

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

September 29, 2014

WELL WORK PERMIT

Horizontal Well

This permit, API Well Number: 47-8704742, issued to HARD ROCK EXPLORATION, INC., 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.

Please be advised that form WR-35, Well Operators Report of Well Work is to be submitted to this office within 90 days 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.

In addition to the applicable requirements of this permit, and the statutes and rules governing oil and gas activity in WV, this permit may contain specific conditions which must be followed. Permit conditions are attached to this cover letter.

Per 35CSR-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) 926-0499 ext. 1654.

James Martin Chief

Operator's Well No: HR-502A Farm Name: JARVIS, DAVID API Well Number: 47-8704742 Permit Type: Horizontal Well Date Issued: 09/29/2014

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

CONDITIONS

- 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 within 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. This permit is being conditioned to address the possibility of flooding in the area of this well. Any tanks stored on this location must be securely anchored in cement to prevent the loss of tanks should a flood occur. In addition, cages must be placed around the well head to prevent debris from damaging the well head.

10/03/2014

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WW - 2B (Rev. 8/10)

		_		RMIT APPLIC	87	4	572
I) Well Operato	or: Hard	Rock Exp	oloration, Inc.	494464205	Roane	Reedy	Reedy, WV 7.5
				Operator ID	County	District	Quadrangle
2) Operator's V	Vell Numb	er: HR-50	02		3) Elevation:	981'	
) Well Type: (a	a) Oil	_ or Ga	s <u>X</u>				
()	b) If Gas:	Produ	ction X / Un	derground Sto	rage		
		Deep)/ s	Shallow X	_		
5) Proposed Ta	arget Forn	nation(s):	Lower Huron				
6) Proposed To			Feet depths: Pittsburg	Formation at F		al Depth: Low	ver Huron
3) Approximate 3) Approximate				n anticipated at 715-7	70		
			1. Contract 1. Contract	n offset wells			
a) Approximate	coal sea	m deptns	: None noted in	Tonset wens			
(0) Approximat	ab biov at	oths (cos	al, Karst, other):	None			
ie) rippioxima	te volu de	puilo,(000					
					lo		
11) Does land	contain co	al seam	s tributary to ac	tive mine? <u>N</u>	Sel Land		
11) Does land (12) Describe pro	contain co oposed we	oal seam: Il work an	s tributary to ac d fracturing meth	tive mine? <u>N</u> nods in detail (a	ttach additiona		
11) Does land (12) Describe pro prill 12 3/8" hole o	contain co oposed we n air/ Fresh	oal seam: Il work an water foan	s tributary to ac	tive mine? <u>N</u> nods in detail (a on Air/Freshwate	ttach additiona		
11) Does land (12) Describe pro orill 12 3/8" hole o COP-3900' Land o	contain cc oposed we n air/ Fresh curve-4840'	oal seam: Il work an water foan MD/ 4500' ker complet	s tributary to ac d fracturing meth n; Drill 8 3/4" hole	tive mine? <u>N</u> nods in detail (a on Air/Freshwate 440' TMD	ttach additiona er foam/Fluid; Dr	ill Bottom hole	on Air.
11) Does land of 12) Describe pro orill 12 3/8" hole of COP-3900' Land of un 4.5" casing with of	contain cc oposed we n air/ Fresh curve-4840'	oal seam: Il work an water foan MD/ 4500' ker complet	s tributary to ac d fracturing meth n; Drill 8 3/4" hole TVD , 4200'VS, 8 ion (Depths noted at t	tive mine? <u>N</u> nods in detail (a on Air/Freshwate 440' TMD pottom) -Set packer	ttach additiona er foam/Fluid; Dr s, cement above to	ill Bottom hole	on Air.
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11) Does land of 12) Describe pro- rill 12 3/8" hole of OP-3900' Land of un 4.5" casing with of 13) TYPE	contain co oposed we n air/ Fresh curve-4840' open hole pac SPECIFIC Size 13 3/8"	al seams water foan MD/ 4500' ker complet 2014 <u>CA</u> ATIONS <u>Grade</u> LS	s tributary to ac d fracturing meth n; Drill 8 3/4" hole TVD , 4200'VS, 84 ion (Depths noted at 1 SING AND TU Weight per ft 37	tive mine? <u>N</u> nods in detail (a on Air/Freshwate 440' TMD bottom) -Set packers BING PROGR FOOTAGE FOOTAGE For Drilling 30'	ttach additiona er foam/Fluid; Dr s, cement above to <u>AM</u> <u>INTERVALS</u> <u>Left in Well</u> 30'	ill Bottom hole op packer, Fractur <u>CEME</u> <u>Fill -up (Cu</u> NA	on Air. re with Nitrogen g <u>NT</u> Ft.)
11) Does land of 12) Describe pro- rill 12 3/8" hole o OP-3900' Land of un 4.5" casing with of 13) TYPE Conductor Fresh Water	contain co oposed we n air/ Fresh curve-4840' open hole pac SPECIFIC Size 13 3/8"	al seams water foan MD/ 4500' ker complet 2014 <u>CA</u> ATIONS <u>Grade</u> LS	s tributary to ac d fracturing meth n; Drill 8 3/4" hole TVD , 4200'VS, 84 ion (Depths noted at 1 SING AND TU Weight per ft 37	tive mine? <u>N</u> nods in detail (a on Air/Freshwate 440' TMD bottom) -Set packers BING PROGR FOOTAGE FOOTAGE For Drilling 30'	ttach additiona er foam/Fluid; Dr s, cement above to <u>AM</u> <u>INTERVALS</u> <u>Left in Well</u> 30'	ill Bottom hole op packer, Fractur <u>CEME</u> <u>Fill -up (Cu</u> NA	on Air. re with Nitrogen g <u>NT</u> <u>. Ft.)</u> t Cts
11) Does land of 12) Describe pro- orill 12 3/8" hole of OP-3900' Land of un 4.5" casing with of 13) TYPE Conductor Fresh Water Coal	contain co oposed we n air/ Fresh curve-4840' open hole pac <u>SPECIFIC</u> <u>Size</u> 13 3/8" 9 5/8"	al seams water foan MD/ 4500° ker complet 20 1 ^{LI} <u>CA</u> ATIONS <u>Grade</u> LS LS	s tributary to ac d fracturing meth n; Drill 8 3/4" hole TVD , 4200'VS, 84 ion (Depths noted at H SING AND TU Weight per ft 37 26	tive mine? <u>N</u> nods in detail (a on Air/Freshwate 440' TMD bottom) -Set packers BING PROGR FOOTAGE For Drilling 30' 870'	ttach additiona er foam/Fluid; Dr s, cement above to <u>AM</u> <u>INTERVALS</u> <u>Left in Well</u> 30' 870'	ill Bottom hole p packer, Fractur <u>CEME</u> <u>Fill -up (Cu</u> NA 430cuff	on Air. re with Nitrogen g <u>NT</u> <u>. Ft.)</u> t Cts t Cts
11) Does land of 12) Describe pro orill 12 3/8" hole of OP-3900' Land of un 4.5" casing with of 13) TYPE Conductor Fresh Water Coal Intermediate	contain co posed we n air/ Fresh curve-4840' ppen hole pac SPECIFIC Size 13 3/8" 9 5/8" 7"	al seams water foan MD/ 4500' ker complet 2014 <u>CA</u> ATIONS <u>Grade</u> LS LS MC50	s tributary to ac ad fracturing meth n; Drill 8 3/4" hole TVD , 4200'VS, 84 ion (Depths noted at H SING AND TU Weight per ft 37 26 19	tive mine? <u>N</u> nods in detail (a on Air/Freshwate 440' TMD bottom) -Set packers BING PROGR FOOTAGE FOOTAGE For Drilling 30' 870' 2330'	ttach additiona er foam/Fluid; Dr s, cement above to <u>AM</u> <u>INTERVALS</u> <u>Left in Well</u> 30' 870' 2330' 8440'	ill Bottom hole p packer, Fractur <u>CEME</u> <u>Fill -up (Cu</u> NA 430cuff 505cuff	on Air. re with Nitrogen g <u>NT</u> <u>. Ft.)</u> t Cts t Cts uft

Packers: Kind: Hydraulic set open hole packers

Sizes: 4.5" X 6 5/8" 10k diff Seal

Office of Oil and Gas

Depths Set Place 15 stg open hole packer system from 4840'MD- 8440' (240' spacing per stg), 16th packer at 2650' bump 130curr cmt

NOTICE

WELLBORE GRAPH HARD ROCK EXPLORATION WELL NO. HR-502



HARD ROCK EXPLORATION, INC. 1244 MARTINS BRANCH ROAD CHARLESTON, WV 25312

Received

AUG 2 9 2014

Office of Oil and Gas WV Dept, of Environmental Protection

10/03/2014

8-7-14

8704742H

WW-2A		1). Date: August 5. 2014
(Rev. 6-14)		2.) Operator's Well Number HR-502
		State County Permit
		3.) API Well No.: 47- 087 -
	STATE C	OF WEST VIRGINIA
DEP	ARTMENT OF ENVIRONMENT	TAL PROTECTION, OFFICE OF OIL AND GAS TION FOR A WELL WORK PERMIT
4) Surface Ow	ner(s) to be served:	5) (a) Coal Operator
(a) Name	Wavne Phipps	Name None
Address	POBox 56	Address
(b) Name	Raymond OH 43067 David Jarvis W	(b) Coal Owner(s) with Declaration
Address		Name Wayne Phipps
Address	1685 Riplev Road Spencer, WV 25276	Address Po Boy 56
	Spencer. WV 25270	Ray mond off 43067
(c) Name		Name David Jarvis
Address		Address 1685 Ripley Road
1100000	-	Spencer, WV 25276
6) Inspector	Ed Gainer	(c) Coal Lessee with Declaration
Address	PO Box 821	Name None
	Spencer, WV 25276	Address
Telephone	304-389-7582	
		MED ABOVE TAKE NOTICE THAT: a contract or contracts by which I hold the right to extract oil and gas
application, a loc X I have re- issued under this I certify this application f obtaining the info I am awa imprisonment	Action plat, and accompanying docume Personal Service (Affidavit attac Certified Mail (Postmarked post Publication (Notice of Publication and understand Chapter 22-6 and application. Under penalty of law that I have pers form and all attachments, and that bac permation, I believe that the information are that there are significant penalties NOTARY PUBLIC OFFICIAL SEAL JOAN L. BEANE State of West Virginia Commission Purpers Seat 6, 2022	tal receipt attached) on attached) d 35 CSR 4, and I agree to the terms and conditions of any permit sonally examined and am familiar with the information submitted on ased on my inquiry of those individuals immediately responsible for h is true, accurate and complete. s for submitting false information, including the possibility of fine and <u>Hard Rock Exploration. Inc.</u> <u>Hard Rock Exploration. Inc.</u> <u>Executive Vice President</u> 1244 Martins Branch Road
		Charleston, WV 25312
		304-984-9004
	Email:	CTUIL ALL FRANCE
Subscribed and	sworn before me this <u>5th</u> day of	august, 2014 mental Protection
	Joan L. B	Lane Notary Public
My Commission		
Oil and Gas Privacy	Notice	
Your personal inform with statutory or re-	mation may be disclosed to other State ager gulatory requirements, including Freedom o	, such as name, address and phone number, as a part of our regulatory duties. ncies or third parties in the normal course of business or as needed to comply of Information Act requests. Our office will appropriately becure your personal ersonal information, please contact DEP's Chief Privacy Officer at

depprivacyofficer@wv.gov









SEP 2 2016

Office of Oil and Gas WV Dept. of Environmental Protection



SURFACE OWNER WAIVER

County

Operator

Hard Rock Exploration, Inc. HR-502

Operator well number

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.) S ee C hapter 22 of the West Virginia C ode. 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

Roane

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 a dequate d elivery 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.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 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.

List of Water Testing Laboratories. 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 F orm WW2-B, a s urvey plat, and a s oil 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.	
Mart Date 87	My Company Received	
David Planis	By Its AUG 2 9 2014 Date	
Print Name	Office of Oil and Gas WV Dept. of Environmental Protection Date	

COAL OPERATOR, OWNER, OR LESSEE WAIVER

 County Roane
 Operator
 Hard Rock Exploration, Inc.
 Operate

Operator's Well Number HR-502

INSTRUCTIONS TO COAL OPERATOR, OWNER, OR LESSEE

To the coal operator, owner, or lessee named on page WW2-A. You are hereby notified that any objection you wish to make or are required to make by WV Code 22-6-15, 16 or 17, must be filed with the Chief of the Office of Oil and Gas within fifteen (15) days after the receipt of this application by the Office. Mail objections to:

Chief, Office of Oil and Gas Department of Environmental Protection 601 57th St. SE Charleston, WV 25304 (304) 926-0499 extension 1654

WAIVER

The undersigned coal operator ____/ owner ____/ lessee ____/ of the coal under this well location has examined this proposed well location. If a mine map exists which covers the area of well location, the well location has been added to the mine map. The undersigned has no objection to the work proposed to be done at this location, provided, the well operator has complied with all applicable requirements of the West Virginia Code and the governing regulations.

FOR EXECUTION BY A NATURAL PERSON

Company Date Name By its

FOR EXECUTION BY A CORPORATION, ETC.

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Signature

Date

Received

AUG 2 9 2014

Office of Oil and Gas MM Det Lot Environmental Protection



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 –

- (1) 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
Roy B. and Jacquelene Gutherie	Reserve Oil and Gas, Inc.	% of 1/8	491/740
James and Margaret Slingerland	Reserve Oil and Gas, Inc.	% of 1/8	247/671
Lester G. Cottle II	Hard Rock Exploration, Inc.	% of 1/8	251/748
James Slingerland	Hard Rock Exploration, Inc.	% of 1/8	252/82
Reserve Oil and Gas, Inc.	J & M Resources	Assignment	504/459
J & M Resources	Hard Rock Exploration, Inc.	Assignment	252/87

SEE ATTACHED

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

The permit applicant for the proposed well work add ressed 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



AUG 2 9 2014

Office of Oil and Gas WV Dept. of Environmental Protection

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 f rom the appr opriate aut hority bef ore the af fected activity is initiated.

Well Operator: By:Its:

Hard Rock Exploration, Inc.	
Monutan	
Executive Vice President	

870474211



Hard Rock Consulting, LLC

Hard Rock Land Services, LLC

CK# 000021 \$1050°

August 6, 2014

West Virginia Department of Environmental Protection Office of Oil & Gas Attn: James Martin 601 57th Street SE Charleston, WV 25304

Ref: Permit application for well HR-502; crossing roads identified as: County Route 14/1 between TM 5 Parcel 20 and TM 5 Parcel 20.4 located in the Reedy District of Roane County, State of West Virginia

Dear Mr. Martin:

Please be advised that Hard Rock Exploration, Inc. (Hard Rock) has the right to explore for, develop, produce, measure, and market natural gas and oil produced from the planned well identified in the above referenced permit application. This authority was granted to Reserve Oil and Gas, Inc., as Lessee, by the Oil & Gas Leases, dated August 19, 2011, and recorded in the Public Records of the County of Roane, in Book 247, Page 671 and Book 491 Page 740, in West Virginia, and to Hard Rock Exploration, Inc., as Lessee, by the Oil & Gas Leases, dated March 14, 2014 and July 2, 2014, respectively, and recorded in the Public Records of the County of Roane, in Book 252 Page 82, respectively. The rights for the Reserve Oil and Gas, Inc. leases were then granted to J & M Resources by assignment recorded in Book 504, Page 459 and then granted to Hard Rock Exploration, Inc. by assignment recorded in Book 252 Page 87. Consistent with the rights granted, Hard Rock has the authority to explore for and drill under the road/right-of-way identified above.

Please direct questions to Monica Francisco, at (304)984-9004, or by email to: monica@hardrockexploration.com.

Regards,

HARD ROCK EXPLORATION, INC.

Monica Francisco Executive Vice President

encl.

Received

AUG 2 9 2014

Office of Oil and Gas WV Dept. of Environmental Protection

 1244 Martins Branch Road • Charleston, WV 25312 • Phone: (304) 984-9004 • Fax: (304) 984-9114

 www.hardrockexploration.com

 10/03/2014

Well No. HR-502

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	Standard Labs or Sturm Lab
Sampling Contractor	Standard Labs or Sturm Lab

Well Operator	Hard Rock Exploration, Inc.		
Address	1244 Martins Branch Road	-	
	Charleston, WV 25312		
Telephone	304-984-9004		

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.



AUG 2 9 2014

Office of Oil and Gas WV Dept. of Environmental Protection 10/03/2014

WATER NOTICE FOR HARD ROCK EXPLORATION, INC. WELL HR-502A

No water sources found

IF A SOURCE IS FOUND WITHIN 2000' OF WELL BORE, IT MUST BE TESTED, FAND SAMPLES MUST BE TAKEN BEFORE WELL CAN BE SPUDDED. GUNMM

Received

AUG 2 9 2014

Office of Off and Gas

True Line Surveying, Inc. 7/22/14

of

WW-9 (5/13)

API Number 47 - 087 -

Operator's Well No. HR-502

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name Hard Rock E	xploration, Inc.	OP Code494464205
Watershed (HUC 10) Fork of	f Reedy Creek	Quadrangle _ Reedy, WV 7.5
Elevation 981'	County	District_Reedy
Will a pit be used for drill cutt	than 5,000 bbls of water to comp ings? Yes X No anticipated pit waste: Drill Cutt	
Will a synthetic liner Proposed Disposal M Lan Uno	be used in the pit? Yes X ethod For Treated Pit Wastes: d Application derground Injection (UIC Permi	No If so, what ml.? 40-or greater 20 ml t Number UIC2D0190460, 3416729685) 9, 3503009, 8704712, 3503011, 3503008, 3503005, Well will be noted in DMR)
Off	Site Disposal (Supply form WW er (Explain	
Will closed loop system be use	ed? No	
-If oil based, what typ Additives to be used in drilling Drill cuttings disposal method -If left in pit and plan -Landfill or offsite na I certify that I unders	g medium? <u>Soap, KCl, or Clay Sta</u> ? Leave in pit, landfill, removed to solidify what medium will be me/permit number? <u></u>	ay
provisions of the permit are e law or regulation can lead to e I certify under penal application form and all atta obtaining the information, I penalties for submitting false i Company Official Signature	nforceable by law. Violations on forcement action. ty of law that I have personally chments thereto and that, base believe that the information is information, including the possible Moning the possible	f any term or condition of the general permit and/or other applicable examined and am familiar with the information submitted on this d on my inquiry of those individuals immediately responsible for rue, accurate, and complete. I am aware that there are significant
Company Official (Typed Na Company Official Title Exec		HUV CO.
		Office of Oil and Gas WV-Dept, of Environmental Protection
Subscribed and sworn before a		Notary PUBLIC OFFICIAL SEAL JOAN L. BEANE State of West Virginia My Commission Expires Sept. 6, 2022

8704742H

Form WW-9

Operator's Well No. HR-502

Proposed Revegetation Treatm	ent: Acres Disturbed 1.05	Prevegetation pH	, 5.5
Lime 3	Tons/acre or to correct to pl	0 5	
Fertilizer (10-20-20 o	r equivalent) 500	os/acre (500 lbs minimum)	
	er (Paper at 1600 lbs/acre) Tons	/acre	
	Se	ed Mixtures	
Area Seed Type	I lbs/acre	Are Seed Type	a II lbs/acre
Red Top	15	Red Top	15
Orchard Grass	25	Orchard Grass	25
Perennial Rye/Crimson	Red Clover 25 Each	Perennial Rye/Crimson F	Red Clover 25 Each
Annual Rye	40	Annual Rye	40

Plan Approved by:	- 1 /
Comments: Sediment protection is	place et
all times, Access road bounders old sl No movement has occured for yea	ip on hill.
No movement has occured for yea	v5.
	1
Title: Inspector Date: 8/2	0/14
Field Reviewed? (X) Yes () No	
\mathcal{T}	Received

AUG 2 9 2014











FORM WW-6

87047421



Hard Rock Consulting, LLC

Hard Rock Land Services, LLC

August 6, 2014

Mr. Gene Smith West Virginia Department of Environmental Protection 601 57th Street SE Charleston, West Virginia 25304

RE: Permit for well HR-502

Dear Gene:

I am writing regarding fresh water casing protection for the above referenced well. Hard Rock Exploration respectively request this permit be issued allowing a deeper string of fresh water protection.

The new emergency rules act as a blanket policy and does not take several factors into consideration. The primary issue is that a lot of wells in the state of West Virginia are drilled on air, and the majority of operators with air drilling operations work diligently to reduce the amount of water in their operations. The new guidelines appear to be focused on fluid drilling and do not take into account wells being drilled on air. Our request is based on what we consider to be better engineering practices for air drilling operations.

The proper placement of the casing shoe must be considered; Hard Rock wants the ability to place the casing shoe in a rock, which has the mechanical integrity to ensure a proper seal at the casing shoe. If we follow the "new guidelines" most of the wells in our operational area would have the casing shoe placed in a red rock section and we would run casing 100 feet below the Pittsburgh Sand. Red rock has been proven to be a formation that is not stable with drilling operations; the rock is sensitive to time and the fluids that are produced from the intermediate hole. When the red rock is not covered we have seen sloughing and wash-outs during drilling operations.

Our proposed fresh water protection string set just above elevation does three things to ensure protection of fresh water and the minimization of pit fluids:

- (1) It limits the time exposure on the fresh water aquifer and adds only a few hours of air drilling to the well.
- (2) With the minimal time exposed and a casing shoe located in a mechanically sound rock it will ensure the cement will seal and form a good compressive barrier to future drilling operations.

AUG 2 9 2014



(3) The last item, which is overlooked by the new standards, is pit volumes. The proposed fresh water casing placement will allow the majority of the 8 ³/₄ hole to be drilled on air. Using this method will permit Hard Rock to reduce fluids for drilling and decrease pit water volumes.

We also request that a cement record log from a cement service company be filed with our WR-35. We think that failure of either the cement quality or circulation should be a good measure of when to require additional logging and most fresh water protection strings are witnessed by the State Oil and Gas inspector for verification of a good cement job. Running a bond log under pressure should only be done if a known problem exists; the pressuring up of the casing string is detrimental to the newly established cement and could cause a micro-annulus problem. In addition, bond logs ran at the shallow depths with large internal diameter casings are very inaccurate if not ran under pressure. I think that the cement record log and the circulation of cement at surface will satisfy the "new guidelines'.

I hope this request is considered and permits are issued in the very near future.

Sincerely,

James L. Stephens President

Cc: Monica Stephens Ron Crites



AUG 2 9 2014

Office of Oil and Gas WV Dept. of Environmental Protection