

#### west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Earl Ray Tomblin, Governor Randy C. Huffman, Cabinet Secretary www.dep.wv.gov

September 16, 2015

#### WELL WORK PERMIT Vertical Well

This permit, API Well Number: 47-4303529, 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.

Operator's Well No: AUSTIN GRIFFITH 238

Farm Name: CREVER SAUL ESTATE

API Well Number: 47-4303529 Permit Type: Vertical Well Date Issued: 09/16/2015

Promoting a healthy environment.

### **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**

- 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.

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

						02	385
1) Well Operato	or: HG E	nergy,	LLC	494497948	Lincoln	Duvai	Griffithsville 7.5'
	-			Operator ID	County	District	Quadrangle
2) Operator's V	Vell Numb	er: Aus	tin Griffith 238		3) Elevation:	854'	_
4) Well Type: (a	a) Oil <u>x</u>	or Ga	ns				
(t	o) If Gas:	Produ	ction/ Und	derground Sto	rage		
		•	/ S		<del></del> *		
<ol><li>7) Approximate</li></ol>	fresh wat	ter strata	Berea Feet a depths: 234' : 1084'				
9) Approximate	coal sear	n depths	s: <u>284'</u>	···			<del></del>
10) Approximat	e void de	oths,(coa	al, Karst, other):	NA			<del></del>
11) Does land	contain co	al seam	s tributary to act	ive mine? N	Α	<del></del>	
			nd fracturing methor				
Dini ana omina	iate prou	uomon_v	7011 III 410 IIC				
					<u> </u>		
13)		<u>C</u> A	ASING AND TUI	BING PROGR	<u>AM</u>		
TYPE S	PECIFIC	ATIONS		FOOTAGE	INTERVALS	S CEME	<u> </u>
	<u>Size</u>	<u>Grade</u>	Weight per ft	For Drilling	Left in Well	Fill -up (C	<u>u. Ft.)</u>
Conductor							
Fresh Water	7"	LS	17#	384'	384'	Cement t	<i>1</i>
Coal						R	08/31/15
Intermediate							
Production	4 1/2"	J-55	10.5#	3021'	3021'	150	·
Tubing							Received <del>≥ of OiL8</del> Gas
Liners						ŀ	EP 1 0 2015
Packers: Kind	d:			·			<del>1/40/00</del> 4 E
Size Den	es: oths Set					· · · · · · · · · · · · · · · · · · ·	9/18/2015

WW-	2A
(Rev.	6-14)

1). Date: August 24, 2015

2.) Operator's Well Number

Austin Griffith 238

State County Permit

3.) API Well No .:

47-Lincoln

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

4) Surface Ov	vner(s) to be served:	5)	(a) Coal Op	erator		
(a) Name	Crever Saul Estate		Name	NA		
Address	2229 Chestnut Street		Address			
	Charleston, WV 25309					
(b) Name	Danny & Judy Saul	1	(b) Coal C	Owner(s) wi	th Declaration	on
Address	25 Pond Gap Fork	V	Name	NA		
	Yawkey, WV 25573		Address			
(c) Name	Jeremiah & Jessica Allen ✓		Name	-		
Address	15 Storm Lane		Address			
	Yawkey, WV 25573	=				
6) Inspector	Ralph Triplett		(c) Coal L	essee with	Declaration	
Address	5539 McClellan Highway	=1	Name	NA		
	Branchland, WV 25506	Ξ.	Address			
Telephone	304-389-0350					
	TO THE PERSONS NA	MED	ABOVE T	AKE NOTI	CE THAT:	
Included is t	he lease or leases or other continuing					ight to extract oil and gas
OR						
	he information required by Chapter 22					
	that as required under Chapter 22-6					
application, a loc	ation plat, and accompanying docume			ugh on	the above na	med parties by:
	Personal Service (Affidavit attac					
_	x Certified Mail (Postmarked post			ed)		
I bearing to	Publication (Notice of Publication				0 1	d and the second
	ead and understand Chapter 22-6 and	1 35	CSR 4, and	agree to	tne terms an	id conditions of any permit
issued under this	under penalty of law that I have pers	onal	ly avaminad	and am fan	alliar with the	information submitted on
	form and all attachments, and that be					
obtaining the info	ormation, I believe that the information	is tr	ue, accurate	and comple	ete.	integratery responsible to:
	are that there are significant penalties					the possibility of fine and
imprisonment.	OFFICIAL SEAL					
San	NOTARY PUBLIC Well Operator STATE OF WEST VIRGINIA					
图 经	S JIANNE DULANEY		ane White	Diar	e White	Received
		Ag		<b>B</b>	- 0	ffice of Oil & Gas
Mant it	Parkersburg West Virginia 26101 Address: y Commission Expires Oct. 4, 2016		60 Dupont			The second second
L	and the second second			WV 2610	1	SFP 1 0 2015
	Telephone:		4-420-111			
Cubassibad and	Email:			nerayllc.co		
Subscribed and s	sworn before me this 24th day of	1	August		2015	
0	Derne Dulong	`		No	tary Public	
My Commission						
Oil and Gas Privacy	Notice					
TI 0111 COIL	Land and the second second second	diam'r.	Address of the second		Section 14 No. of Co. X	and a very service and about

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 new 100 mps 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

Operator's Well Number	Austin	Griffith	238
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#### 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

\*\* See Attached Sheet \*\*\*

## 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

Received Office of Oil & Gas

SEP 1 0 2015

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

initiated.

Diane White

Well Operator:

By: Its:

HG Energy, LLC

Diane White, Agent

Form	WW-2A(1	)
(10/10	0)	

Operator's Well No.	Austin Griffith 238	
Operator's well No.	Ausun Ommu 230	

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

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- (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
Austin and Elizabeth Griffith	South Penn Oil Company	1/8	39/333

Merger and Conveyance dated July 3, 1963, from South Penn Oil Company to Penzoil Company, Kanawha County, Book 153, Page 35,

Assignment, Conveyance and Bill of Sale dated December 28, 1998, from Pennzoil Company to Pennz Energy Exploration and Production, Wetzel County, Book 12, Page 177.

Certificate of Merger filed with the WV Secretary of State, December 31, 1999, whereby Pennz Energy Exploration and Production, successor in interest to; to Penzoil Company, merged with Devon Energy Production Company, LP, Wetzel County, Book 12, Page 278.

Deed, Assignment and Bill of Sale dated June 1, 2000, from Devon Energy Production Company, LP to East Resources, Inc., recorded in Wetzel County, Book 370, Page 580.

Assignment, Conveyance and Bill of Sale, dated January 1, 2011, from East Resources, Inc., to HG Energy, LLC, Wetzel County, Book 118A, Page 253.

Upon information and belief, Operator's lease and/or other real property rights permit it to conduct drilling perations for the subject well in the location shown on the plat, including the use of access roads, pipelines and utilities.

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WV Division of Water and Waste Management WV Division of Natural Resources WV Division of Highways U.S. Army Corps of Engineers US Fish and Wildlife Service County Floodplain Coordinator Received
Office of Oil A Gas

SEP 1 0 2015

Well Operator: HG Energy, LLC 9/18/2015

By: Diane C. White Diane White Its: Accountant

WW-2B1	
(5-12)	

Well	No.	Austin	Griffith	238
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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.

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
Sampling Contractor
Sturm Environmental Labs

Well Operator Address HG Energy, LLC 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 Sheet -

Office of Oil & Gas

WW-2B1 Well No. Austin Griffith 238

Page 2 - Continued

#### West Virginia Department of Environmental Protection Office of Oil and Gas

#### NOTICE TO SURFACE OWNERS

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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:

- \* HG Energy, LLC 4908 Straight Fork Road Yawkey, WV 25573
- Mark & Jeanie Salmons
   20 Breezy Lane
   Yawkey, WV 25573
- \* Crystal & Arthur Mullins /
   4833 Straight Fork Road Yawkey, WV 25573
- \* Tony & Lydia Politino > 4821 Straight Fork Road Yawkey, WV 25573
- \* Thomas & Linda Settle / 4825 Straight Fork Road Yawkey, WV 25573

- \* Harold Farley 21 Breezy Lane Yawkey, WV 25573
- Yawkey Quick Mart / PO Box 176
   Griffithsville, WV 25521
- Leah Sowards /
   2229 Chestnut Street
   Charleston, WV 25309
- Kevin & Ronda Linville /
   4817 Straight Fork Road
   Yawkey, WV 25573

Erica Hall 
4272 Straight Fork Road
Yawkey, WV 25573

Office of Oil & Gas

Gas

	Page of
API Number 47 -	
Operator's Well No	Austin Griffith 238

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

#### FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name HG Energy, L	LC	OP Code 494497948	
Watershed (HUC 10)_Straight	Fork	Ouadrangle Griffithsville 7.5'	
Elevation 854'	County_Lincoln	District_Duval	
Do you anticipate using more th	nan 5,000 bbls of water to complete the	proposed well work? Yes	No_x
Will a pit be used for drill cutting	ngs? Yes X No No		
If so, please describe a	inticipated pit waste: Fluids encounted	ered while drilling subject well	
Will a synthetic liner b	be used in the pit? Yes _ x _ No _	If so, what ml.? 20 mil	
Proposed Disposal Me	thod For Treated Pit Wastes:		
Undo	Application erground Injection ( UIC Permit Numb e (at API Number		
when the second second second			Receive
Will closed loop system be used			Office of Oil 8
Drilling medium anticipated for	this well? Air, freshwater, oil based,	etc. Air, Fresh Water	SEP 1 0 20
-If oil based, what type	e? Synthetic, petroleum, etc. NA		
Additives to be used in drilling	medium? Water, soap, KCI		
Drill cuttings disposal method?	Leave in pit, landfill, removed offsite,	etc. Leave in pit	
-If left in pit and plan	o solidify what medium will be used?	(cement, lime, sawdust) Native soil, ce	ment, lime
	ne/permit number?		
on August 1, 2005, by the Offic provisions of the permit are en law or regulation can lead to en I certify under penalty application form and all attac obtaining the information, I be penalties for submitting false in	and and agree to the terms and conditions of Oil and Gas of the West Virginia I forceable by law. Violations of any to forcement action.  You of law that I have personally example the thereto and that, based on numbers thereto and that, based on numbers that the information is true, action formation, including the possibility of the Diane White	Department of Environmental Protection of the general permit ined and am familiar with the informacy inquiry of those individuals immodurate, and complete. I am aware the	on. I understand that the and/or other applicable ation submitted on this ediately responsible for
Company Official Signature			· · · · · · · · · · · · · · · · · · ·
Company Official (Typed Nam Company Official Title Agent Subscribed and sworn before m		NOTA STATE OF S. DIANI 5260 I	CIAL SEAL  RY PUBLIC  WEST VIRGINIA  NE DULANEY  Dupont Road  West Virginia 26101  1 Expires Oct. 4, 2016
Sala	Cabi oran	Notary Public	9/18/2015

Form WW-9		Operator	's Well No. Austin Griffith 2
Proposed Revegetation Treat	ment. Acres Disturbed		n pH
Lime3	Tons/acre or to correct	t to pH 6.5	
Fertilizer (10-20-20	or equivalent)50		
Mulch_Straw	2	_Tons/acre	
		Seed Mixtures	
Ar	ea I		Area Il
Seed Type	lbs/acre	Seed Type	lbs/acre
Tall Fescue	40	Tall Fescue	40
Ladino Clover	5	Ladino Clover	5
Plan Approved by: Rage	LD Triped	7	
Comments:			
			Received Office of Oil 8
-			
			SEP 1 0 2015
D :44 l.	A a . a / M b ]	Day Duguet 3	1 2015
Title: Distrect In		Date: <u>Cluqust 3</u>	1,000
Field Reviewed? (	Yes (	) No	

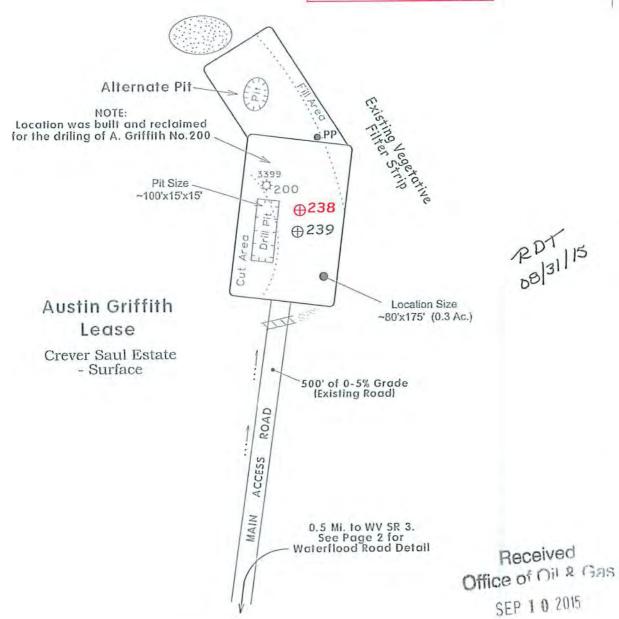
### Reclamation Plan For:

## Austin Griffith No. 238 Austin Griffith No. 239

#### NOTE

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

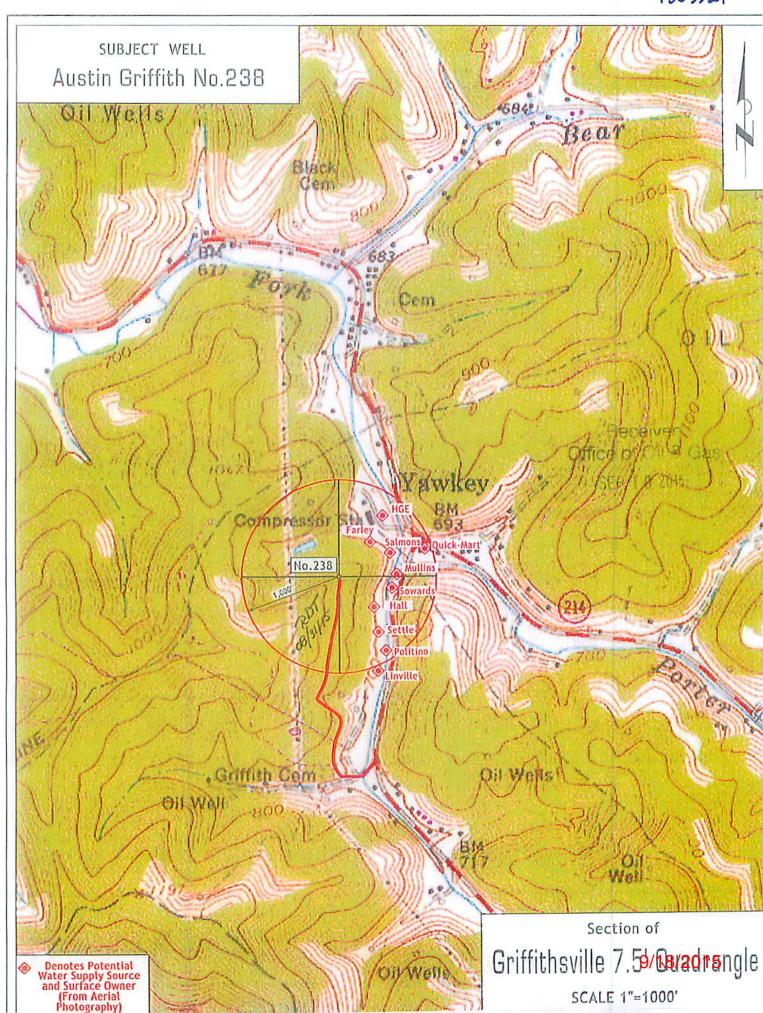


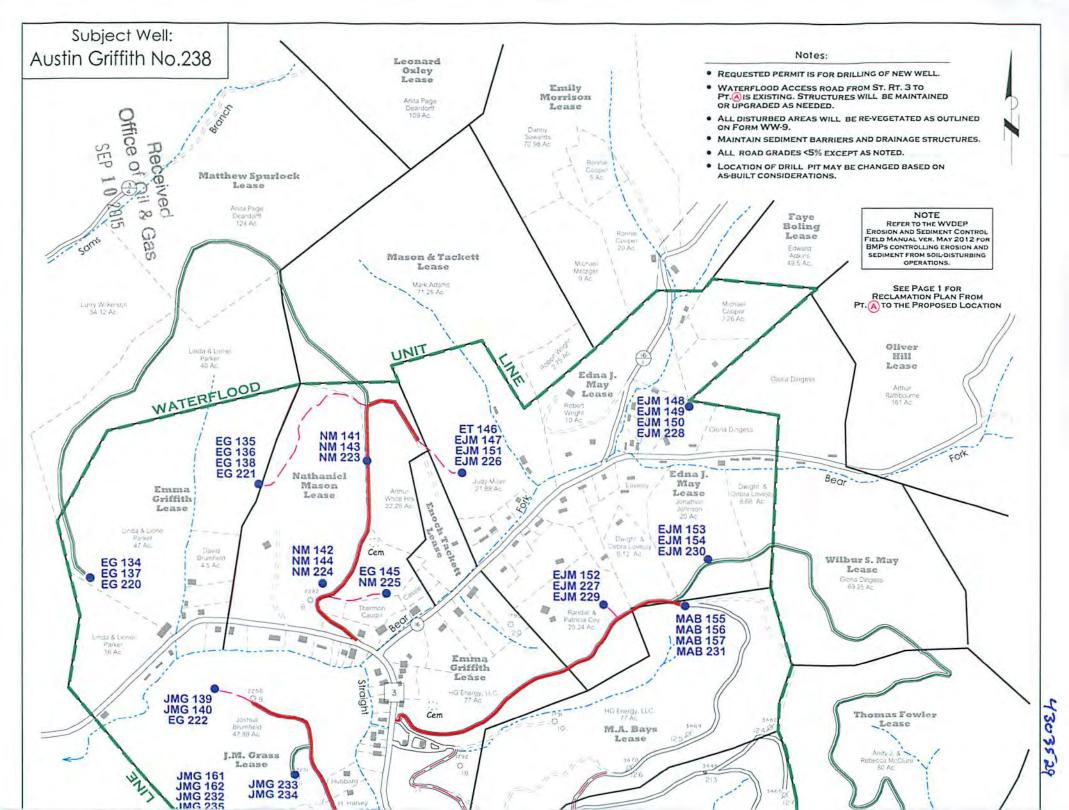


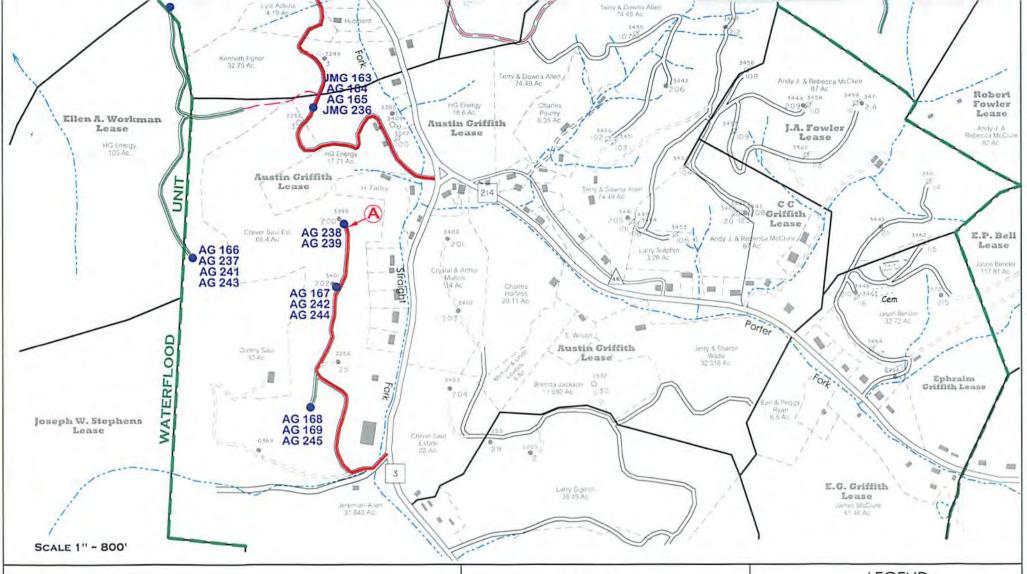
#### Notes:

- REQUESTED PERMIT IS FOR DRILLING OF NEW WELL.
- ACCESS ROADS ARE EXISTING AND WILL BE MAINTAINED TO WVDEP STANDARDS.
- 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.</li>
- LOCATION OF DRILL PIT MAY BE CHANGED BASED ON AS-BUILT CONSIDERATIONS.
- O DRAWING NOT TO SCALE.

9/18/2015









#### GRIIFTHSVILLE WATERFLOOD

Lincoln County, W.Va.

RECLAMATION PLAN SHOWING ROAD SYSTEMS TO BE USED FOR 2015-16 **DRILLING PROGRAM** (NORTH)

#### PAGE 2

#### 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.

AG 216

LOCATION FOR PROPOSED WELLS

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

AUGUST 19, 2015

