

west virginia department of environmental protection.

Office of Oil and Gas 601 57th Street, S.E. Charleston, WV 25304 (304) 926-0450 fax: (304) 926-0452

Austin Caperton, Cabinet Secretary www.dep.wv.gov

Thursday, March 26, 2020 WELL WORK PERMIT Vertical / New Drill

DALE, DAVID DBA DD OIL COMPANY P.O. BOX 406

SPENCER, WV 252760406

Permit approval for DRILCO 1V PAD 3 Re:

47-085-10402-00-00

This well work permit 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 any additional specific 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.

Please be advised that form WR-35, Well Operators Report of Well Work is to be submitted to this office within 90 days of completion of permitted well work, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35 CSR 4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0450.

James A. Martin

Chief

Operator's Well Number: DRILCO 1V PAD 3

Farm Name: SAMUEL & BARBARA KENS

U.S. WELL NUMBER: 47-085-10402-00-00

Vertical New Drill

Date Issued: 3/26/2020

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

CONDITIONS

- 1. If the operator encounters an unanticipated void, or an anticipated void at an unanticipated depth, the operator shall notify the inspector within 24 hours. Modifications to the casing program may be necessary to comply with W. Va. Code §22-6-20, which requires drilling to a minimum depth of thirty feet below the bottom of the void, and installing a minimum of twenty (20) feet of casing. Under no circumstance should the operator drill more than fifty (50) feet below the bottom of the void or install less than twenty (20) feet of casing below the bottom of the void.
- 2. Pursuant to 35 CSR 4-19.1.a, at the request of the surface owner all water wells or springs within 1000 feet of the proposed well that are actually utilized for human consumption, domestic animals or other general use shall be sampled and analyzed.
- 3. Pursuant to 35 CSR 4-19.1.c, if the operator is unable to sample and analyze any water well or spring with one thousand (1,000) feet of the permitted well location, the Office of Oil and Gas requires the operator to sample, at a minimum, one water well or spring located between one thousand (1,000) feet and two thousand (2,000) feet of the permitted well location.
- 4. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
- 5. 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.
- 6. During the surface casing and cementing process, in the event cement does not return to the surface, or any other casing string that is permitted to circulate cement to the surface and does not return to the surface, the oil and gas inspector shall be notified within twenty-four (24) hours
- 7. Well work activities shall not constitute a hazard to the safety of persons.
- 8. Operator shall provide the Office of Oil & Gas notification of the date that drilling commenced on this well. Such notice shall be provided by sending an email to DEPOOGNotify@wv.gov within 30 days of commencement of drilling.

WW - 2B (Rev. 8/10)

Sizes: NONE
Depths Set NONE

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

| I) Men obeier | or: DD OI | LCO | | DRILCO 2020 HD 1V | RITCHIE | UNION | BURNTHOUSE |
|--|--|--|---|--|--|--|--------------------|
| | | | | Operator ID | County | District | Quadrangle |
| 2) Operator's V | Vell Numb | er: DRILC | O 2020 HD1V | | 3) Elevation: | 1216 | |
| 4) Well Type: (a | a) Oil X | or Ga | s X | | | | |
| (1 |) If Gas: | Produ | ction X / Uno | derground Sto | rage | _ | |
| | | | / S | | | | |
| 7) Approximate | Tresh Wal | er strata | Feet depths: 250 FT. 1500 FT. IF ENCOU | ENGOGNICATED | Proposed Tar Proposed Tota | get Depth: _TU | LLY |
| 9) Approximate | | | | | | | M La |
| 10) Approximat | e void de | oths.(coa | al, Karst, other): | NONE | | | mic 18. |
| | | | | | 10 | | |
| | | | s tributary to act | | | | |
| | Contract of the Contract of th | Lwark ar | nd fracturing meth | ods in detail (a | ttach additiona | al sheets if ne | eded) |
| | | | | | | | |
| BUILD WELL LOC | ATION AND | DRILLT | HRU TO TULLY S | HALE. | | | |
| BUILD WELL LOC | ATION AND | D DRILL T | | HALE. STRATOGRAP | HIC FOR POTE | ENTIAL DEVE | LOPMENT. |
| BUILD WELL LOC | ATION AND BASE OF THE RIGH | SHALE T | HRU TO TULLY S O EVALUATE THE | HALE. STRATOGRAP | THIC FOR POTE | ENTIAL DEVE AND ABOVE. | LOPMENT. |
| BUILD WELL LOC RUN LOGS FROM IND, RESERVING | ATION AND BASE OF THE RIGH | D DRILL T SHALE T HT TO STI | THRU TO TULLY S O EVALUATE THE IMULATE ANY FOR | HALE. STRATOGRAP | THIC FOR POTE | ENTIAL DEVE | LOPMENT. |
| BUILD WELL LOC RUN LOGS FROM IND, RESERVING | ATION AND 1 BASE OF 3 THE RIGH | D DRILL T SHALE T HT TO STI | HRU TO TULLY S O EVALUATE THE IMULATE ANY FOR ASING AND TUR I | HALE. STRATOGRAP RMATIONS FRO | THIC FOR POTE | AND ABOVE. | LOPMENT. |
| BUILD WELL LOC RUN LOGS FROM IND, RESERVING | ATION AND BASE OF THE RIGH | SHALE TO STI | HRU TO TULLY S O EVALUATE THE MULATE ANY FOR ASING AND TUR Weight per ft | HALE. STRATOGRAP RMATIONS FRO BING PROGR FOOTAGE | HIC FOR POTE OM THE TULLY AM INTERVALS | AND ABOVE. | NT |
| BUILD WELL LOC RUN LOGS FROM IND, RESERVING 13) TYPE | ATION AND BASE OF THE RIGH SPECIFIC Size | SHALE TO STILL TO STI | HRU TO TULLY S O EVALUATE THE MULATE ANY FOR ASING AND TUR Weight per ft | HALE. STRATOGRAP RMATIONS FRO BING PROGR FOOTAGE For Drilling | THIC FOR POTE OM THE TULLY AM INTERVALS Left in Well | AND ABOVE. S CEME Fill -up (Cu | NT J. Ft.) |
| OUILD WELL LOCK RUN LOGS FROM IND, RESERVING 13) TYPE S Conductor | ATION AND BASE OF THE RIGH SPECIFIC Size 13 3/8" | SHALE TO STILL TO STI | HRU TO TULLY S O EVALUATE THE MULATE ANY FOR ASING AND TUR Weight per ft 42 LBS | HALE. STRATOGRAP RMATIONS FRO BING PROGR FOOTAGE For Drilling 20 FT | AM INTERVALS Left in Well | AND ABOVE. S CEME Fill -up (Cu | NT J. Ft.) |
| RUILD WELL LOCK RUN LOGS FROM ND, RESERVING 13) TYPE S Conductor Fresh Water | ATION AND BASE OF THE RIGH SPECIFIC Size 13 3/8" 9 5/8" | SHALE TO STILL TO STI | HRU TO TULLY S O EVALUATE THE MULATE ANY FOR ASING AND TUR Weight per ft 42 LBS | HALE. STRATOGRAP RMATIONS FRO BING PROGR FOOTAGE For Drilling 20 FT | AM INTERVALS Left in Well | AND ABOVE. S CEME Fill -up (Cu | INT J. Ft.) S |
| Conductor Fresh Water Could WELL LOCK RUN LOGS FROM TYPE S Conductor | ATION AND BASE OF THE RIGH SPECIFIC Size 13 3/8" 9 5/8" NONE | SHALE TO STILL TO STI | HRU TO TULLY S O EVALUATE THE MULATE ANY FOR ASING AND TUI Weight per ft 42 LBS 36 LBS | HALE. STRATOGRAP RMATIONS FRO BING PROGR FOOTAGE For Drilling 20 FT 350 FT | AM INTERVALS Left in Well 20 FT 350 FT | ENTIAL DEVEL AND ABOVE. S CEME Fill -up (Cu | INT I. Ft.) S S |
| Conductor Fresh Water Coal Intermediate | ATION AND BASE OF THE RIGH SPECIFIC Size 13 3/8" 9 5/8" NONE 7" | SHALE TO STITE TO STITE CARTIONS Grade H40 H40 J55 | Weight per ft 42 LBS 36 LBS | HALE. STRATOGRAP RMATIONS FRO BING PROGR FOOTAGE For Drilling 20 FT 350 FT | AM INTERVALS Left in Well 20 FT 350 FT | ENTIAL DEVEL AND ABOVE. CEME Fill -up (Cu CTS CTS | INT I. Ft.) S S |

Depths Set NONE

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

| 1) Well Operato | or: DDO | IL CO | | DRILCO 2000 HD 1V | RITCHIE | UNION | AUBURN |
|--|-----------------------|----------------------|---------------------------------|-------------------|-------------------------------|--------------------------------------|-------------------|
| | | | | Operator ID | County | District | Quadrangle |
| 2) Operator's V | Vell Numb | er: DRILC | CO- 2026 HD1V | | 3) Elevation: | 1216 | - |
| 4) Well Type: (a | a) Oil_X | _ or Ga | s_X | | | | |
| (t |) If Gas: | Produ | ction X / Une | derground Sto | rage | | |
| | | Deep | / 8 | Shallow X | _ | | |
| 6) Proposed To 7) Approximate | tal Depth fresh wa | :_6750 ter strata | Feet a depths: 250 FT, IF ENCOU | Formation at F | Proposed Tar Proposed Tota | get Depth: <u>f</u> al Depth: _⊤∪ | 6750 LLY |
| 9) Approximate | coal sea | m depths | S: NONE | | | RECEN | VED |
| | | | | NONE | | Office of Oil | and Gas |
| 10) Approximat | e void de | pths,(coa | al, Karst, other): | NONE | | MAR 04 | 2020 |
| 11) Does land | contain co | al seam | s tributary to ac | tive mine? _ | IO | WV Depart | ment of |
| 12) Describe pro | nosed we | ll work ar | nd fracturing meth | ods in detail (a | ttach additiona | | |
| | | | HRU TO TULLY S | | | | |
| RUN LOGS FROM | BASE OF | SHALE T | O EVALUATE THE | STRATOGRAP | HIC FOR POTE | NTIAL DEVE | LOPMENT. |
| ND, RESERVING | THE RIGH | IT TO STI | MULATE ANY FO | RMATIONS FRO | M THE TULLY | AND ABOVE. | |
| 13) | | CA | SING AND TU | BING PROGR | AM | | |
| TYPE S | PECIFIC | ATIONS | | FOOTAGE | INTERVALS | CEME | NT |
| | Size | Grade | Weight per ft | For Drilling | Left in Well | Fill -up (Cu | ı. Ft.) |
| Conductor | 13 3/8" | H40 | 42 LBS | 20 FT | 20 FT | CT | S |
| Fresh Water | 9 5/8" | H40 | 36 LBS | 350 FT | 350 FT | CTS | S |
| Coal | NONE | | | V a Tri | | | |
| Intermediate | 7" | J55 | 20 LBS | 1950 FT | 1950 FT | CTS | S |
| Production | 4 1/2" | N80 | 13.5 LBS | 6750 FT | 6750 FT | CTS | S |
| Tubing | | | | | | | 0 |
| Liners | | | | | | 1 | 13/809 13/3/20 |
| Packers: Kind | : NONE | | | | | CK | 15 63/3/20 |
| Size | - | | | | | Bu | mye 31 |

| WW-2 | 2A |
|-------|-------|
| (Rev. | 6-14) |

1). Date: 2/25/2020

2.) Operator's Well Number

DRILCO 2020 HD1V

County

085

State

Permit

3.) API Well No .:

47-

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE AND APPLICATION FOR A WELL WORK PERMIT

| | /ner(s) to be served: | 5) (a) Coal Ope | |
|--|---|---|--|
| (a) Name Address | SAMUEL/BARBARA KENSLE 1471 TOWNSHIP ROAD 51E | | NONE |
| /IN NISSES | RUSHYLVANIA OH 43347 | - (h) C1 O | |
| (b) Name | | | wner(s) with Declaration |
| Address | | Name | NONE |
| | | Address | - |
| (c) Name | | Name | |
| Address | 7 | Address | |
| 7,141,818 | | - 0700000 | |
| 6) Inspector | MIKE GOFF | _ | essee with Declaration |
| Address | | Name | NONE |
| | | Address | |
| Telephone | 304-549-9823 | | |
| | TO THE PERSONS NA | MED ABOVE TA | AKE NOTICE THAT: |
| Included is t | he lease or leases or other continuing | contract or contra | acts by which I hold the right to extract oil and gas |
| I certify application, a local polication, a local polication, a local polication, a local polication, a local polication for a local polication, a local polication for a | that as required under Chapter 22-6 cation plat, and accompanying docume Personal Service (Affidavit attack Certified Mail (Postmarked post Publication (Notice of Publication and understand Chapter 22-6 and application. under penalty of law that I have personant and all attachments, and that be cormation, I believe that the information are that there are significant penalties DEFICIAL SEAL | of the West Virginal pages 1 throughed) al receipt attached attached attached) if 35 CSR 4, and conally examined ased on my inquiris true, accurate | I agree to the terms and conditions of any permit and am familiar with the information submitted on y of those individuals immediately responsible for |
| STATE | OF WEST VIRGINIA By: | dorto tron | |
| K | | OPERATOR | |
| GI GI | PO Box 414 Address: | DO DOV 20E | CDANTOVILLE MAY 26447 |
| My Commis | ssion Expires Oct. 19, 2023 | | GRANTSVILLE, WV 26147 |
| 200000000000000000000000000000000000000 | . Copie | | COOILGAS.COM |
| Subscribed and | sworn before me this 25 day of | | , 2020 |
| | au or | 1.20 | , 2020 |
| tint | erh D Kur | | Notary Public |
| My Commission | Expires / 0 · 1 | 7.2023 | ALTERNA CRESCER |
| Oil and Gas Privacy | | | |

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



BOX 385 GRANTSVILLE, WV 26147 304-354-9516 DrilcoOilGas.com

February 26, 2020

Samuel and Barbara Kensler 1471 Township Road 51 E Rushylvania, OH 43347 937-935-4786 937-935-9128

Hello Mr. and Mrs. Kensler,

This is Kim Butler, Hugh's assistant. Hope this finds you well.

Hugh wanted you to know that we are now in the process of building the location, and permitting possibly 4 WELLS on the "PAD 2" location that has already been cleared off, down over the hill. If you have any questions, or concerns, please contact us ASAP.

As u are aware, we are required for by permitting regulations to give you official notice via verifiable mail. I have also included copies of the plats involved.

Attached are copies of the plats that show the location and well placement.

Also, I have included 2 ORIGINAL COPIES of the signed SURFACE OWNER WAIVER that is part of the permitting process. Please sign BOTH and return one to me, in the attached envelope, as quickly as possible.

If you have any questions, please contact me at 304-354-9516, or Hugh at 304-550-0978, or hugh@drilcooilgas.com.

Hugh D. Dale, Jr., President

Drilco Oil & Gas Corporation

| WW-2A | Surface | Waiver |
|--------|---------|--------|
| (4/16) | | |

SURFACE OWNER WAIVER

| County | 085 | Operator | DD OIL CO |
|--------|-----|----------------------|------------------|
| | | Operator well number | DRILCO 2020 HD1V |

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (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 FIFTEEN (15) 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.

<u>Comments must be in writing.</u> 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.
- 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.

<u>List of Water Testing Laboratories</u>. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

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 Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through ____ including a work order on Form WW2-B, a survey plat, WW-9, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

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 | | FOR EXECUTION BY A CORPORATION, ETC. | | |
|-----------------------------------|------|--------------------------------------|----------------------|--------------------|
| | Date | Company Name | DD OIL CO | |
| Signature | | By Its | HUGH D DALE OPERATOR | R 02/25/20 Date |
| Print Name | | | 11/ | |
| | | | Signature | Date |

COAL OPERATOR, OWNER, OR LESSEE WAIVER

| Operator DD OIL CO | Operator's Well Nu | nber DRILCO 20 | 20 HD1V |
|---|---|--|---|
| INSTRUCTIONS TO C | COAL OPERATOR, O | VNER, OR LESSEE | |
| To the coal operator, owner, or leany objection you wish to make or are rewith the Chief of the Office of Oil and Goby the Office. Mail objections to: | equired to make by WV | Code 22-6-15, 16 or | 17, must be filed |
| Chief, Office of Oil and Gas Department of Environmental Protection 601 57 th St. SE Charleston, WV 25304 (304) 926-0499 extension 1654 | \land | o Coal | |
| | WAIVER | | |
| The undersigned coal operator location has examined this proposed well location, the well location has been added work proposed to be done at this location requirements of the West Virginia Code at FOR EXECUTION BY A NATURAL PERSON | Il location. If a mine med to the mine map. The mine map. The provided, the well opened the governing regularity. | ap exists which covers ne undersigned has no erator has complied w lations. | s the area of well o objection to the vith all applicable |
| FOR EXECUTION BY A NATURAL PERSON | | EXECUTION BY A COR | ORATION, ETC. |
| Date | Company Name | DD OIL CO | |
| Signature | Ву | HUGH D DALE OPERATOR | 02/25/2020 |
| | Its | 76 | Date |
| | | 4/ | 02/25/20 |
| | | Signature | Date |
| | | | |

| Operator's Well Number | DRILCO 2020 HD1V |
|------------------------|------------------|
|------------------------|------------------|

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

| Grantor, Lessor, etc. | Grantee, Lessee, etc. | Royalty | Book/Page |
|--------------------------------|------------------------------------|---------|-----------|
| DRILCO OIL & GAS CORP | DD OIL CO | 1/8 | BOOK 122 |
| (Hardman Drilling purchased by | PO BOX 406 | | PAGE 50 |
| DRILCO OIL & GAS CORP) | SPENCER, WV 25276 | | |
| March 1995 | | | |
| Ritchie County | (SEE ATTACHED FARM OUT ASSIGNMENT) | | |

Acknowledgement of Possible Permitting/Approval In Addition to the Office of Oil and Gas

The permit app licant for the proposed well work addressed in this application he reby a cknowledges the possibility of the need for permits and/or approvals from local, state, or federal entities in addition to the DEP, Office of Oil and Gas, including but not limited to the following:

- WV Division of Water and Waste Management
- WV Division of Natural Resources
- WV Division of Highways
- U.S. Army Corps of Engineers
- U.S. Fish and Wildlife Service
- County Floodplain Coordinator

The applicant further acknowledges that any Office of Oil and Gas permit in no way overrides, replaces, or nullifies the need for other permits/approvals that may be necessary and further affirms that all needed permits/approvals should be ac quired from the appropriate authority before the affected activity is initiated.

Well Operator: By:Its: DD OIL CO HUGH D DALK

OPERATOR

FARM OUT ASSIGNMENT

AND ASSOCIATED OIL AND GAS INTERESTS

| State of West Virginia | Record and Return to | o: | | |
|---|--|---|--|--|
| RITCHIE | DRILCO OIL & GAS, INC | | | |
| County of | P.O. Box 385, | | | |
| | Grantsville, West Virgin | nia, 26147 | | |
| KNOW ALL MEN BY THESE PRESENTS THAT, the undersigned, chief executive offices are located at 2021 Calhoun Hwy, Grantsville consideration of Ten Dollars (\$10.00) in hand paid and other good a hereby acknowledged, does hereby grant, convey, sell, assign, transginia limited liability corporation, with its offices located at 2021 Calerty as defined below, as the Property covers and pertains directly to GAS INCORPORATED ONLY OF THE [INSERT WELL NAME] | , West Virginia 26147, hereinafter refee- ind valuable consideration, the receipt a sfer and set over unto Drilco 2018 1H Dri shoun Hwy, Grantsville, West Virginia 26 to the WELLBORE, AS DEFINED BELOW, A DMAN DRILLING (PURCHASED BY DRILCO | nd sufficiency of which is Illing Program LLC, a West Vi 5147, (" <u>Assignee</u> "), the Prop- ND LAID OUT IN DRILCO OIL OOIL & GASWell, (the " <u>Well</u> " | | |
| from a surface locatn on [INSERT SURFACE LOCATION] by [INSERT MINERAL NAME] HARDMAN DRILLING (PURCH | DRILCO OIL & GAS IASED BY DRILCO OIL & GAS) | leased to Assigno under the lease(s) de- | | |
| scribed below (collectively, the " <u>Lease(s)</u> "), and all production of oil bit for this program, EXCEPTING AND RESERVING unto Assignor all country to or in any manner pertaining to the lands which are the subject of | , gas, and other minerals from the Wellb of Assignor's right, title, and interest in the | ore, penetrated by the drill | | |
| The term "Property" means all rights, title, and oil well from the surface to its actual depth, provided that, such total d "Wellbore"); and (b) the exclusive right to penetrate into the subsuleum hydrocarbons; (c) all of the oil, gas, and/or minerals produced from the surface including with limitation presently existing oil, and bore; TO HAVE AND TO HOLD the same unto the same terms and p thereto and to all laws, rules, and regulations of all governmental beherby assume insofar as same are applicable to the interest herby a HALL LEASE. This Assignment is being entered into and pursuant. | epth shall not be deeper than 6,000 feet inface with the wellbore in search of oil, from the well so long as its total depth is casinghead gas, natural gas and /or oth rovisions contained in said leases, contro odies and agencies having jurisdiction the ssigned, The term "Leases(s)" means DR | t from the surface (the natural gas, and other petro s no deeper than 6,000 feet er hydrocarbons in the wellacts and assignments relatingereof, all of which Assignees LILCO OIL & GAS CORP/ADA | | |
| in that certain DRILCO OIL & GAS INCORPORATED by and between | Assignor and Assignee dated as of [INSEF de without warranty of title. The provision | RT AGREEMENT DATE] ons hereof shall be construe | | |
| ASSIGNOR: DRILCO OIL & GAS, INC Federal ID #: 83-2371247 | ASSIGNEE: | | | |
| Physical Address: 2021 Calhoun Hwy, Grantsville WV 26147 | Address: | | | |
| 1 1 2 2 2 | DD OIL COMPANY | | | |
| By: full Dela Marcine Destroy | PO BOX 406 | | | |
| Hugh D. Dale, Managing Partner | SPENCER, WV 25276 | | | |
| NOTARY ACKNOWLEDGEMENT | | | | |
| State of WV, COUNTY OF Calhoun | | | | |
| The foregoing instrument was acknowledged before me on 05-15-19 (date) | 55-0765849 | | | |
| by Kinbuly D Butt (name Notary Public) | Federal ID/SSN : | | | |
| Printed name Kimbry D Butter | By: | | | |
| My commission expires / 6 · 19 · 23 | 7// | | | |
| OFFICIAL SEAL NOTARY PUBLIC STATE OF WEST VIRGINIA Kimberly D. Butler PO Boy 414 | Name (please print) | | | |
| OFFICIAL SEAL NOTARY PUBLIC STATE OF WEST VIRGINIA Kimberly D. Butler PO Box 414 Glenville, WV 26351 My Commission Expires Oct. 19, 2023 | | | | |

WW-2B1 (5-12)

| Well No | DRILCO 2020 HD1V | |
|---------|------------------|--|
|---------|------------------|--|

West Virginia Department of Environmental Protection Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

Be advised, you have the right to sample and analyze any water supply at your own expense.

Listed below is the laboratory chosen by operator to perform analysis, and contactor chosen to collect sample.

Certified Laboratory Name Sampling Contractor NO WATER SOURCES WITHIN 2,000 FT.

Well Operator

DD OIL CO

Address

PO BOX 385

GRANTSVILLE, WV 26147

Telephone

304-354-9516

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site, the Chief may require the operator to test wells up to 2000 feet from the proposed site.

HUPP Surveying & Mapping P.O. BOX 647

GRANTSVILLE, WV 26147

(304) 354-7035 hupp@frontiernet.net FAX: (304) 354-6548

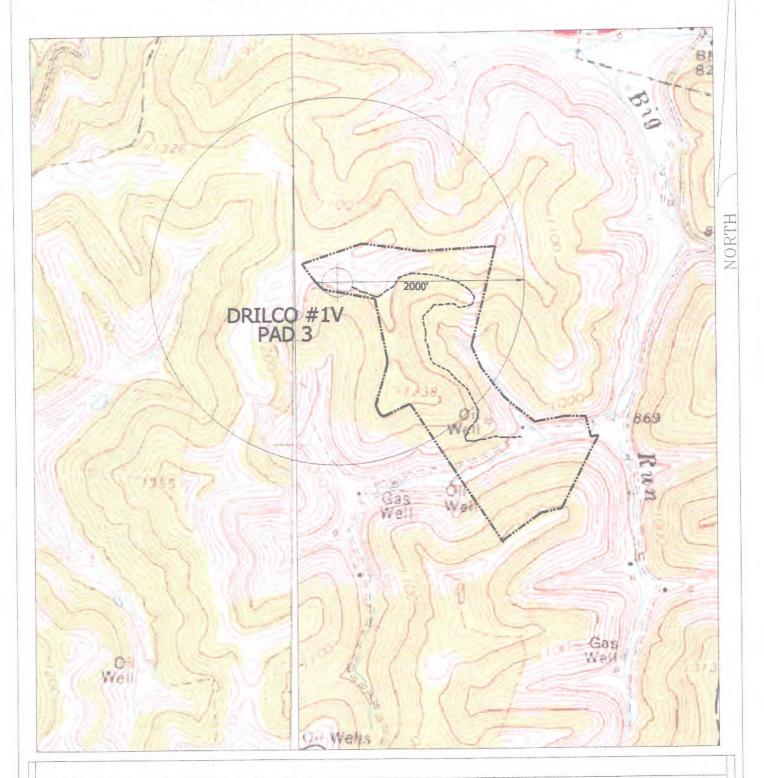
December 16, 2019

RE: Water Samples for DRILCO #1V PAD 3

There appears to be no potable water sources within 2,000' of DRILCO #1V PAD 3, therefore no test need to be taken.

D D OIL COMPANY DRILCO #1V PAD 3 WATER

Page 1 of 1



HUPP Surveying & Mapping

P.O. BOX 647 GRANTSVILLE. WV 26147 PH:(304)354-7035 E-MAIL: hupp@frontiernet.net 1" = 1000' AUBURN Quad D D OIL COMPANY P.O. BOX 382 GRANTSVILLE, WV 26147 WW-9 (5/16)

| API Number | 47 - | 085 | - | |
|--------------|--------|------|---------------|--|
| Operator's W | ell No | DRIL | CO 2020 HD 1V | |

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

| Operator Name_DD OIL CO | OP Code |
|--|--|
| Watershed (HUC 10)_BIG RUN | Quadrangle BURNTHOUSE |
| Do you anticipate using more than 5,000 bbls of water Will a pit be used? Yes No | to complete the proposed well work? Yes No |
| If so, please describe anticipated pit waste: | FRESH WATER AND DRILL CUTTINGS |
| Will a synthetic liner be used in the pit? Yes | |
| Proposed Disposal Method For Treated Pit Wa | |
| | d provide a completed form WW-9-GPP) |
| | C Permit Number) |
| Reuse (at API Number | |
| | orm WW-9 for disposal location) |
| Other (Explain_ | |
| Will closed loop systembe used? If so, describe: | |
| Drilling medium anticipated for this well (vertical and | horizontal)? Air, freshwater, oil based, etc. SURFECTANT |
| -If oil based, what type? Synthetic, petroleum | , etc. NONE |
| Additives to be used in drilling medium? NONE | |
| Drill cuttings disposal method? Leave in pit, landfill, re | emoved offsite, etc. LEAVE IN PIT |
| -If left in pit and plan to solidify what medium | will be used? (cement, lime, sawdust) LIME AND SAWDUST, OR CEMENT |
| -Landfill or offsite name/permit number? NON | |
| | Dil and Gas of any load of drill cuttings or associated waste rejected at any provided within 24 hours of rejection and the permittee shall also disclose |
| on April 1, 2016, by the Office of Oil and Gas of the V provisions of the permit are enforceable by law. Violati or regulation can lead to enforcement action. I certify under penalty of law that I have perapplication form and all attachments thereto and that, but | ms and conditions of the GENERAL WATER POLLUTION PERMIT issued West Virginia Department of Environmental Protection. I understand that the ions of any term or condition of the general permit and/or other applicable law ersonally examined and am familiar with the information submitted on this assed on my inquiry of those individuals immediately responsible for obtaining accurate, and complete. I am aware that there are significant penalties for of fine or imprisonment. |
| Company Official Signature | |
| Company Official (Typed Name) HUGH D DALE | |
| Company Official Title MANAGING MEMBER | |
| Subscribed and sworn before me this 74 d Linbury D Bytc My commission expires (0.19.23 | ay of Feb Zozo OFFICIAL SEAL NOTARY PUBLIC STATE OF WEST VIRGINIA Kimberly D. Butler PO Box 414 Glenville, WV 26351 My Commission Expires Oct. 19, 2023 |
| | My Commission Expires Oct. 19, 2023 |

| Lime | Tons/acre or to c | orrect to pH | | |
|---|--|---|--|---|
| Fertilizer type 10 | | | | |
| - | 500 | lbs/ac | те | |
| | | | | |
| | | Seed M | xtures | |
| 7 | emporary | | Perm | anent |
| Seed Type | lbs/acre | | Seed Type | lbs/acre |
| CONTRACTOR'S | S MIX 40LB | 10-10-10-10-10-10-10-10-10-10-10-10-10-1 | CONTRACTOR'S M | MIX 40LB |
| | | | | |
| aps(s) of road, location, povided). If water from the W), and area in acres, o | e pit will be land applied f the land application are | l, provide water ea. | n (unless engineered plans incl volume, include dimensions (L | uding this info have been L, W, D) of the pit, and dimen |
| novided). If water from the W, W, and area in acres, on notocopied section of inverse an Approved by: | e pit will be land applied f the land application and olived 7.5' topographic sl | I, provide water ea. heet. | volume, include dimensions (I | , W, D) of the pit, and dimen |
| laps(s) of road, location, provided). If water from the W, W, and area in acres, on the coordinate of | e pit will be land applied f the land application and olived 7.5' topographic sl | I, provide water ea. heet. | volume, include dimensions (I | , W, D) of the pit, and dimen |
| laps(s) of road, location, provided). If water from the W, W, and area in acres, on the coordinate of | e pit will be land applied f the land application and olived 7.5' topographic sl | I, provide water ea. heet. | volume, include dimensions (I | , W, D) of the pit, and dimen |
| laps(s) of road, location, provided). If water from the W, W, and area in acres, on the coordinate of | e pit will be land applied f the land application and olved 7.5' topographic slocked 7.5' topographic slocked 9 mulch controls | I, provide water ea. heet. | distarbed are | , W, D) of the pit, and dimen |
| laps(s) of road, location, provided). If water from the W, who and area in acres, on notocopied section of involved an Approved by: Peese E | e pit will be land applied f the land application and olved 7.5' topographic slocked 7.5' topographic slocked 9 mulch controls | I, provide water ea. heet. | volume, include dimensions (I | , W, D) of the pit, and dimen |
| laps(s) of road, location, provided). If water from the W, who and area in acres, on notocopied section of involved an Approved by: Peese E | e pit will be land applied f the land application and olved 7.5' topographic slocked 7.5' topographic slocked 9 mulch controls | I, provide water ea. heet. | volume, include dimensions (I | , W, D) of the pit, and dimen |
| laps(s) of road, location, provided). If water from the W, who and area in acres, on notocopied section of involved an Approved by: Peese E | e pit will be land applied f the land application and olved 7.5' topographic slocked 7.5' topographic slocked 9 mulch controls | I, provide water ea. heet. | volume, include dimensions (I | , W, D) of the pit, and dimen |
| laps(s) of road, location, provided). If water from the W, who and area in acres, on notocopied section of involved an Approved by: Peese E | e pit will be land applied f the land application and olved 7.5' topographic slocked 7.5' topographic slocked 9 mulch controls | I, provide water ea. heet. | volume, include dimensions (I | , W, D) of the pit, and dimen |
| laps(s) of road, location, provided). If water from the W, who and area in acres, on notocopied section of inversal Approved by: Press F-n-s AS Necessar | e pit will be land applied f the land applied of the land application and plived 7.5' topographic shall be a mulch controls | I, provide water ea. heet. CFF any necd | volume, include dimensions (I | cas per WVAS |

WW-9- GPP Rev. 5/16

| | Page | 1 | of 2 | |
|-------------------|--------|--------|----------|--|
| API Number 47 - | | - | | |
| Operator's Well N | o. DRI | LCO 20 | 20 HD 1V | |

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

| Operator Name: DD OIL CO DRILCO 2020 HD 1V | |
|---|--|
| Vatershed (HUC 10): BIG RUN | Quad: BURNTHOUSE |
| arm Name: SAM AND BARBARA KENSLER | |
| . List the procedures used for the treatment and discharge of groundwater. | f fluids. Include a list of all operations that could contaminate th |
| Cuttings will be discharged into 20 mil lined pit(s) during the drilling process. Solids generated from site. Site will be reclaimed to WVDEP regulations | well will be dried and solidified, then back-filled on |
| Pits constructed with inadequate volume, or impr the groundwater. | oper pit liner installation could contaminate |
| 2. Describe procedures and equipment used to protect ground | water quality from the list of potential contaminant sources above |
| Pit(s) lined with 20 mil plastic, dikes constructe | ed to contain effluent from drilling process. |
| List the closest water body, distance to closest water bod discharge area. | dy, and distance from closest Well Head Protection Area to th |
| Big Run is the closest body of water approxima | ately 2,000 foot from well site. |
| | |
| I. Summarize all activities at your facility that are already reg | gulated for groundwater protection. |
| All pit(s) will have 20 mil liner and constructed other effluent generated from drilling process. Vexcess fresh water/salt water generated by we | Water tanks will be placed on site to hold |
| | |

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

WW-9- GPP Rev. 5/16 Page 2 of 2

API Number 47 - 085
Operator's Well No. DRILCO HD 1H

| No groundwater issues known. Closest water well is over 2,000 ft away. |
|--|
| |
| 6. Provide a statement that no waste material will be used for deicing or fill material on the property. |
| No waste material will be used for fill material on the property. |
| 7. Describe the groundwater protection instruction and training to be provided to the employees. Job procedures shall provide direction on how to prevent groundwater contamination. |
| Drilling contractor is directed to only use pit(s) as necessary. |
| Before any discharge, all fluids in pit will be tested prior to land application (pit treating company). Fluids may be hauled to oil well. |
| Solids will be left in pit and buried on site. |
| While discharging treated pit water, precautions will be taken to keep flow at a low velocity, to keep from pooling. |
| |
| |
| 3. Provide provisions and frequency for inspections of all GPP elements and equipment. |
| Inspections will occur daily during drilling process, and on weekly basis until pit closure. |
| |
| Signature: July DBit |
| Date: 3/1/2020 |

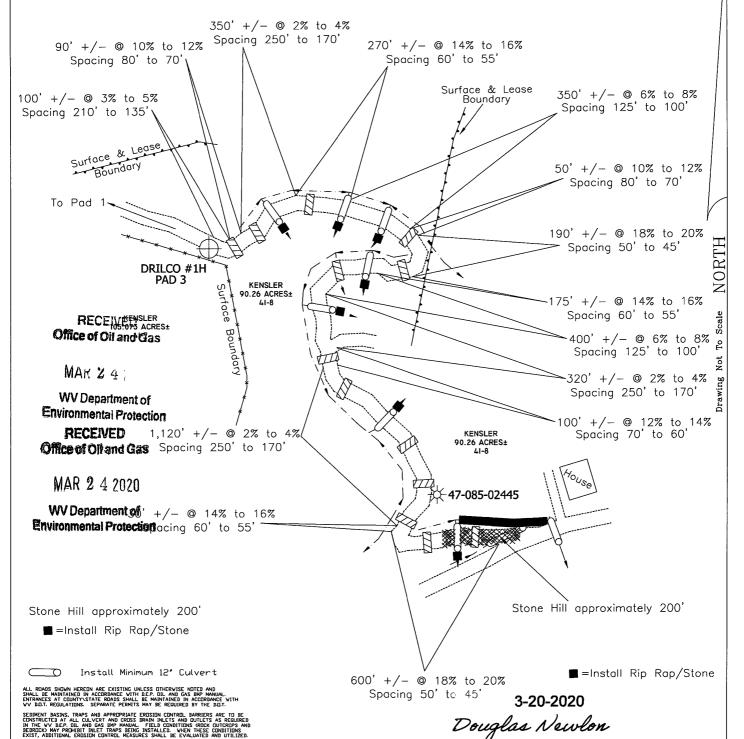
EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFYING TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARILY SEED AND MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION CUT AND STACK ALL TIMBER ABOVE 6-INCHES IN DIAMETER AND THICKER. STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

CONTRACTORS/COMPANY ARE RESPONSIBLE FOR LOCATING UTILITIES WHETHER SHOWN ON THIS PLAN OR NOT.

D D OIL COMPANY DRILCO HOIV, PAD 3

Page 1 of 2



Road Is Existing Access. Upgrade Drainage Devices Where Needed.

| HUPP Surveying & Mapping | Drafted BY: | Date Drafted: | Job Number: |
|--|-------------|---------------|-------------|
| P.O. BOX 647 GRANTSVILLE, WV 26147 PH: (304)354-7035 E-MAIL: hupp@frontiernet.net | DB | 03/19/20 | W20182606 |

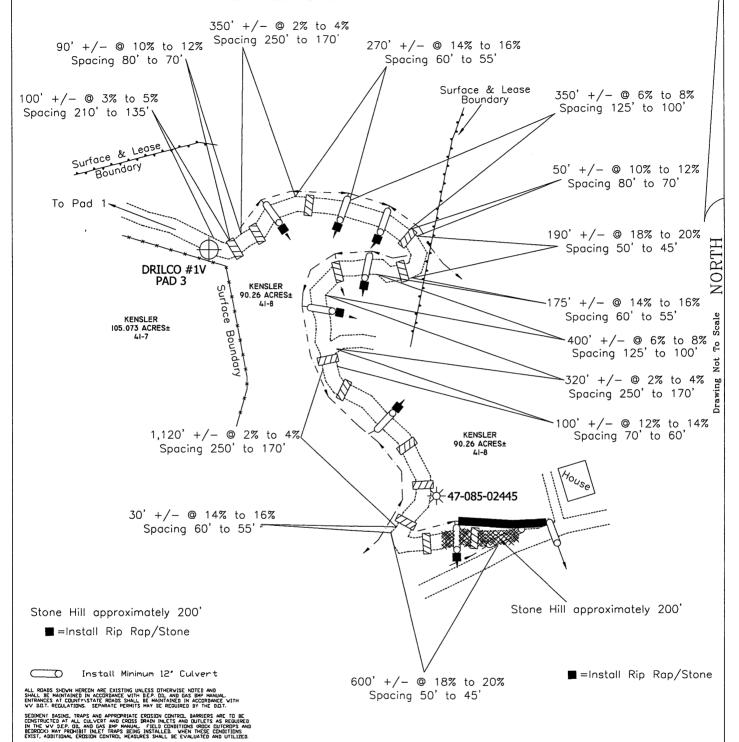
EARTH-VORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFYING TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARILY SEED AND MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION CUT AND STACK ALL TIMBER ABOVE 6-INCHES IN DIAMETER AND THICKER. STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

CONTRACTORS/COMPANY ARE RESPONSIBLE FOR LOCATING UTILITIES WHETHER SHOWN ON THIS PLAN OR NOT.

D D OIL COMPANY DRILCO #1V PAD 3

Page 1 of 2

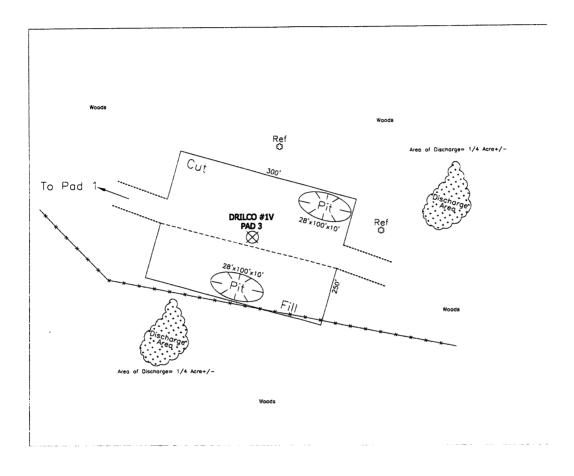


Road Is Existing Access.
Upgrade Drainage Devices Where Needed.

| HUPP Surveying & Mapping | Drafted BY: | Date Drafted: | Job Number: |
|---|-------------|---------------|-------------|
| P.O. BOX 647 GRANTSVILLE, WV 26147 PH:(304)354-7035 E-MAIL: hupp@frontiernet.net | DB | 03/19/20 | W20182606 |

D D OIL COMPANY DRILCO #1V PAD 3

Page 2 of 2



RECEIVED
Office of Oil and Gas

Install Minimum 12" Culvert

ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE VITH DEP. DIL AND GAS BMP MANUAL. ENTRANCES AT COUNTY-STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE VITH VY D.D.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.D.T.

SEDURNT BASINS, TRAPS AND APPROPRIATE ERISION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CLL VERT AND CROSS DRAIN INLETS AND DUTLETS AS REQUIRED IN THE VV DEP, OIL AND GAS BHY HANIAL. FIELD CONDITIONS ORCIC DUTCEDES AND ERIDROCK MAY PROHIBIT INLET TRAPS BEING INSTALLED, VMEN THESE CONDITIONS.

EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFYING TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

CONTRACTORS/COMPANY ARE RESPONSIBLE FOR LOCATING UTILITIES WHETHER SHOWN ON THIS PLAN OR NOT.

TEMPORARILY SEED AND MUICH ALL SLOPES AFTER CONSTRUCTION OF LOCATION CUT AND STACK ALL TIMBER ABOVE 6-INCHES IN DIAMETER AND THICKER. STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

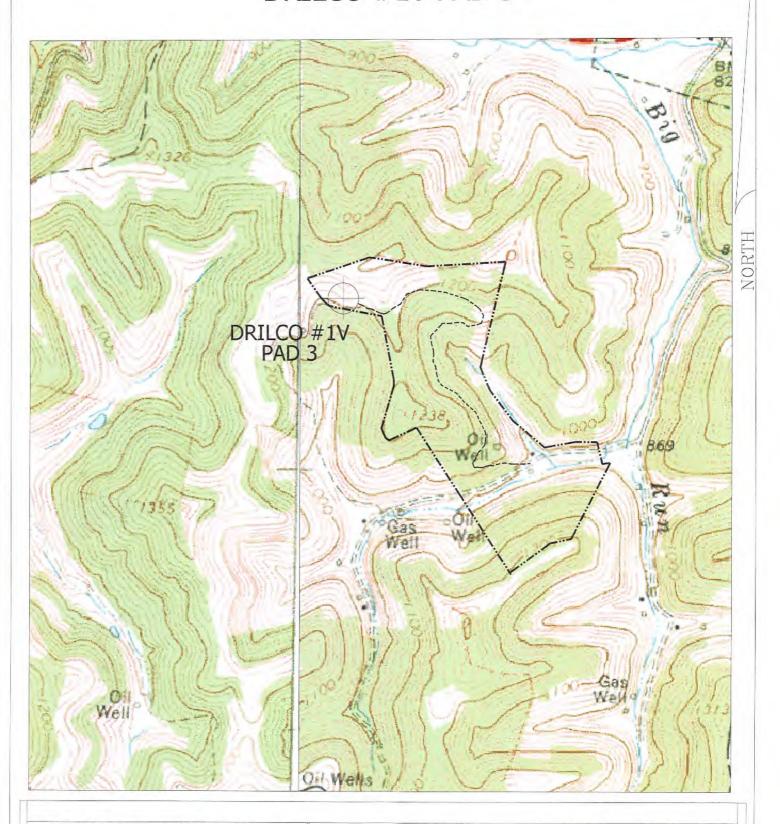
MAR 4 2020

WV Department of Environmental Protection

| HUPP Surveying & Mapping | Drafted BY: | Date Drafted: | Job Number: |
|---|-------------|---------------|-------------|
| P.O. BOX 647 GRANTSVILLE, WV 26147 PH:(304)354-7035 E-MAIL: hupp@frontiernet.net | DB | 12/16/19 | W20182606 |

D D OIL COMPANY DRILCO #1V PAD 3

Page 1 of 1



HUPP Surveying & Mapping

P.O. BOX 647 GRANTSVILLE, WV 26147 PH: (304)354-7035 E-MAIL: hupp@frontiernet.net 1" = 1000' AUBURN Quad D D OIL COMPANY P.O. BOX 382 GRANTSVILLE, WV 26147

