

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

April 28, 2014

WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-5101756, 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 penalities 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-1751

Farm Name: LUCEY, JACK & SHARON

API Well Number: 47-5101756

Permit Type: Plugging Date Issued: 04/28/2014

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.

FORM WW-4(B) Rev. 2/01

1.) Date:	March 3	31 , 20 1	4
2.) Operator	's Well No	M-1751	
3.) API Wel	I No. 47-5	1-	
	Stot	e County	Permit

STATE OF WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION OFFICE OF OIL & GAS APPLICATION FOR A PERMIT TO PLUG & ABANDON

	APPLICATION	N FOR A PERMIT	TO PLUG & ABAND	ON	
4.) WELL TYPE:	Oil/ GasX (IF "Gas", Production	/ Liquid injection/ Underground storage	/ Waste disposal/ Deep	/ Shallow X	
5.) LOCATION:	Elevation: 1395.83*	Water	shed: Middle Grave Creek- G	rave Creek	370
	District: Cameron	County:	Marshall	Quadrangle: Glen Easton 7.5'	310
.) WELL OPERA	TORMcElroy Coal Co.		7.) DESIGNATED AC	GENT_Alex O'Neill	
Address	6126 Energy Road		Addres	ss6126 Energy Road	
	Moundsville, WV 26041	-		Moundsville, WV 26041	
.) OIL & GAS INS	SPECTOR TO BE NOTIFIED		9.) PLUGGING	CONTRACTOR	
Name	James Nicholson		Name		
Address	PO BOX 44		Addres	ss	
	Moundsville, WV 26041		_		
					_
Notification must be	e given to the district oil and gas i	nspector 24 hours before	permitted work can commend		aview.
				Office of O	IVED I J G Gas
				APR 03	11:4
Vork order approve	ed by inspector		Date		
				WV Depar	to to the

1016

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.

45 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 $4\frac{1}{2}$ 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/ENCR/EXHIBITI.RED

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Environmental 2014

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FORM WW-4(A) Revised 6-07

1) Date: _	March 31, 2014	
2) Operato	or's Well No. M-1751	
3) API W	ell No. 47 - 51 -	
	Ctata Cassatti Ba	marie.

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 Jack and Sharon Lucey Address 838 Glen Easton Road Glen Easton WV, 26039	5)a) COAL OPERATOR Name CONSOLIDATION COAL CO. Address 6126 Energy Road Moundsville, WV 26041
(b) Name Address (c) Name Address	(b) COAL OWNER(S) WITH DECLARATION: Name Address
(6) INSPECTORAddress	(c) COAL LESSEE WITH DECLARATION: Name Address
Telephone	
(1) The Application to Plug and Abandon a W parties involved in the work, and describes	You should have received this Form and the following documents: Vell on form WW-4B, which sets out the sthe well and its location and the plugging
work order; and (2) The Plat (surveyor's map) showing the we	Il location on Form WW-6.
WHICH ARE SUMMARIZED IN THE "INSTRUCTION (FORM WW-4(B) DESIGNATED FOR YOU. HOWEY Take notice under Chapter 22-6 of the West Virginia and Application and accompanying documents for a permit Virginia Department of Environmental Protection, with reson the attached From WW-6. Copies of this Notice, the Application and accompanying documents for a permit Virginia Department of Environmental Protection, with reson the attached From WW-6.	S IS THAT YOU HAVE RIGHTS REGARDING THE APPLICATION S" ON THE REVERSE SIDE OF THE COPY OF THE APPLICATION ER, YOU ARE NOT REQUIRED TO TAKE ANY ACTION AT ALL. 1. Code, the undersigned well operator proposes to file or has filed this Notice to plug and abandon a well with the Chief of the Office of Oil and Gas, West spect to the well at the location described on the attached Application and depicted splication, and the plat have been mailed by registered or certified mail or delivery by rtain circumstances) on or before the day of mailing or delivery by the Chief.
	WELL OPERATOR Consolidation Coal Company By Alex O'Neill Its Project Engineer / Agent Address 6126 Energy Road Moundsville, WV 26041 Telephone 304-843-3527
Subscribed and sworn before me this 3/ day of MARC James 5. Keffend MARSHALL County, State of WV My commission expires 047. 20 . 20 16	Notary Public, STATE OF WEST VIRGINIA JAMES F. KUFFNER HC 83, BOX 47 ELLENBORO, WV 26346 MY COMMISSION EXPIRES OCTOBER 20, 2016
personal information may be disclosed to other State agenc	tion, such as name, address and phone number, as a part of our regulatory duties. Your ies or third parties in the normal course of business or as needed to comply with statutory or a 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@wy,gov.

SURFACE OWNER WAIVER

Operator's Well Number

M-1751

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;
- 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 hav objection to a permit being issued of FOR EXECUTION BY A NATURA	on those materials		Of	naterials, and I have no
ETCHLUN	Date 3/	31/14 Name	***************************************	AFR (18 ONA
Signature		By Its	Enviro	Date
			Signature	of Peterson

WW-9 Rev. 5/08

Page		of	
API Number 47 - 5	1		
Operator's Well No.	M-1751		

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 Cor	npany	OP Code	_
Watershed Mide	dle Grave Creek- G	Grave Creek	Quadrangle Glen Easton	7.5'
Elevation	1395.83'	CountyMarshall	District Cameron	
Description of ant	ticipated Pit Waste:	N/A		-
Do you anticipate	using more than 5,0	000 bbls of water to complete t	he proposed well work? Yes No	X
Will a synthetic li	iner be used in the p	it?	If so, what mil.?	
	Reuse (at A	ication nd Injection (UIC Permit Numb API Number_ sposal (Supply form WW-9 for	n disposal location)	
If oil bas	sed, what type? Syn		d, etcFreshwater	
-If left in	pit and plan to solie	dify what medium will be used	te, etcReused or Disposed (see attacher? Cement, lime, sawdust	
on August 1, 200: provisions of the law or regulation I certify application form obtaining the info penalties for subn Company Official	5, by the Office of Opermit are enforced can lead to enforced under penalty of la and all attachment formation, I believe nitting false information [Signature]	Dil and Gas of the West Virginiable by law. Violations of any ment action. aw that I have personally exats thereto and that, based on that the information is true, thion, including the possibility of the Alex O'Neill	itions of the GENERAL WATER POLLUT a Department of Environmental Protection. It term or condition of the general permit an amined and am familiar with the information my inquiry of those individuals immedia accurate, and complete. I am aware that of fine or imprisonment.	I understand that the d/or other applicable on submitted on this ately responsible for
Company Official	Title	Project Engineer	Oilige	OF OIL STATE
Subscribed and sv	expires DC7.	. Kuffred	Notary Public WV D	PR US Spi4 Peparliment of Tental Protection ICIAL SEAL STATE OF WEST VIRGINIA

MURRAY AMERICAN ENERGY, INC. & CONSOLIDATION COAL COMPANY

MURRAY AMERICAN ENERGY, INC. & CONSOLIDATION COAL COMPANY

46226 National Road St. Clairsville, OH 43950

phone: 304.843.3527 fax: 304.843.3546

e-mail: AlexO'Neill@coalsource.com

ALEX O'NEILL Project Engineer

March 31, 2014

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.

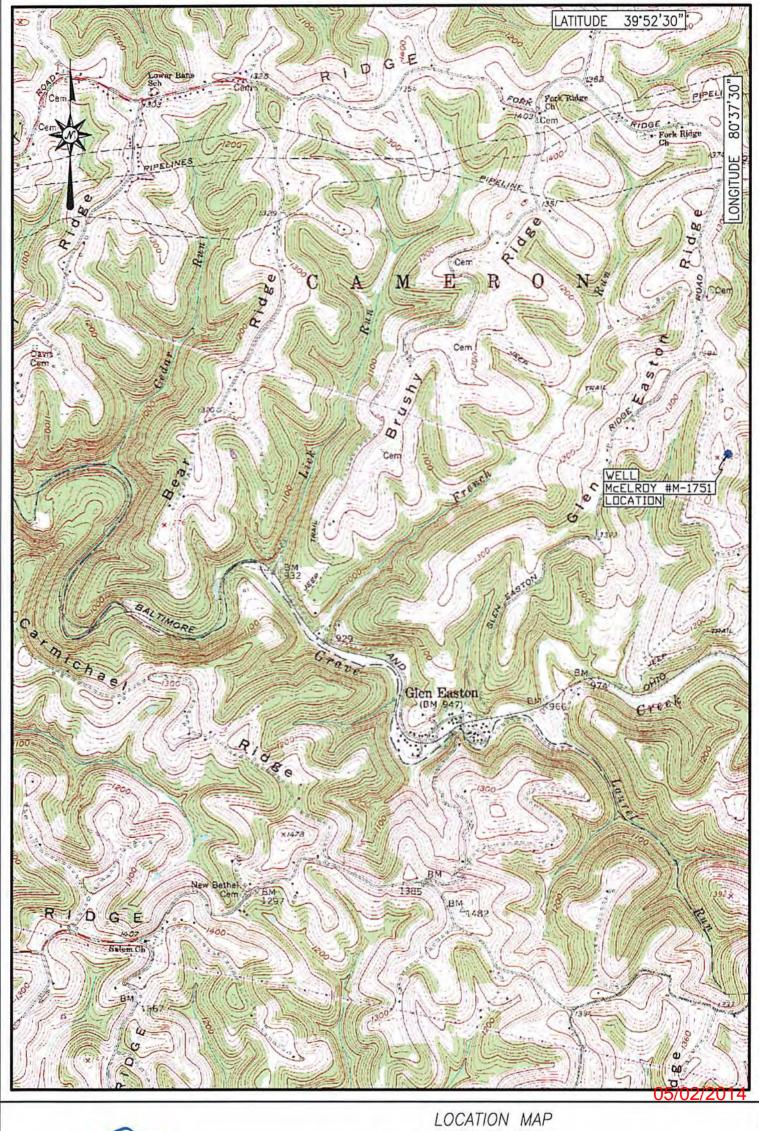
Sincerely,

Alex O'Neilf

RECEIVED
Office of Oil our Gas

APR 0 3 7 0 14

WV Department of Environmental Projection



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

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McELROY WELL # M-1751 GLEN EASTON QUADRANGLE WEST VIRGINIA

MOUN

MARCH 27, 2014

SCALE 1" = 2000' 0' 20004 4000'

ENGINEERIN

6000'

