

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

April 18, 2014

WELL WORK PERMIT

Vertical Well

This permit, API Well Number: 47-3906365, 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: NATIONAL GUARD #1

Farm Name: WV DEPT. OF PUBLIC SAFETY, A

API Well Number: 47-3906365 Permit Type: Vertical Well

Date Issued: 04/18/2014

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. <u>Failure to adhere to the specified permit conditions may result in enforcement action.</u>

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.

WW - 2B (Rev. 8/10)

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

) Well Operat	or: Rese	rve Oil &	Gas, Inc.	310-324	Kanawha	Elk	Big Chimn
	-			Operator ID	County	District	Quadran
) Operator's \	Well Numb	er: Natio	onal Guard #1		3) Elevation:	860	
) Well Type: (a) Oil	or Ga	as ×				
(b) If Gas:	Produ	uction <u>×</u> / Une	derground Sto	rage	_	
		Dee	p/ S	Shallow x			
) Proposed T) Proposed T) Approximate) Approximate 	otal Depth e fresh wa	: 4350 ter strata	a depths: 200	ron/Rhinestreet Formation at F			
) Approximate	coal sea	m denth	e, none				
) Approximati	s coal sea	in depin	o. <u></u>				
Approxima	te void de	pths,(co	al, Karst, other):	no			_
1) Does land	contain co	al seam	s tributary to act	tive mine?	5		
1) Does land	contain co	oal seam	s tributary to act	tive mine? _n	0		
2) Describe pr	oposed we	ll work ar	nd fracturing meth	nods in detail (a		al sheets if ne	eeded)
2) Describe pr	oposed we	ll work ar		nods in detail (a	ttach additiona		1
2) Describe pr	oposed we	ll work ar	nd fracturing meth	nods in detail (a	ttach additiona		1
2) Describe pr	oposed we	ll work ar	nd fracturing meth	nods in detail (a	ttach additiona	my w.	Ula
2) Describe prill and complete	oposed we a New Dev	II work ar onian Sha	nd fracturing methale well with a 2 sta	nods in detail (a ge frac.	ttach additiona	try w	Ella 8-14
2) Describe profil and complete 3)	oposed we	II work ar onian Sha	nd fracturing methale well with a 2 sta	nods in detail (a ge frac. BING PROGR FOOTAGE	ttach additiona	try w	Ella 8-14
2) Describe profil and complete 3)	oposed we a New Dev	II work ar onian Sha	nd fracturing methale well with a 2 sta	nods in detail (a ge frac.	ttach additiona	try w	/// 8-14 ENT
2) Describe profil and complete 3)	oposed we a New Dev	II work ar onian Sha CA ATIONS	nd fracturing methale well with a 2 sta	nods in detail (a ge frac. BING PROGR FOOTAGE	ttach additiona	CEME	/// 8-14 ENT 1. Ft.)
2) Describe profill and complete 3) TYPE	oposed we a New Dev	II work ar onian Sha CA ATIONS	nd fracturing methale well with a 2 sta	nods in detail (a ge frac. BING PROGR FOOTAGE For Drilling	ttach additiona	CEME Fill -up (Cu	8-14 ENT 1. Ft.)
2) Describe profill and complete 3) TYPE Conductor	SPECIFIC Size 13 3/8	II work ar onian Sha CA ATIONS	nd fracturing methale well with a 2 sta	nods in detail (a ge frac. BING PROGR FOOTAGE For Drilling 20'	ttach additiona	CEME Fill -up (Cu	8-14 ENT 1. Ft.)
2) Describe profil and complete 3) TYPE Conductor Fresh Water	SPECIFIC Size 13 3/8	II work ar onian Sha CA ATIONS	nd fracturing methale well with a 2 sta	nods in detail (a ge frac. BING PROGR FOOTAGE For Drilling 20'	ttach additiona	CEME Fill -up (Cu	S excess
2) Describe profil and complete 3) TYPE Conductor Fresh Water Coal	SPECIFIC Size 13 3/8 9 5/8	II work ar onian Sha CA ATIONS	nd fracturing methale well with a 2 sta	BING PROGR FOOTAGE For Drilling 20'	ttach additiona	CTS x 40%	S-14 ENT L. Ft.) S c excess cess in hole
2) Describe profil and complete 3) TYPE Conductor Fresh Water Coal Intermediate	SPECIFIC Size 13 3/8 9 5/8	II work ar onian Sha CA ATIONS	nd fracturing methale well with a 2 sta	BING PROGR FOOTAGE For Drilling 20' 270'	ttach additiona	CTS x 40%	8-14 ENT 1. Ft.) S excess
2) Describe profil and complete 3) TYPE Conductor Fresh Water Coal Intermediate Production	SPECIFIC Size 13 3/8 9 5/8	II work ar onian Sha CA ATIONS	nd fracturing methale well with a 2 sta	BING PROGR FOOTAGE For Drilling 20' 270'	ttach additiona	CTS x 40%	S-14 ENT L. Ft.) S c excess cess in hole



(Rev. 6-07)			1). Date:			
A			2.) Operator's We	II Number	National Gu	ard #1
				State	County	Permit
			3.) API Well No.:	47-		
		STATE	OF WEST VIRGINIA			
DEP			TAL PROTECTION, OF			SAS
	NOTICE A	ND APPLICA	TION FOR A WELL WO	RK PERI	MIT	
4) Surface Ow	ner(s) to be served	l:	5) (a) Coal Operator			
(a) Name	West Virginia State Armon	The second secon	Name			
Address	1703 Coonskin Drive		Address			
	Charleston, WV 25311					
(b) Name			(b) Coal Owner(s) wi	th Declara	tion	
Address			Name			
			Address			
(c) Name			Name			-
Address			Address			
) Inspector	Terry Urban		(c) Coal Lessee with	Declaratio	n	
Address	P.O. Box 1207		Name			
	Clendenin, WV 25045		Address			
Telephone	304-549-5915					
	TO THE	PERSONS NA	MED ABOVE TAKE NOT	CE THAT:	A.7.	
Included is the	ne lease or leases or	other continuing	contract or contracts by which	h I hold the	right to extra	act oil and gas
			A 11-1- C C11 C(1) - (1)	C-4610	fact t floatate	1
DR .	a information require	od by Chanter 25		e Code of vi		
DR Included is the	ne information require					
Included is the local section of the local section	hat as required unde	er Chapter 22-6	of the West Virginia Code I	have serve	ed copies of	this notice and
Included is the local security to the local	that as required under ation plat, and accom Personal Servi	er Chapter 22-6 npanying docum- ce (Affidavit atta	of the West Virginia Code I ents pages 1 through on ched)	have serve	ed copies of	this notice and
Included is the local section of the local section	that as required undo ation plat, and accom Personal Servi Certified Mail (I	er Chapter 22-6 npanying docum ce (Affidavit atta Postmarked pos	of the West Virginia Code I ents pages 1 through on ched) tal receipt attached)	have serve	ed copies of	this notice and
Included is the last of the la	that as required undo ation plat, and accom Personal Servi Certified Mail (I Publication (No	er Chapter 22-6 npanying docume ce (Affidavit attain Postmarked positice of Publication	of the West Virginia Code I ents pages 1 through on ched) tal receipt attached) on attached)	have serve the above r	ed copies of named partie	this notice and s by:
Included is the local state of t	that as required undo ation plat, and accom Personal Servi Certified Mail (I Publication (No ad and understand C	er Chapter 22-6 npanying docume ce (Affidavit attain Postmarked positice of Publication	of the West Virginia Code I ents pages 1 through on ched) tal receipt attached)	have serve the above r	ed copies of named partie	this notice and s by:
Included is the local policy of the local poli	that as required undo ation plat, and accom Personal Servi Certified Mail (I Publication (No ad and understand C application.	er Chapter 22-6 npanying docum- ce (Affidavit atta- Postmarked pos- tice of Publication chapter 22-6	of the West Virginia Code I ents pages 1 through on ched) tal receipt attached) on attached) d 35 CSR 4, and I agree to	have serve the above r the terms a	ed copies of named partie	this notice and s by:
Included is the polication, a local superior in the polication, a local superior in the polication in the polication is application for the polication for the polica	that as required under ation plat, and accompersonal Service Certified Mail (In Publication (No ad and understand Capplication. Under penalty of law orm and all attachments according to the ac	er Chapter 22-6 npanying docum- ce (Affidavit attal Postmarked pos- tice of Publicatio Chapter 22-6 and that I have persents, and that be	of the West Virginia Code I ents pages 1 through on ched) tal receipt attached) on attached) d 35 CSR 4, and I agree to conally examined and am far ased on my inquiry of those	have serve the above r the terms a niliar with the	ed copies of named partie and condition ne informatio	this notice and s by:
Included is the local lo	that as required under ation plat, and accompersonal Service Certified Mail (In Publication (No ad and understand Capplication. Under penalty of law orm and all attachmeter and all attachmeter penalty of the armation, I believe the	er Chapter 22-6 npanying docum- ce (Affidavit attai Postmarked pos- ptice of Publicatio chapter 22-6 and that I have persents, and that be at the information	of the West Virginia Code I ents pages 1 through on ched) tal receipt attached) on attached) d 35 CSR 4, and I agree to conally examined and am far ased on my inquiry of those is true, accurate and complete.	have serve the above r the terms a miliar with the individuals in	ed copies of named partie and condition ne information immediately	this notice and s by: as of any permit on submitted on responsible for
Included is the local lo	that as required under ation plat, and accompersonal Service Certified Mail (In Publication (No ad and understand Capplication. Under penalty of law orm and all attachmeter and all attachmeter penalty of the armation, I believe the	er Chapter 22-6 npanying docum- ce (Affidavit attai Postmarked pos- ptice of Publicatio chapter 22-6 and that I have persents, and that be at the information	of the West Virginia Code I ents pages 1 through on ched) tal receipt attached) on attached) d 35 CSR 4, and I agree to conally examined and am far ased on my inquiry of those	have serve the above r the terms a miliar with the individuals in	ed copies of named partie and condition ne information immediately	this notice and s by: as of any permit on submitted on responsible for
Included is the local lo	that as required under ation plat, and accompersonal Service Certified Mail (In Publication (No ad and understand Capplication. Under penalty of law orm and all attachmeter and all attachmeter penalty of the armation, I believe the	er Chapter 22-6 npanying docum- ce (Affidavit atta- Postmarked pos- potice of Publication Chapter 22-6 and that I have persents, and that be at the information nificant penalties	of the West Virginia Code I ents pages 1 through on ched) tal receipt attached) on attached) d 35 CSR 4, and I agree to conally examined and am far ased on my inquiry of those is true, accurate and comples for submitting false information.	have serve the above r the terms a miliar with the individuals in	ed copies of named partie and condition ne information immediately	this notice and s by: as of any permit on submitted on responsible for
Included is the large of the la	that as required under ation plat, and accompersonal Service Certified Mail (In Publication (Note and understand Complication). Under penalty of law form and all attachmentation, I believe that there are significant and the compensation of the c	er Chapter 22-6 npanying docum- ce (Affidavit atta- Postmarked pos- potice of Publication chapter 22-6 and that I have persents, and that be at the information inficant penalties Well Operator	of the West Virginia Code I ents pages 1 through on ched) tal receipt attached) on attached) d 35 CSR 4, and I agree to conally examined and am far ased on my inquiry of those is true, accurate and complete.	have serve the above r the terms a miliar with the individuals in	ed copies of named partie and condition ne information immediately	this notice and s by: as of any permit on submitted on responsible for billity of fine and
Included is the local lo	that as required under ation plat, and accompersonal Service Certified Mail (I Publication (No ad and understand Capplication. under penalty of law form and all attachment attachment that there are signification.	er Chapter 22-6 npanying docum- ce (Affidavit atta- Postmarked pos- potice of Publication Chapter 22-6 and that I have persents, and that be at the information nificant penalties	of the West Virginia Code I ents pages 1 through on ched) tal receipt attached) on attached) d 35 CSR 4, and I agree to conally examined and am far ased on my inquiry of those is true, accurate and comples for submitting false information.	have serve the above r the terms a miliar with the individuals in	ed copies of named partie and condition ne information immediately	this notice and s by: as of any permit on submitted on responsible for
Included is the locatify to polication, a locatify to polication, a locatify to locatify t	that as required under ation plat, and accompersonal Service Certified Mail (I Publication (No ad and understand Capplication. under penalty of law orm and all attachmentation, I believe that there are significant that the significan	er Chapter 22-6 npanying docum- ce (Affidavit atta- Postmarked pos- potice of Publication chapter 22-6 and that I have persents, and that ba at the information inficant penalties Well Operator By:	of the West Virginia Code I ents pages 1 through on ched) tal receipt attached) on attached) d 35 CSR 4, and I agree to conally examined and am far ased on my inquiry of those is true, accurate and complete for submitting false informations.	have serve the above r the terms a miliar with the individuals in	ed copies of named partie and condition ne information immediately	this notice and s by: as of any permit on submitted on responsible for billity of fine and
Included is the large of the la	that as required under ation plat, and accompersonal Service Certified Mail (I Publication (No ad and understand Capplication. under penalty of law orm and all attachmentation, I believe that there are significant that there are significant and publication.	er Chapter 22-6 npanying docum- ce (Affidavit attal Postmarked pos- potice of Publicatio Chapter 22-6 and that I have persents, and that ba at the information inficant penalties Well Operator By: Its: Address	of the West Virginia Code I ents pages 1 through on ched) tal receipt attached) tal receipt attached) on attached) d 35 CSR 4, and I agree to conally examined and am far ased on my inquiry of those is true, accurate and complete for submitting false information in the complete false in the compl	have serve the above r the terms a miliar with the individuals in	ed copies of named partie and condition ne information immediately	this notice and s by: as of any permit on submitted on responsible for billity of fine and
Included is the locatify to application, a locatify to application, a locatify to a locatify to application for application for a locatify to application for a locatify to a locatify t	that as required under ation plat, and accompersonal Service Certified Mail (I Publication (No ad and understand Capplication. under penalty of law orm and all attachmentation, I believe that there are significant SEAL F WEST VIRGINIA ARY PUBLIC ARY PU	er Chapter 22-6 npanying docum- ce (Affidavit attal Postmarked pos- potice of Publicatio chapter 22-6 and that I have persents, and that be at the information inficant penalties Well Operator By: Its: Address Telephone	of the West Virginia Code I ents pages 1 through on ched) tal receipt attached) tal receipt attached) on attached) d 35 CSR 4, and I agree to conally examined and am far ased on my inquiry of those is true, accurate and complete for submitting false information in the complete false in the compl	have serve the above r the terms a niliar with the individuals in ete. ion, includir	ed copies of named partie and condition the information immediately and the possib	this notice and s by: as of any permit on submitted on responsible for billity of fine and
Included is the locatify to polication, a locatify to polication, a locatify to locatify to locatify to locatify to locatify to locatify to locatify the locatific th	that as required under ation plat, and accompersonal Service Certified Mail (I Publication (No ad and understand Capplication. under penalty of law orm and all attachmentation, I believe that there are significant that the significant that there are significant that the sign	er Chapter 22-6 npanying docum- ce (Affidavit attal Postmarked pos- potice of Publicatio Chapter 22-6 and that I have persents, and that ba at the information inficant penalties Well Operator By: Its: Address	of the West Virginia Code I ents pages 1 through on ched) tal receipt attached) tal receipt attached) on attached) d 35 CSR 4, and I agree to conally examined and am far ased on my inquiry of those is true, accurate and complete for submitting false information in the complete false in the compl	have serve the above r the terms a niliar with the individuals in ete. ion, includir	ed copies of named partie and condition ne information immediately	this notice and s by: as of any permit an submitted on responsible for billity of fine and
Included is the locatify to polication, a locatify to polication, a locatify to locatify to locatify to locatify to locatify to locatify to locatify the locatific th	that as required under ation plat, and accompersonal Service Certified Mail (I Publication (No ad and understand Capplication. under penalty of law orm and all attachmentation, I believe that there are significant that the significant that	er Chapter 22-6 npanying docum- ce (Affidavit attal Postmarked posi- bitice of Publication chapter 22-6 and that I have persents, and that base the information inficant penalties Well Operator By: Its: Address Telephone day of	of the West Virginia Code I ents pages 1 through on ched) tal receipt attached) tal receipt attached) on attached) d 35 CSR 4, and I agree to conally examined and am far ased on my inquiry of those is true, accurate and complete for submitting false informations. ReserveyOil & Gas, Inc. Vict President 919 Charleston Road Spencer, W 25276 304-927-5228	have serve the above r the terms a niliar with the individuals in ete. ion, includir	ed copies of named partie and condition the information immediately and the possible of the po	this notice and s by: as of any permit on submitted on responsible for billity of fine and

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

04/18/2014

WW-2A Coal Waiver

COAL OPERATOR, OWNER, OR LESSEE WAIVER

County Kanawha		National Cuard #1
Operator Reserve Oil & Gas, Inc.	_ Operator's Well Numbe	National Guard #1
INSTRUCTIONS TO	O COAL OPERATOR, OWNE	R ORLESSEE
morked flows re	OOAL OF LIVATOR, OWNE	in, on Leodee
To the coal operator, owner, or any objection you wish to make or are with the Chief of the Office of Oil and by the Office. Mail objections to:	required to make by WV Co	
Chief, Office of Oil and Gas Department of Environmental Protection 601 57 th St. SE Charleston, WV 25304 (304) 926-0499 extension 1654	on	
	WAIVER	
The understand and an extens	Lawren Lleane	
location has examined this proposed volucation, the well location has been adwork proposed to be done at this locat requirements of the West Virginia Cod	vell location. If a mine map e ded to the mine map. The u ion, provided, the well operat	ndersigned has no objection to the or has complied with all applicable
FOR EXECUTION BY A NATURAL PERSON	FOR EXE	ECUTION BY A CORPORATION, ETC.
	Company ate Name	
Signature	By Its	Date
	Sig	nature Date
No 1	known owner,	RECEIVED Office of Oil and Gas opcrator APR 1 0 2014 TKable Woodedity Sinot Environmental Protection

WW-2A Surface Walver	WW-2A	Sur	face	Wal	ver
----------------------	-------	-----	------	-----	-----

SURFACE OWNER WAIVER

County Operator Reserve Oll & Gas, Inc. Operator well number National Guard #1

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WWZA 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

Charleston, WV 25304
(304) 928-0450

Time Limits and methods for filling 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 filling date to file your comments. Comments must be filled 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 errs ure 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 falls to protect fresh water sources or supplies;

5) The applicant has committed a substantial violation of a previous permit or a substantial 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

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. Company Date Name Signature By Adjulant General Date 3/8/14 Print Name ignature Date

> ----Office of Oil and Gas

> > APR 1 0 2014

WW Disparament of Environmental Projection WW-2A1 (Rev. 1/11)

Operator's Well Number National Guard #1

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
West Virginia State Armory Board	Reserve Oil & Gas, Inc.	1/8	See attached (being remilded)

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 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 appr opriate aut hority before the affected activity is initiated.

Well Operator: By:Its: J. Scott Freshwater

Vice President

04/18/2014

MEMORANDUM OF LEASE AGREEMENT

This MEMORANDUM made this 25¹² day of March, 2014, by and between The Adjutant General of the State of West Virginia, for and on behalf of the West Virginia State Armory Board, whose address is 1703 Coonskin Drive, Charleston, West Virginia 25311, hereinafter called the "Lessor," and Resreve Oil & Gas Inc., whose address is 929 Charleston Road, Spencer, West Virginia 25276, hereinafter called the "Lessee." Lessor and Lessee are sometimes herein referred to as the "parties."

WITNESSETH: that the parties hereto do hereby make and enter into this Memorandum of Lease Agreement memorializing the following:

These parties have this day entered into an Oil and Gas Lease whereby the Lessor did lease to Lessee its interests in certain property consisting of 33 acres more or less, situated in Elk District, Kanawha County, West Virginia, and being bounded now or formerly substantially as follows, to wit:

Tax Map 45 Parcel(s) 2, 3, 6, 6.4, 6.5, 6.6, 6.10, 6.14, as more fully described in Deed Book 2241 Page 254 and others, on the waters of Coonskin Branch:

ON THE NORTH BY: Yeager Airport ON THE EAST BY: Coonskin Park

ON THE SOUTH BY: Capitol High School

ON THE WEST BY: Coonskin Drive

for the purpose of drilling oil and/or gas wells thereon, all under and pursuant to the terms and provisions set out in said Oil and Gas Lease.

This Memorandum shall and does constitute notice to all to whom these presents may come that the above described property is included in and affected by said Oil and Gas Lease of even date herewith

WITNESS the following signatures and seals:

THE ADJUTANT GENERAL OF THE STATE OF WEST VIRGINIA FOR AND ON BEHALF OF THE WEST VIRGINIA STATE ARMORY BOARD

> Major General James A. Hoyer The Adjutant General

By

RESERVE OIL & GAS, INC.

Jacob Scott Freshwater

Vice-President

RECEIVED
Office of Oil and Gas

APR 1 0 2014

1911 / March Admint of 04/18/2014

ACKNOWLEDGEMENT

STATE OF WEST VIRGINIA COUNTY OF KANAWHA, to-wit:

The foregoing instrument was acknowledged before me this ______ day of March, 2014 by Major General James A. Hoyer, The Adjutant General of the State of West Virginia for and on behalf of the West Virginia State Armory Board.

ACKNOWLEDGEMENT

STATE OF WEST VIRGINIA COUNTY OF Roans, To-wit:

The foregoing instrument was acknowledged before me this 25th day of March, 2014 by Jacob S. Freshwater, the Vice President of Reserve Oil & Gas, Inc., a West Virginia Corporation, on behalf of said corporation.

Given under my hand this 25th day of ______, 2014.

Notary Public

My Commission expires: April 27 2017

Prepared by:

Reserve Oil & Gas, Inc. 929 Charleston Road Spencer, WV 25276 OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
WILLIAM T DOUGLASS, JR
204 SENECA VALLEY ESTATES
CHARLESTON, WV 25320
My commission expires April 27, 2017

Office of Oil and Gas

APR 1 0 2014

04/18/2014

WW-2B	1
(5-12)	

Well No.	National Guard #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 & C	Sas, Inc.	
Address	929 Charleston	Road	-
	Spencer, WV 2	5276	
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.

No Known water wells

within 1000 fect. All structures

ore National Guard property

with city water.

WW-9 (5/13)

	Pa	ge	of	
API Number 47 -		+		
Operator's Wel	I No.	National (Guard #1	

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 310-324
Watershed (HUC 10) Coonskin Branch of Elk River Quadrangle Big C	Chimney
Elevation 860 County Kanawha E	District_Elk
Do you anticipate using more than 5,000 bbls of water to complete the proposed well w	vork? YesNo_×
Will a pit be used for drill cuttings? Yes x No No	
If so, please describe anticipated pit waste: gel water, drill cuttings, fresh water	er
Will a synthetic liner be used in the pit? Yes x No If so, w	hat 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)
Outer (Explain_	
Will closed loop system be used? N/A	
Drilling medium anticipated for this well? Air, freshwater, oil based, etc. Air, gel, fresh w	vater
-If oil based, what type? Synthetic, petroleum, etc.	
Additives to be used in drilling medium?	
Orill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. Leave in pit	Company of the control of the contro
-If left in pit and plan to solidify what medium will be used? (cement, lime, sa	N. I. S.
-Landfill or offsite name/permit number?	
I certify that I understand and agree to the terms and conditions of the GENEI on August 1, 2005, by the Office of Oil and Gas of the West Virginia Department of Enprovisions of the permit are enforceable by law. Violations of any term or condition aw or regulation can lead to enforcement action. I certify under penalty of law that I have personally examined and am fam application form and all attachments thereto and that, based on my inquiry of the obtaining the information, I believe that the information is true, accurate, and componenties for submitting false information, including the possibility of fine or imprisonn	nvironmental Protection. I understand that the of the general permit and/or other applicable niliar with the information submitted on this ose individuals immediately responsible for plete. I am aware that there are significant
Company Official Signature	REFERENCE
Company Official (Typed Name) J. Scott Freshwater	of Oll and G
Company Official Title Vice President	Olling
	APR 1 0 2014
Subscribed and sworn before me this 7 day of April	, 20 14 Ann Dennitment
Havid II, Sannon My commission expires Alecember 10, 2017	Notary Public



04/18/2014

Form WW	V-9			Operator's V	_{Well No.} National Guard #
Proposed	Payagatation Teastm	ent: Acres Disturbed 1	.5	Prevegetation pl	_H 5.5
rroposeu .	Lime 3	ent. Acres Disturbed	6.5	, Frevegetation p	n
		Tons/acre or to corre			
F	Fertilizer (10-20-20 or	r equivalent) 0.23	Ibs/acre (500 lbs min	imum)	
N	_{Mulch} Hay	2	_Tons/acre		
			Seed Mixtures		
	Area		_		ea II
	Seed Type ard Grass	lbs/acre 25	Ladino C	Seed Type	lbs/acre 5
				,10 ve i 	
Kea I	Top Clover	15	KY 31		40
Photocopi	ied section of involve	t and proposed area for I			
Title:	Inspectal iewed?	DECAS /) Yes (8-14	Office of Oil and Gas APR 1 0 2014

47039063 NATIONAL GUAR NOTE: Any Trees 6" or larger in Diameter will be cut and piled. Brush will be used as Sediment Barriers. Tempory seed and mulch all slopes upon construction. Stone over all Culverts and entrance off existing roadway. NOTE: PIT SIZE: 25'X80' 1/2 LOCATION SIZE: 100'X200' 1/2 DISCHARGE AREA MAIN) CUT FILL SEDIMENT BARRIER 15% 800' OF 500 EXISTING DRAIN INLET EXISTING **ASPHALT PAVEMENT** 18" PIPE TO BE PLACED ACROSS EXISTING ROCK LINED/DITCH ENTRANCE PARKING Will Use States
BMPS for Sections
E EDSION BLDG. ARMORY **BLDG** Office of Oil and Gas APR 1 0 2014

Environmental Protection



