April 17, 2015

WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-5100941, issued to CONSOLIDATION 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 feel free to contact me at (304) 926-0499 ext. 1654.

James Martin
Chief

Operator's Well No: M-254
Farm Name: DOBBS, ADA, ETAL
API Well Number: 47-5100941
Permit Type: Plugging
Date Issued: 04/17/2015

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

1. All pits must be lined with a minimum of 20 mil thickness synthetic liner.

2. 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.

3. Well work activities shall not constitute a hazard to the safety of persons.

4. This well is under a consent order and must be plugged under the terms of that agreement.
STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL & GAS
APPLICATION FOR A PERMIT TO PLUG & ABANDON


5.) LOCATION: Elevation: 1092.92’ Watershed: Fish Creek
District: Liberty County: Marshall Quadrangle: Glen Easton, WV 7.5’

6.) WELL OPERATOR: Consolidation Coal Company
Address: 6126 Energy Road Moundsville, WV 26041

7.) DESIGNATED AGENT: Ronnie Harsh
Address: 1 Bridge Street Monongah, WV 26554

8.) OIL & GAS INSPECTOR TO BE NOTIFIED
Name: James Nicholson
Address: PO BOX 44 Moundsville, WV 26041

9.) PLUGGING CONTRACTOR
Name: ________________________
Address: ________________________

10.) WORK ORDER: The work order for the manner of plugging this well is as follows:

SEE EXHIBIT NO. 1

RECEIVED
Office of Oil and Gas
MAR 02 2015
WV Department of Environmental Protection

Notification must be given to the district oil and gas inspector 24 hours before permitted work can commence.

Work order approved by inspector ________________________ Date ________________________
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 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".
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 ADA C Dobbs ET AL.
Address RD 5 BOX 585
Cameron, WV 26033

(b) Name
Address
(c) Name
Address

5) a) COAL OPERATOR
Name CONSOLIDATION COAL CO.
Address 6126 Energy Road
Moundsville, WV 26041

(b) COAL OWNER(S) WITH DECLARATION:
Name
Address

(c) COAL LESSEE WITH DECLARATION:
Name
Address

TO THE PERSON(S) 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 and its location 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 OF THE COPY OF THE APPLICATION (FORM WW-4B) DESIGNATED FOR YOU. HOWEVER, YOU ARE NOT REQUIRED TO TAKE ANY ACTION AT ALL.

Take notice 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 delivery by hand to the person(s) named above (or by publication in certain circumstances) on or before the day of mailing or delivery by the Chief.

WELL OPERATOR Consolidation Coal Company
By Ronnie Harsh
Its Project Engineer / Agent
Address 1 Bridge Street
Monongah WV 26554
Telephone (304) 534-4748
RECEIVED Office of Oil and Gas MAR 2 2015

Subscribed and sworn before me this 25 day of February 2015.

Christina K. Warfield
County, State of West Virginia
My commission expires June 10, 2024

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 our 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

04/17/2015
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**Sent To:**
ADA - Dobbs El AL

**Address:**
Room 5 Box 585

**City, State, Zip:**
Cameron, WV 26033

**PS Form 3800, August 2006**
See Reverse for Instructions.
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: Consolidation Coal Company  OP Code: _______________

Watershed: Fish Creek  Quadrangle: Glen Easton, 7.5'

Elevation: 1092.92'  County: Marshall  District: Liberty

Description of anticipated Pit Waste: N/A

Do you anticipate using more than 5,000 bbls of water to complete the proposed well work? Yes ______ No X____

Will a synthetic liner be used in the pit? N/A ____________  If so, what mil.? ____________

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)  Tanks, see attached letter

Drilling medium anticipated for this well? Air, freshwater, oil based, etc. Freshwater

If oil based, what type? Synthetic, petroleum, etc.? ______________

Additives to be used? Bentonite, Bicarbonate of Soda

Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. Reused or Disposed (see attached letter)

- If left in pit and plan to solidify what medium will be used? Cement, lime, sawdust ______________
- Landfill or offsite name/permit number? ______________

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: ____________________________

Company Official (Typed Name): Mason Smith

Company Official Title: Project Engineer

Subscribed and sworn before me this __________ day of __________, 20__

Notary Public

My commission expires ________________
February 25, 2015

Department of Environmental Protection
Office of Oil and Gas
601-57th Street
Charleston, WV 25320

To Whom It May Concern,

As per the Division of Environmental Protection, Office of Oil and Gas request, Consolidation Coal Company submits the following procedures utilizing pit waste.

Upon submitting a well work application (without a general permit for Oil & Gas Pit Waste Discharge Application), Consolidation Coal Company will construct no pits, but instead will use mud tanks to contain all drilling muds.

Once the well is completed, that material (minus the cave material) will be trucked to the next well to be plugged or to DEP facilities number U-0033-83, O-1001-00, U-1035-91U-46-84, U-78-83, O-1044-9, or U-100-83.

Sincerely,

Mason Smith
Project Engineer
Well located on topo map 6.184 feet south of Latitude: 39° 47’ 30’’.

Consolidation Coal Company

Robert L. Hall

A.D. Dobbs et al

Thomas M. Andrich Jr.

Est et UX

Paul & Susan Aston

Steven D. & Monica M. Masters

Debra Jean Williams

File #: M-254

Drawing #: M-254

Scale: 1” = 500’

Minimum Degree of Accuracy: 1/2500

Proven Source of Elevation: U.S.G.S. Monument Thomas 1498.81’

Well Type: Oil Gas Liquid Injection Storage Shallow

Watershed: Fish Creek

County/District: Marshall / Liberty

Quadrangle: Glen Easton, WV 7.5’

Surface Owner: Ada C. Dobbs et al

Oil & Gas Royalty Owner:

Acreage: 43.86

Drill Drill Deeper Redrill Fracture or Stimulate

Plug Off Old Formation Perforate New Formation Plug & Abandon

Clean Out & Replugs Other Change

Target Formation:  

Well Operator: Consolidation Coal Co., Ohio Valley Operations

Designated Agent: Ronnie Harsh

Address: 6126 Energy Drive

City: Moundsville State: WV Zip Code: 26041

Date: February 24, 2015

Operator’s Well #: M-254

API Well #: 47 51 09412

State County Permit

Place Seal Here

George S. Smith, Licensee No. 2000

State of West Virginia

Geological Survey Professional Surveyor

04/17/2015
Well is located on topo map 6.184 feet south of Latitude: 39° 47' 30" W

WELL LOCATION

UTM 17’ - NAD83
N 4402807.28 E 292837.88
NAD83, NORTH
N 458033.84
E 1643513.19
LAT/D.O. DATUM=WGS84
LAT 39°47'28.856"
LON 87°43'28.856"

THOMAS M. ANDRICH JR.
EST ET UX

CONsolidation Coal Company

ROBERT L. HALL

WELL M-254

N 87°43'05" E 1707.36

STEVEN D. &
Monica M. Masters

DEBRA JEAN WILLIAMS

PauL &
SUSAN ASTON

Ada C. Dobbs et al
TM/par 7-9-4
DB/PG 0473/0559
43.86 AC ±

FILE #: M-254
DRAWING #: M-254
SCALE: 1" = 500'
MINIMUM DEGREE
OF ACCURACY: 1/2500
PROVEN SOURCE
OF ELEVATION: U.S.G.S. MONUMENT THOMAS 1498.81'


DATE: FEBRUARY 24, 2015
OPERATOR’S WELL #: M-254
API WELL #: 47 2015105841
STATE COUNTY PERMIT
MARCH 2015

OIL & GAS ROYALTY OWNER:

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

WATERFORD: FISH CREEK
COUNTY/DISTRICT: MARSHALL / LIBERTY
SURFACE OWNER: ADA C. DOBBS ET AL

WELL OPERATOR CONSOLIDATION COAL CO., OHIO VALLEY OPERATIONS
DESIGNATED AGENT RONNIE HARSH
Address 6126 ENERGY DRIVE
City MOUNDSVILLE State WV Zip Code 26041

OIL & GAS ROYALTY OWNER:

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

WATERFORD: FISH CREEK
COUNTY/DISTRICT: MARSHALL / LIBERTY
SURFACE OWNER: ADA C. DOBBS ET AL

WELL OPERATOR CONSOLIDATION COAL CO., OHIO VALLEY OPERATIONS
DESIGNATED AGENT RONNIE HARSH
Address 6126 ENERGY DRIVE
City MOUNDSVILLE State WV Zip Code 26041

NOTE: It is not the purpose or intention of this plat to represent surveyed levels of the surface or mineral parcels depicted herein. The location of the boundary lines, as shown, are based on recorded deed descriptions, held evidence found herein or tax map position, unless otherwise noted.

BLUE MOUNTAIN INC.
10125 MASON DRAXN HIGHWAY
P.O. BOX 5626
1000941P

STATE OF WEST VIRGINIA
LICENSED
GEORGE & SIX
PROFESSIONAL SURVOR
No. 2000

RECEIVED
Office of Oil and Gas

04/17/2015