



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

August 09, 2013

WELL WORK PERMIT

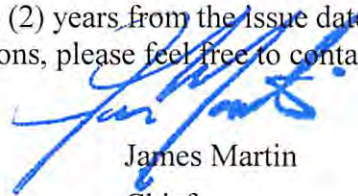
Vertical Well

This permit, API Well Number: 47-3906362, issued to RESERVE OIL & GAS, 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
Chief

Operator's Well No: RIVER RIDGE #1
Farm Name: RIVER RIDGE COMMUNITY CHU
API Well Number: 47-3906362
Permit Type: Vertical Well
Date Issued: 08/09/2013

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.

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

1) Well Operator: Reserve Oil & Gas, Inc. 310-324 Kanawha Elk Big Chimney
Operator ID County District Quadrangle

2) Operator's Well Number: River Ridge Meadowbrook #1 3) Elevation: 775

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

5) Proposed Target Formation(s): Base of Lower Huron/Rhinestreet Proposed Target Depth: 4700
 6) Proposed Total Depth: 4750 Feet Formation at Proposed Total Depth: Base of Lower Huron
 7) Approximate fresh water strata depths: 200
 8) Approximate salt water depths: 1200

9) Approximate coal seam depths: None

10) Approximate void depths, (coal, Karst, other): None

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

12) Describe proposed well work and fracturing methods in detail (attach additional sheets if needed)
Drill and complete a New Devonian Shale well with a 2 stage frac.

Angela Miller
7-19-13

13) CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS			FOOTAGE (INTERVALS)		CEMENT
	Size	Grade	Weight per ft	For Drilling	Left in Well	
Conductor	13 3/8			20'		CTS
Fresh Water	9 5/8			330'		CTS x 40% excess
Coal						
Intermediate	7			1800'		CTS x 30% of hole
Production	4 1/2			4650'		120 sks
Tubing						
Liners						

Received
JUL 25 2013
Office of Oil and Gas
WV Dept. of Environmental Protection

Packers: Kind: _____
 Sizes: _____
 Depths Set _____

OK# 9527
650

3906362

RECEIVED
DEPARTMENT OF ENVIRONMENTAL PROTECTION

WW-2A
(Rev. 6-07)

1.) Date: 07/08/2013
2.) Operator's Well Number River Ridge Meadowbrook #1
State 47- County 39 - Permit 06362
3.) API Well No.:

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE AND APPLICATION FOR A WELL WORK PERMIT

Check # 9527
\$ 650.00

4) Surface Owner(s) to be served: WV
(a) Name River Ridge Community Church
Address 804 Myrtle Rd. 2090 Greenbrier St.
Charleston, WV ~~25314~~ 25311
(b) Name _____
Address _____
(c) Name _____
Address _____
5) (a) Coal Operator
Name _____
Address _____
(b) Coal Owner(s) with Declaration
Name _____
Address _____
(c) Coal Lessee with Declaration
Name _____
Address _____
6) Inspector Terry Ufbar
Address P.O. Box 1207
Clendenin, WV 25045
Telephone 549-5915

TO THE PERSONS NAMED ABOVE TAKE NOTICE THAT:

Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas

OR

Included is the information required by Chapter 22, Article 6, Section 8(d) of the Code of West Virginia (see page 2)

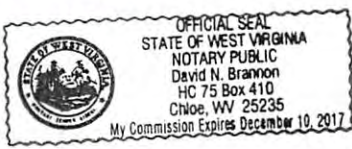
I certify that as required under Chapter 22-6 of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through ___ on the above named parties by:

- Personal Service (Affidavit attached)
- Certified Mail (Postmarked postal receipt attached)
- Publication (Notice of Publication attached)

I have read and understand Chapter 22-6 and 35 CSR 4, and I agree to the terms and conditions of any permit issued under this application.

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, 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 and imprisonment.



Well Operator Reserve Oil & Gas, Inc.
By: [Signature]
Its: Vice President
Address 929 Charleston Road
Spencer, WV 25276
Telephone 304-927-5228

Received
JUL 25 2013
Office of Oil and Gas
WV Dept. of Environmental Protection

Subscribed and sworn before me this 8th day of July, 2013
David N. Brannon Notary Public

My Commission Expires December 10, 2017

Oil and Gas Privacy Notice

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 depprivacyofficer@wv.gov

08/09/2013

WW-2A Coal Waiver

COAL OPERATOR, OWNER, OR LESSEE WAIVER

County Kanawha
Operator Reserve Oil & Gas, Inc.

Operator's Well Number River Ridge Meadowbrook #1

INSTRUCTIONS TO COAL OPERATOR, OWNER, OR LESSEE

To the coal operator, owner, or lessee named on page WW2-A. You are hereby notified that any objection you wish to make or are required to make by WV Code 22-6-15, 16 or 17, must be filed with the Chief of the Office of Oil and Gas within fifteen (15) days after the receipt of this application by the Office. Mail objections to:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, WV 25304
(304) 926-0499 extension 1654

WAIVER

The undersigned coal operator _____ / owner _____ / lessee _____ / of the coal under this well location has examined this proposed well location. If a mine map exists which covers the area of well location, the well location has been added to the mine map. The undersigned has no objection to the work proposed to be done at this location, provided, the well operator has complied with all applicable requirements of the West Virginia Code and the governing regulations.

FOR EXECUTION BY A NATURAL PERSON

FOR EXECUTION BY A CORPORATION, ETC.

Signature Date _____

Company Name _____
By _____
Its _____ Date _____

Signature Date _____

Received

No known owner, operator, lessee of workable coalbed/seam on this tract.
9/25 25 2013

Office of Oil and Gas
WV Dept. of Environmental Protection

3906362

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County Kanawha

Operator Reserve Oil & Gas, Inc.

Operator well number Meadowbrook #1
River Ridge

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 adequate 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 ___ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface lands 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 NATURAL PERSON

FOR EXECUTION BY A CORPORATION, ETC.

Signature _____ Date _____

Company Name River Ridge Church
By Pastor

Print Name _____

Date July 24 2013

Signature Mural Sun

Date _____

Received
JUL 25 2013
Office of Oil and Gas
WV Dept. of Environmental Protection

08/09/2013

**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
New Hope Enterprises, Inc.	Reserve Oil & Gas, Inc.	1/8	Being recorded-lease attached

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

The permit applicant for the proposed well work addressed in this application hereby acknowledges 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

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JUL 25 2013
Office of Oil and Gas
Department of Environmental Protection

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 acquired from the appropriate authority before the affected activity is initiated.

Well Operator: Reserve Oil & Gas, Inc.
 By: Its: J. Scott Freshwater
 Vice President

WW-2B1
(5-12)

Well No. River Ridge # 1

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 ALS Environmental Lab
Sampling Contractor _____

Well Operator Reserve Oil & Gas, Inc.
Address 929 Charleston Road
Spencer, WV 25276
Telephone 304-927-5228

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.

See Attached.

Received
JUL 25 2013
Office of Oil and Gas
WV Dept. of Environmental Protection

08/09/2013

3906362

Well Information/Potential Water Well Sample Sheet
Operator: Reserve Oil & Gas, Inc.
Well Number: River Ridge #1



Reserve Oil and Gas, Inc.

Well Information / Potential Water Well Sample Data Sheet

Operator: **Reserve Oil & Gas, Inc.**

Lease Name and Number: **River Ridge #1**

Comments

The initial mapping review of the area surrounding the proposed well site revealed the below listed surface owner (s) that were potentially utilizing groundwater (potable) for human consumption or other purposes within one thousand (1,000) feet of the proposed well site. The following landowners have been notified of the opportunity to request a water sample should it be necessary.

Please note that the following information is subject to change upon field inspection.

Individual Contacted or Notified

Owner / Occupant: Capitol Flea Market

Address: Greenbrier St.

Letter/Notice Date: 07/09/13

Comments: City water;

Owner / Occupant: yellow brick building on Flea market property

Address: Greenbrier St.

Letter/Notice Date: 07/09/13

Comments: Posted Notice

Owner / Occupant: Meadowbrook Acres Nursing Center

Address: Greenbrier St.

Letter/Notice Date 07/09/13

Comments: City Water

Received
JUL 25 2013
Office of Oil and Gas
WV Dept. of Environmental Protection

08/09/2013

Well Information/Potential Water Well Sample Sheet
Operator: Reserve Oil & Gas, Inc.
Well Number: River Ridge #1

Owner / Occupant: Wellingtons Catering

Address: Greenbrier St.

Letter/Notice Date: 07/09/13

Comments: City Water

Owner / Occupant:

Address: 2173 Greenbrier St.

Letter/Notice Date: :07/09/13

Comments: City Water

Owner / Occupant:

Address: 2181 Greenbrier St.

Letter/Notice Date: :07/09/13

Comments: Posted Notice

Owner / Occupant:

Address: 2177 Greenbrier St.

Letter/Notice Date: :07/09/13

Comments: City Water according to neighbor- chainsaw artist home

Owner / Occupant:

Address: 2193 Greenbrier St.

Letter/Notice Date: :07/09/13

Comments: Posted Notice

Owner / Occupant:

Address: 2195 Greenbrier St.

Letter/Notice Date: :07/09/13

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JUL 25 2013
Office of Oil and Gas
WV Dept. of Environmental Protection

Well Information/Potential Water Well Sample Sheet

Operator: Reserve Oil & Gas, Inc.

Well Number: River Ridge #1

Comments:City Water

Owner / Occupant: Meadowbrook Free Will Baptist Church

Address:Greenbrier St.

Letter/Notice Date :07/09/13

Comments: Posted notice

Owner / Occupant:

Address:117 Brooke hill Drive

Letter/Notice Date: :07/09/13

Comments:City Water

Owner / Occupant: Patty Dunbar

Address: 121 Brooke Hill DRive

Letter/Notice Date: :07/09/13

Comments:Talked to her; closest house to well; city water

Owner / Occupant:

Address:122 Brooke Hill DRive.

Letter/Notice Date: :07/09/13

Comments:Posted notice,

Owner / Occupant:

Address:124 Brooke Hill DRive

Letter/Notice Date: :07/09/13

Comments:Posted Notice

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JUL 25 2013
Office of Oil and Gas
WV Dept. of Environmental Protection

Well Information/Potential Water Well Sample Sheet
Operator: Reserve Oil & Gas, Inc.
Well Number: River Ridge #1

Owner / Occupant:

Address:128 Brooke Hill Drive

Letter/Notice Date:07/09/13

Comments:Posted Notice

Owner / Occupant:

Address:201, 203 Brooke Hill Drive

Letter/Notice Date: :07/09/13

Comments:City Water

Owner / Occupant:

Address:207 Brooke Hill Drive

Letter/Notice Date: :07/09/13

Comments:Posted notice

Owner / Occupant:

Address:213 Brooke Hill Drive

Letter/Notice Date: :07/09/13

Comments:Posted notice

Owner / Occupant:

Address:215 Brooke Hill Drive

Letter/Notice Date: :07/09/13

Comments:Posted notice

Owner / Occupant:

Address:216 Brooke Hille Drive

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JUL 25 2013

Office of Oil and Gas
WV Dept. of Environmental Protection

Well Information/Potential Water Well Sample Sheet
Operator: Reserve Oil & Gas, Inc.
Well Number: River Ridge #1

Letter/Notice Date: :07/09/13

Comments: Posted notice

Owner / Occupant:

Address:217 Brooke Hille Drive

Letter/Notice Date: :07/09/13

Comments: Posted notice

Owner / Occupant: Charleston Treatment Center

Address:Greenbrier Street

Letter/Notice Date: :07/09/13

Comments: City Water

Owner / Occupant: Imagine This

Address:2155 Greenbrier St.

Letter/Notice Date: :07/09/13

Comments: City Water

Owner / Occupant:

Address:2169 Greenbrier St.; red brick house

Letter/Notice Date: :07/09/13

Comments: Posted notice

Owner / Occupant: Second Impressions

Address:Greenbrier St.

Letter/Notice Date: :07/09/13

Comments: City Water

Received
JUL 25 2013

Office of Oil and Gas
WV Dept. of Environmental Protection

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name Reserve Oil & Gas, Inc. OP Code _____

Watershed (HUC 10) Mill Creek Quadrangle Big Chimney

Elevation 775 County Kanawha District Elk

Do you anticipate using more than 5,000 bbls of water to complete the proposed well work? Yes _____ No x

Will a pit be used for drill cuttings? Yes x No _____

If so, please describe anticipated pit waste: gel water, drill cuttings, freshwater

Will a synthetic liner be used in the pit? Yes x No _____ If so, what ml.? 20

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 _____)

Will closed loop system be used? N/A

Drilling medium anticipated for this well? Air, freshwater, oil based, etc. Air, Gel, freshwater

-If oil based, what type? Synthetic, petroleum, etc. _____

Additives to be used in drilling medium? _____

Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. Leave in pit

-If left in pit and plan to solidify what medium will be used? (cement, lime, sawdust) Soil/Dirt

-Landfill or offsite name/permit number? _____

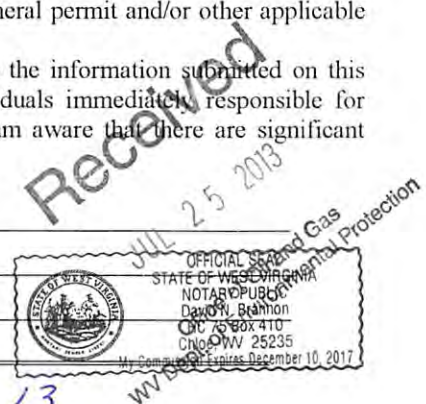
I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on August 1, 2005, by the Office of Oil and Gas of the West Virginia Department of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations 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 [Signature]

Company Official (Typed Name) J. Scott Freshwater

Company Official Title Vice President



Subscribed and sworn before me this 8th day of July, 20 13

David N. Brannon Notary Public

My commission expires December 10, 2017

LEGEND

- Property Boundary
- Road
- Existing Fence
- Planned Fence
- Stream
- Open Ditch
- Rock
- North
- Buildings
- Water Well
- Drill Site

- Diversion
- Spring
- Wet Spot
- Drain Pipe with size in inches
- Waterway
- Cross Drain
- Artificial Filter Strip
- Pit: cut walls
- Pit: compacted fill walls
- Area for Land Application of Pit Waste

Proposed Revegetation Treatment: Acres Disturbed 1.5 Prevegetation pH 5.5
 Lime 3 Tons/acre or to correct to pH 6.5
 Fertilizer (10-20-20 or equivalent) 0.25 lbs/acre (500 lbs minimum)
 Mulch HAY 2 Tons/acre

— Seed Mixtures —

Area I		Area II	
Seed Type	lbs/acre	Seed Type	lbs/acre
Orchard Grass	25	Ladino Clover	5
Red Top Clover	15	Ky 31	40

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: Inspector Date: 7-9-13

Field Reviewed? Yes No

Received
 JUL 25 2013
 Office of Oil and Gas
 WV Dept. of Environmental Protection

Form WW-9

Operator's Well No. River Ridge # 1

Proposed Revegetation Treatment: Acres Disturbed _____ Prevegetation pH _____

Lime _____ Tons/acre or to correct to pH _____

Fertilizer (10-20-20 or equivalent) _____ lbs/acre (500 lbs minimum)

Mulch _____ Tons/acre

Seed Mixtures

Seed Type	Area I		Seed Type	Area II	
		lbs/acre			lbs/acre
_____			_____		
_____			_____		
_____			_____		

Attach:
Drawing(s) of road, location, pit and proposed area for land application.

Photocopied section of involved 7.5' topographic sheet.

Plan Approved by: [Signature]

Comments: _____

Title: Inspector

Date: 7-9-13

Field Reviewed? Yes No

Received
JUL 25 2013
Office of Oil and Gas
WV Dept. of Environmental Protection

08/09/2013

NOTE;

Any Trees 6" or larger in Diameter will be cut and piled. Brush will be used as Sediment Barriers. Temporary seed and mulch all slopes upon construction. Stone over all Culverts.

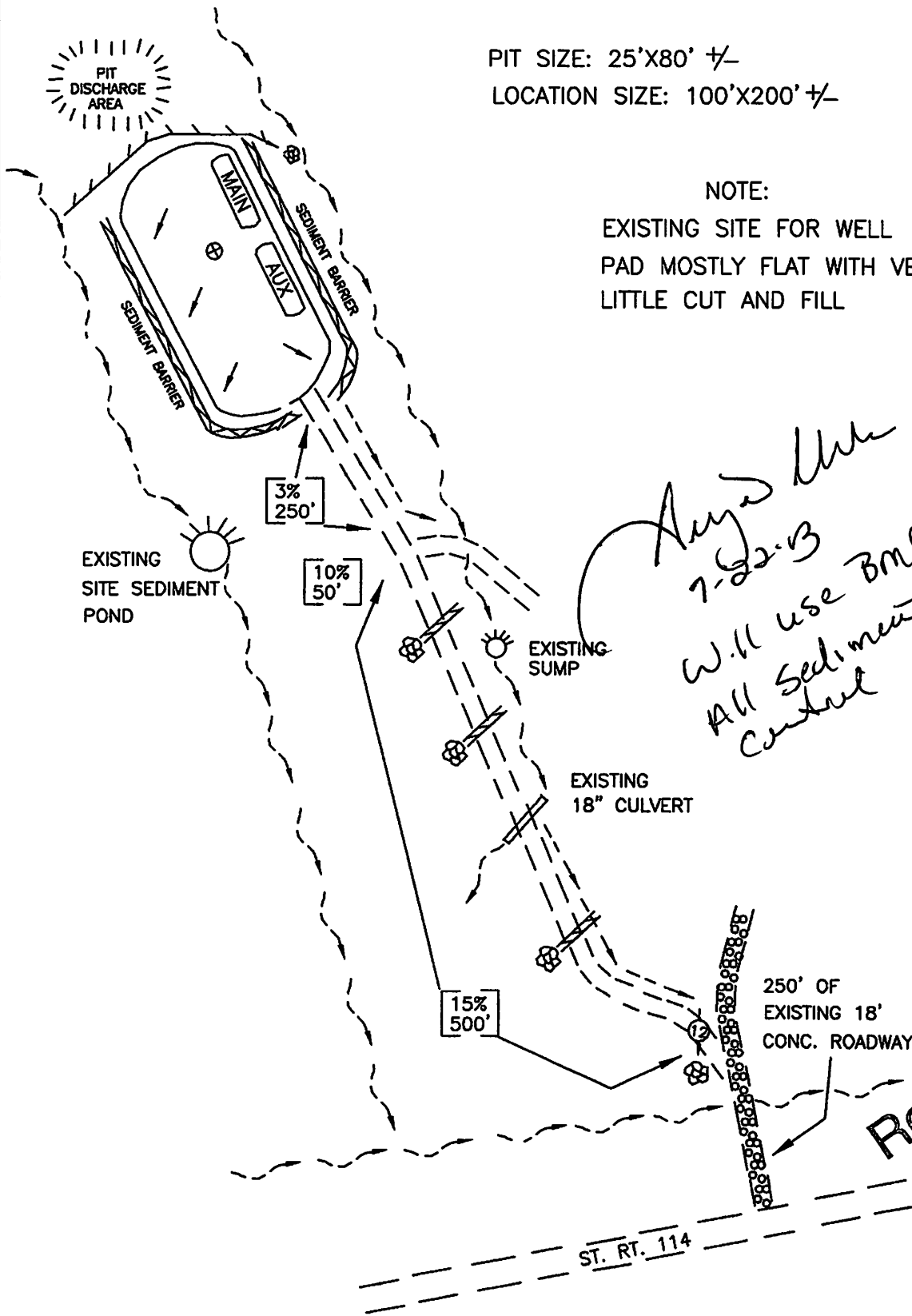
RIVER RIDGE

#1



PIT SIZE: 25'X80' +/-
LOCATION SIZE: 100'X200' +/-

NOTE:
EXISTING SITE FOR WELL
PAD MOSTLY FLAT WITH VERY
LITTLE CUT AND FILL



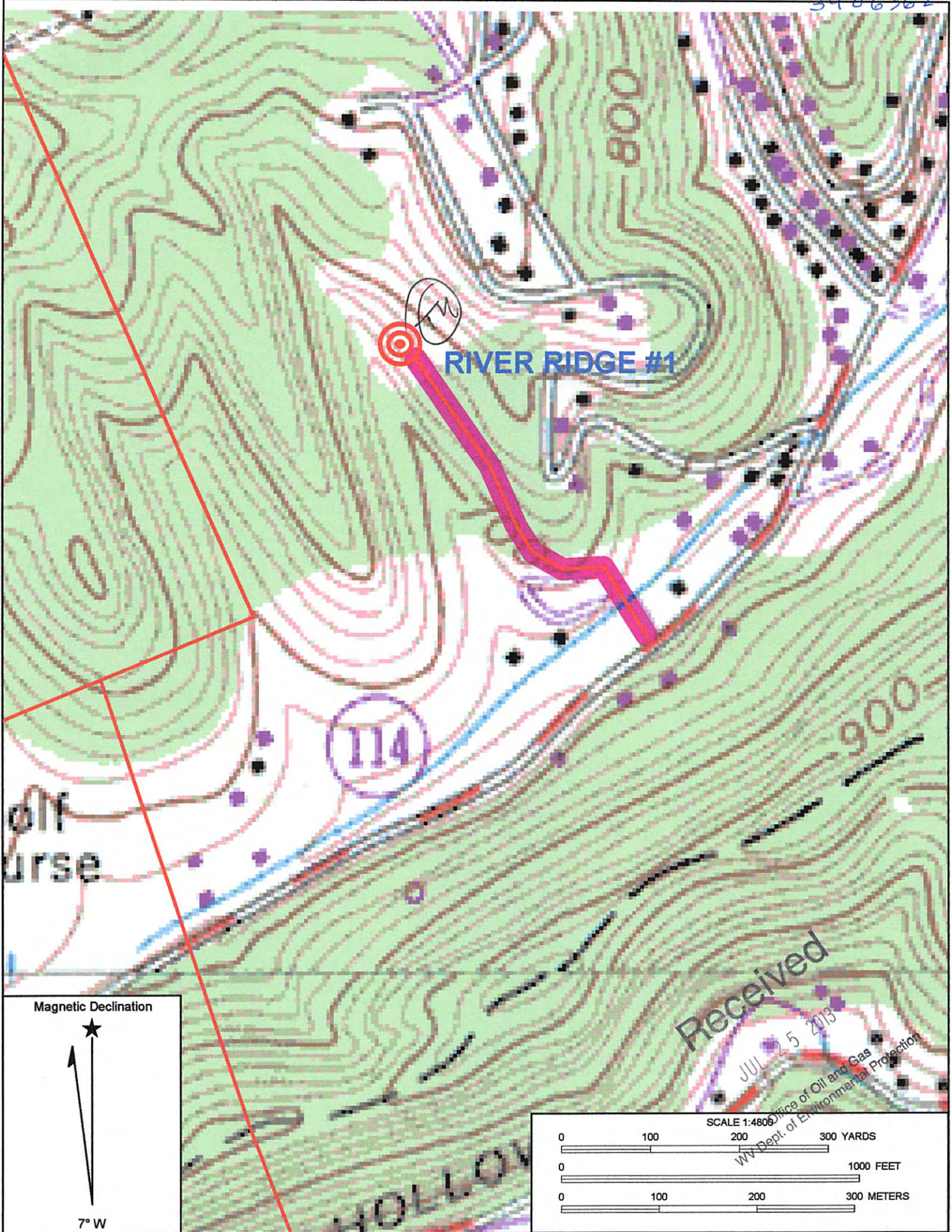
Handwritten note:
Augs 11th
7-22-13
Will use BMP for
All sediment? Erosion
Control

Received

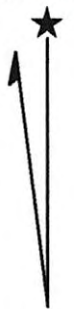
JUL 25 2013

Office of Oil and Gas
WV Dept. of Environmental Protection

ST. RT. 114

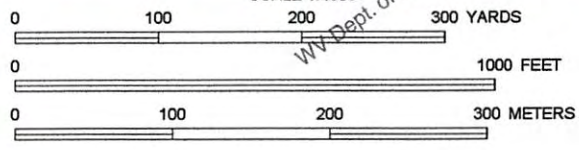


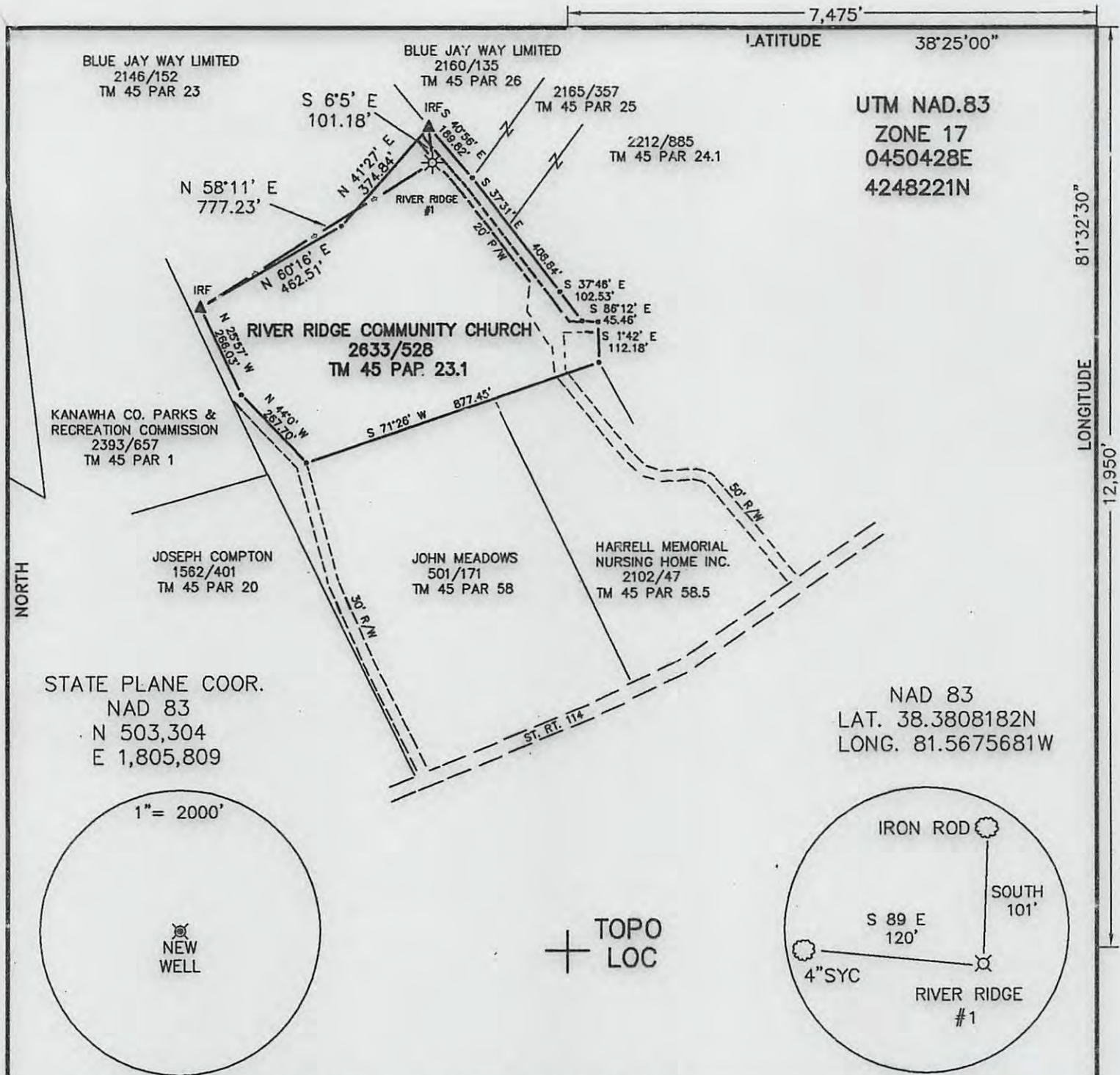
Magnetic Declination



7° W

SCALE 1:4800





(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS

FILE NO. _____
DRAWING NO. 13-23
SCALE 1"=400'
MINIMUM DEGREE OF ACCURACY 1 IN 200
PROVEN SOURCE OF ELEVATION GPS

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT 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 DEPARTMENT OF ENERGY.

(SIGNED) _____
R.P.E. _____ L.L.S. 851



STATE OF WEST VIRGINIA
Department of Environmental Protection
OFFICE OF OIL AND GAS

DATE JULY 22, 2013
OPERATOR'S WELL NO. RIVER RIDGE #1
API WELL NO. _____
47 - 039 - 06362
STATE COUNTY PERMIT

WELL TYPE: OIL ___ GAS X LIQUID INJECTION ___ WASTE DISPOSAL ___
(IF "GAS") PRODUCTION X STORAGE ___ DEEP ___ SHALLOW X

LOCATION: ELEVATION 775 WATER SHED MILL CREEK
DISTRICT ELK COUNTY KANAWHA
QUADRANGLE BIG CHIMNEY

SURFACE OWNER RIVER RIDGE COMMUNITY CHURCH ACREAGE 12.9
OIL & GAS ROYALTY OWNER NEW HOPE ENTERPRISES INC. LEASE ACREAGE 150
LEASE NO. _____

PROPOSED WORK: DRILL X CONVERT ___ DRILL DEEPER ___ REDRILL ___ FRACTURE OR
STIMULATE X PLUG OFF OLD FORMATION ___ PERFORATE NEW
FORMATION ___ OTHER PHYSICAL CHANGE IN WELL (SPECIFY): _____

08/09/2013

PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___
TARGET FORMATION BASE OF LOWER HURON/RHINESTREET ESTIMATED DEPTH 5500
WELL OPERATOR RESERVE OIL & GAS INC. DESIGNATED AGENT J. SCOTT FRESHWATER
ADDRESS 929 CHARLESTON ROAD ADDRESS 929 CHARLESTON ROAD
SPENCER, WV 25276 SPENCER, WV 25276

OIL AND GAS LEASE

THIS LEASE, made and entered into this 25th day of June, 2013 by and between: New Hope Enterprises, LLC

3573 Coopers Creek Road

Charleston, WV 25312

hereinafter called Lessor(s) and RESERVE OIL & GAS INC., 929 Charleston Road, Spencer, WV 25276, herein after called Lessee.

WITNESSETH:

1. That the Lessor for and in consideration of the sum of ONE DOLLAR (\$1.00) and other good and valuable considerations in hand paid by the Lessee, the receipt of which is hereby acknowledged, and the covenants and agreements herein contained, hereby grants demises, leases and lets exclusively unto the Lessee the lands hereafter described for the purposes of prospecting, exploring by geophysical and other methods, drilling, operating for, producing oil and gas, or both, and the constituents thereof, including coal bed methane gas, together with the right of way and easement to construct, install, operate, repair, maintain and remove pipelines, telephone, power and electric lines, tanks, ponds, roadways, plants, equipment and structures thereon to access, produce, save, store, transport, and take care of any such substances produced from the leasehold or produced from adjoining and neighboring lands, provided that any such easements shall survive the term of this agreement for so long thereafter as operations are continued and the exclusive right to inject air, gas, water, brine and other fluids into the subsurface strata, and any and all other rights privileges necessary, incident to, or convenient for the economical operation of the lands for these purposes, said lands being situated in the Districts of Elk, Counties of Kanawha, State of WEST VIRGINIA, and being bounded now or formerly substantially as follows, to wit:

Tax Map 45A, 45B, 45 Parcel(s) 23,23.1,24,24.1,25,26,27,28,29 More fully described in Deed Book 123 Page 331 known as George McClintic Farm.

WATERS OF: Elk River

ON THE NORTH BY: Blue Jay Way Limited

ON THE EAST BY: M. Gillespie

ON THE SOUTH BY: George K. Cabell

ON THE WEST BY: John W. Wright

hereinafter called "premises" being the same land conveyed in whole or in part to Lessor by Deed dated April 4, 2003 from Alma Y. King, Clerk of Kanawha County and recorded in Deed Book 2572 at page 980 and also via Will Book 854 at page 85. For all purposes of this lease, the premises shall be deemed to contain 150 acres, whether more or less. This lease covers all of the land above, and in addition thereto, it covers and is hereby leased, let and demised to the same extent as if they were described herein specifically, all lands owned or claimed by Lessor adjacent or contiguous to, or a part of the tract or tracts described hereinabove. For all purposes of this lease references to oil and gas or either or both of them shall mean oil, or gas, or both and all substances which are constituents of or produced with oil or gas, including coal bed methane gas, whether similar or dissimilar or produced in a gaseous, liquid, or solid state.

2. This lease shall remain in force for a term of Two (2) years from the date hereof and as long thereafter as oil or gas is produced in paying quantities or this lease is maintained in force by any subsequent provision hereof.

3. This lease however shall become null and void and all rights of either party shall cease and terminate unless, within ninety (90) days from the effective date hereof, a well shall be commenced on the premises, or unless the Lessee shall thereafter pay a delay rental of \$5.00 Dollars per acre per year for the first year, \$15.00 per acre for the second year, and \$25.00 per acre for the third year, payments to be made annually, until the commencement of a well. Upon commencement of a well, the amount of any delay rental previously paid for that year shall be deducted from any proceeds due the Lessor on a prorated basis.

4. All money due under this lease shall be paid or tendered to the Lessor by check made payable the order of and mailed to:

LESSOR at address above and the said named person shall continue as Lessor's agent to receive any and all sums payable under this lease regardless of changes in ownership in the premises, or in the oil and gas or their constituents, or in rentals or royalties accruing hereunder until delivery to the Lessee of notice of change of ownership as hereinafter provided.

5. Lessee shall pay Lessor as royalty for all oil and the constituents thereof, produced and saved from any well or wells drilled on the leased premises, an amount equal to one eighth (1/8th) or 12.5% of net proceeds received by Lessee from the sale of such oil in the tanks, pipelines or other facilities, to which the Lessee may connect its wells, and shall pay Lessor as royalty for all gas, coalbed methane gas and the constituents and related by-products therefrom, including all liquid, solid or gaseous substances produced and saved from any sand or sands on the leased premises, an amount equal to one-eighth (1/8th) or 12.5% of the net proceeds received by Lessee from the sale of such gas, coalbed methane gas, or the constituents and related by-products therefrom, at the point of sale to an unrelated third party in an arms length transaction. In Calculating the net proceeds received by Lessee from the sale of such oil, gas or coalbed methane gas and constituents and related by-products therefrom at the point of sale, Lessee shall be entitled to deduct from such price received Lessor's proportionate part of all post production costs actually incurred by Lessee including, but not limited to, Lessee's internal post production costs, all transportation, gathering, compression, processing, treating, dehydration and marketing expenses charged to Lessee, by a non-affiliated third party associated with the sale oil, gas, coalbed methane gas, and the constituents and related by-products therefrom. In calculating the net proceeds received by Lessee at the point of sale shall be the point at which the oil, gas, coalbed methane or constituents and related by-products therefrom are metered and transferred from the custody of Lessee to an unrelated third party.

6. The consideration, land rentals, well rentals or royalties paid and to be paid, as herein provided, are and will be accepted by the Lessor as adequate and full consideration for all rights herein granted to the Lessee and further right of drilling or not drilling on the leased premise, whether to offset producing wells on adjacent lands or otherwise, as the Lessee may elect.

7. No well shall be drilled within 200 feet of the present buildings unless both parties consent thereto. The lessee shall bury all pipelines, except necessary above ground appurtenances, below plow depth. The Lessee shall pay all damages relating to growing crops, buildings, fences and trees caused by its operations under this lease. All reclamation of well sites, tank sites and other surface damage shall be completed in accordance with the rules and regulations of the Department of Energy, Division of Oil And Gas, of the state in which the well is drilled. Any damages if not mutually agreed upon, to be ascertained and determined by three disinterested persons, one thereof to be appointed by the Lessor, one to be appointed by the Lessee and the third to be appointed by the two so appointed, and the award of the three persons shall be final and conclusive. Each party shall pay any and all cost of the appraiser they have appointed and shall share the cost of the third appraiser.

8. If LESSORS own the surface, where the well is located, Lessee may, at their option and free of any charge from Lessors, allow the Lessor, at Lessor's sole risk and cost lay a pipeline to any one gas well on the premises, and take gas produced from said well for domestic use in one dwelling house on the leased premises, at Lessor's own risk, subject to the use and the right of abandonment of the well by the Lessee. The first one hundred fifty thousand (150,000) cubic feet of gas shall be taken free of cost, but all gas in excess of one hundred fifty thousand (150,000) cubic feet of gas taken in each year shall be paid for at the last published rates of the gas utility in the town or area nearest to the leased premises or the field market rate, whichever is higher. Lessor shall lay and maintain the said pipeline and furnish regulators and other necessary equipment at Lessor's expense. Lessor shall maintain the said pipeline, regulators and equipment in good repair and free of all leaks and operate the same so as not to cause waste or unnecessary leaks of gas. If the Lessor shall take excess gas as aforesaid in any year and fail to pay for the same, the Lessee may deduct payment for such excess gas from any rentals or royalties accruing the Lessor hereunder. Lessor agrees to hold Lessee and the well operator and all parties in interest in any well on the leasehold premises harmless from any claims of any nature whatsoever which may arise from the usage of gas from any such well by the Lessor his heirs, executors, administrators and assigns.

8a. IF LESSORS do not own any part of the surface, Lessee may, at their option and free of any charge from Lessors, allow the parties owning said surface to use said 150,000 cubic feet of gas per annum for domestic use in one dwelling house on said land. Said gas shall be taken and used wholly at user's own risk free of charge in safe and proper pipes and appliances, and said domestic gas user shall furnish and install, at their expense, the necessary regulating equipment and pipeline for the safe use of same. Lessee shall provide a connection for said pipeline at a producing gas well on said premises, or, at Lessee's option, at a point on Lessee's pipeline leading from said well. All gas used in excess of the above stated amount in any one calendar year shall be paid for by the user of same at a fair domestic rate. All gas so taken and used shall be subject to the use, operation and right of abandonment of the well and pipeline by Lessee, and Lessee shall not be held liable for any accident or damage caused by the use of such gas, nor shall Lessee be liable for any shortage or failure in the supply of gas for said domestic use. If, in Lessee's opinion, this right is being abused in any way, then Lessee has the right to discontinue said privilege by disconnecting the free gas pipeline from said well or from pipeline leading therefrom.

9. If during the primary term hereof, a well is drilled and is a dry hole and is plugged according to law, the Lessee may continue the primary term in effect by either commencing operations for the drilling of a subsequent well, or by resuming payment of said delay rentals, before the expiration of ninety (90) days from the said plugging date. In the event a well is commenced during the primary term hereof, but is a dry hole and is plugged following the expiration of the primary term, then the primary term shall be extended for ninety (90) days from said plugging date.

10. Lessee shall upon the completion of the first productive well upon said premises, or upon lands pooled therewith, make a diligent effort to obtain a pipeline connection but delay shall not be cause for cancellation of this agreement, provided that Lessee shall resume delay rental payments for quarterly periods, beginning one year from the date that the first productive well is completed until said first well is connected to a pipeline. Likewise, in the event such a well is shut-in for any reason after having produced in paying quantities, Lessee shall make shut-in royalty payments in the amount of five dollars (\$5.00) per acre, per year, beginning one year from the date such well is shut-in, provided that the well has not produced during that year, and continuing until said well is returned to production.

11. No change of ownership in the leases premises or in any interest therein hereunder, shall be binding upon the Lessee until thirty (30) days after written notice, by registered U.S. Mail, of such change and a certified copy or original instrument is presented to the Lessee demonstrating such change. The rights of either party hereunder may be assigned, in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns of the parties hereto.

12. The respective amounts of delay rentals, royalties and other payments are to be calculated in proportion to Lessor's interest in such rights with respect to which each such payment is made that is, in case the Lessor owns less of an interest in any such rights than the full and entire interest therein, then the payments in respect to such rights shall be paid to the Lessor in the proportion which Lessor's interest in such rights bears to the entire interest in such rights.

~~13. Lessor grants unto the Lessee the right to pool into separate drilling or production unit(s), as to any one or more formations, said land or any part thereof and the leasehold estates therein in the vicinity of said land, whether contiguous or noncontiguous, held by Lessee or other Lessees, when in Lessee's judgement, it is necessary or advisable to create such pools to develop and operate efficiently such lands. Any such unit may not exceed six hundred forty (640) acres provided, however, that larger pools may be created to conform to any well spacing or unit prescribed by any governmental authority. Lessee, alone or with other Lessees, may form any pool before or after completion of the well thereon by recording in the county wherein the pooled land(s) are located, a declaration of such pooling and by mailing a copy thereof to Lessor.~~

~~Neither the pooling nor the provision hereof shall operate as a transfer of title of any interest in the leased premises. The commencement of a well, the conduct of other drilling operations, the completion of a well or of a dry hole, or the operation of a producing well on the pooled area, shall be considered for all purposes (except as to royalties) as if said well were located on, or such drilling operations were conducted upon, the lands covered by this lease whether or not such well is located upon, or drilling operations are conducted upon, said lands. The royalties provided for in Paragraph 5 hereof shall be tendered or paid to Lessor in the proportion that Lessor's acreage in the pooled area(s) bears to the total pooled area. Lessee shall have the right but not the obligation, to reduce, enlarge, or modify such pools at any time. The royalties and such other payments tendered or paid thereafter shall then be based on the proportionate acreage and interest in the revised pool. At any time the pool is not being operated as aforesaid, the declaration of pooling may be surrendered and canceled of record. Such cancellation or surrender shall not affect a surrender or cancellation of the lease.~~

14. The Lessee shall have the privilege of using sufficient oil, gas and water, except water from Lessor's wells, for operating the premises and the right at any times during or after the expiration of this lease to remove all pipes, well casing, machinery, equipment or fixtures placed on the premises. The injection of water, brine or other fluids into subsurface strata shall be made only by Lessee's operations. The Lessee shall have the right of surrender of this lease or any portion thereof by

written notice to the Lessor describing the portion which it elects to surrender, or by recording the surrender or partial surrender of this lease, any of which shall be a full and legal surrender of this lease as to all of the premises or such portion thereof as the surrender shall indicate and a cancellation of all liabilities under the same and all parties hereto relating in any way to the portion or all the premises indicated on said surrender, and the delay rental hereinbefore set forth shall be reduced in proportion to the acreage surrendered.

15. In the event the Lessee is unable to perform any of the acts to be performed by the Lessee by reason of force majeure including but not limited to acts of God, strike, riots, and governmental restrictions including but not limited to restrictions on the use of roads, this lease shall nevertheless remain in full force and effect until the Lessee can perform said act and no event shall the lease expire for a period of ninety (90) days after the termination of any force majeure. Lessee to provide written notice to Lessor of invocation of force majeure.

16. Lessor hereby warrants and agrees to defend title to the said lands and interest into the leasehold estate created by this instrument. Lessor further warrants that the lands hereby leased are not subject to any valid prior oil and gas leases. Lessee may purchase or lease the rights of any party claiming any interest in said land and exercise such rights as may be obtained thereby and Lessee shall not suffer any forfeiture nor incur any liability to Lessor by reason thereof. Lessee shall have the right at any time to pay for Lessor any mortgage, taxes or other lien on said lands, in the event of default of payment by Lessor, and then be subrogated to the rights of the holder thereof. Any such payments made by Lessee for the Lessor may be deducted from any amounts of money which may become due to Lessor under this lease.

17. In the event Lessor considers that the Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing setting out specifically in what respects Lessee has breached this contract. Lessee shall have thirty (30) days after receipt of said notice within to meet or commence to meet all or any part of the breaches alleged by the Lessor. The service of such notice shall be precedent to bringing of any action by Lessor on said lease for any cause, and no action shall be brought until the lapse of thirty (30) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder.

18. It is mutually agreed that this instrument contains and expresses all of the agreements and understandings of the parties in regard to the subject matter thereof, and no covenant, agreement or obligation shall be read into this agreement or imposed upon the parties or either of them.

19. It is hereby understood and agreed that, if any abandoned well or wells of any kind exist on any part of this lease, any such abandoned well or wells, together with a twenty-five foot radius around the well bore, are excepted and reserved from this lease down to its original depth. It is further expressly understood and agreed that any such abandoned well or wells shall be and remain the sole responsibility of the original owners of said well or wells and that the Lessee shall have no duty plug or reclaim said wells. Storage wells shall not be allowed.

IN WITNESS WHEREOF, and intending to be legally bound, the Lessors have set their hands and seals the day and year first above written. Signed and acknowledged in the presence of:

WITNESS:

New Hope Enterprises, LLC

BY: A.P. Sharp, Jr.
A.P. Sharp, Jr.

BY: Hazel Sharp
Hazel Sharp

BY: Peggy Hamer
Peggy Hamer

ACKNOWLEDGEMENT

STATE OF WEST VIRGINIA
COUNTY OF Kanawha, } To-wit:

Received
JUL 25 2013
08/09/2013
Department of Oil and Gas
Environmental Protection

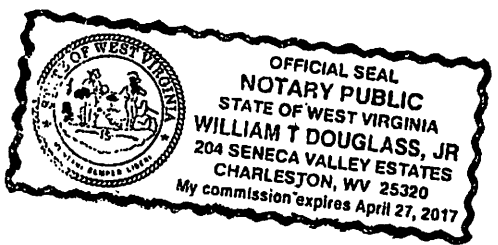
I, William T. Douglass Jr, a Notary Public of said County, do hereby certify that A.P. Sharp Jr., Hazel Sharp, and Peggy Hamer d b a New Hope Enterprises, LLC, whose names are signed to the within writing has this day acknowledged the same before me in my said county.

Given under my hand this 25th day of June, 2013.

William T. Douglass Jr
Notary Public

My Commission expires: April 27, 2017

Return to and Prepared by Reserve Oil & Gas Inc.
929 Charleston Road
Spencer, WV 25276



RESERVE OIL & GAS LEASE WV.doc

Received 08/09/2013
25 2013
Office of Oil and Gas
WV Dept. of Environmental Protection