

State of West Virginia
Division of Environmental Production
Section of Oil and Gas
Well Operator's Report of Well Work

Farm Name The Forest Land Group, LLC

Operator Well No.: WPHC-004B

LOCATION: Elevation: 2254.09

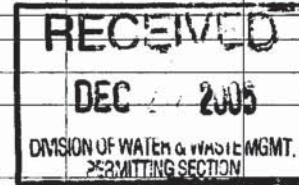
Quadrangle: McGraws 7 1/2'

District: Slab Fork County: Wyoming
Latitude: 570 Feet South of 37 Deg. 37 Min. 30 Sec.
Longitude: 9600 Feet West of 81 Deg. 27 Min. 30 Sec.

Company:

Penn Virginia Oil & Gas Corporation

| | Casing and Tubing | Used in drilling | Left in well | Cement fill up Cu. Ft. |
|--|-------------------|------------------|--------------|------------------------|
| Address: 2550 East Stone Drive, Suite 110 Kingsport, TN 37660 | 13 3/8" | 32' | 32' | 18 cu ft |
| Agent: Harry Jewell | 7" | 884' | 884' | 212 cu ft |
| Inspector: Ralph Triplett | | | | |
| Date Permit Issued: 10/19/2004 | | | | |
| Date Well Work Commenced: <u>01/06/05</u> | | | | |
| Date Well Work Completed: 04/21/2005 | | | | |
| Verbal Plugging: | | | | |
| Date Permission granted on: | | | | |
| Rotary X Cable Rig | | | | |
| Total Depth (feet): 1,087 | | | | |
| Fresh Water Depth (ft): NA | | | | |
| Salt Water Depth (ft): NA | | | | |
| Is coal being mined in area (N/Y)? | | | | |
| Coal Depths (ft): | | | | |



OPEN FLOW DATA

Producing formation Beckley, Lower Beckley and Poca 4 Coals 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

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 CHANE, TEC. 2). THE WELL LOG WHICH IS A SYSTEMATIC DETAILED GEOLOGICAL RECORD OF ALL FORMATIONS, INCLUDING COAL ENCOUNTERED BY THE WELLBORE.

Signed: Michael Stomper
 By: Michael Stomper
 Date: 12/21/2005

DETAILS OF PERFORATIONS, FRACTURING, OR PHYSICAL CHANGE, ETC.

| <u>FORMATIONS</u> | <u>TOP</u> | <u>BOTTOM</u> | <u>REMARKS</u> |
|------------------------|------------|---------------|----------------|
| Sandstone, Shale, Coal | 0 | 952 | |
| Coal (Upper Beckley) | 952 | 956 | |
| Sandstone, Shale | 956 | 1038 | |
| Coal (Lower Beckley) | 1038 | 1042 | |
| Sandstone, Shale | 1042 | 1087 | |



Office of Oil and Gas
601 57th Street, SE
Charleston, WV 25304
Phone: (304) 926-0450
Fax: (304) 926-0452

West Virginia Department of Environmental Protection

Bob Wise,
Governor

Stephanie R. Timmermeyer,
Cabinet Secretary

October 19, 2004

WELL WORK PERMIT Coalbed Methane

This permit, API Well Number: 47-10902455, issued to PENN VIRGINIA OIL AND GAS CORPORATION, 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 1-800-654-3312 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable.

Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced.

If there are any questions, please feel free to contact me or Mr. Al Blankenship at 304-558-6342.

JAMES MARTIN
Chief,
Office of Oil and Gas

Operator's Well No: WPHC-004B
Farm Name: FOREST LAND GROUP
API Well Number: 47-10902455
Permit Type: Coalbed Methane
Date Issued: 10/19/2004



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109-02455C

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION 7, 466

1) Well Operator Penn Virginia Oil & Gas Corporation 2) Operator's Well Name McGraws

3) Operator's Well Number: WPHC-004B 4) Elevation: 2254.09

5) Well Type: (a) Oil _____ or Gas X
(b) If Gas: Production X / Underground Storage _____
Deep _____ / Shallow X

6) Proposed Target Formation(s): Beckley, Lower Beckley, Poca 4 Coals

7) Proposed Total Depth: 1370 Feet

8) Approximate fresh water strata depths: None

9) Approximate salt water depths: None

10) Approximate coal seam depths: 226; 324; 420; 951; 1030; 1315

11) Does land contain coal seams tributary to active mine? No

12) (a) Proposed well work: Drill vertical hole to Beckley, Lower Beckley and Pocahontas #4 Coals. Produce CBM from multi-lateral horizontal patterns drilled by well WPHC-004A

(b) If Stimulation Proposed, Describe Means to be Used to Stimulate Well:
None

13) (a) Does the proposed operation plan to convert an existing well (as defined in W. Va. Code § 22-6-1) or a vertical ventilation hole to a coalbed methane well? Yes or No: No

(b) If yes, please attach to this Application a list of all formations from which production is anticipated and a description of any plans to plug any portion of the well.

14) (a) Will the proposed coalbed methane well be completed in some but not all coal seams for production (except for a gob well or vent hole proposed to be converted to a well)? Yes or No Yes

(b) If yes, please attach to this Application a plan and design for the well which will protect all workable coal seams which will be penetrated by the well.

15) (a) Does the proposed operation include horizontal drilling of a well commenced on the surface? Yes or No No

(b) If yes, please attach to this Application a description of such operations, including both the vertical and horizontal alignment and extent of the well from the surface to total depth.

RECEIVED
Office of Oil & Gas
Office of Chief
SEP 08 2004
WV Department of
Environmental Protection

Ch# 5631
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