



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

August 07, 2013

WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-5101445, 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-1593
Farm Name: HAMMERS, JACK R. & PAUL F.
API Well Number: 47-5101445
Permit Type: Plugging
Date Issued: 08/07/2013

1) Date July 1, 2013
2) Operator's
Well No. M-1593
3) API Well No. 47-51 - 01445

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 1200.60' Watershed Unnamed Tributary to Grave Creek
District Cameron County Marshall Quadrangle Cameron, WV 7.5'

6) Well Operator McElroy Coal Company 7) Designated Agent Adrienne Carney
Address 6126 Energy Drive Address 6126 Energy Drive
Moundsville, WV 26041 Moundsville, WV 26041

8) Oil and Gas Inspector to be notified 9) Plugging Contractor
Name Bill Hendershot Name _____
Address 403 James Street Address _____
Mannington, WV 26582

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

Received

JUL 17 2013

Office of Oil and Gas
WV Dept. 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 _____

08/09/2013

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".

A4/ENGR/EXHIBIT1.REO

Received

2013

West Virginia Department of Oil and Gas
Environmental Protection

08/09/2013

1) Date: July 1, 2013
2) Operator's Well Number M-1593
3) API Well No.: 47 - 51 - 01445

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: | 5) (a) Coal Operator |
| (a) Name <u>Jack R. Hammers</u> | Name <u>McElroy Coal Company</u> |
| Address <u>165 Oakmont Road</u> | Address <u>6126 Energy Drive</u> |
| <u>Wheeling, WV 26003</u> | <u>Moundsville, WV 26041</u> |
| (b) Name <u>Paul F. Hammers</u> | (b) Coal Owner(s) with Declaration |
| Address <u>#3 Squire Valley</u> | Name _____ |
| <u>Barboursville, WV 25504</u> | Address _____ |
| (c) Name _____ | Name _____ |
| Address _____ | Address _____ |
| 6) Inspector _____ | (c) Coal Lessee with Declaration |
| Address _____ | Name _____ |
| Telephone _____ | Address _____ |

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 reverses 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: sl. 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

JUL 17 2013

My Commission Expires Aug 5, 2022

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.



08/09/2013

SURFACE OWNER WAIVER

5101445P

Operator's Well
Number

M-1593

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW4-A

The well operator named on page WW-4A is applying for a permit from the State to plug and abandon a well. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

**NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.
WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:**

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, WV 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have **FIVE (5) DAYS** after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation..."

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application For A Permit To Plug And Abandon on Forms WW-4A and WW-4B, and a survey plat.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON
ETC.

FOR EXECUTION BY A CORPORATION,
ETC.

Received

| | | | |
|-----------|------------|------------|---|
| _____ | Date _____ | Name _____ | _____ |
| Signature | | By | JUL 17 2013 |
| | | Its | _____ |
| | | | Date _____ |
| | | Signature | Office of Oil and Gas WV Dept. of Environmental Protection |
| | | | 08/09/2013 |

API No. 47-51-01445 510245A
Farm Name Hammers
Well No. M-1593

**INSTRUCTIONS TO COAL OPERATORS
OWNERS AND LESSEE**

The well operator named on the obverse side of WW-4 (B) is about to abandon the well described in the enclosed materials and will commence the work of plugging and abandoning said well on the date the inspector is notified. Which date shall not be less than five days after the day on which this notice and application so mailed is received, or in due course should be received by the Department of Environmental Protection Office of Oil & Gas.

This notice and application is given to you in order that your respective representatives may be present at the plugging and filling of said well. You are further notified that whether you are represented or not the operator will proceed to plug and fill said well in the manner required by Section 24, Article 6, Chapter 22 of the Code and given in detail on obverse side of this application.

NOTE: If you wish this well to be plugged according to 22-6-24(d) then as per Regulation 35CSR4-13.9 you must complete and return to this office on form OB-16 "Request by Coal Operator, Owner, or Lessee for plugging" prior to the issuance of this plugging permit.

WAIVER

The undersigned coal operator _____ / owner _____ / lessee _____ / of the coal under this well location has examined this proposed plugging work order. The undersigned has no objection to the work proposed to be done at this location, provided, the well operator has complied with all applicable requirements of the West Virginia Code and the governing regulations.

Date: _____

By: _____

Its _____

Received

JUL 17 2013

Office of Oil and Gas
WV Dept. of Environmental Protection

08/09/2013

5101445P

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 OP Code _____

Watershed Unnamed Tributary to Grave Creek Quadrangle Cameron, WV 7.5' *278*

Elevation 1200.60' County Marshall *51* District Cameron *01*

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)
- Other (Explain See Attached Letter)

Proposed Work For Which Pit Will Be Used:

- Drilling
- Workover
- Other (Explain _____)
- Swabbing
- 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) Adrienne Carney

Company Official Title Senior Project Engineer

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

Wanda J. [Signature]

Notary Public **JUL 17 2013**



My commission expires Aug 5, 2012

08/09/2013

LEGEND

- Property Boundary
- Road
- Existing Fence
- Planned Fence
- Stream
- Open Ditch
- Rock
- North
- Buildings
- Water wells
- Drill site

- Diversion
- Spring
- Wet Spot
- Drain Pipe with size in inches
- Waterway
- Cross Drain
- Artificial Filter Strip
- Pit: cut walls
- Pit: compacted fill walls
- Area for Land Application of Pit Waste

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

| Seed Type | Area I | | Seed Type | Area II | |
|-----------|--------|----------|-----------|---------|----------|
| | | lbs/acre | | | lbs/acre |
| _____ | | | _____ | | |
| _____ | | | _____ | | |
| _____ | | | _____ | | |

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: _____

7/2013

Title: _____ Date: _____

Field Reviewed? () Yes () No

Department of Oil and Gas
Environmental Protection



McElroy Coal Company
6126 Energy Drive
Moundsville, West Virginia 26041

phone: 724/485-3192
phone: 304/843-3565
fax: 304/843-3511

July 1, 2013

Department of Environmental Protection
Office of Oil & Gas
601-57TH Street
Charleston, West Virginia 25304

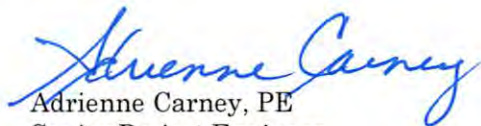
To Whom It May Concern:

As per the Division of Environmental Protection, Office of Oil & Gas request, McElroy Coal Company, Ohio Valley Operations, submits the following procedures utilizing pit waste.

Upon submitting a well work application (without a general permit for Oil & Gas Pit Waste Discharge Application), McElroy Coal Company, Ohio Valley Operations, 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-1023-92, O-1001-00, or U-1025-91.

Sincerely,

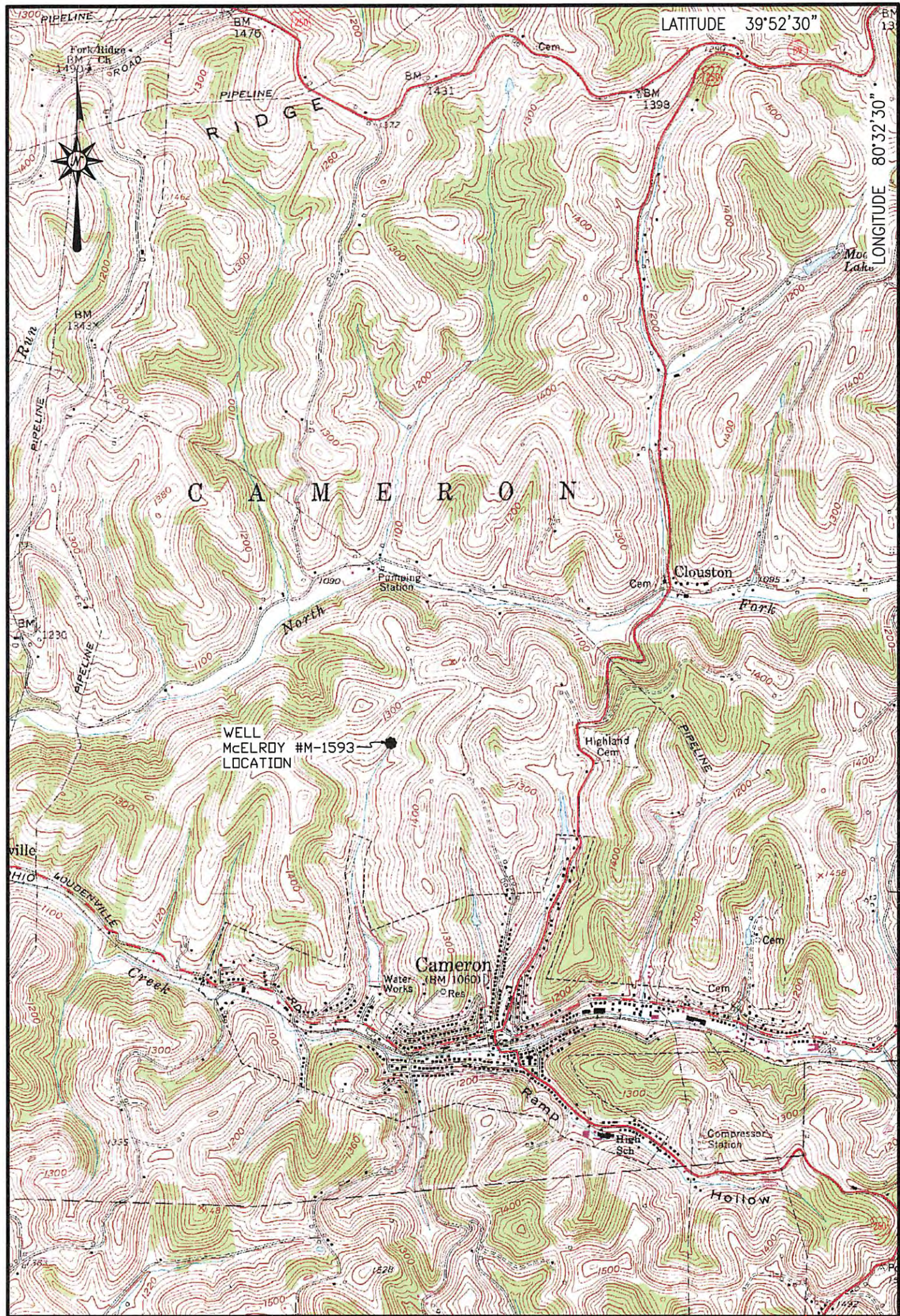

Adrienne Carney, PE
Senior Project Engineer



JUL 17 2013

Office of Oil and Gas
WV Dept. of Environmental Protection

08/09/2013



08/09/2013

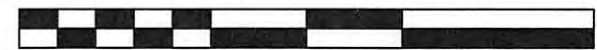


Blue Mountain Engineering
 11023 MASON DIXON HIGHWAY
 BURTON, WV 26562
 PHONE: (304) 662-6486

LOCATION MAP
 JULY 1, 2013

McELROY WELL # M-1593
 CAMERON QUADRANGLE
 WEST VIRGINIA

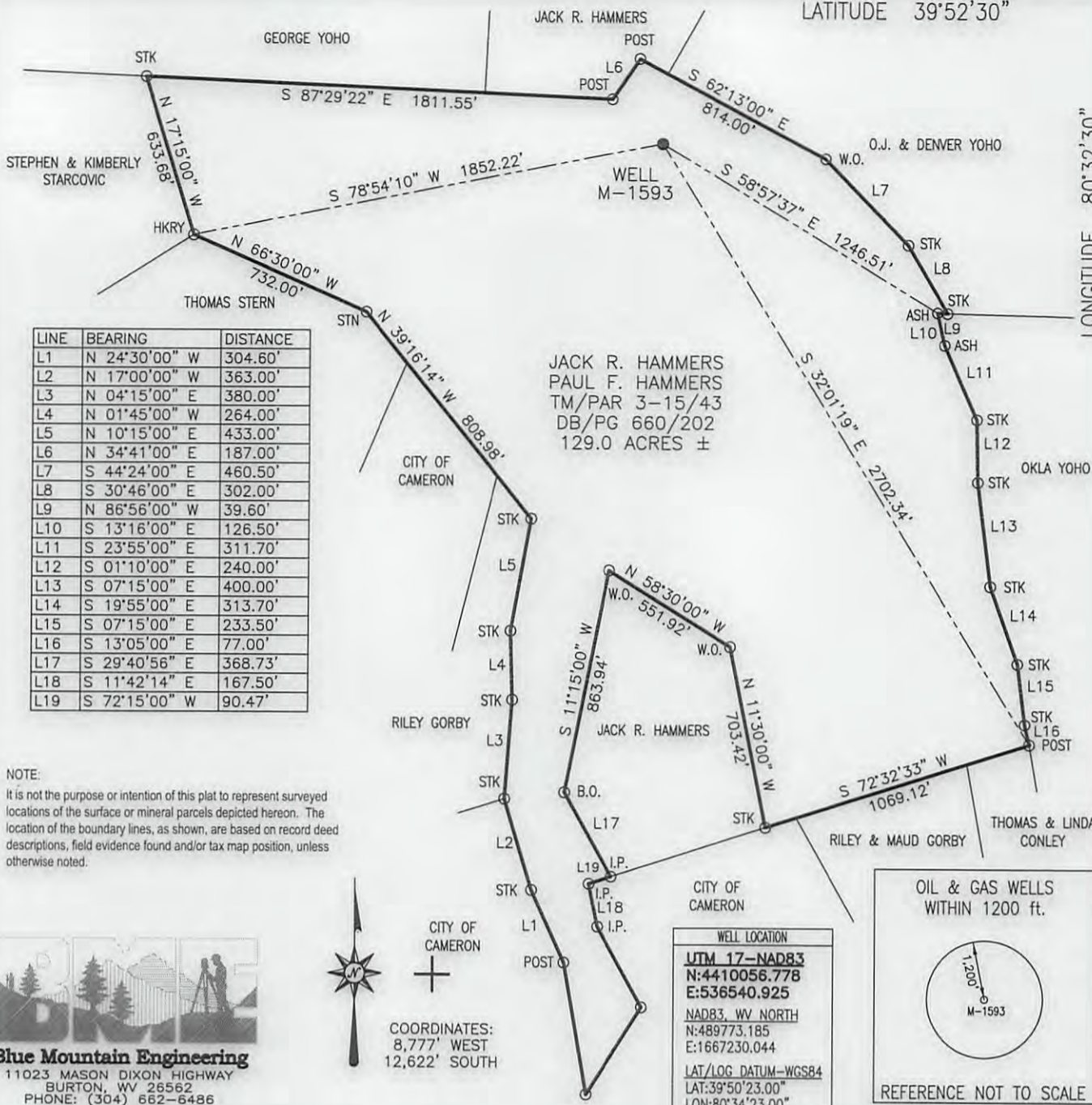
SCALE 1" = 2000'
 0' 2000' 4000' 6000'



BLUE MOUNTAIN ENGINEERING

LATITUDE 39°52'30"

LONGITUDE 80°32'30"



| LINE | BEARING | DISTANCE |
|------|---------------|----------|
| L1 | N 24°30'00" W | 304.60' |
| L2 | N 17°00'00" W | 363.00' |
| L3 | N 04°15'00" E | 380.00' |
| L4 | N 01°45'00" W | 264.00' |
| L5 | N 10°15'00" E | 433.00' |
| L6 | N 34°41'00" E | 187.00' |
| L7 | S 44°24'00" E | 460.50' |
| L8 | S 30°46'00" E | 302.00' |
| L9 | N 86°56'00" W | 39.60' |
| L10 | S 13°16'00" E | 126.50' |
| L11 | S 23°55'00" E | 311.70' |
| L12 | S 01°10'00" E | 240.00' |
| L13 | S 07°15'00" E | 400.00' |
| L14 | S 19°55'00" E | 313.70' |
| L15 | S 07°15'00" E | 233.50' |
| L16 | S 13°05'00" E | 77.00' |
| L17 | S 29°40'56" E | 368.73' |
| L18 | S 11°42'14" E | 167.50' |
| L19 | S 72°15'00" W | 90.47' |

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

Blue Mountain Engineering
11023 MASON DIXON HIGHWAY
BURTON, WV 25562
PHONE: (304) 682-6486

COORDINATES:
8,777' WEST
12,622' SOUTH

| WELL LOCATION | |
|---------------------|------------------|
| UTM 17-NAD83 | N:4410056.778 |
| | E:536540.925 |
| NAD83, WV NORTH | N:489773.185 |
| | E:1667230.044 |
| LAT/LOG DATUM-WGS84 | |
| | LAT:39°50'23.00" |
| | LOX:80°34'23.00" |

OIL & GAS WELLS WITHIN 1200 ft.

REFERENCE NOT TO SCALE

FILE #: M-1593
DRAWING #: M-1593
SCALE: 1" = 600'
MINIMUM DEGREE OF ACCURACY: 1/2500
PROVEN SOURCE OF ELEVATION: U.S.G.S. MONUMENT THOMAS 1498.81'

I, 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: *[Signature]*
R.P.E.: _____ L.L.S.: P.S. No. 2000

PLACE SEAL HERE

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS WVDEP
OFFICE OF OIL & GAS
601 57TH STREET
CHARLESTON, WV 25304



DATE: JULY 1, 2013
OPERATOR'S WELL #: M-1593
API WELL #: 47 51 01445 P
STATE COUNTY PERMIT

Well Type: Oil Waste Disposal Production Deep
 Gas Liquid Injection Storage Shallow

WATERSHED: UNNAMED TRIBUTARY TO GRAVE CREEK ELEVATION: 1200.60'
COUNTY/DISTRICT: MARSHALL/CAMERON QUADRANGLE: CAMERON, WV-PA 7.5'
SURFACE OWNER: JACK R. HAMMERS, PAUL F. HAMMERS ACREAGE: 129.0±
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 McELROY COAL COMPANY DESIGNATED AGENT ADRIENNE CARNEY
Address 6126 ENERGY DRIVE Address 6126 ENERGY DRIVE
City MOUNDSVILLE State WV Zip Code 26041 City MOUNDSVILLE State WV Zip Code 26041

08/09/2013