

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

June 13, 2013

WELL WORK PERMIT

Secondary Recovery Well

This permit, API Well Number: 47-4303468, issued to HG ENERGY, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, Well Operators Report of Well Work is to be submitted to this office within 90 days 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: M.A. BAYS NO. 124

Farm Name: ALLEN, TERRY & DAWNA

API Well Number: 47-4303468

Permit Type: Secondary Recovery Well

Date Issued: 06/13/2013

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 20 mil thickness synthetic liner.
- 5. No land application of pit fluids.

WW-3A 10/07



1) Date:		April 24, 2	2013		
2) Operator's We	ll No.	M. A. Bay	s No. 12	24	
3) API Well No.	47	043	100		
	State	County		Permit	
4) UIC Permit N	0.	UIC2R043	301AP		

STATE OF WEST VIRGINIA NOTICE OF LIQUID INJECTION OR WASTE DISPOSAL WELL WORK PERMIT APPLICATION FOR THE DEPARTMENT OF ENVIRONMENTAL PROTECTION OFFICE OF OIL AND GAS

FOR 1	HE DEPARTMENT OF ENVIRONMENTAL		OFFICE OF OIL AND GAS
5) Surface Owner		7 (a) Coal Operator	
(a) Name	Terry & Dawna Allen	Name	NA
Address	28 Russell Road	Address	
_	Yawkey, WV 25573		
(b) Name	Andy & Rebecca McClure	7 (b) Coal Owner(s)	With Declaration Of Record
Address	109 Coon Whistle Hollow	Name	NA
_	Yawkey, WV 25573	Address	
(c) Name	HG Energy, LLC	_	
Address	5260 Dupont Road	Name	
-	Parkersburg, WV 26101	Address	
6) Inspector	Ralph Triplett	7(c) Coal Lessee W	ith Declaration Of Record
Address	5539 McClellan Hwy		NA
-	Branchland, WV 25506		
Telephone	389-0350	-	
sets out the (2) The plat (su (3) The Construment of the Construment o	parties involved in the drilling or other work; parties involved in the drilling or other work; preyor's map) showing the well location on Form action and Reclamation Plan on Form WW-9 (under the plan for erosion and sediment control and sed for the first injection or waste disposal is DU RECEIVED THESE DOCUMENTS IS THAT YOU MARIZED IN THE "INSTRUCTIONS" ON FORM WARD TO TAKE ANY ACTION AT ALL. Her Chapter 22-6 of the West Virginia Code, the undersigned companying documents for a Well Work Permit with the Chiese Solution, with respect to a well at the location described on the section, with respect to a well at the location described on the section, with respect to a well at the location described on the section, with respect to a well at the location described on the section, with respect to a well at the location described on the section, with respect to a well at the location described on the section, with respect to a well at the location described on the section, with respect to a well at the location described on the section with respect to a well at the location described on the section with respect to a well at the location described on the section with respect to a well at the location described on the section with respect to a well at the location described on the section with respect to a well at the location described on the section with respect to a well at the location described on the section with respect to a well at the location described on the section with respect to a well at the location described on the section with respect to a well at the location described on the section with respect to a well at the location described on the section with respect to a well with respect t	m WW-6; and nless the well wor ad for reclamation To be determined U HAVE RIGHTS RWW-3(A) DESIGNATION OF THE PROPERTY OF THE	k is only to plug a well), for the site and access road. EGARDING THE APPLICATION TED TO YOU. HOWEVER YOU es to file or has filed this Notice and and Gas, West Virginia Department of and depicted on the attached Form we been mailed by registered or
	The person signing this document shall make the	following certification	on:
I certify under pena	dty of law that I have personally examined and am	Well Operator	HG Energy, LLC
	ormation submitted in this document and all attachments	Address	5260 Dupont Road
and that, based on m	ny inquiry of those individuals immediately responsible		Parkersburg, WV 26101
	ormation, I believe that the information is true, accurate		Di G William
	ware that there are significant penalties for submitting	By:	Diane C. White
alse information, in	cluding the possibility of fine and imprisonment."	Its:	Accountant
Oil and Gas Privacy	Nation	Signature	Receivedt

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 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 depprivacyofficer@wv.gov

WW-3B 10/07



1) Date	Date April 24, 2013					
2) Operator's Well No.		M. A. Bays No. 124				
3) API Well No.	47	-	043	-		
_	State		County		Permit	
4) UIC Permit No.		J	JIC2R043	01AP		

STATE OF WEST VIRGINIA NOTICE OF LIQUID INJECTION OR WASTE DISPOSAL WELL WORK PERMIT APPLICATION FOR THE DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS

		Liquid						Waste		
6) LOCATION:		Elevation	1140	,		Watersh	ed Porte	Fork		
	Distric	t	Duval		County	Lincoln		Quadrangle	Grif	fithsville 7.5'
7) WELL OPE	RATOR:	HG Ener	gy, LLC		494497948	8) DESIG	NATED AGENT	: M	ike Kirscl	1
		The second second second	pont Road					. 52	260 Dupor	t Road
		Parkersl	ourg, WV	26101		_		Pa	arkersbur	g, WV 26101
OIL & GAS	INSPECT	OR TO BE	NOTIFII	ED:		10) DRIL	LING CONTRA	CTOR:		
		Ralph Ti					Nam	e		
	Address	5539 Mc					Addres	s		
		Branchla	and, WV 2	5506						
1) PROPOSED	WELL W	ORK:	Plu		ld Formation al Change in	Drill Deeper Per	Redri forate New Fori		timulate	X Convert
2) Geological ta	arget form	ation		Berea		Depth	2,610	Ft. (Top) to		2,631 Ft. (Botton
3) Estimated de	epth of cor	npleted we	ell (or actu	ıal depi	th of existing	well) 278	1'	Ft		
4) Approximate	water str	ata depths	s:	Fresh		510 Ft.		Salt	1,210) Ft.
5) Approximate	coal sean	n depths:			570	Ft.				
6) Is coal being	mined in	the area?			Yes	-	X No			
7) Virgin reserv	voir pressu	ire in targ	et formati	ion:		1,250	psig.	Source		Estimated
8) Estimated re	servoir fra	acture pre	ssure:			2,650	psig.	_		
9) MAXIMUM				ያው <i>አ</i> ጥፒሪ	ONG. Vol	ume per hour		Bottom Hole	Duaganna	2,400 psi
						CTED, INCLUDI mprove oil recover		Fresh water	er, produc	ed water, bactericid
1) FILTERS (IF				2000	and/or coal b					
						ER CORROSION	CONTROL			
	110111 01		normor	Horro	1,111,15 0111	on controller.	COMMINGE	-		
3) CASING AN	D TUBIN	G PROGR	AM							
ASING OR		SPECII	FICATIO	VS		FOOTAGE INTE	RVALS	CEMENT F	ILLIIP	PACKERS
	Size	Grade	Weight	New		or Drilling	Left in Well	OR SACKS (Company of the last	1110111110
UBING TYPE									-	
CONTRACTOR CONTRACTOR										Kinds
onductor	7"	L.S.	17#	X		670'	670'	Cement to Su		Kinds Tension
onductor resh Water	7"	L.S.	17#	X			670'	Cement to Su	rface	Maria de la companya della companya
onductor resh Water oal	7"	L.S.	17#	X			670'	Cement to Su	rface	Tension
onductor resh Water oal atermediate	7"	L.S.	17#	X			670' 2731'	Cement to Su	rface	Tension Sizes
onductor resh Water oal stermediate roduction						670'			rface	Tension Sizes 2.375" x 4.5"
onductor resh Water oal atermediate roduction ubing	4 1/2"	J-55	10.5#	X		670' 2731'	2731'		rface	Tension Sizes 2.375" x 4.5" Depths Set
onductor resh Water oal ntermediate roduction ubing	4 1/2"	J-55	10.5#	X		670' 2731' 2425'	2731'		rface	Tension Sizes 2.375" x 4.5" Depths Set 2325'
Conductor Cresh Water Coal Intermediate Croduction Cubing	4 1/2"	J-55	10.5#	X		670' 2731' 2425'	2731'		rface	Tension Sizes 2.375" x 4.5" Depths Set 2325' Perforations
onductor resh Water oal ntermediate roduction ubing	4 1/2"	J-55	10.5#	X		670' 2731' 2425'	2731'		rface	Tension Sizes 2.375" x 4.5" Depths Set 2325' Perforations
CUBING TYPE Conductor Cresh Water Coal Intermediate Croduction Cubing Liners 4) APPLICANT	4 1/2" 2 3/8"	J-55 J-55	10.5#	XXX	red from	670' 2731' 2425'	2731' 2425'		rface	Tension Sizes 2.375" x 4.5" Depths Set 2325' Perforations
Conductor Cresh Water Coal Intermediate Croduction Cubing Liners	4 1/2" 2 3/8" S OPERA	J-55 J-55	10.5# 4.6#	X X X	red from	670' 2731' 2425'	2731' 2425' Bays	150 sacks	rface	Tension Sizes 2.375" x 4.5" Depths Set 2325' Perforations

WW	7-2B	1
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Well No.	M. A. Bays	No. 124
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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.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

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

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

X Contractor Nam	e Sturm Environmental Services
Well operator's	private laboratory
Well Operator	HG Energy, LLC
Address	5260 Dupont Road
	Parkersburg, WV 26101
Telephone	304-420-1119

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 underlining which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

Received

Special Note:

Water sampling was completed through out the Griffithsville area for the UIC permit review late in 2012. Per Jamie Peterson, WVDEP, the timing of that large UIC sampling was sufficent for this Griffiths if project. 2013

Office of Oil and Gas
WV Dept. of Environmental Protection

Form WW-9 Rev. 10/94

10) 1.1

	Page	3	of	3
API	Number 47-	043	-	
Operator's Well No.	M.A.	Bays No.	124	

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

CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator	HG Energ	y, LLC			OP Code	4944979	948
Watershed	Porter For	k	Quadrangle	Griffiths	sville 7.5'	le 7.5'	
Elevation	1140'	County	Lincoln	District	Du	ıval	
Description o	f anticipated Pit Waste:	Fluids encour	ntered in drilling shal	low well.		9.00	
Do you antici	pate more than 5,000 bbls	of water to comp	lete the proposed well v	worl Yes	No 2	X_	
Will a synthe	tic liner be used in pit?	Yes	If so, what mil.?	10 Mil. 20	MIL		
	Reuse (at A Off Site Dis Other	cation nd Injection (UIC PI Number posal (Supply Fo (Explain	rm WW-9 for disposal lo	ocation) Air, Fresh Water)
	um anticipated for this we - If oilbased, what type? &			78.75			
Additives to b							
	disposal method? Leave - If left in pit and plan to - Landfill or offsite name/	solidify, what me		nent, lime, sawdust	Native soil,	cement, l	ime
that the provi applicable law this application for obtaining	sust 1, 2005, by the Office sions of the permit are en or regulation can lead to I certify under penalty of on form and all attachment the information, I believe submitting false information.	forceable by law. enforcement act law that I have p its thereto and th that the informa	Violations of any term ion. ersonally examined and lat, based on my inquiry tion is true, accurate an	or condition of the ge I am familiar with the of those individuals ad complete. I am awa	neral permit e information immediately	and/or oth submitted responsibl	er l on e
Company Of	ficial Signature		Diane Cli	White			
Company Of	ficial (Typed Name)		Diane C. White				
Company Of	ficial Title		Accountant				
Subscribed a	and sworn before me thi	is 13	day of Tuni	2013	Notary Pub	lie	
My commiss	ion expires	200.12	1018	~~~~~	OFFI	CIAL SEA	L
Form WW-9					STATE OF TINA L	WEST VIE WEST VIE PETHTE nergy, LLC Supont Road	RGINIA



Legend

. [A A A	Diversion	11/1/1/1/1/
Property Boundary		Spring	○ →
Road			باند
Existing Fence	xx	Wet Spot	
Planned Fence	<u> </u>	Drain Pipe	
Stream .	7 7 7	Waterway	
Open Ditch	>	Cross Drain	
Rock	ૹૢૺૡ૿ૢૼઌ૽ૼૺૢૺ૱ ૢૺઌૢ૽ૼૺૡૢૼૺૹૢ૽ૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺૺ	Filter Strip	XXXXXXX
_		Pit: Cut Walls	Cime
North	N	Pit: Compacted	y will
Buildings	· ***	Fill Walls	Transfer
Water Wells	(W)	Area of Land	
Drill Site	\oplus	Application of Pit Waste	
<i></i>	·	J OITH WEST	
	Are	- T	
m. 170 Tunnelen			evegetation pH
Proposed Revegetation Treatm	Area Pistarou		
•	Approx.	1.0 Ac.	
·	2 Tons/Acre or Co	orrect to pH 6.5	
Lime	2 Tons/Acre or Cozer (10-20-20 or Equivalent)50	•	lbs. Minimum)
Mulch	Zel (10-20-20 or 2-quitaren)		
•	SEED MI	VTTTDES	
	SEED IVI	ATURES	•
Are	a I (Location)	5 1 5	Area II (Road) Lbs/Ac.
Seed Type	Lbs/Ac.	Seed Type Tall Fescue	40
Tall Fescue	<u>40</u> 5	Ladino Clover	5
Ladino Clover			
		·	
Attach: Drawing(s) of road, location,	pit and proposed area for land applicatio	n	
Photocopied section of invol	ved 7.5' topographic sheet.		
	of of of		
Plan approved by:	alph N. Triplett		
Comments:			
	0.01.11		Date: May 2 2013
Title: 💢	istrict Inspection		-
Field Reviewed?	(/) Yes	() No









