

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

July 20, 2015

WELL WORK PERMIT

Rework-Secondary Recovery

This permit, API Well Number: 47-4303507, 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

Operator's Well No: AUSTIN GRIFFITH # 128

Farm Name: HARLESS, CHARLES

API Well Number: 47-4303507

Permit Type: Rework-Secondary Recovery

Date Issued: 07/20/2015

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 with one thousand (1,000) feet of the permitted well location, the Office of Oil and Gas requires the operator to sample, at a minimum, one water well or spring located between one thousand (1,000) feet and two thousand (2,000) feet of the permitted well location.
- 4. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
- 5. In the event of an accident or explosion causing loss of life or serious personal injury in or about the well or while working on the well, the well operator or its contractor shall give notice, stating the particulars of the accident or explosion, to the oil and gas inspector and the Chief within twenty-four (24) hours.
- 6. During the surface casing and cementing process, in the event cement does not return to the surface, or any other casing string that is permitted to circulate cement to the surface and does not return to the surface, the oil and gas inspector shall be notified within twenty-four (24) hours
- 7. Well work activities shall not constitute a hazard to the safety of persons.
- 8. Operator shall provide the Office of Oil & Gas notification of the date that drilling commenced on this well. Such notice shall be provided by sending an email to DEPOOGNotify@wv.gov within 30 days of commencement of drilling.

FORM WW-3 (B) 1/12



1)	Date:	05/26/20	15				
2)	Operator	's Well]	No.	Aus	tin Griffith 12	8	
3)	API Wel	l No.:	47	-	Lincoln	-	
			State	8	County	_	Permit
4)	IIIC Per	mit Ma					

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

5) WELL 6) LOCA		iquid Inject	ion v	/		ction (not stora			/aste Disposal			
o) Local		trict: Duva	1	_			raight & Por		1 8 1001 10 5 10			
7) WELL	OPERATOR				Co	ounty Lincoln	men Lor		ngle Griffithsville 7.5'			
i) WELL	Address	5260 Dupo				8) DESIGNA						
	Addiess	Parkersbur		11	-		Addres		upont Road			
9. TIO (0	GAC INCOR					10) PRILLE	10.000		burg, WV 26101			
Name	Ralph Triplet					10) DRILLING CONTRACTOR Name						
Address	5539 McClell				_	Address						
	Branchland, \	VV 25505			-	_						
11) PROP	OSED WELI	L WORK	Drill Plug off Other	old forn		deeper Perfo		drill ormation	/ Stimulate Convert			
12) GEOL	OGIC TARC	GET FORM	ATION B	erea		Depth ting well): 306	2821) to 2838 Feet (bottom)			
14) Appro	ximate water	etrata denth	or Er	actual ut	pur or exis			Feet				
	ximate coal s			CSII ZIU		_ reet	Salt _	1120	Feet			
	l being mined				No							
	reservoir pre			on 1950	_	g Source	Estimated					
	ated reservoir				psi	g source	Estimated		. ON TEN			
					TOME: Y	Volume per hou	* 25 DDI	Dattam 1	psig (BHFP)			
20) DETA	LILED IDEN	[IFICATIO]	N OF MA	TERIAL	S TO BE I	NJECTED, INC	CLUDING	ADDITIVE	S Fresh water, produced			
						uality and improv	e oil recover	у.				
	ERS (IF ANY											
22) SPEC	IFICATIONS	FOR CATI	HODIC PI	ROTECT	TION AND	OTHER COR	ROSION C	CONTROL				
22) (74 (15)	C AND THE	MC DDOCD A	11									
	G AND TUBI		Contraction of the	10.100		_						
CASINO	Control of the Contro		PECIFICAT		1	FOOTAGE INTERV		CEMENT	PACKERS			
TUBING	TYPE Siz	ze Grade	Weight per ft.	New	Used	For Drilling	Left In Well	FILL-UP OR SACKS (CU. FT.)	RDI 15			
Conductor									Kinds 0			
Fresh Wate	r 7	" LS	17#	X		420'	420'					
Coal									Sizes			
ntermediat	le								2.375" x 4.5"			
Production	4 1	/2" J-55	10.5#	X		3011'	3011'		Depths set			
Tubing	2 3/	/8" J-55	4.6#	X		2621'	2621'		2525'			
Liners									Perforations			
									Top Bottom			
24) APPL	ICANT'S OP	ERATING	RIGHTS	vere aco	uired from	Austin Griffith	et ux					
by dee		lease	X /	other co	ntract	/ dated	-00/00/190	7 12 19 19 GEOV 59				
LINCOIN			County CI	erk s on	ice in _Le	ease		of Oil an				

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1x# 2048.00 4303507 WS

FORM WW-3 (A) 1/12



1)	Date:	05/26/201	15				
2)	Operate	or's Well	No.	Austin	Griffith 12	8	
3)	API W	ell No.:	47	-		-	
			State		County	_	Permit
4)	UIC Per	mit No.	UIC2	R04301	AP		

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

5) Surface Ow	mer(S) To Be Served	7) (a) Coal	Operator		4.000
(a) Name	Charles Harless	Name	N/A		
Address	P. O. Box 10211	Address			
n. M.	Van Nuys, CA 91410				
(b) Name	·		The state of the s	Declaration Of Record	
Address	-	Name	N/A		
		Address	-		
(c) Name		Name	-		
Address		Address			
6) Inspector	Ralph Triplett	7) (c) Coal	Lessee with Decl	aration Of Record	
Address	5539 McClellan Hwy	Name	N/A		
	Branchland, WV 25506	Address			
Telephone	304-389-0350				
plan for e The date THE REASON APPLICATION	struction and Reclamation Plan on Form rosion and sediment control and for reclamous proposed for the first injection or with YOU HAVE RECEIVED THESE NAMED WHICH ARE SUMMARIZED IN TATION [(FORM WW-3(B)] DESIGNALL.	amation for the saste disposal is DOCUMENTS HE "INSTRUC"	IS THAT YOU	HAVE RIGHTS RIE REVERSE SIDE O	20 <u>15</u> EGARDING THE OF THE COPY OF
Notice and Ap West Virginia Application an and Reclamation	nt under Chapter 22-6 of the West Virginglication and accompanying documents. Department of Environmental Protect didepicted on the attached Form WW-6 on Plan have been mailed by registered in certain circumstances) on or before the	s for a Well Wo ion, with respect c. Copies of this or certified mail	rk Permit with the et to a well at the Notice, the App or delivered by	ne Chief of the Office the location described lication, the plat, and thand to the person(s)	e of Oil and Gas, on the attached the Construction
	The person signing this doc	ument shall ma	ke the following	g certification:	
"I certify under	penalty of law that I have personally ex	camined and	Well Operator	HG Energy, LLC	
	th the information submitted in this docu		Address	5260 Dupont Road	
attachments an	d that, based on my inquiry of those ind	ividuals		Parkersburg, WV 2610	1
immediately re	sponsible for obtaining the information,	I believe that	By:	Diane White	
the information	is true, accurate and complete. I am av	vare that there	Its:	Agent	
are significant the possibility	penalties for submitting false information of fine and imprisonment. Office	RECEIVED be of Oil and	Signature:	Diane White	

JUN 0 4 20.5

WW-2B	1
(5-12)	

Well	No.	Austin	Griffith	128

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
O		_

Sturm Environmental Lab

Sampling Contractor

Sturm Environmental Lab

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 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 Form -

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.

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.

Surface Owners Identified With Water Sources to be Sampled and Tested:

- Charles Harless P. O. Box 10211 Van Nuys, CA 91410
- Leah Sowards 4235 Straight Fork **Yawkey, WV 25573**
- Tony Politino 4821 Straight Fork, Road Yawkey, WV 25573
- Tony Lewis 3 Breezy Lane Yawkey, WV

- Steven Wilson 75 Wade Road Yawkey, WV
- Kevin Linville 4817 Straight Fork Road Yawkey, WV 25573
- Thomas Settle 4825 Straight Fork Road Yawkey, WV 25573

RECEIVED Office of Oil and Gas

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WV Department of Environmental Protection 07/24/2015 WW-9 Rev. 5/10

	Page 333		of	
API Number 47 -		19.		
Operator's Well No	, Austin Griffi	th 128		

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

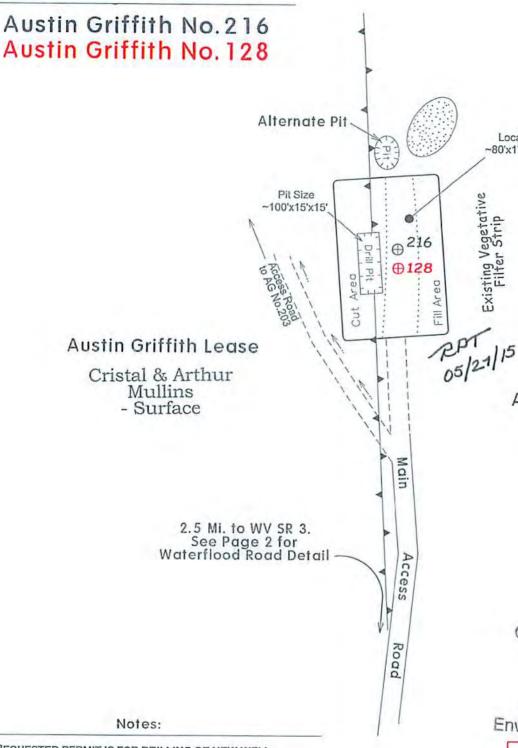
CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name_HG Energy	LLC	OP Code 4944979	48
Watershed_Straight & Porte	r Fork Qu	adrangle Griffithsville 7.5'	
Elevation 890'	County Lincoln	District Duval	
Description of anticipated F	rit Waste: Fluids encountered while drilling	subject well.	
Do you anticipate using mo	re than 5,000 bbls of water to complete the	proposed well work? Yes	No X
	ed in the pit? Yes If so, w		
Proposed Disposal Method			
	and Application	Car I	
	Underground Injection (UIC Permit Numb Reuse (at API Number	let	
X(Off Site Disposal (Supply form WW-9 for Other (Explain		
Drilling medium anticipated -If oil based, what Additives to be used? Wate	er Soan KCI		
Will closed loop system be			
-If left in pit and p	od? Leave in pit, landfill, removed offsite. lan to solidify what medium will be used? name/permit number?	Cement, lime, sawdust Native so	il, cement. lime
on August 1, 2005, by the C provisions of the permit are law or regulation can lead to I certify under per application form and all a obtaining the information, penalties for submitting fals	nalty of law that I have personally exam ttachments thereto and that, based on n I believe that the information is true, ac e information, including the possibility of	Department of Environmental Program or condition of the general princed and am familiar with the interpretary of those individuals curate, and complete. I am awfine or imprisonment.	ntection. I understand that the ermit and/or other applicable information submitted on this immediately responsible for are that there are significant RECEIVED
Company Official Signature	Diani White		Office of Oil and Gas
Company Official (Typed I	Name) Diane White		JUN 0 4 25.5
Company Official Title Ag	ent		
y. 1303 (0120 do 1			WV Department of
		En En	vironmental Protection
Subscribed and sworn before Subscribed and	e me this 26 day of May LO 4 16	Wash lic	OFFICIAL SEAL NOTARY PUBLIC STATE OF WEST VIRGINIA S. DIANNE DULANEY 5260 Dupont Road arkersburg, West Virginia 26101 Commission Expires Oct. 4, 2018

Operator's Well No. Austin Griffith 128

		L	EGEND		
Property Boundary			Diversion Level 11		1111
Rond = = = = = =	=====		Spring —		
Existing Fence — 🗶 —	· × — × —		Wet Spot		
Planned Fence/	-//-		Drain Pipe with size in incl		- ▶
Stream		 	Waterway \leftarrow	\leftrightarrow	>
Open Ditch ————		u ->>	Cross Dmin		=
Rock 835886	P			****	X
North N			Pic cut walls	3) 	
Buildings Water wells			Pit: compacted fill walls	miner	
			Area for Land Application	of Pit Waste	
Drill site			(
Proposed Revegetation Treatmer	nt: Acres Disturbed _	1.00 ad	Prevegetation	n pH	
Lime 3	_ Tons/acre or to corr	ect to pH	6 F	•	
		· -			
Fertilizer (10-20-20 or e	equivalent)	lbs/ac	ere (500 lbs minimum)		
Mulch_ Straw	2	Tons/acr	e		
		Seed N	Mixtures		
Area I				Area II	
Seed Type	lbs/acre		Seed Type	lbs/acre	
Tall Fescue	40		Tall Fescue	40	
Ladino Clover	5		Ladino Clover	5	
Attach: Drawing(s) of road, location,pit a	and proposed area for	land applic	ation.		
Photocopied section of involved	7.5' topographic shee	t.		RECEIVE Office of Oil an	D d Gas
Plan Approved by: Roupe	2.7 nipled			JUN 0 4 201	
Comments:	<u> </u>			WV Dana-	
				WV Departme Environmental Pro	nt of Otection
Title: District Susp	rector		Date: 10 ay 27 d	2013	
Field Reviewed?	Oln Yes () No		

Reclamation Plan For:





Location Size ~80'x175' (0.3 Ac.)

Charles Harless
- Surface

RECEIVED
Office of Oil and Gas

JUN 04 05

WV Department of Environmental Protection

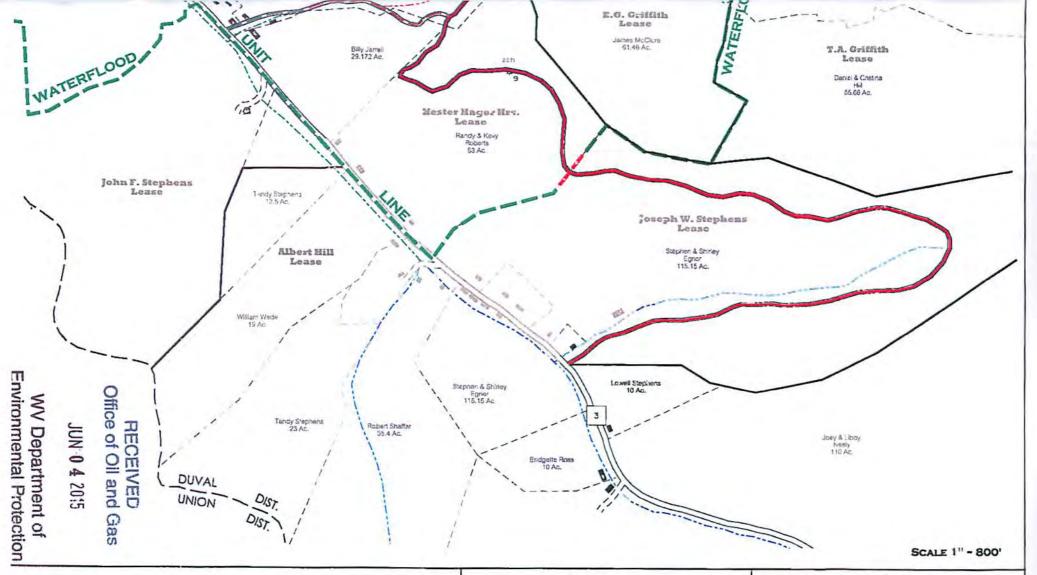
NOTE

REFER TO THE WVDEP
EROSION AND SEDIMENT CONTROL
FIELD MANUAL VER. MAY 2012 FOR
BMPS CONTROLLING EROSION AND
SEDIMENT FROM SOIL-DISTURBING
OPERATIONS.

- REQUESTED PERMIT IS FOR DRILLING OF NEW WELL.
- SOME ACCESS ROADS ARE EXISTING AND WILL BE UPGRADED TO WVDEP STANDARDS. NEW STRUCTURES WILL BE INSTALLED AS SHOWN.
- STOCKPILE TOPSOIL FOR RE-DRESSING LOCATION DURING RECLAMATION
- ALL DISTURBED AREAS WILL BE RE-VEGETATED AS OUTLINED ON FORM WW-9.
- MAINTAIN SEDIMENT BARRIERS AND DRAINAGE STRUCTURES.
- ALL ROAD GRADES <5% EXCEPT AS NOTED.
- LOCATION OF DRILL PIT MAY BE CHANGED BASED ON AS-BUILT CONSIDERATIONS.
- STACK BRUSH BELOW DISTURBED AREAS FOR SEDIMENTATION CONTROL.
- O DRAWING NOT TO SCALE.

07/24/2015

Page 1





GRIIFTHSVILLE WATERFLOOD

Lincoln County, W.Va.

RECLAMATION PLAN SHOWING ROAD SYSTEMS TO BE USED FOR 2015 **DRILLING PROGRAM** (SOUTH)

NOTES

- 1. REFER TO THE WVDEP EROSION AND SEDIMENTATION CONTROL MANUAL (VER. MAY 20, 2013) FOR BMP'S CONTROLLING EROSION AND SEDIMENTATION FROM ALL SOIL-DISTURBING OPERATIONS.
- 2. SEE PAGE ONE OF RECLAMATION PLAN FOR DETAILS OF NEW ROAD CONSTRUCTION AND ROAD UPGRADES FROM POINT (A) TO DRILL SITE LOCATION.
- 3. EXISTING WATERFLOOD ACCESS ROADS WILL BE MAINTAINED IN PRESENT CONDITION. THESE ROADS WERE CONSTRUCTED UNDER CONDITIONS SET FORTH IN VARIOUS DRILLING PERMITS ISSUED BY WVDEP-OOG PRIOR TO 2015 (AS SHOWN). SEE PERMITS ON FILE FOR MORE DETAIL

LEGEND

EXISTING WATERFLOOD ROADS TO BE USED.

OTHER EXISTING MAIN WATERFLOOD ROADS (POSSIBLE ACCESS).

EXISTING LEASE OR FARM ROADS TO BE UPGRADED.

NEW ROADS TO BE CONSTRUCTED.

LOCATION FOR PROPOSED WELLS

AG 216

POTENTIAL WATER SUPPLY SOURCE TO BE SAMPLED (LOC. APPROX.)

PAGE 2

MARCH 3, 2015

