

State of West Virginia
Division of Environmental Protection
Section of Oil & Gas
Well Operator's Report of Well Work

Farm name: Heartwood Forestland Fund

Operator Well No: PC-006A

Location: Elevation: 1840.3'

Quadrangle: Pineville

District: Center I

County: Wyoming

Latitude: 7938 Feet South of 37 Deg. 35 Min. 00 Sec.
Longitude: 7777 Feet West of 81 Deg. 32 Min. 30 Sec.

Company: CDX Gas, LLC
P.O. Box 609
Pineville, WV 24874

Agent: Michael McCown
Inspector: Barry Stollins
Permit Issued: 5/10/2007
Well Work commenced: 6/6/2007
Well Work completed: 7/15/2007
Verbal plugging
Permission granted on:
Rotary x Cable _____ Rig
Total depth (ft) 903'
Fresh water depths (ft) N/A
Salt water depths (ft) N/A
Is coal being mined in the area (Y/N)? Y
Coal depths (ft): -903'

Casing & Tubing Size	Used in Drilling	Left in Well	Cement Fill up Cu.ft.
13 3/8"	32'	32'	21
9 5/8"	418'	418'	131
7"	676'	676'	102

OPEN FLOW DATA

Producing formation None
Gas: Initial open flow N/A Mcf/d
Final open flow N/A Mcf/d
Time of open flow between initial and final tests: _____ hours
Static rock pressure _____ psig (surface pressure) after _____ hours

Pay zone depth (ft) Nonproducer
Oil: Initial open flow _____ Bbl/d
Final open flow _____ Bbl/d

Second Producing formation _____
Gas: Initial open flow _____ Mcf/d
Final open flow _____ Mcf/d
Time of open flow between initial and final tests: _____ hours
Static rock pressure _____ psig (surface pressure) after _____ hours

Pay zone depth _____ (ft)
Oil: Initial open flow _____ Bbl/d
Final open flow _____ Bbl/d

Third Producing formation _____
Gas: Initial open flow _____ Mcf/d
Final open flow _____ Mcf/d
Time of open flow between initial and final tests: _____ hours
Static rock pressure _____ psig (surface pressure) after _____ hours

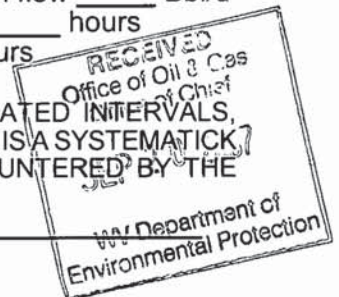
Pay zone depth _____ (ft)
Oil: Initial open flow _____ Bbl/d
Final open flow _____ Bbl/d

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: Charles T. Akers
CDX Gas, LLC

By: _____

Date: _____





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

Joe Manchin III, Governor
Stephanie R. Timmermeyer, Cabinet Secretary
www.wvdep.org

May 10, 2007

WELL WORK PERMIT

Coalbed Methane

This permit, API Well Number: 47-10902874, issued to CDX GAS, 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.

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) 926-0499 ext. 1653.

James Martin
Chief

Operator's Well No: PC-006A
Farm Name: HEARTWOOD FORESTLAND
API Well Number: 47-10902874
Permit Type: Coalbed Methane
Date Issued: 05/10/2007

Promoting a healthy environment.

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Form WW-5B
(9/97)

Date: April 10, 2007
Operator's well number PC -006A
API No. 47 - 109 - 02874C
State - County - Permit

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
COALBED METHANE PERMIT APPLICATION

109-3/549

- 1) Well Operator: CDX Gas LLC. 2) Well Name PC-006A
- 3) Operator's Well Number PC-006A 4) Elevation 1848.76'
- 5) Well Type: (a) Oil or Gas
(b) If Gas: Production Underground Storage CBM
Deep Shallow
- 6) Proposed Target Formation(s): Pocahontas No. 4
- 7) Proposed Total Depth: 1000'
- 8) Approximate Fresh Water Strata Depths: None anticipated
- 9) Approximate Salt Water Depths: N/A
- 10) Approximate Coal Seam Depths: Sewell Seam /370' & Pocahontas 4 / 910'
- 11) Does Land Contain Coal Seams Tributary to Active Mines? Yes No
- 12) (a) Proposed Well Work: Drill a Horizontal Coalbed Methane Well
If Stimulation proposed, describe means to be used to stimulate well: N/A
- 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 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
(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. (See Casing Plan)
- 15) (a) Does the proposed operation include horizontal drilling of a well commenced on the surface? Yes 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. See Well Plat

RECEIVED

Office of Oil & Gas

APR 11 2007