postmark Here
PARKERSBURG WV
06/11/2014

LSH 224

Sent To
 CONSOL Energy ✓
 Street, Apt. No.; or PO Box No. 1000 CONSOL Energy Drive
 City, State, ZIP+4 Cannonsburg, PA 15317
 PS Form 3800, August 2006 See Reverse for Instructions

7012 2920 0001 3227 9407

RECEIVED
 Office of Oil and Gas
 JUN 25 2014
 WV Department of
 Environmental Protection

07/25/2014

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 OP Code 494497948
 Watershed Betsy Run Quadrangle Pine Grove 7.5'
 Elevation 1346' County Wetzel District Grant
 Description of anticipated Pit Waste: Fluids encountered in plugging subject well
 Will a synthetic liner be used in pit? Yes Size of Liner? 20 mil
 Proposed Disposal Method For Treated Pit Wastes:
 Land Application
 Underground Injection (UIC Permit Number _____)
 Reuse (at API Number _____)
 Off Site Disposal (Supply Form WW-9 for disposal location)
 Other (Explain _____)
 Drilling medium anticipated for this well? Air, fresh water, oil based, NA
 - If oilbased, what type? Synthetic, petroleum, etc.
 Additives to be used? Water, soap, KCI
 Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. NA
 - If left in pit and plan to solidify, what medium will be used? Cement, lime, sawdust
 - Landfill or offsite name/permit number? NA

DMH
6-17-14

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on August 1, 2005, by the Office of Oil and Gas of the West Virginia Department of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

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 thereto 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 or imprisonment.

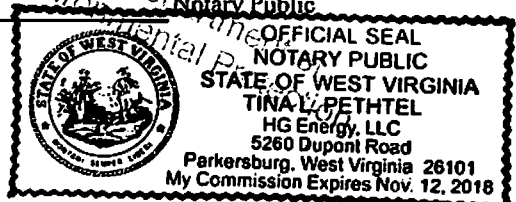
Company Official Signature Diane C White
 Company Official (Typed Name) Diane C White
 Company Official Title Accountant

RECEIVED
Office of Oil and Gas
JUN 25 2014
West Virginia Department of Environmental Protection

Subscribed and sworn before me this 10 day of June 2014

Tina L. Pethel
Notary Public

My commission expires Nov 12, 2018



07/25/2014

Legend

Property Boundary		Diversion	
Road		Spring	
Existing Fence		Wet Spot	
Planned Fence		Drain Pipe	
Stream		Waterway	
Open Ditch		Cross Drain	
Rock		Filter Strip	
North		Pit: Cut Walls	
Buildings		Pit: Compacted Fill Walls	
Water Wells		Area of Land Application of Pit Waste	
Drill Site			

Proposed Revegetation Treatment: Acres Disturbed Area I Approx. 0.5 Ac. Prevegetation pH _____

Area II
Approx. 0.2 Ac.

Lime 2 Tons/Acre or Correct to pH 6.5
 Fertilizer (10-20-20 or Equivalent) 500 Lbs./Acre (500 lbs. Minimum)
 Mulch Straw 2 Tons/Acre

SEED MIXTURES

<u>Area I (Location)</u>	
Seed Type	Lbs./Ac.
Tall Fescue	40
Ladino Clover	5

<u>Area II (Road)</u>	
Seed Type	Lbs./Ac.
Tall Fescue	40
Ladino Clover	5

Attach:
 Drawing(s) of road, location, pit and proposed area for land application
 Photocopied section of involved 7.5' topographic sheet.

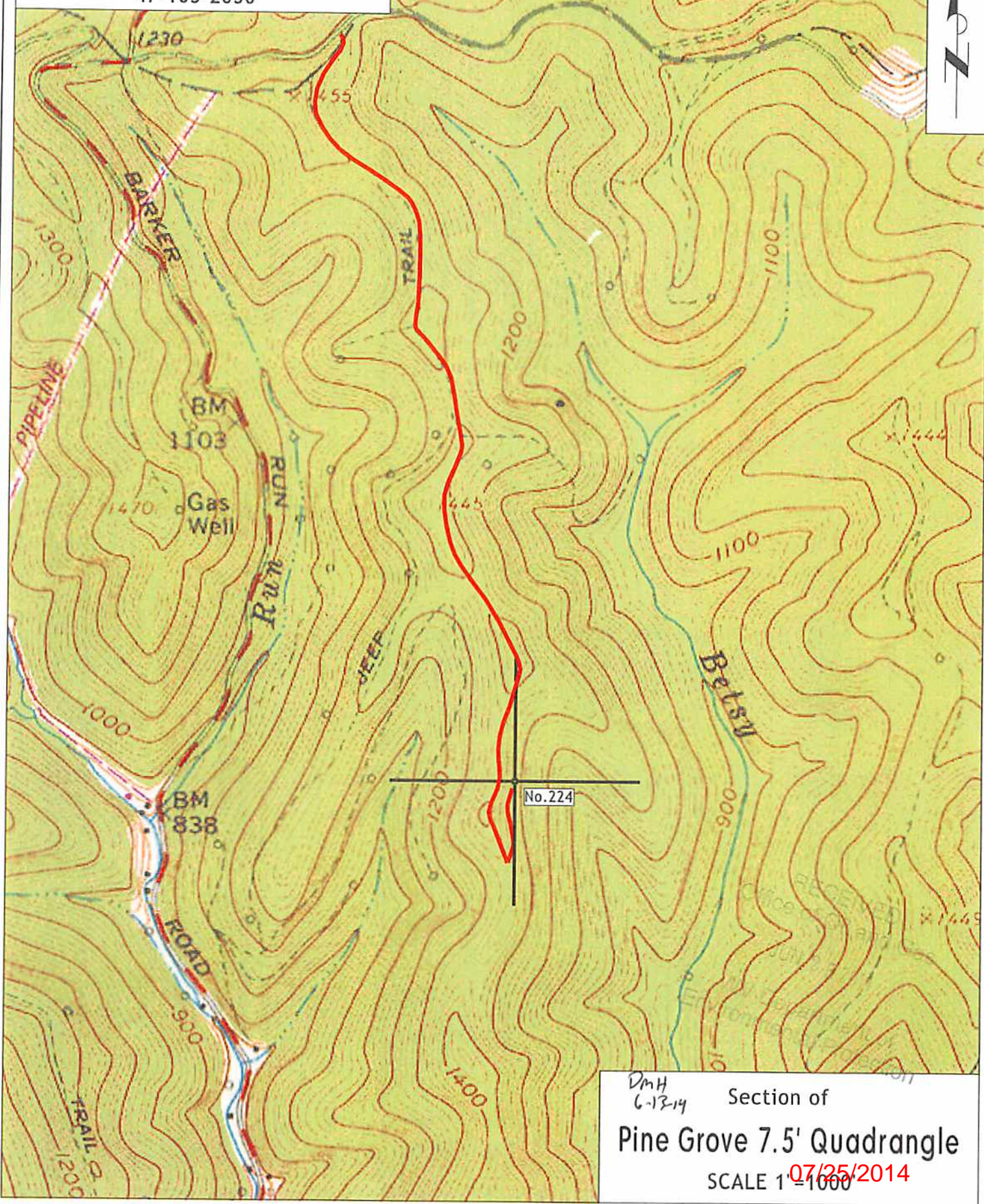
Plan Approved by:
 Comments: _____

Title: Oil + Gas Pipeline Date: 6-13-14

Field Reviewed? Yes _____ No _____

SUBJECT WELL
L.S. Hoyt No.224
47-103-2056

Creswell



DmH
6-13-14

Section of
Pine Grove 7.5' Quadrangle

SCALE 1"=1000
07/25/2014

West Virginia Department of Environmental Protection
Office of Oil & Gas

WELL LOCATION FORM: GPS

API: 47- 103 - 02056 WELL NO: No. 224

FARM NAME: L.S. Hoyt

RESPONSIBLE PARTY NAME: H.G. Energy, LLC

COUNTY: Wetzel DISTRICT: Grant

QUADRANGLE: Pine Grove 7.5'

SURFACE OWNER: Dallison Lumber Company

ROYALTY OWNER: Hoyt Foundation

UTM GPS NORTHING: 4,382,880 (NAD 83)

UTM GPS EASTING: 529,947 (NAD 83) GPS ELEVATION: 410 m. (1345 ft)

The Responsible Party named above has chosen to submit GPS coordinates in lieu of preparing a new well location plat for a plugging permit on the above well. The Office of Oil & Gas will not accept GPS coordinates that do not meet the following requirements:

1. Datum: NAD 1983, Zone: 17 North, Coordinate Units: meters, Altitude: height above mean sea level (MSL) - meters.
2. Accuracy to Datum - 3.05 meters
3. Data Collection Method:

Survey Grade GPS	<input type="checkbox"/>	Post Processed Differential	<input type="checkbox"/>
		Real-Time Differential	<input type="checkbox"/>
Mapping Grade GPS	<input checked="" type="checkbox"/>	Post Processed Differential	<input checked="" type="checkbox"/>
		Real-Time Differential	<input type="checkbox"/>

I the undersigned, hereby certify this data 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 Office of Oil and Gas.

Diane C White Diane C White
Signature

Designated Agent
Title

June 3, 2014
Date



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: L. S. Hoyt No. 224 (47-103-2056)
Grant District, Wetzel 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 C White

Diane C. White

Enclosures

cc:

Dallison Lumber, Inc. - Certified
CONSOL Energy - Certified
Derek Haught - Inspector

07/25/2014