August 27, 2013

WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-5100123, issued to MCELROY COAL COMPANY, 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.

Upon completion of the plugging well work, the above named operator will reclaim the site according to the provisions of WV Code 22-6-30. The above named operator will also file, as required in WV Code 22-6-23, an affidavit on form WR-38 by two experienced persons in the operator's employment and the Oil and Gas inspector that the work authorized under this permit was performed and a description given. Failure to abide by all statutory and regulatory provisions governing all duties and operations here under may result in suspensions or revocation of this permit and in addition may result in civil and/or criminal penalties being imposed upon the operator.

This permit will expire in two (2) years from date of issue. If there are any questions, please free to contact me at (304) 926-0499 ext. 1654.

James Martin
Chief

Operator's Well No: M-1543
Farm Name: GORBY, RILEY & MAUD
API Well Number: 47-5100123
Permit Type: Plugging
Date Issued: 08/27/2013

Promoting a healthy environment.
STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS

APPLICATION FOR A PERMIT TO PLUG AND ABANDON

4) Well Type: Oil ____/ Gas ____/ Liquid injection ____/ Waste disposal ____/
   (If "Gas, Production ____ or Underground storage ____) Deep ____/ Shallow X

5) Location: Elevation 1331.08'
   District Cameron

Watershed Unnamed Tributary to Grave Creek
County Marshall 51 Quadrangle Cameron, WV 7.5'

6) Well Operator McElroy Coal Company
   Address 6126 Energy Drive
   Moundsville, WV 26041

7) Designated Agent Adrienne Carney
   Address 6126 Energy Drive
   Moundsville, WV 26041

8) Oil and Gas Inspector to be notified
   Name Bill Hendershot
   Address 403 James Street
   Mannington, WV 26582

9) Plugging Contractor
   Name ____________________________
   Address ____________________________

10) Work Order: The work order for the manner of plugging this well is as follows:

Received

Notices by the district oil and gas inspector 24 hours before permitted work can commence.

Work order approved by inspector ____________________________ Date ____________________________
EXHIBIT NO. 1

From the experience and technology developed since 1970 in plugging oil and gas wells for mining through, Consolidation Coal's Northern West Virginia Operations will utilize one of the following two methods to plug all future wells.

4½ VENT PIPE METHOD

(a) If active well: clean out to total depth and plug back according to state regulations to a minimum of 200 feet below lowest minable coal seam.

(b) If abandoned well: clean out to first plug 200 feet below lowest minable seam.

(c) Run 4½ casing from surface to minimum 200 feet below lowest minable seam and circulate 50/50 poz mix cement followed by expanding cement to surface. The expanding cement shall extend from minimum 200 feet below minable coal seam to a point 100 feet above.

The 4½ will remain open from surface to a minimum of 80 feet below that minable coal seam.

SOLID Plug METHOD

(a) If active well: clean out to total depth and plug back according to state regulations to a minimum of 200 feet below lowest minable coal seam.

(b) If an abandoned well: clean out to first plug 200 feet below lowest minable coal seam.

(c) Circulate through tubing or drill steel an expanding cement plug from a minimum of 200 feet below minable coal seam to a point 100 feet above minable coal.

Circulate through tubing or drill steel 50/50 poz mix from 100 feet above coal seam to surface.

A monument will be installed with API No. and stating "solid plug".

Received
JUL 17 2013

Office of Oil and Gas
WV Dept. of Environmental Protection
STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE OF APPLICATION TO PLUG AND ABANDON A WELL

4) Surface Owner(s) to be served:  (a) Name: Riley & Maud Gorby  
Address: 40 Dexter Avenue  
Moundsville, WV 26041

(b) Name:  
Address:  

(c) Name:  
Address:  

5) Coal Operator  
(a) Name: McElroy Coal Company  
Address: 6126 Energy Drive  
Moundsville, WV 26041

(b) Coal Owner(s) with Declaration  
Name:  
Address:  

(c) Coal Lessee with Declaration  
Name:  
Address:  

6) Inspector  
Name:  
Address:  
Telephone:  

TO THE PERSONS NAMED ABOVE: You should have received this Form and the following documents:

(1) The application to Plug and Abandon a Well on Form WW-4B, which sets out the parties involved in the work and describes the well its and the plugging work order; and
(2) The plat (surveyor's map) showing the well location on Form WW-6.

The reason you received these documents is that you have rights regarding the application which are summarized in the instructions on the reverse side. However, you are not required to take any action at all.

Take notice that under Chapter 22-6 of the West Virginia Code, the undersigned well operator proposes to file or has filed this Notice and Application and accompanying documents for a permit to plug and abandon a well with the Chief of the Office of Oil and Gas, West Virginia Department of Environmental Protection, with respect to the well at the location described on the attached Application and depicted on the attached Form WW-6. Copies of this Notice, the Application, and the plat have been mailed by registered or certified mail or delivered by hand to the person(s) named above (or by publication in certain circumstances) on or before the day of mailing or delivery to the Chief.

Well Operator: McElroy Coal Company  
By: Adrienne Carney  
Its: Project Engineer / Agent  
Address: 6126 Energy Drive  
Moundsville, WV 26041  
Telephone: 304-843-3565

Received

Subscribed and sworn before me this 1st day of July, 2013

My Commission Expires Aug 5, 2023

Oil and Gas Privacy Notice

The Office of Oil and Gas processes your personal information, such as name, address and phone number, as a part of its 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.
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: McElroy Coal Company

Watershed: Unnamed Tributary to Grave Creek

Elevation: 1331.08'

County: Marshall

Description of anticipated Pit Waste: N/A

Will a synthetic liner be used in the pit? N/A

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)
- X Other (Explain See Attached Letter

Proposed Work For Which Pit Will Be Used:
- Drilling
- Workover
- X Swabbing
- X Plugging

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on August 1, 2005, by the Office of Oil and Gas of the West Virginia Department of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

Company Official Signature: Adrienne Carney

Company Official (Typed Name): Senior Project Engineer

Subscribed and sworn before me this 1st day of July, 2013

Notary Public

My commission expires July 5, 2022
Proposed Revegetation Treatment: Acres Disturbed ___________________________ Prevegetation pH ____________________

Lime ___________________ Tons/acre or to correct to pH __________________________

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

Mulch ___________________ Tons/acre

Seed Mixtures

<table>
<thead>
<tr>
<th>Seed Type</th>
<th>Area I</th>
<th>lbs/acre</th>
<th>Seed Type</th>
<th>Area II</th>
<th>lbs/acre</th>
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</thead>
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Attach:
Drawing(s) of road, location, pit and proposed area for land application.

Photocopied section of involved 7.5' topographic sheet.

Plan Approved by: ____________________

Comments: ____________________

Title: ____________________ Date: ____________________

Field Reviewed? (_____ ) Yes (_____ ) No

Office of Oil and Gas
WV Dept. of Environmental Protection

Received

JUL 17 2013
FILE #: M-1543
DRAWING #: M-1543
SCALE: 1" = 300'
MINIMUM DEGREE OF ACCURACY: 1 / 2500
PROVEN SOURCE OF ELEVATION: U.S. G.S. MONUMENT "THOMAS 1498.81"
R.P.E.: P.R.
L.L.S.: P.S. No. 2000

THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION.

Signed:

PLACE SEAL HERE

DATE: JULY 1, 2013
OPERATOR'S WELL #: M-1543
API WELL #: 47 51 00123
STATE COUNTY PERMIT

WATERSHED: UNNAMED TRIBUTARY TO GRAVE CREEK ELEVATION: 1331.08'
COUNTY/DISTRICT: MARSHALL/ CAMERON CORPORATION QUADRANGLE: CAMERON, WV PA 7.5'
SURFACE OWNER: RILEY & MAUD GORBY ACREAGE: 18.4±

OIL & GAS ROYALTY OWNER:

ACREAGE:

DRILL □ CONVERT □ DRILL DEEPER □ REDRILL □ FRACTURE OR STIMULATE □
PLUG OFF OLD FORMATION □ PERFORATE NEW FORMATION □ PLUG & ABANDON □
CLEAN OUT & REPLUG □ OTHER CHANGE □ (SPECIFY):

TARGET FORMATION: NONE
ESTIMATED DEPTH:

WELL OPERATOR: McFARLAND COAL COMPANY DESIGNATED AGENT: ADRIENNE CARNEY
Address: 8126 ENERGY DRIVE Address: 8126 ENERGY DRIVE
OP-77 (05-01)

State of West Virginia
Department of Environmental Protection
Charleston, WV 25301

This is to acknowledge that the well: API no. 47-051-00123

<table>
<thead>
<tr>
<th>District</th>
<th>Cameron</th>
</tr>
</thead>
<tbody>
<tr>
<td>Well No</td>
<td>M-1543</td>
</tr>
<tr>
<td>Farm name</td>
<td>E. McConaughy #2 – Riley Gorby property</td>
</tr>
</tbody>
</table>

Is hereby transferred from:

<table>
<thead>
<tr>
<th>The transferor</th>
<th>Company: Leatherwood, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Code #</td>
<td>494476721</td>
</tr>
<tr>
<td>Address:</td>
<td>CNX Center 1000 Consol Energy Drive, Canonsburg, PA 15317-6506</td>
</tr>
</tbody>
</table>

To:

<table>
<thead>
<tr>
<th>The transferee</th>
<th>Company: McElroy Coal Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Code #</td>
<td>10950</td>
</tr>
<tr>
<td>Address:</td>
<td>CNX Center 1000 Consol Energy Drive, Canonsburg, PA 15317-6506</td>
</tr>
</tbody>
</table>

Transfer approval and responsibility for any noncompliance matter not resolved in this document will be addressed in the thirty day circular that will be issued after review of your application for transfer, or as otherwise set forth by agreement with the Chief.

If this well has been out of production for the period in excess of 12 months, the transferee agrees to bring the well into compliance by producing or plugging within 120 days of approval of the application. _X_ Yes  No

The transferee has registered and designated an agent on form OP-1, which is on file with the Office of Oil and Gas. The agent is:

<table>
<thead>
<tr>
<th>Designated agent (name)</th>
<th>Adrienne Carney – Sr. Project Engineer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>6126 Energy Road Moundsville, WV 26041</td>
</tr>
</tbody>
</table>

The transferee has bonded the said well by (check one):

- Securities
- Cash
- Surety bond _X_
- Letter of credit

Identified by:

<table>
<thead>
<tr>
<th>Amount:</th>
<th>$50,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuing authority:</td>
<td>Safeco Insurance Company of America</td>
</tr>
<tr>
<td>Effective date:</td>
<td>May 29, 2008</td>
</tr>
<tr>
<td>Id. No:</td>
<td>6542648</td>
</tr>
</tbody>
</table>

Transferor: _Leatherwood, Inc._

By: [Signature]

Its: Vice President

Taken, subscribed and sworn before me this 23rd day of July 2013

Notary Public: [Signature]

My Commission Expires: 

Transferree: _McElroy Coal Company_

By: Adrienne Carney

Its: Sr. Project Engineer

Taken, subscribed and sworn before me this 22nd day of July 19-2013

Notary Public: [Signature]

My Commission Expires: 

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal
Jane M. Young, Notary Public
My Commission Expires June 20, 2017

OFFICIAL SEAL
STATE OF WEST VIRGINIA
Notary Public
DENISE B. ZOMBOTTI
My Commission Expires August 8, 2021

Received

Office of Oil and Gas
WV Dept. of Environmental Protection

JUL 26 2013