WELL OPERATOR'S REPORT
OF
DRILLING, FRACTURING AND/OR STIMULATING, OR PHYSICAL CHANGE

WELL TYPE: Oil / Gas / Liquid Injection / Waste Disposal /
(If "Gas," Production / Underground Storage / Deep / Shallow /)

LOCATION: Elevation: 886' Watershed West Virginia Fork of Fish Creek
District: Liberty County Marshall Quadrangle Littleton 7.5'

Casing & Tubing Used in Left in Well Cement fill up Gr. ft.

<table>
<thead>
<tr>
<th>Size</th>
<th>Drill</th>
<th>Well</th>
<th>13-10&quot;</th>
<th>9 5/8</th>
<th>8 5/8</th>
<th>Existing Well 18 bbl</th>
<th>5 1/2</th>
<th>4 1/2</th>
<th>2862'</th>
<th>185 skt.</th>
</tr>
</thead>
</table>

GEOLOGICAL TARGET FORMATION: Gordon

Depth of completed well: 2860 feet
Rotary / Cable Tools

Water strata: Fresh 35' 830 feet; Salt 0 feet

Coal seam depths: 435'

Is coal being mined in the area? No

OPEN FLOW DATA

Producing formation: Gordon and Big Injun
Pay zone depth: 2860 feet

Gas: Initial open flow 12 Nm³/d Oil: Initial open flow 25 bbl/d
Final open flow 12 Nm³/d Final open flow 25 bbl/d

Time of open flow between initial and final tests 9 hours
Static rock pressure 300 psig (surface measurement) after 24 hours shut in

Second producing formation
Pay zone depth: feet

Gas: Initial open flow 12 Nm³/d Oil: Initial open flow 25 bbl/d
Final open flow 12 Nm³/d Oil: Final open flow 25 bbl/d

Time of open flow between initial and final tests 9 hours
Static rock pressure 300 psig (surface measurement) after 24 hours shut in

(Continue on next page)
 DETAILS OF PERFORATED INTERVALS, FRACTURING OR STIMULUS

1st Stage 2845'-2779'
2nd Stage 2081'-2139'
3rd Stage 2015'-2020'

Fraced with 120 Tons O²
1500 Gal. of Acid
Flushed O² with 140,000 SCF Nitrogen

WELL LOG

<table>
<thead>
<tr>
<th>FORMATION</th>
<th>COLOR</th>
<th>HARD OR SOFT</th>
<th>TOP FEET</th>
<th>BOTTOM FEET</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>well</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drilled</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1920's</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Including indication of all fresh and salt water, coal, oil and gas

RECEIVED
JAN 02 1987
DIVISION OF OIL & GAS
DEPARTMENT OF ENERGY

(Attach separate sheets as necessary)

Combined Energy Management, Inc.

Well Operator

By: [Signature]

Date: 10-23-86

Note: Regulation 2.02(i) provides as follows:
"The term 'log' or 'well log' shall mean a systematic, detailed geological record of all formations, including"
STATE OF WEST VIRGINIA
DEPARTMENT OF ENERGY, OIL AND GAS DIVISION
APPLICATION FOR A WELL WORK PERMIT

1) Date: October 8, 1986
2) Operator's Well No.: Litman No. 1
3) API Well No.: 47-051-0716-F

4) WELL TYPE: A Oil / Gas X
   B (If "Gas", Production Underground storage / Deep / Shallow X)

5) LOCATION: Elevation: 886' Watershed: West Virginia Fork of Fish Creek
   District: Liberty Quadrangle: Littleton 7.5'
   County: Marshall

6) WELL OPERATOR: Combined Energy Code: 7) DESIGNATED AGENT: Robert E. Fox
   Address: P.O. Box 129 Mtg., Inc.
   Glenville, WV 26351

8) OIL & GAS INSPECTOR TO BE NOTIFIED:
   Name: Mike Underwood
   Address: Rte. 2, Box 135
   Salem, WV 26426

9) DRILLING CONTRACTOR:
   Name
   Address

10) PROPOSED WELL WORK:
    Drill / Drill deeper / Redrill / Stimulate X
    Plug off old formation / Perforate new formation / Other physical change in well (specify) Run 4½" Pipe, Perf. & Frac.

11) GEOLOGICAL TARGET FORMATION, Gordon
    Estimated depth of completed well, 2860 feet
    Approximate strata depths: Fresh, 35' & 300' feet; salt, feet;
    Approximate coal seam depths: 935' Is coal being mined in the area? Yes / No X

15) CASING AND TUBING PROGRAM

<table>
<thead>
<tr>
<th>CASING OR TUBING TYPE</th>
<th>SPECIFICATIONS</th>
<th>FOOTAGE INTERVALS</th>
<th>CEMENT FILL-UP OR SACKS (Cable feet)</th>
<th>PACKERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conductor</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fresh water</td>
<td>7   / Grade / Weight per ft. / New / Used</td>
<td>1863' EXISTING PROBABLY ON WELL</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coal</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intermediate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Production</td>
<td>4½ / API 10.5</td>
<td>2860' 150 sacks or as per Rule 15.01</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tubing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liner</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

OFFICE USE ONLY

DRILLING PERMIT

Permit number: 47-051-0716-F
Date: October 14, 1986

This permit covering the well operator and well location shown below is evidence of permission granted to drill in accordance with the pertinent legal requirements subject to the conditions contained herein and on the reverse hereof. Notification must be given to the District Oil and Gas Inspector. (Refer to No. 8) Prior to the construction of roads, locations, and pits for any permitted work. In addition, the well operator or his contractor shall notify the proper district oil and gas inspector 24 hours before actual permitted work has commenced.

The permitted work is as described in the Notice and Application, plat, and reclamation plan, subject to any modifications and conditions specified on the reverse hereof.

Permit expires: October 14, 1988 unless well work is commenced prior to that date and prosecuted with due diligence.

Bond:
Agent: KA
Plat: Casing Fee 1601
WPCP: 47-051-0716-F
Other

NOTE: Keep one copy of this permit posted at the drilling location.

Director, Division of Oil and Gas

See the reverse side of the APPLICANT'S COPY for instructions to the well operator.