

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

September 29, 2014

WELL WORK PERMIT

Vertical Well

This permit, API Well Number: 47-1502903, issued to ROUZER OIL CO., INC., 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 completion of permitted well work, 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.

In addition to the applicable requirements of this permit, and the statutes and rules governing oil and gas activity in WV, this permit may contain specific conditions which must be followed. Permit conditions are attached to this cover letter.

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 at (304) 926-0499 ext. 1654.

James Martin

Operator's Well No: BELL NO. 10

Farm Name: ROUZER OIL COMPANY

API Well Number: 47-1502903 Permit Type: Vertical Well

Date Issued: 09/29/2014

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. If the operator encounters an unanticipated void, or an anticipated void at an unanticipated depth, the operator shall notify the inspector within 24 hours. Modifications to the casing program may be necessary to comply with W. Va. Code § 22-6-20, which requires drilling to a minimum depth of thirty feet below the bottom of the void, and installing a minimum of twenty (20) feet of casing. Under no circumstance should the operator drill more than fifty (50) feet below the bottom of the void or install less than twenty (20) feet of casing below the bottom of the void.
- 2. Pursuant to 35 CSR § 4-19.1.a, at the request of the surface owner all water wells or springs within 1000 feet of the proposed well that are actually utilized for human consumption, domestic animals or other general use shall be sampled and analyzed.
- 3. Pursuant to 35 CSR § 4-19.1.c, if the operator is unable to sample and analyze any water well or spring within one thousand (1,000) feet of the permitted well location, the Office of Oil and Gas requires the operator to sample, at a minimum, one water well or spring located between one thousand (1,000) feet and two thousand (2,000) feet of the permitted well location.
- 4. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
- 5. 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.
- 6. During the surface casing and cementing process, in the event cement does not return to the surface, or any other casing string that is permitted to circulate cement to the surface and does not return to the surface, the oil and gas inspector shall be notified within twenty-four (24) hours.
- 7. Well work activities shall not constitute a hazard to the safety of persons.
- 8. This permit is being conditioned to address the possibility of flooding in the area of this well. Any tanks stored on this location must be securely anchored in cement to prevent the loss of tanks should a flood occur. In addition, cages must be placed around the well head to prevent debris from damaging the well head.

Depths Set

STATE OF WEST VIRGINIA

DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS

WELL WORK PERMIT APPLICATION

						5	334
) Well Operato	r: Rouz	er Oil Co	ompany	43250	Clay	Union	Elkhurst
	-			Operator ID	County	District	Quadrangl
) Operator's W	Vell Numb	per: 10			3) Elevation:	1,046'	
Well Type: (a	a) Oil <u>X</u>	or Ga	as X				
(b) If Gas:	Produ	uction _X_ / Un	derground Sto	orage		
		Dee	p/ ;	Shallow X			
): Big Injun		Proposed Ta	rget Depth:	,938'
) Proposed To) Approximate			Feet	Formation at	Proposed Tot	al Depth: shall	e
) Approximate							
) Approximate	coal sea	m depth	s: none known				
1) Approximat	e void de	onthe (co	al, Karst, other)	none known			
) Approximat	e void de	puis,(co	ai, Naist, Other)	. Tiene known			_
	5(2) (5) (6) (4) (1) (1)	al coon	e tributary to ac	tive mine? N	lo		
1) Does land o	contain co	di Seali	is indutary to ac	dive time:			
Does land o Describe pro					attach additiona	al sheets if ne	eded)
2) Describe pro	posed we	ll work a	nd fracturing met	hods in detail (a			
2) Describe pro	posed we	ll work ar	nd fracturing met	hods in detail (a			
2) Describe pro	posed we	ll work ar	nd fracturing met	hods in detail (a			
2) Describe pro ill new well and s 0 bb. of fresh wa	posed we	ell work and the target for 1,000 lbs. of 1,000 lbs.	nd fracturing met	hods in detail (a	roximately 2,100		
2) Describe pro ill new well and s 0 bb. of fresh wa	posed we	ell work and re target for 1900 lbs. of 194	nd fracturing met ormation at treating of sand	hods in detail (a	roximately 2,100) psi utilizing ap	proximately
2) Describe pro ill new well and s 0 bb. of fresh wa	posed we and fracturater and 45	ell work and re target for 1900 lbs. of 194	nd fracturing met ormation at treating of sand	hods in detail (a pressure of app	roximately 2,100	psi utilizing ap	pproximately NT
2) Describe pro ill new well and s 0 bb. of fresh wa 3)	posed we and fracturater and 45,	ell work and the target for 1,000 lbs. of 1,	nd fracturing met ormation at treating of sand ASING AND TU	hods in detail (a pressure of app BING PROGR FOOTAGE	RAM INTERVALS	psi utilizing ap	NT . Ft.)
2) Describe pro ill new well and s 0 bb. of fresh wa 3) TYPE S	posed we sand fracturater and 45, PECIFIC Size	ell work and the target for 1,000 lbs. of 1,	nd fracturing methormation at treating of sand ASING AND TU Weight per ft	hods in detail (a pressure of app BING PROGR FOOTAGE	RAM INTERVALS	S CEME Fill -up (Cu	NT . Ft.)
2) Describe pro ill new well and s 0 bb. of fresh wa	posed we and fracturater and 45, PECIFIC Size	ell work and re target for 1,000 lbs. of 1,0	nd fracturing methormation at treating of sand ASING AND TU Weight per ft 43.6	hods in detail (a pressure of app BING PROGRE FOOTAGE For Drilling 20	AM INTERVALS	S CEME Fill -up (Cu	NT . Ft.)
2) Describe pro ill new well and s 0 bb. of fresh wa 3) TYPE S Conductor Fresh Water	posed we and fracturater and 45, PECIFIC Size	ell work and re target for 1,000 lbs. of 1,0	nd fracturing methormation at treating of sand ASING AND TU Weight per ft 43.6	hods in detail (a pressure of app BING PROGRE FOOTAGE For Drilling 20	AM INTERVALS	S CEME Fill -up (Cu N/A	NT . Ft.)
2) Describe pro ill new well and s 0 bb. of fresh wa 3) TYPE S Conductor	posed we and fracturater and 45 PECIFIC Size 13"	ell work and the target for 1000 lbs. of 100	Meight per ft 43.6 26 lb.	hods in detail (a pressure of app BING PROGE FOOTAGE For Drilling 20 340	AM INTERVALS Left in Well	S CEME Fill -up (Cu N/A	NT . Ft.) . CTS
2) Describe pro ill new well and s 0 bb. of fresh wa 3) TYPE S Conductor Fresh Water Coal Intermediate	posed we and fracturater and 45 PECIFIC Size 13"	ell work and the target for 1000 lbs. of 100	Meight per ft 43.6 26 lb.	hods in detail (a pressure of app BING PROGRE FOOTAGE For Drilling 20 340 1,550	AM INTERVALS Left in Well 340 1,550 2,038	CEME Fill -up (Cu N/A 107 234 up to 1, RECEIV	NT . Ft.) . CTS . 485'
2) Describe pro ill new well and s 0 bb. of fresh wa 3) TYPE S Conductor Fresh Water Coal Intermediate Production	posed we and fracturater and 45 PECIFIC Size 13"	ell work and the target for 1000 lbs. of 100	Meight per ft 43.6 26 lb.	hods in detail (a pressure of app BING PROGRE FOOTAGE For Drilling 20 340 1,550	AM INTERVALS Left in Well 340 1,550 2,038	CEME Fill -up (Cu N/A 107 234 up to 1,	NT . Ft.) . CTS . 485'

ck 25933°3

WW-2A (Rev. 6-07)

1). Date: August 22, 2014
2.) Operator's Well Number Bell No. 10
State County Permit
3.) API Well No.: 47- 015

STATE OF WEST VIRGINIA

DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS

NOTICE AND APPLICATION FOR A WELL WORK PERMIT

	vner(s) to be served:	5) (a) Coal Operator
(a) Name	Rouzer Oil Company	Name
Address	P.O. Box 987	Address
	Spencer, WV 25276	
(b) Name		(b) Coal Owner(s) with Declaration
Address		Name
		Address
(c) Name		Name
Address		Address
71001000	M-	Address
6) Inspector	Ed Gainer	(c) Coal Lessee with Declaration
Address	P.O. Box 821	Name
	Spencer, WV 25276	Address
Telephone	304-389-7582	
		AMED ABOVE TAKE NOTICE THAT:
OR Included is t	he lease or leases or other continuir	ng contract or contracts by which I hold the right to extract oil and gas
I certify application, a local	that as required under Chapter 22- ation plat, and accompanying docur Personal Service (Affidavit att Certified Mail (Postmarked po Publication (Notice of Publication and understand Chapter 22-6 at application. under penalty of law that I have personn and all attachments, and that bormation, I believe that the informatic	istal receipt attached) tion attached) nd 35 CSR 4, and I agree to the terms and conditions of any permit resonally examined and am familiar with the information submitted on based on my inquiry of those individuals immediately responsible for
imprisonment.	Well Operator	Payers Oil Comment
OF WEST ON	OFFICIAL SEAL	Rouzer Oil Company
STA STA	TE OF WEST VIRGINIA BY: NOTARY PUBLIC Its:	President
間創程歌目	KRISTIN REED Address	P.O. Box 987
	PO BOX 693 SPENCER, WV 25276	Spencer, WV 25276
My comm	ssion expires September 30, 2019 Telephone	304-927-4574
Subscribed and	sworn before me this 22th day of	of August , 2014 RECEIVED
	Laistin 200d	Office of Oil and Gas
My Commission	Expires 4150100	O.F.s.
Oil and Gas Privacy	Notice	SEP 0 9 2014

The Office of Oil and Gas processes your personal information, such as name, address and phone number, as a part of our regulatory duties. Your personal information may be disclosed to other State agencies or third parties in the normal course of business or as needed to comply with statutory or regulatory requirements, including Freedom of Information Act requests. Our office will appropriately secure your personal information. If you have any questions about our use of your personal information, please contact DEP's Chief Privacy Officer at OLECTION

SURFACE OWNER WAIVER

County	Clay	Operator	Rouzer
		Operator well number	Bell No. 10

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

> NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT. WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief. Office of Oil and Gas Department of Environmental Protection 601 57th St. SE Charleston, WV 25304 (304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure a dequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies:
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through ___ order on F orm WW2-B, a s urvey plat, and a s oil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURA	L PERSON	FO	R EXECUTION	BY A CORPORATI	ON, ETC.
	Date	Company Name	Rouzer Oil Compa	any	
Signature	1,100	Ву	J. B. Hildreth		August 22, 2014
-		Its	President	RECEIVED	Date
Print Name		,	mile	Hice of Olband	Gas
Fint Name		(Signature	e-2 0 2 7 1144	Date



Э	perat	or's	Well	Number	Bell No. 1	1
_	POICE	0.0		114111001	DOI HU.	٠.

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, Lessor, etc.	Grantee, Lessee, etc.	Royalty	Book/Page
Preston Oil Company	Rouzer Oil Company	1/8	Assign. Bk. 1/107

Acknowledgement of Possible Permitting/Approval In Addition to the Office of Oil and Gas

The permit app licant for the proposed well work addressed in this application he reby a cknowledges the possibility of the need for permits and/or approvals from local, state, or federal entities in addition to the DEP, Office of Oil and Gas, including but not limited to the following:

- WV Division of Water and Waste Management
- · WV Division of Natural Resources
- WV Division of Highways
- U.S. Army Corps of Engineers
- U.S. Fish and Wildlife Service
- County Floodplain Coordinator

The applicant further acknowledges that any Office of Oil and Gas permit in no way overrides, replaces, or nullifies the need for other permits/approvals that may be necessary and further affirms that all needed permits/approvals should be ac quired from the appropriate authority before the affected activity is initiated.

Well Operator: By:Its:

Rouzer Oil Company
President

meline

Environmental Protection

10/03/2014

WW	'-2B1
(5-1	12)

Well I	No.	Bell No.	10	
	_			

West Virginia Department of Environmental Protection Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

Be advised, you have the right to sample and analyze any water supply at your own expense.

Listed below is the laboratory chosen by operator to perform analysis, and contactor chosen to collect sample.

Certified Laboratory Name	REIC	
Sampling Contractor	None. We propose to sample this water well in the presence of the water well owner.	

Well Operator

Rouzer Oil Company

Address

P.O. Box 987

Spencer, WV 25276

Telephone

304-927-4574

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site, the Chief may require the operator to test wells up to 2000 feet from the proposed site.

No water well or spring within 1,000 ft. of the proposed Bell No. 9. The water well shown at the address below is approximately 1,950 ft. distant and has been tested.

Office of Oil and Gas

Jack Walker 1268 Joe's Road Bomont, WV 25030

SEP 09 2014

WV Department of Environmental Protection WW-9 (5/13)

	Page /	of	4
API Number 47 - 015			
Operator's Well No	. Bell No. 10		

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name Rouzer Oil Co	ompany	OP Code 43250
Watershed (HUC 10) Elk		_ Quadrangle _ Elkhurst
Elevation 1,043	County_Clay	District Union
Will a pit be used for drill cut	than 5,000 bbls of water to complete tings? Yes X No	the proposed well work? Yes No _x
	be used in the pit? Yes X	
	1ethod For Treated Pit Wastes:	
Un Re	nd Application derground Injection (UIC Permit No use (at API Number f Site Disposal (Supply form WW-9 ner (Explain	for disposal location)
Will closed loop system be us	ed? No	
Drilling medium anticipated f	or this well? Air, freshwater, oil base	ed, etc. Air & freshwater
-If oil based, what ty	pe? Synthetic, petroleum, etc. N/A	
Additives to be used in drillin	g medium?_KCl, soap, and clay stabilizer	
Drill cuttings disposal method	? Leave in pit, landfill, removed off	site, etc. Remain in pit
		d? (cement, lime, sawdust) Lime and/or cement
on August 1, 2005, by the Off provisions of the permit are elaw or regulation can lead to elaw or regulation can lead to elaw or regulation form and all attached application form and all attached to the information, I penalties for submitting false and Company Official Signature	ice of Oil and Gas of the West Virgin inforceable by law. Violations of an enforcement action. Ity of law that I have personally exachments thereto and that, based of believe that the information is true, information, including the possibility	
Company Official (Typed Na		RECEIVED
Company Official Title Presi	deni	Office of Oil and Gas
Subscribed and sworn before	me this 22nd day of August	. 20 14 SEP 0 9 2014
My commission expires	9/30/2019	STATE OF WEST VIAGINIA STATE OF WEST VIAGINIA WHIST OF MARKET OF

Rouzer Oil Com		4.5				
Proposed Revegetation Tre	atment: Acres Disturbe	d_1.5	7.7	Prevegeta	ion pH	5.5
Lime3	Tons/acre or to c	orrect to pH	6.5			
Fertilizer (10-20-2	0 or equivalent) 50	0 lbs/a	icre (500 lbs i	minimum)		
Mulch	1.5	Tons/acc	re			
		Seed	Mixtures			
	rea I				Area	
Seed Type KY31 Fescue	lbs/acre 30			Seed Type		lbs/acre
Red Clover	10					
Annual Rye	15					
Drawing(s) of road, location			cation.			
Attach: Drawing(s) of road, location Photocopied section of invo Plan Approved by: Comments:	olved 7.5' topographic sh		E mul	ch o.	1	all slope
Photocopied section of invo	olved 7.5' topographic sh	eecl (e mul	ite.	1	all slope





