

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

June 27, 2016

WELL WORK PLUGGING PERMIT Plugging

This permit, API Well Number: 47-6100879, issued to HG ENERGY, LLC, 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. E. BROOKOVER 7

Farm Name: HAUGHT, BILLY C.

API Well Number: 47-6100879

Permit Type: Plugging
Date Issued: 06/27/2016

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. <u>Failure to adhere to the specified permit conditions may result in enforcement action.</u>

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.

WW-4B Rev. 2/01

1)Dat	e June	1		,	2016	
2) Ope	rator	's			7	
Wel	l No.	M E Bro	okover 7			
3)API	Well	No.	47 - 061		- 0879	

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION OFFICE OF OIL AND GAS

	OFFICE OF	OIL AND GAS	
59	APPLICATION FOR A PERM	MIT TO PLUG AND ABA	NDON
4)	Well Type: Oil/ Gas _X/ Liquid	l injection/	Waste disposal/
	(If "Gas, Production X or Und	lerground storage _) Deep/ Shallow_X
- 1	1212	Watershed Miracle	Run
5)	Location: Elevation 1313' District Clay		Quadrangle Grant Town 7.5'
	<u> </u>		
6)	Well Operator HG Energy, LLC	7)Designated Agen	
	Address 5260 Dupont Road	Addres	_s 5260 Dupont Road
	Parkersburg, WV 26101		Parkersburg, WV 26101
0.)	Oil and Gas Inspector to be notified	al Dingging Contra	ator
8)	Name Gayne Knitowski		Determined Upon Approval of Permit
	Address PO Box 108		
	Gormania, WV 26720		
10)	Work Order: The work order for the manner of		s well is as follows:
			Received Office of Oil & Gas JUN 1 6 2016
		¥	
	fication must be given to the district oi can commence.	l and gas inspecto	r 24 hours before permitted
Work	order approved by inspector Hay	J Kn D	Date 6/8/2016

Permit

WW-4B - Conti Rev. 2/01

Date:	June 1, 20	016			
Operator's Wel	l Number				
ME	Brookov	er 7			
API Well No:	47	-	061	-	0879
	Operator's Wel	Operator's Well Number M E Brookov	Operator's Well Number M E Brookover 7	Operator's Well Number M E Brookover 7	Operator's Well Number M E Brookover 7

County

State

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 (If "Gas"	Gas , Production	X X	_Liquid Injec _Undergroun	I DO REAL	Waste Dis) Deep _	^	allow	х
5)	LOCATION:	Elevation: District:	1313' Clay		Watershed:_ County:	Miracle Run Monongalia		Quadrangle	Grant To	own 7.5'
6)	WELL OPERAT	OR: HG Ener	gy, LLC		494497948	7) DESIGNAT	ED AGENT	Diane W	hite	
,	Address	5260 Du	ont Road				Address	5260 Du	pont Roa	d
			urg, WV 26101				_	Parkersb	ourg, WV	26101
8)	OIL & GAS INS	PECTOR TO I	BE NOTIFIED			9) PLUGGING	CONTRAC	TOR		
	Name	Gayne Knitov				Name	To Be Dete	rmined Upon	Approval o	of Permit
	Address	P. O. Box 108			-	Address				
		Gormania, W	V 26720			-				
10)	WORK ORDER	. The work or	der for the man	ner of nl	ngging this w	rell is as follows:				

TD-3,315'

Manners of plugging;

Plug #1 - 3000' - 2900' Plug # 2 - Approx 2200' - 2100' Located above the Big Injun Plug #3 - 1350' - 1250' Located at elevation Free point, part and pull all possible 4 1/2" casing at approx 1000' Plug #4 - 1050' - 850' 780 (CONER COAL @ 828') gma Located at 4 1/2" casing stub, coal seam, 8 5/8" casing shoe Plug #5-100'-0' 350'- 250' (cover coal @ 308') Surface 100'-0' PLUG # 6 Q NM SURFACE

Recover all possible casing. If casing can not be recovered, perforate for plug placement.

Monument -6" minimum diameter metal pipe 30" above surface 10' in well below surface Sealed with cement API identification (1/2") height numbering

Received Office of Oil & Gas JUN 16 2016

6% Gel between all plugs

Reclaim sete ASAP

Well: M.E. Brookover #7 Monument to extend 30" above surface. 10' into well. 6" min metal pipe, sealed with cement. API i.D. Elevation: 1313' 5 **Casing Information** \leftarrow cement to surface Size Depth Weight 8 5/8" 8881 23#/ft. Freepoint Cut and Pull Casing 4 1/2" 3299' 9.5#/ft. Size Approx. Depth 4 1/2 1000' Hole Size 11" Cement Plugs \rightarrow NO. Bottom Top 1 3000 2900 2 2200 2100 3 1350 1250 COAL @ 850-780 4 1050 828 2 308 25°C 5 350 4 6 100 0 \leftarrow 6.75 " Hole Size **Bottom Hole Cement Level Calculations** # Sacks Used **Cement Depth** 400 1033.637 **Hole Size Casing Size** Depth 6.75 4.5 3315 400 Sks Cement T.O.C. 1035' \leftarrow bbls / ft. diameter delta Conv. Factor 25.3125 1029.4 0.02459 cubic ft. per vertical ft. depth 0.138058122 Sacks per vertical ft. depth 0.175333816 Received Office of Oil & Gas **Yield options** 50/50 posmix 6% gel = 1.64 JUN 16 2016 Neat w/ salt flakes = 1.19 50/50 w/ 2% gel = 1.27 TD 3315'

01-Sep-88 API # 47- 61-00879

State of West Virginia
DEPARTMENT OF ENERGY
Division of Oil and Gas

Well Operator's Report of Well Work

Farm name: "HAUGHT, BILLY Operator Well No.: BROOKOVER 7

LOCATION: Elevation: 1313.00 . Quadrangle: GRANT TOWN

District: CLAY Counts: MONONGALIA
Latitude: 4700 Feet South of 39 Des. 37Min. 30 Sec.
Lonsitude 10125 Feet West of 80 Des. 12 Min. 30 Sec.

Company PENNZOIL PRODUCTS COMPANY				
P. O. BOX 5519	The state of the s	Used in	l Left	Cement
VIENNA, WV	& Tubing	 Drilling	l I in Well	Fill Up Cu. Ft.
Asent: JAMES A. CREWS	Size		 I	
Inspector: DONALD ELLIS Permit Issued: 09/01/88	13-3/8	18' .	18'	
Well work Completed:	8-5/8	888'	888'	To surface
Permission sranted on:Ris RotaryX Cable Ris Total Depth (feet)3315'	4-1/2	3299	1 3299	400 Sks.
Fresh water desths (ft)				
Salt water derths (ft)			, 	
Is coal being mined in area (Y/N)?_NL Coal Depths (ft): _308,_828	1 1		l	1 1
· ·	1			

OPEN FLOW DATA

NOTE: ON BACK OF THIS FORM PUT THE FOLLOWING: 1). DETAILS OF FERFORATED INTERVALS, FRACTURING OR STIMULATING, PHYSICAL CHANGE, ETC. 26.20THE WELL LOG WHICH IS A SYSTEMATIC DETAILED GEOLOGICAL RECORD OF ALL FORMATIONS, INCLUDING COAL ENCOUNTERED BY THE WELLBORE.

For: PENNZOIL PRODUCTS COMPANY

By: Curto 1. 1989 Curtis A. LOTA 01/201

Sand & Shale			4. 4	0-196
Sand			•	196-204
Sand & Shale			4	204-308
Coal				308-312
Shale		,		312-412
Sand		^		412-442
Sand & Shale				442-828
Pittsburgh Coal		•		828-836
Shale Shale				836-858
Sand				858-897
Shale				897-933
Sand				933-964
Sand & Shale				964-1361
Sand				1361-1385
Shale				1385-1503
Sand				1503-1533
Sand & Shale				1533-1560
Sand				1560-1604
Shale				1604-1653
Sand				1653-1670
Shale				1670-1729
Salt Sand				1729-1800
Sand & Shale				1800-2029
Little Lime				2029-2041
Blue Monday				2041-2062
Pencil Cave				2062-2068
Big Lime ·				2068-2130
Loyalhanna				2130-2210
Big Injun				2210-2324
Pocono Shale				2324-2401
Sand				2401-2416
Shale				2416-2588
Sand				2588-2606
Shale		•		2606-2632
Sand				2632-2645
Sand & Shale				2645-2717
Sand				2717-2741
Shale				2741-2767
Sand & Shale				2767-3166
Shale	•			3166-3219"
Siltstone				3219-3222
Shale				3222-3238
Fifth Sand				3238-3252
Shale				3252-3259
Sand				3259-3263
Shale		*		3263-3315
lahal Dayit				
otal Depth				3315

WW-4A Revised 6-07

1)	Date:	June 1, 2016			
2) Operator's ME Brookover 7		Well Number			
3)	API Well N	o.: 47 -	061	0879	

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE OF APPLICATION TO PLUG AND ABANDON A WELL

Billy & Betty Haught	Name	NA
3243 Miracle Run Road	Address	
Fairview, WV 26570		
	(b) Coal Ow	ner(s) with Declaration
	Name	NA
***************************************	Address	
	Name	
	Address	
Gayne Knitowski	(c) Coal Les	see with Declaration
P. O. Box 108	Name	NA
Gormania, WV 26720	Address	
304-546-8171		
	3243 Miracle Run Road Fairview, WV 26570 Gayne Knitowski P. O. Box 108 Gormania, WV 26720	Address

- (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
- 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.

WEST	OFFICIAL SEAL
5 T TE	NOTARY PUBLIC. STATE OF WEST VIRGINIA
子がなった。	MARK J SCHALL
(一些)	H G Energy L L C
	PO Box 5519, Vienna, WV 26105
Sean Transport	My Commission Expires November 2, 2021

Well Operator	HG Energy, LL	C		
By:	Diane White	Diane	White	
Its:	Agent			
Address	5260 Dupont F	Road		
	Parkersburg, V	VV 26101		
Telephone	304-420-1119			Received
				041

Office of Oil & Gas

Subscribed and sworn before	me this 1st day of	June, 2016	JUN 16 2016
CCIA	Le -	Notary Public	0011 1 0 2010
My Commission Expires	11-2-2021		

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 depprivacyoffier@wv.gov.

WW-9 (5/16)

API Number 47	061	_ 0879	
Operator's Well N	No. MEE	Brookover 7	

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION OFFICE OF OIL AND GAS

FLUIDS/ CUTTINGS DISPOSAL & RECLA	MATION PLAN	
Operator Name HG Energy, LLC	OP Code 494497948	
Watershed (HUC 10)_Miracle Run Quadrangle	Grant Town 7.5'	
Do you anticipate using more than 5,000 bbls of water to complete the proposed	well work? Yes No	
Will a pit be used? Yes No No	ANY WELL EFFLUENT MUST BE	
If so, please describe anticipated pit waste:	CONTAINED IN TANKS. 9m	isa
Will a synthetic liner be used in the pit? Yes No In	f so, what ml.?	
Proposed Disposal Method For Treated Pit Wastes:		
Land Application (if selected provide a completed for		
Underground Injection (UIC Permit Number		
Reuse (at API NumberOff` Site Disposal (Supply form WW-9 for disposal lo	ocation)	
Other (Explain_ Any fluids will be hauled for off site disposal at an au	uthorized site to be determined at the time the well is plugged	
Will closed loop system be used? If so, describe: NA		
Drilling medium anticipated for this well (vertical and horizontal)? Air, freshwa	nter, oil based, etc. NA	
-If oil based, what type? Synthetic, petroleum, etc. NA		
Additives to be used in drilling medium?NA		
Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. NA		
-If left in pit and plan to solidify what medium will be used? (cement, l	lime, sawdust)	
-Landfill or offsite name/permit number?		
Permittee shall provide written notice to the Office of Oil and Gas of any load of		
West Virginia solid waste facility. The notice shall be provided within 24 hours of	of rejection and the permittee shall also disclose	
where it was properly disposed.		=
I certify that I understand and agree to the terms and conditions of the on April 1, 2016, by the Office of Oil and Gas of the West Virginia Department provisions of the permit are enforceable by law. Violations of any term or condition or regulation can lead to enforcement action. I certify under penalty of law that I have personally examined and application form and all attachments thereto and that, based on my inquiry of the the information, I believe that the information is true, accurate, and complete. submitting false information, including the possibility of fine or imprisonment.	t of Environmental Protection. I understand that the ition of the general permit and/or other applicable law arm familiar with the information submitted on the ose individuals immediately responsible for obtaining I am aware that there are significant penalties for	e w is g or
5.11.97	Received	
	Office of Oil &	
company official (Typed Name)	JUN 1 6 2016	
Company Official Title Agent		
Subscribed and sworn before me this 1st day of June, 2016	, 20/6	*corecones
My commission expires Nov. 2 2021	Notary Public Notary Public NOTARY PUBLIC. ST MARK H G En	CIAL SEAL FATE OF WEST V J SCHALL nergy L L C Vienna, WV 2610

Operator's Well No. M E Brookover 7

Daniel Daniel Trans		0.00000	
	tment: Acres Disturbed		ion pH
	3 Tons/acre or to correct		
Fertilizer type 10/2	500	<u> </u>	
Fertilizer amount		lbs/acre	
Mulch_Straw	2	Tons/acre	
		Seed Mixtures	
Te	emporary	Pe	ermanent
Seed Type	lbs/acre	Seed Type	lbs/acre
Tall Fescue	40	Tall Fescue	40
Ladino Clover	5	Ladino Clover	5
** Sediment Contro	I Will Be In Place At	t All Times **	
Maps(s) of road, location, pirovided). If water from the	pit will be land applied, pro-	application (unless engineered plans i	including this info have been s (L, W, D) of the pit, and dimensi
Maps(s) of road, location, piprovided). If water from the L, W), and area in acres, of Photocopied section of invol	pit will be land applied, pro- the land application area.	vide water volume, include dimension	including this info have been s (L, W, D) of the pit, and dimensi
Attach: Maps(s) of road, location, pi provided). If water from the L, W), and area in acres, of Photocopied section of invol Plan Approved by: Comments: Redain 5 (1)	pit will be land applied, protein the land application area. ved 7.5' topographic sheet.	vide water volume, include dimension	s (L, W, D) of the pit, and dimensi
Maps(s) of road, location, piprovided). If water from the L, W), and area in acres, of Photocopied section of involutional Plan Approved by:	pit will be land applied, protein the land application area. ved 7.5' topographic sheet.	vide water volume, include dimension	s (L, W, D) of the pit, and dimensi
Maps(s) of road, location, piprovided). If water from the L, W), and area in acres, of Photocopied section of involutional Plan Approved by:	pit will be land applied, protein the land application area. ved 7.5' topographic sheet.	vide water volume, include dimension	s (L, W, D) of the pit, and dimensi
Maps(s) of road, location, piprovided). If water from the L, W), and area in acres, of Photocopied section of involutional Plan Approved by:	pit will be land applied, protein the land application area. ved 7.5' topographic sheet.	vide water volume, include dimension	Received

WW-9- GPP Rev. 5/16

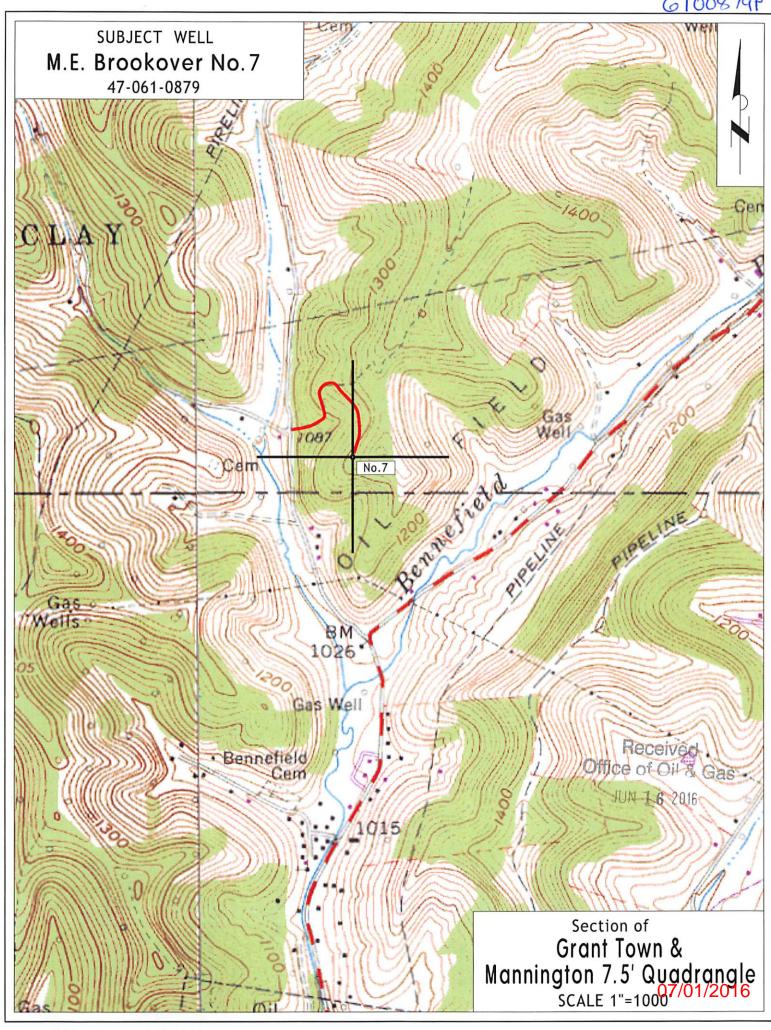
	Page	of	
API Number 47	- 061	- 0879	
Operator's Well	No. M E Br	ookover 7	

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION OFFICE OF OIL AND GAS GROUNDWATER PROTECTION PLAN

GROONDWATER PROTECTION FLAN	
erator Name: HG Energy, LLC	
atershed (HUC 10): Miracle Run Quad: Grant Town	7.5'
m Name: M E Brookover	
List the procedures used for the treatment and discharge of fluids. Include a list of all operation groundwater.	ns that could contaminate the
NA	
Describe procedures and equipment used to protect groundwater quality from the list of potentia	l contaminant sources above.
NA	
List the closest water body, distance to closest water body, and distance from closest Well I discharge area.	Head Protection Area to the
NA	
Summarize all activities at your facility that are already regulated for groundwater protection.	Received
	Office of Oil &
NA	JUN 16 2016

5. Discuss any existing groundwater quality data for your facility or an adjacent property.

VW-9- GPP	Page of
ev. 5/16	API Number 47 - 061 - 0879
	Operator's Well No. ME Brookover 7
NA	
Provide a statement that no waste materia	al will be used for deicing or fill material on the property.
NA	
Describe the groundwater protection ins	struction and training to be provided to the employees. Job procedures shall
provide direction on how to prevent grou	
NA .	
Provide provisions and frequency for ins	pections of all GPP elements and equipment.
w.	5
	Received
	Office of Oil & G
	JUN 1 6 2016
ignature: Diane White	
ignature: Dione WNUL	
Pate: 06/01/2016	



WW-7 5-02

West Virginia Department of Environmental Protection Office of Oil & Gas

WELL LOCATION FORM: GPS

API: 47-	061 - 0879		WELL NO:	7
FARM NAME:	M.E. Brookover No.7			
RESPONSIBLE PARTY NA	AME: H.G. Ene	rgy, LLC		
COUNTY:	Monongalia		DISTRICT:	Clay
QUADRANGLE:	Grant Town 7.5'			
SURFACE OWNER:	Billy & Betty Haugh	ht		
ROYALTY OWNER:	Ascent Resources			
UTM GPS NORTHING:	4,384,989	(NAD 83)		
UTM GPS EASTING:	564,901	(NAD 83)	GPS ELEVATION:	400 m. (13/2)
preparing a new well locati Oil & Gas will not accept (ned above has chosen to subnon plat for a plugging permit GPS coordinates that do not not 1983, Zone:17 North, Co	on the above neet the foll	ve well. The Office of owing requirements:	
height abov 2. Accuracy to	re mean sea level (MSL) - me o Datum - 3.05 meters ction Method:		ms. meters, Annuae	•
Survey Grade G	PS Post Processed Difference Real-Time Difference			
Mapping Grade	GPS X Post Processed Different Real-Time Different		C	Received Office of Oil & Gas
	ertify this data is correct to the community of the correct to the		y knowledge and	JUN 1 6 2016
Diane White	Diane C. White	_	Designated Ag	ent
Signature			Title	
May 26	, 2016	_ 6		
Date				