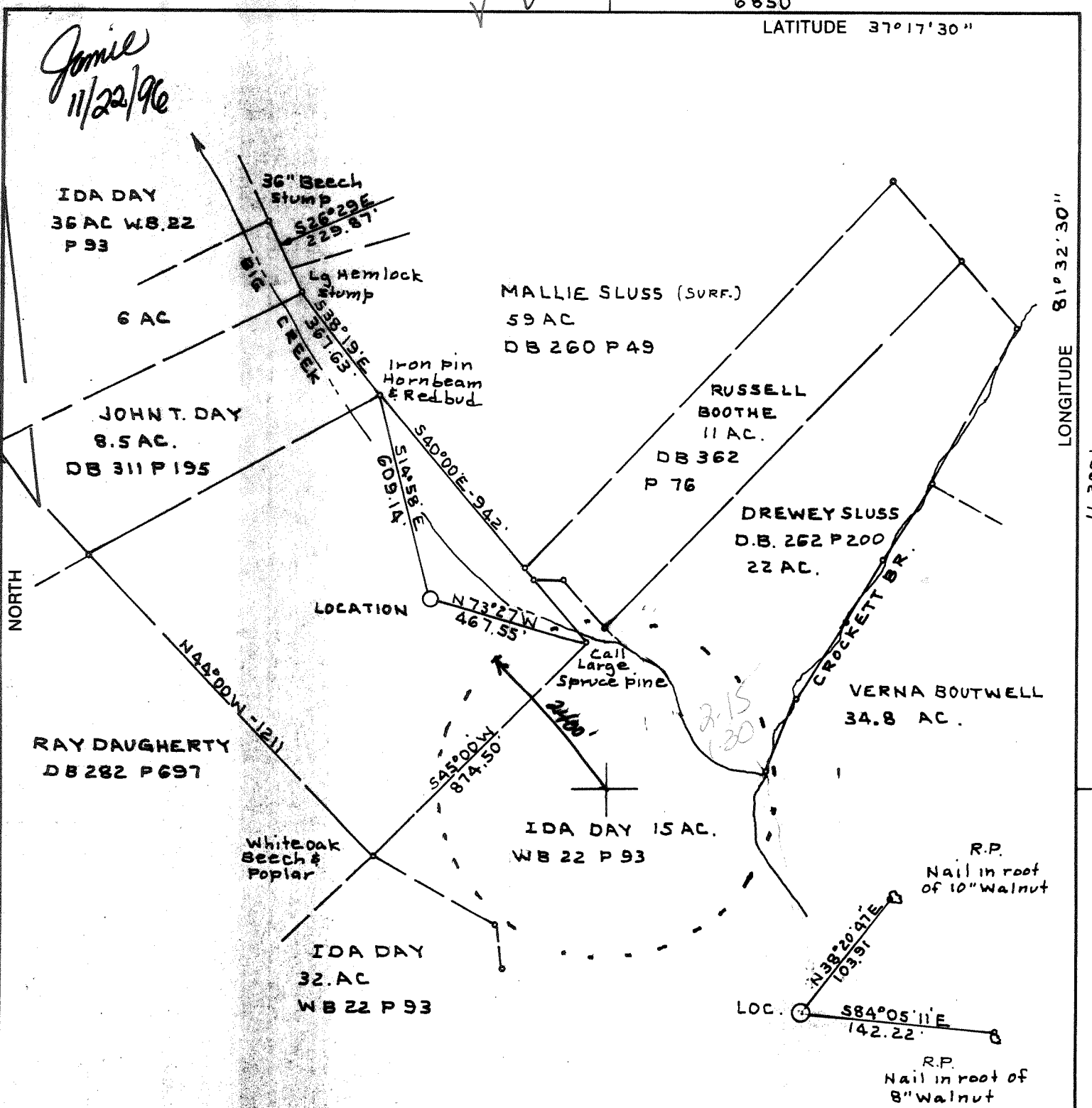


Jamie
11/22/96



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS

FILE NO. BK 96 P 82
 DRAWING NO. _____
 SCALE 1" = 400'
 MINIMUM DEGREE OF ACCURACY 1:2500'
 PROVEN SOURCE OF ELEVATION USGS BM DISK
In rock outcrop 200' SW of Church at Brewsterdale El. 1895'

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 MINES.
 (SIGNED) C. J. Jolley Jr.
 R.P.E. _____ L.S. 92

PLACE SEAL HERE

STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES
 OIL AND GAS DIVISION



DATE SEPT 23, 19 85
 OPERATOR'S WELL NO. 2
 API WELL NO. _____

47 - 047-00961-F
 STATE COUNTY PERMIT

WELL TYPE: OIL ___ GAS X LIQUID INJECTION ___ WASTE DISPOSAL ___
 (IF "GAS,") PRODUCTION X STORAGE ___ DEEP X SHALLOW ___

LOCATION: ELEVATION 1728.64 WATERSHED BIG CREEK OF JACOBS FORK
 DISTRICT ADKIN COUNTY MCDOWELL
 QUADRANGLE GARY

SURFACE OWNER RAY & PEARL DAUGHERTY ACREAGE 25
 OIL & GAS ROYALTY OWNER RAY & PEARL DAUGHERTY LEASE ACREAGE 25
 LEASE NO. _____

PROPOSED WORK: DRILL X CONVERT ___ DRILL DEEPER ___ REDRILL ___ FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION ___ PERFORATE NEW FORMATION ___ OTHER PHYSICAL CHANGE IN WELL (SPECIFY) frac. existing well drilled in 1995 same formation

PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___
 TARGET FORMATION TUSCARORA ESTIMATED DEPTH 7300'

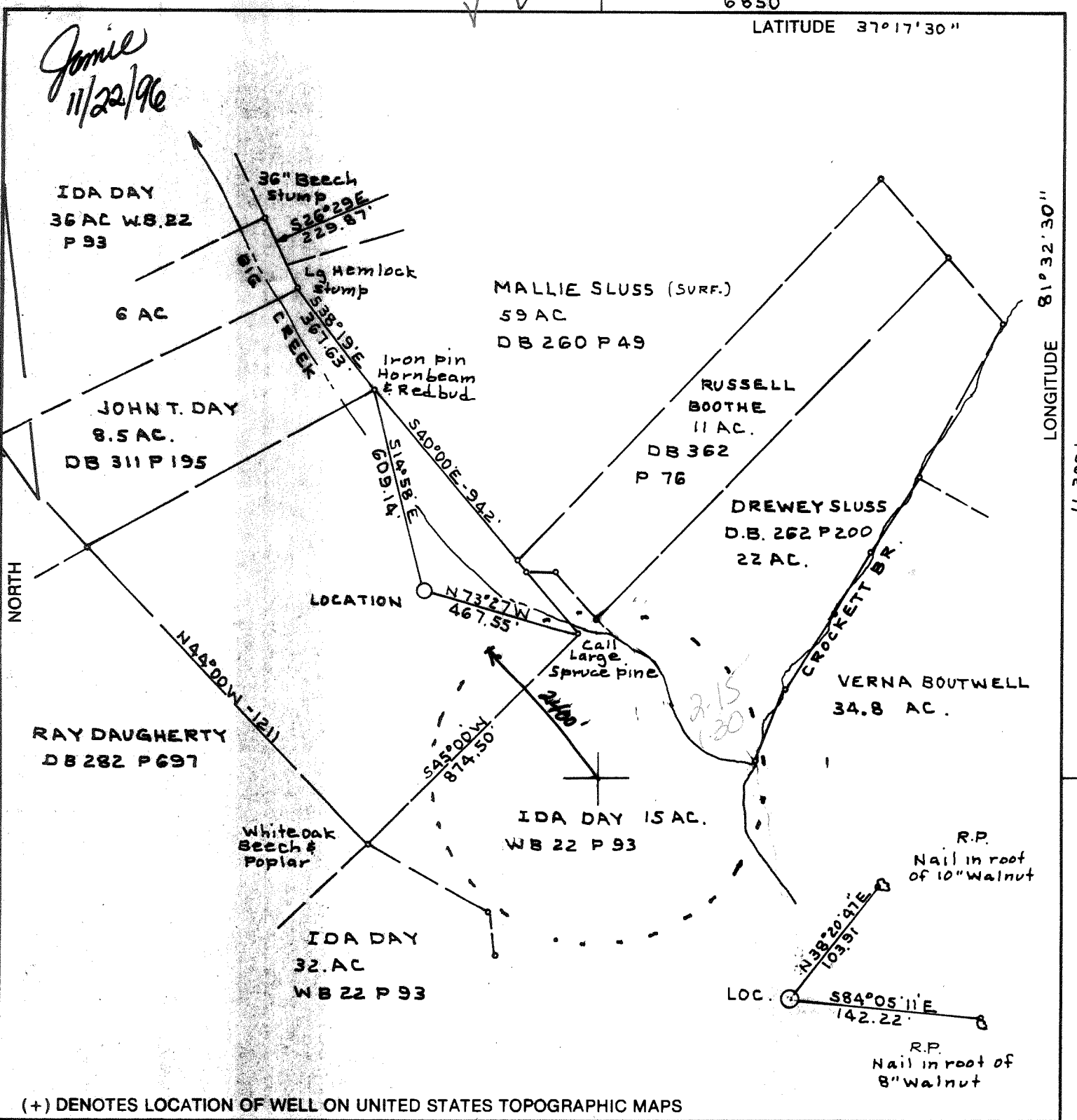
Phoenix Diversified Ventures, Inc. Thomas B. Dunn
 P.O. Box 428 Same Address
 Buckhannon, Wva. 26201-0428 PH: 304-472-1940

LONGITUDE 81°23'18" 00E 11.300
 COUNTY NAME MCDOWELL
 PERMIT 0961

H.T. HALL
 FORM TV-8 (8-78)

NOV 22 1996

Jamie
11/22/96



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS

FILE NO. BK 96 P 82
 DRAWING NO. _____
 SCALE 1" = 400'
 MINIMUM DEGREE OF ACCURACY 1:2500'
 PROVEN SOURCE OF ELEVATION USGS BM DISK
in rock outcrop 200' SW of Church at Brewsterdale, El. 1895'

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 MINES.
 (SIGNED) C. J. Jolley Jr.
 R.P.E. _____ L.S. 92

PLACE SEAL HERE

STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES
 OIL AND GAS DIVISION



DATE SEPT 23, 19 85
 OPERATOR'S WELL NO. 2
 API WELL NO. _____

47 - 047-00961-F
 STATE COUNTY PERMIT

WELL TYPE: OIL ___ GAS X LIQUID INJECTION ___ WASTE DISPOSAL ___
 (IF "GAS,") PRODUCTION X STORAGE ___ DEEP X SHALLOW ___

LOCATION: ELEVATION 1728.64 WATERSHED BIG CREEK OF JACOBS FORK
 DISTRICT ADKIN COUNTY MCDOWELL
 QUADRANGLE GARY

SURFACE OWNER RAY & PEARL DAUGHERTY ACREAGE 25
 OIL & GAS ROYALTY OWNER RAY & PEARL DAUGHERTY LEASE ACREAGE 25
 LEASE NO. _____

PROPOSED WORK: DRILL X CONVERT ___ DRILL DEEPER ___ REDRILL ___ FRACTURE OR STIMULATE X PLUG OFF OLD FORMATION ___ PERFORATE NEW FORMATION ___ OTHER PHYSICAL CHANGE IN WELL (SPECIFY) frac. existing well drilled in 1995 same formation

PLUG AND ABANDON ___ CLEAN OUT AND REPLUG ___
 TARGET FORMATION TV SCARORA ESTIMATED DEPTH 7300'

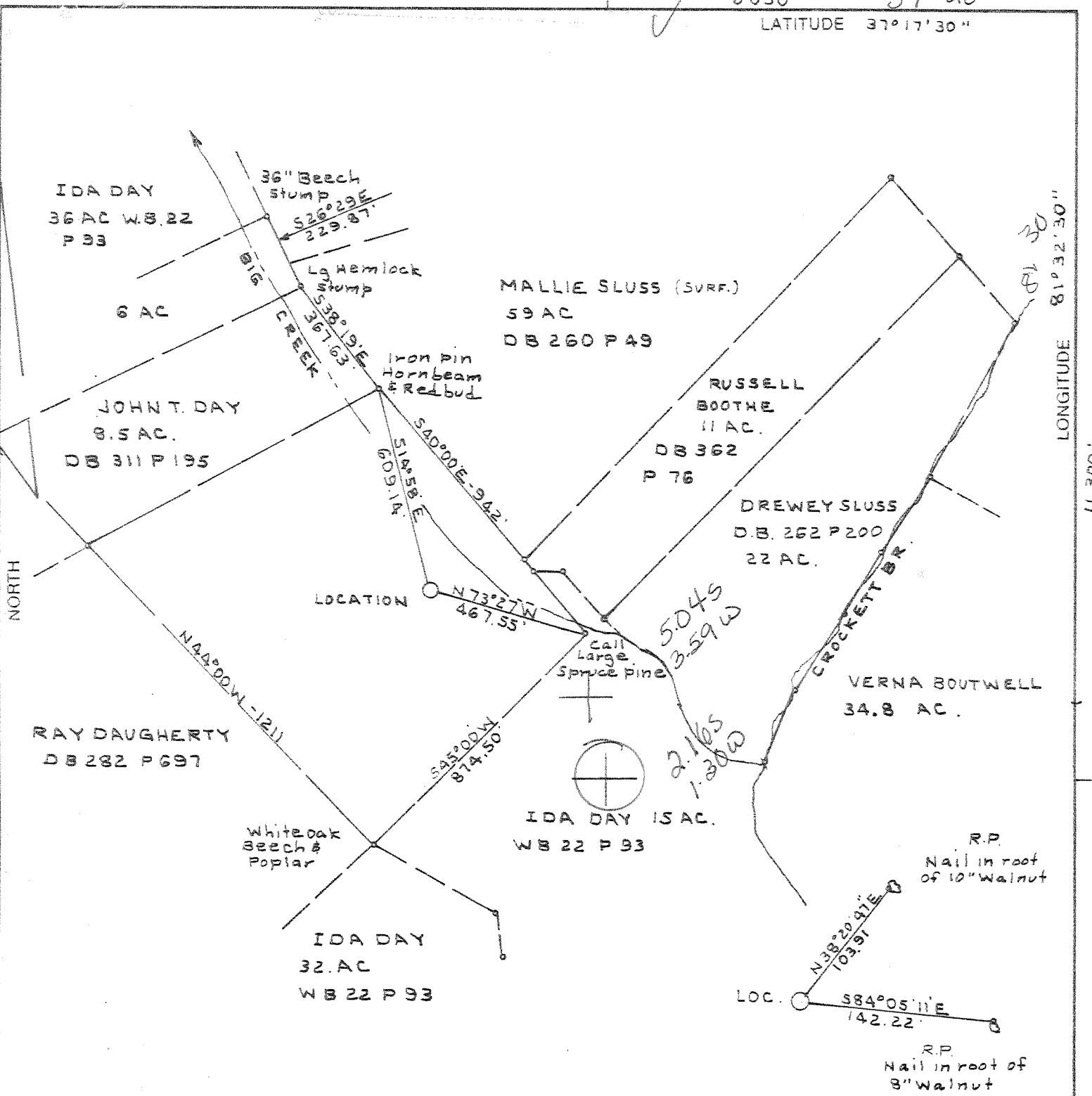
W A Phoenix Diversified Ventures, Inc. .D
 P.O. Box 428
 Buckhannon, Wva. 26201-0428
 Thomas B. Dunn
 Same Address
 PH: 304-472-1940

LONGITUDE 81°23'18" 00E '11

MCDOWELL COUNTY NAME PERMIT 0961

NOV 22 1996

FORM TV-8 (8-78) H.T. HALL



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS

FILE NO. 3K 96 P 32
 DRAWING NO. _____
 SCALE 1"=400'
 MINIMUM DEGREE OF ACCURACY 1:2500'
 PROVEN SOURCE OF ELEVATION USGS 3M DISK
In rock outcrop 200' SW Church at Brewsterdale. EL. 1305'

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 MINES.
 (SIGNED) C. J. Jolley Jr.
 R.P.E. _____ M.L.S. 92

PLACE SEAL HERE

STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES
OIL AND GAS DIVISION

DATE SEPT 23, 19 85
 OPERATOR'S WELL NO. 2
 API WELL NO. 47-047-0961

WELL TYPE: OIL GAS LIQUID INJECTION WASTE DISPOSAL
 (IF "GAS,") PRODUCTION STORAGE DEEP SHALLOW

LOCATION: ELEVATION 1728.64 WATERSHED BIG CREEK OF JACOBS FORK
 DISTRICT ADKIN COUNTY MCDOWELL
 QUADRANGLE GARY 359 130 SE 9

SURFACE OWNER RAY & PEARL DAUGHERTY ACREAGE 25
 OIL & GAS ROYALTY OWNER RAY & PEARL DAUGHERTY LEASE ACREAGE 25
 LEASE NO. _____

PROPOSED WORK: DRILL CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE PLUG OFF OLD FORMATION PERFORATE NEW FORMATION OTHER PHYSICAL CHANGE IN WELL (SPECIFY) _____

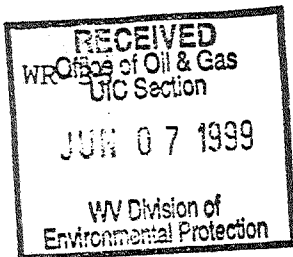
PLUG AND ABANDON CLEAN OUT AND REPLUG

TARGET FORMATION TUSCARORA ESTIMATED DEPTH 7300'
 WELL OPERATOR CONOCO INC. DESIGNATED AGENT P. B. VINING
 ADDRESS 3817 N.W. EXPRESSWAY ADDRESS P.O. Box 1217, Parkersburg WV 26102

OKLAHOMA CITY, OKLAHOMA 73112

COUNTY NAME PERMIT

DEEP WELL 6-00 unnamed (0) attempt to fill betw 901 & 932



21-Nov-96
API # 47- 47-00961 F

State of West Virginia
Division of Environmental Protection
Section of Oil and Gas

Well Operator's Report of Well Work

Farm name: DAUGHERTY, RAY & PEARL Operator Well No.: POCAHONTAS #2

LOCATION: Elevation: 1,728.64 Quadrangle: GARY

District: ADKIN County: MCDOWELL
Latitude: 11300 Feet South of 37 Deg. 17Min. 30 Sec.
Longitude 6850 Feet West of 81 Deg. 32 Min. 30 Sec.

Company: PHOENIX DIVERSIFIED VENTU
P. O. BOX 428
BUCKHANNON, WV 26201-0428

Agent: THOMAS B. DUNN

Inspector: OFIE HELMICK
Permit Issued: 11/22/96
Well work Commenced: 10/21/97
Well work Completed: 12/10/97
Verbal Plugging
Permission granted on: _____
Rotary Cable Rig
Total Depth (feet) 7,500
Fresh water depths (ft) 600

Salt water depths (ft) N/A

Is coal being mined in area (Y/N)? N
Coal Depths (ft): 600

Casing & Tubing Size	Used in Drilling	Left in Well	Cement Fill Up Cu. Ft.
16"	544'	544'	CTS 775 sx
10 3/4"	2,940'	2,940'	660 sx
7 5/8"	6835	6,835	480 sx
5 1/2"	SA 7,500'	929'	130 sx
2 7/8"		7098'	N/A

OPEN FLOW DATA

Producing formation Tuscarora Pay zone depth (ft) 7,132
Gas: Initial open flow N/A MCF/d Oil: Initial open flow _____ Bbl/d
Final open flow 178 MCF/d Final open flow _____ Bbl/d
Time of open flow between initial and final tests 48 Hours
Static rock Pressure 920 psig (surface pressure) after 120 Hours

Second producing formation _____ Pay zone depth (ft) _____
Gas: Initial open flow _____ MCF/d Oil: Initial open flow _____ Bbl/d
Final open flow _____ MCF/d Final open flow _____ Bbl/d
Time of open flow between initial and final tests _____ Hours
Static rock Pressure _____ psig (surface pressure) after _____ Hours

NOTE: ON BACK OF THIS FORM PUT THE FOLLOWING: 1). DETAILS OF PERFORATED INTERVALS, FRACTURING OR STIMULATING, PHYSICAL CHANGE, ETC. 2). THE WELL LOG WHICH IS A SYSTEMATIC DETAILED GEOLOGICAL RECORD OF ALL FORMATIONS, INCLUDING COAL ENCOUNTERED BY THE WELLBORE.

For: PHOENIX DIVERSIFIED VENTURES, INC.

By: William P. Amble
Date: 5/18/99

JUN 14 1999
OVER

MCDOWELL 0961 F

Workover (Fracture Stimulation Of Current Producing Zone)

- 10/21/97 Fracture stimulate Tuscarora Zone (7132' - 7192'). Pump 563 bbls water, 49,000# sand, and 51,000 scf N2. ISIP - 1339 psig, 15 min SI - 743 psig. Flowback well into pit, well dead after 1 hour.
- 10/23 - 10/27 Swab rig on location. Found sand bridge at 938'. Ran sand pump but unable to get through sand bridges. Release swab rig.
- 10/31 - 11/4 RU coiled tbg unit. Circulate hole with fresh water to 7,000'.
Lost circulation. Coil stuck at 7,118'. Unable to free by circulating fresh water through coil or down backside. Attempt to run chemical cutter inside coil. Unable to get through. Made decision to cut coil at surface.
- 12/3 - 12/11 RU service rig. Pull tubing with coil out of hole. GIH w 2 7/8" tbg circulating hole clean with N2 to 7,220'. Set tbg at 7,098'. Button up WH, prepare to turn well in line.
- 12/15/97 Turn well in line.



IV-35
(Rev 8-81)

MAR 24 1986

State of West Virginia
Department of Mines
Oil and Gas Division

Date 3-12-86
Operator's
Well No. 2
Farm POCAHONTAS LAND
API No. 47 - 047 - 0961

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

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

LOCATION: Elevation: 1728.64 Watershed Big Creek of Jacobs Fork
District: Adkin County McDowell Quadrangle Gary

COMPANY Conoco Inc. as a wholly owned subsidiary of E.I. DuPont de Nemours & Co.

ADDRESS 3817 Northwest Expressway
Oklahoma City, OK 73112

DESIGNATED AGENT P. B. Vining

ADDRESS P.O. Box 1217
Parkersburg, W. VA 26102

SURFACE OWNER Ray & Pearl Daugherty

ADDRESS Route 1, Box 282
Bluefield, W. VA 24605

MINERAL RIGHTS OWNER Pocahontas Land Co.

ADDRESS P.O. Box 1517
Bluefield, W. VA 24701

OIL AND GAS INSPECTOR FOR THIS WORK Rodney

Dillon ADDRESS P.O. Box 30
Scarbro, W. V. 25917

PERMIT ISSUED 9-30-85

DRILLING COMMENCED 10-16-85

DRILLING COMPLETED 12-10-85

IF APPLICABLE: PLUGGING OF DRY HOLE ON
CONTINUOUS PROGRESSION FROM DRILLING OR
REWORKING. VERBAL PERMISSION OBTAINED
ON

Casing & Tubing	Used in Drilling	Left in Well	Cement fill up Cu. ft.
Size 20-16 Cond.	544	544	775 sx cmt to surface
13-10"	2940	2940	660 sx cmt TOC @ 1630'
9 5/8			
8 5/8			
7 5/8"	6835	6835	480 sx cmt
5 1/2			
4 1/2			
3			
2			
5 1/2" Liners used	929	929	130 sx cmt Circulated
	Liner top @ 6571'		
	Liner bot @ 7500'		

GEOLOGICAL TARGET FORMATION Tuscarora Sandstone Depth 7100 feet

Depth of completed well 7500 feet Rotary x / Cable Tools

Water strata depth: Fresh 100 feet; Salt N/A feet

Coal seam depths: N/A Is coal being mined in the area? No

OPEN FLOW DATA

Producing formation Tuscarora Sandstone Pay zone depth 7100-7200 feet

Gas: Initial open flow 0 Mcf/d Oil: Initial open flow 0 Bbl/d

Final open flow 0 Mcf/d Final open flow 0 Bbl/d

Time of open flow between initial and final tests 0 hours

Static rock pressure 2827 psig (surface measurement) after 1750 hours shut in
(If applicable due to multiple completion--)

Second producing formation Pay zone depth feet

Gas: Initial open flow Mcf/d Oil: Initial open flow Bbl/d

Final open flow Mcf/d Oil: Final open flow Bbl/d

Time of open flow between initial and final tests hours

Static rock pressure psig (surface measurement) after hours shut in

low RTU gas

JUN 08 1986 (Continue on reverse side)

FORM IV-35
(REVERSE)

DETAILS OF PERFORATED INTERVALS, FRACTURING OR STIMULATING, PHYSICAL CHANGE, ETC.

047 961

Geochart log
perfor

7132-7192 w/120 shots

WELL LOG

FORMATION	COLOR	HARD OR SOFT	TOP FEET	BOTTOM FEET	REMARKS
					Including indication of all fresh and salt water, coal, oil and gas
RAVENCLIFF			217	241	
BIG LIME L.S.			2225	2992	
BEREA SD.			3614	3638	
TULLY L.S.			5410	5464	
HAMILTON SHALE			5464	5822	
MARCELLUS SHALE			5822	6178	
ONONDAGA L.S.			6178	6739	
CACAPON SD			6941	7062	
TUSCARORA SD.			7062	7192	
✓ JUNIATA			<u>7232</u>	-	

TD 7500

(Attach separate sheets as necessary)

Conoco Inc.

Well Operator

By: Sam White

Date: 3-18-86

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 coal, encountered in the drilling of a well."

JUN 08 1987

7/85



1) Date: Sept. 23, 1985
2) Operator's Well No. Pocahontas Land No. 2
3) API Well No. 47-047-0961
State _____ County _____ Permit _____

RECEIVED
SEP 30 1985

STATE OF WEST VIRGINIA
DEPARTMENT OF ENERGY, OIL AND GAS DIVISION
APPLICATION FOR A WELL WORK PERMIT

- 4) WELL TYPE: A Oil _____ / Gas X /
B (If "Gas", Production _____ / Underground storage _____ / Deep X / Shallow _____)
- 5) LOCATION: Elevation: 1708' Watershed: Big Creek
District: Adkin 199 County: McDowell Quadrangle: Gary, W.V.
- 6) WELL OPERATOR Conoco Inc. as CODE: 10835 7) DESIGNATED AGENT P. B. Vining
Address 3817 NW Expressway Address P. O. Box 1217
Okla. City, OK 73112 Parkersburg, W.V. 26102
holly owned subsidiary of E.I. DuPont de Nemours & Co.
- 8) OIL & GAS INSPECTOR TO BE NOTIFIED Name Rodney Dillon
Address P. O. Box 30
Scarbro, W.V. 25917
- 9) DRILLING CONTRACTOR: Name Unknown - will bid out
Address _____
- 10) PROPOSED WELL WORK: Drill X / Drill deeper _____ / Redrill _____ / Stimulate X /
Plug off old formation _____ / Perforate new formation _____
Other physical change in well (specify) _____
- 11) GEOLOGICAL TARGET FORMATION, Oriskany 6500' Tuscarora 7500' 515
- 12) Estimated depth of completed well, 7700' feet
- 13) Approximate trata depths: Fresh, 100' feet; salt, None feet.
- 14) Approximate coal seam depths: None Is coal being mined in the area? Yes _____ / No X /

15) CASING AND TUBING PROGRAM

CASING OR TUBING TYPE	SPECIFICATIONS			FOOTAGE INTERVALS		CEMENT FILL-UP OR SACKS (Cubic feet)	PACKERS
	Size	Grade	Weight per ft.	New	Used		
Conductor	30"					± 30'	Kinds
Fresh water	16"	H-40	65#			600'	To Surface
Coal	Not required						Sizes
* Intermediate	10 3/4"	K-55	45.5			3400'	To Surface
Production	5 1/2"	N-80	17#			7700'	Above all pay
Tubing	2 3/8"	J-55	6.5#			7300'	N/A
Liners							Perforations:
* _____	7 5/8"	K-55	26.4			7300'	Into 10 3/4" Casing

Note: Rig will be equipped with blowout preventers, a rotating head and choke to handle any unexpected high pressure gas; also a tank full of drilling mud (KCL water) will be on location to kill the well if necessary.

OFFICE USE ONLY
DRILLING PERMIT

Permit number 47-047-0961 _____ Date September 30 1985

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 September 30, 1987 unless well work is commenced prior to that date and prosecuted with due diligence.

Bond: <u>AD</u>	Agent: <u>AE</u>	Plat: <u>WV 1000</u>	Casing: <u>WV 1000</u>	Fee: <u>553</u>	WPCP: <u>WV 1000</u>	S&E: <u>WV 1000</u>	Other: _____
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Margaret J. Hesse
Director, Division of Oil and Gas

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

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

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

- 1) Well Operator: ⁴⁵⁵⁴ PHOENIX DIVERSIFIED VENTURES
- 2) Operator's Well Number: Pocahontas Land #2 3) Elevation: 1728.64'
- 4) Well type: (a) Oil ___ / or Gas X /
(b) If Gas: Production X / Underground Storage ___ /
Deep X / Shallow ___ /
- 5) ~~Proposed~~ Target Formation(s): ⁵⁷⁵ Tuscarora Sandstone
- 6) ~~Proposed~~ Total Depth: 7500' feet
- 7) Approximate fresh water strata depths: 600'
- 8) Approximate salt water depths: n/a
- 9) Approximate coal seam depths: 600'
- 10) Does land contain coal seams tributary to active mine? Yes ___ / No X /
- 11) Proposed Well Work: Fracture Stimulation
- 12)

Issued 11/22/96
Expires 11/22/98

CASING AND TUBING PROGRAM

TYPE	SPECIFICATIONS		FOOTAGE INTERVALS		CEMENT	
	Size	Grade	Weight per ft.	For drilling		Left in well
Conductor						
Fresh Water	16"	H-40	65#	544'	544'	775 sx to surf
Coal						
Intermediate	10-3/4"	K-55	45.5#	2940'	2940'	660 sx cmt
Production	7-5/8"	N-80	26.4#	6835'	6835'	480 sx cmt
Tubing	2-7/8"	N-80	6.5#	6558'	6558'	n/a
Liners	5 1/2"	N-80	17#	SA 7500'	929'	130 sx cmt

PACKERS : Kind Baker Model "R" Double Grip
Sizes 7-5/8" x 2-7/8"
Depths set SA 6558'

Explosives from Well Records

For Office of Oil and Gas Use Only

2051/32

Fee(s) paid: Well Work Permit Reclamation Fund WPCP
 Plat WW-9 WW-2B Bond Blanket Agent
 (Type)

Page 1 of 3
Form WW2-A
(6/94)
File Copy

1) Date: 11/18/96
2) Operator's well number
Pocahontas Land #2
3) APT Well No: 47 - 047 - 0961 PF
State County Permit

STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS

NOTICE AND APPLICATION FOR A WELL WORK PERMIT

4) Surface Owner(s) to be served: 5) (a) Coal Operator:
(a) Name Ray & Pearl Daugherty Name _____
Address Route 1, Box 282 Address _____
Bluefield, VA 24605
(b) Name _____ (b) Coal Owner(s) with Declaration
Address _____ Name Pocahontas Land Corporation
Address P.O. Box 1517
Bluefield, WV 24701
(c) Name _____ Name _____
Address _____ Address _____
6) Inspector Ofie Helmick (c) Coal Lessee with Declaration
Address P.O. Box 398 Name _____
Brenton, WV 24818 Address _____
Telephone (304)- 543-0764

TO THE PERSON(S) NAMED ABOVE TAKE NOTICE THAT:

 Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas OR

X Included is the information required by Chapter 22, Article 6, Section 3(d) of the Code of West Virginia (see page 2)

I certify that as required under Chapter 22 of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through on the above named parties, by:

- X Personal Service (Affidavit attached)
- Certified Mail (Postmarked postal receipt attached);
- Publication (Notice of Publication attached)

I have read and understand Chapter 22-6 and 38 CSR 11-18, and I agree to the terms and conditions of any permit issued under this application.

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, 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 and imprisonment.

Well Operator PHOENIX DIVERSIFIED VENTURES
By: William J. Heston
Its: Registered Professional Engineer
Address 1500 Oxford Drive, Suite 300
Bethel Park, PA 15102
Telephone (412) 851-0200

Subscribed and sworn before me this 19th day of November, 1996

Charles R. Berkaybile Notary Public
My commission expires 7/27/2000

Notarial Seal
Charles R. Berkaybile, Notary Public
Bethel Park Boro, Allegheny County
My Commission Expires July 27, 2000
Member, Pennsylvania Association of Notaries