

west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Earl Ray Tomblin, Governor Randy C. Huffman, Cabinet Secretary www.dep.wv.gov

April 07, 2015

WELL WORK PERMIT

Vertical Well

This permit, API Well Number: 47-8704772, 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.

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.

Operator's Well No: A.J. EPLING 215

Farm Name: FISCHER, RICHARD & RONALD

James Martin Chief

API Well Number: 47-8704772

Permit Type: Vertical Well

Date Issued: 04/07/2015

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)

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

1) Well Operator	r: HGE	nergy, Ll	_C	494497948	Roane	Smithfield	Looneyville 7.5'
	0			Operator ID	County	District	Quadrangle
2) Operator's W	ell Numb	er: A. J.	Epling 215		3) Elevation:	1189'	- a
4) Well Type: (a) Oil <u>×</u>	or Ga	s				
(b)) If Gas:	Produ	ction/ Unc	derground Sto	rage	_	
		Deep	/ S	hallowx			
5) Proposed Tar 6) Proposed Tot 7) Approximate 8) Approximate	fresh wa	ter strata	depths: 460'	Formation at F	Proposed Tar Proposed Tota	get Depth: <u>*</u> al Depth: <u>Big</u>	g Injun
9) Approximate	coal sea	m depths	s: NA				
10) Approximate	e void de	pths,(coa	al, Karst, other):	NA			
11) Does land c	ontain co	al seams	s tributary to act	ive mine? N	A		
12) Describe prop Drill and stimulate							
		7	115				
	///	1/0	12/15				
13)	PECIFIC	ATIONS	SING AND TUE	FOOTAGE	<u>awi</u> Intervals	S CEME	NT
M	Size	Grade	Weight per ft	For Drilling	Left in Well	Fill -up (Cu	ı. Ft.)
Conductor							
Fresh Water	7"	LS ST&C	17#	575'	575'	CTS	S
Coal							
Intermediate							
Production	4 1/2"	J-55	10.5#	2720'	2720'	200 s	
Tubing			I Bu I V		04	RECEIV	and the state of t
Liners		77 1			- OII	ice of Oil a	and Gas
Packers: Kind						FEB 2 0	2015
Size					V	/V Departr	nent of
Dept	ths Set				Envir	onmental	Protection
							04/10/2015

04/10/2015

WW-2A (Rev. 6-14)		1). Date:	February 6, 2	015	
(2.) Operator's	Well Number	A. J. Epling 2	15
		, .	State		ermit
		3.) API Well N	lo.: ⁴⁷ - <u>F</u>	Roane -	
	STATE	OF WEST VIRGINIA			
DEP	ARTMENT OF ENVIRONMEN			DII AND GAS	
	NOTICE AND APPLICA				
	ner(s) to be served:	5) (a) Coal Operator			
(a) Name Address	Richard Fisher 4518 Clay Road	Name Address		 	
Addiess	Spencer, WV 25276		<u> </u>		
(b) Name	<u> </u>	(b) Coal Owner(s) with Declarat	lion	
Address		Name `	•		
		Address			
		<u> </u>			
(c) Name		Name			
Address		Address			
6) Inspector	Ed Gainer	(c) Coal Lessee v	with Declaration		
Address	P. O. Box 821	Name			
	Spencer, WV 25276	Address			
Telephone	304-389-7582				
	TO THE PERSONS NA				
	ne lease or leases or other continuing	contract or contracts by	which I hold the	right to extract oil ar	nd gas
OR Included is the	ne information required by Chapter 2	2. Article 6. Section 8(d) o	of the Code of W	est Virginia (see par	re 2)
	that as required under Chapter 22-6				
application, a loc	ation plat, and accompanying docum		on the above n	amed parties by:	
_	Personal Service (Affidavit atta Certified Mail (Postmarked postmarked postm	•			
_	Publication (Notice of Publicati				
	ad and understand Chapter 22-6 an		to the terms a	ınd conditions of any	/ permit
issued under this		anally avaminad and am	a familiae with th	a information autom	ittad an
	under penalty of law that I have persorm and all attachments, and that b				
obtaining the info	rmation, I believe that the information	n is true, accurate and co	mplete.		
in a sin a management	are that there are eignificant penaltie	_	rmation, includin	ig the possibility of fi	ine and
imprisonment.	OFFICIAL SEAL NOTARY PUBLIC NATE OF WEST VIRGINIA WEIL OPERATOR TATE OF WEST VIRGINIA BY By	HG Energy LLC			
SI . 1 S	TATE OF WEST VIRGINIA BY	Diane White 🔎	vane Whit	i	
3111	S. DIANNE DUDANT	Agent			
Pa	s260 Dupont Residence Section Register Section Residence Section R	5260 Dupont Road			
My	ommission.	Parkersburg, WV 26 304-420-1119	<u> 5101 </u>	· · · · · · · · · · · · · · · · · · ·	
		dwhite@hgenergylle	c.com	RECEIVED	
Subscribed and	swo <u>rn before me this 6th</u> day o			e of Oil and G	
		Zulan 1		- or or and di	23
My Commission	Expires 1014 4 30/6	purory	Notary Public	FEB 2 0 2015	
Oil and Gas Privacy	12-1 7	- () -			
•	i Gas processes your personal information	such as name address and	nhone number as	Department o	futies
Your personal infor	nation may be disclosed to other State age	ncies or third parties in the no	ormal courted of Q	octor is indemi	ŧiony
with statutory or reg	gulatory requirements, including Freedom lave any questions about our use of your p	or information Act requests. O ersonal information. please co	ontact DEP's Chief	opriately secure your pe Privacy Officer at	rsonal
depprivacyofficer@					10/20



8704772

U.S. Postal Service™ CERTIFIED MAILT RECEIPT 5425 (Domestic Mall Only; No Insurance Coverage Provided) **400** Postage 3.30 Certified Fee Postmark Here Return Receipt Fee (Endorsement Required) 2.70 Restricted Delivery Fee (Endorsement Required) 0250 Total Postage & Fees \$ 7.61 AJE 215 Sent To Richard Fisher et al. Street, Apt. No.; or PO Box No. 4513 Clay Road City, State, ZIP+4 Spencer, WV 25276

2932 56.250/442 DATE 2-10-2015	00.069 \$	DOLLARS I Secure	Be 1 Welling
HG ENERGY, LLC 03-11 304-422-6565 5260 DUPONT RD PARKERSBURG, WV 26101 DATE 2-10-2015	PAY TO THE ORDER OF WV D.E.P.	Six Hundred Fifty Dollars and 00/100	Peoples 800.374.6123 Working Together. Building Success. FOR Permit A J Epling # 215

RECEIVED
Office of Oil and

FEB 2 0 2015

WV Department Environmenta Protection

WW-	-2A1	
(Rev.	1/11	I)

Operator'	s Well	Number	AJ Epling:	215
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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
	 -		

- See attached-

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.

RECEIVED

Well Operator:

By: Its:

Diane White Office of Oil and Gas

HG Energy, LLC

Diane White, Agent

FEB 2 0 2015

WV Department of Environmental Protection 15

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

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- (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
Alice and F. J. Epling	South Penn Oil Company	1/8	8/435

Merger and Conveyance dated July 3, 1963, from South Penn Oil Company to Penzoil Company, Kanawha County, Book 153, Page 35,

Assignment, Conveyance and Bill of Sale dated December 28, 1998, from Pennzoil Company to Pennz Energy Exploration and Production, Wetzel County, Book 12, Page 177.

Certificate of Mcrger filed with the WV Secretary of State, December 31, 1999, whereby Pennz Energy Exploration and Production, successor in interest to; to Penzoil Company, merged with Devon Energy Production Company, LP, Wetzel County, Book 12, Page 278.

Deed, Assignment and Bill of Sale dated June 1, 2000, from Devon Energy Production Company, LP to East Resources, Inc., recorded in Wetzel County, Book 370, Page 580.

Assignment, Conveyance and Bill of Sale, dated January 1, 2011, from East Resources, Inc., to HG Energy, LLC, Wetzel County, Book 118A, Page 253.

Upon information and belief, Operator's lease and/or other real property rights permit it to conduct drilling perations for the subject well in the location shown on the plat, including the use of access roads, pipelines and utilities.

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

The permit applicant for the proposed well work addressed in this application hereby ackowledges 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 US Fish and Wildlife Service County Floodplain Coordinator

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Office of Oil and Gas

FEB 20 2015

Well Op	erator: HG Energy, LI	<u>.c</u>
Ву:	Diane C. Whit	Diame WW Department of
Its:	Agent	Environmenta: Protection
_		Environments: Protection 04/10/2015

WW-2B1
(5-12)

Well	No.	A. J.	Epling	215
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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 Sturm Environmental
Sturm Environmental

Well Operator

HG Energy, LLC

Address

5260 Dupont Road

Parkersburg, WV 26101

Telephone

304-420-1119

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.

Surface Dwners with Water Sources Identified for Sampling / Analysis

SEE TOPO MAP

- * Richard Fisher 4513 Clay Road Spencer WV 25276
- * Brenda Chadwell
 4580 Clay Road
 Spencer WV 25276
- * Anthony Hofstad
 RECEIVED
 431 Main Street Office of Oil and Gas
 Spencer WV 25276
- * Luie Griffith

 4794 Clay RoadWV Department of
 Spencer WIVETER BATHENTE PROTECTION 15

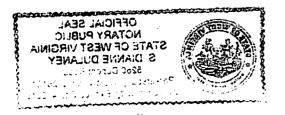
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	Page of	
API Number 47 -	-	
Operator's Well N	O. AJ Epling 215	

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

FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name_ HG Energy, LLC	OP Code 494497948
Watershed (HUC 10) Big Hollow	Quadrangle Looneyville 7.5'
Elevation 1189' County Roane	District_ Smithfield
Do you anticipate using more than 5,000 bbls of water to comple	ete the proposed well work? Yes No_X
Will a pit be used for drill cuttings? Yes X No	31. June 1. Ju
If so, please describe anticipated pit waste: Fluids end	
Will a synthetic liner be used in the pit? Yes X	No If so, what ml.? 20 mil
Proposed Disposal Method For Treated Pit Wastes:	·
Reuse (at API Number Off Site Disposal (Supply form WW-	
Will closed loop system be used? No	
Drilling medium anticipated for this well? Air, freshwater, oil be	
-If oil based, what type? Synthetic, petroleum, etc. NA	
Additives to be used in drilling medium? Water, soap, KCI	
Drill cuttings disposal method? Leave in pit, landfill, removed of	
	used? (cement, lime, sawdust) Native soil, cement, lime
-Landfill or offsite name/permit number?	505-501-01 405-501-501-501-501-501-501-501-501-501-5
on August 1, 2005, by the Office of Oil and Gas of the West Vir provisions of the permit are enforceable by law. Violations of law or regulation can lead to enforcement action. I certify under penalty of law that I have personally application form and all attachments thereto and that, based obtaining the information, I believe that the information is trapenalties for submitting false information, including the possibility	examined and am familiar with the information submitted on this on my inquiry of those individuals immediately responsible for ue, accurate, and complete. I am aware that there are significant ity of fine or imprisonment.
Company Official Signature Diane White	
Company Official (Typed Name) Diane White	
Company Official Title Agent	RECEIVED
Subscribed and sworn before me this 6th day of Fel	bruary Druary Statistic West Americania S. Dianne Dulaney 5260 Dupont Road
My commission expires Oct. 4, 3016	Environmenta Protection 04/10/2015

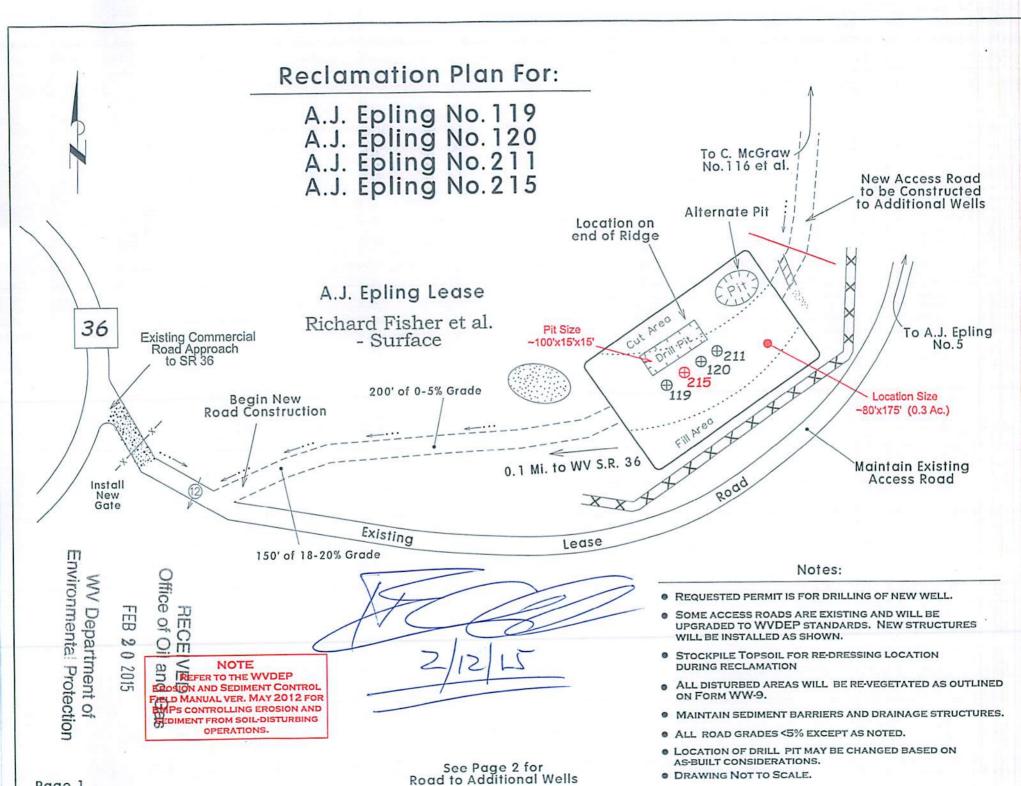


rioposed Revegetation Heat	tment: Acres Disturbe	1.2	Prevegetation pl	I
		correct to pH 6.5		
A 1 party level -	or equivalent)	E00	500 lbs minimum)	
Mulch Straw	or equivalent)	2 Tons/acre	500 los minimum)	
Muci_				
		Seed Mixt		
Ar Seed Type	rea I lbs/acre		Are Seed Type	ea II lbs/acre
Tall Fescue	40	T	all Fescue	40
Ladino Clover	5	L	adino Clover	5
Sediment Control :	should be in n	lace at all tim	200	
Attach: Drawing(s) of road, location	nit and proposed area	for land application	n	
			11.	
Photocopied section of invol	ved 7.5' topographic s	heet.		
Plan Approved by:	1	00		
The state of the s	1			
/ N				
Comments:				
	pectit	n	ate: 2/12/1	5
Title: Lusque	pectit		ate: 2/12/1	5
	pectit X) Yes	D		5 DECEIVED

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Office of Oil and Gas

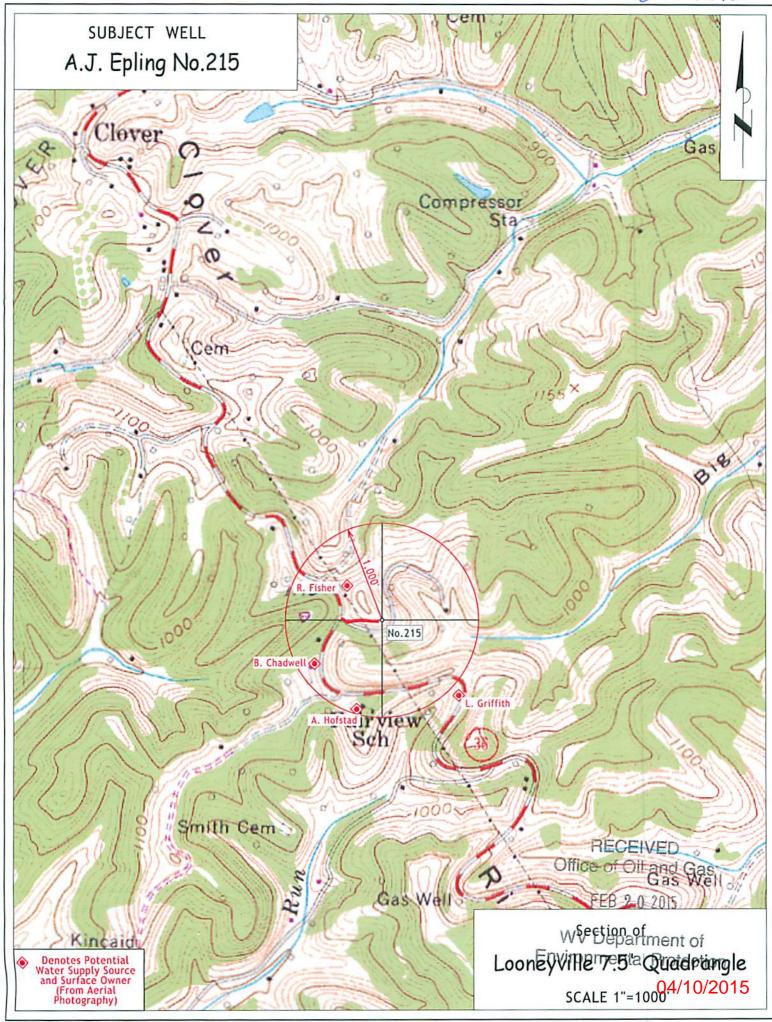
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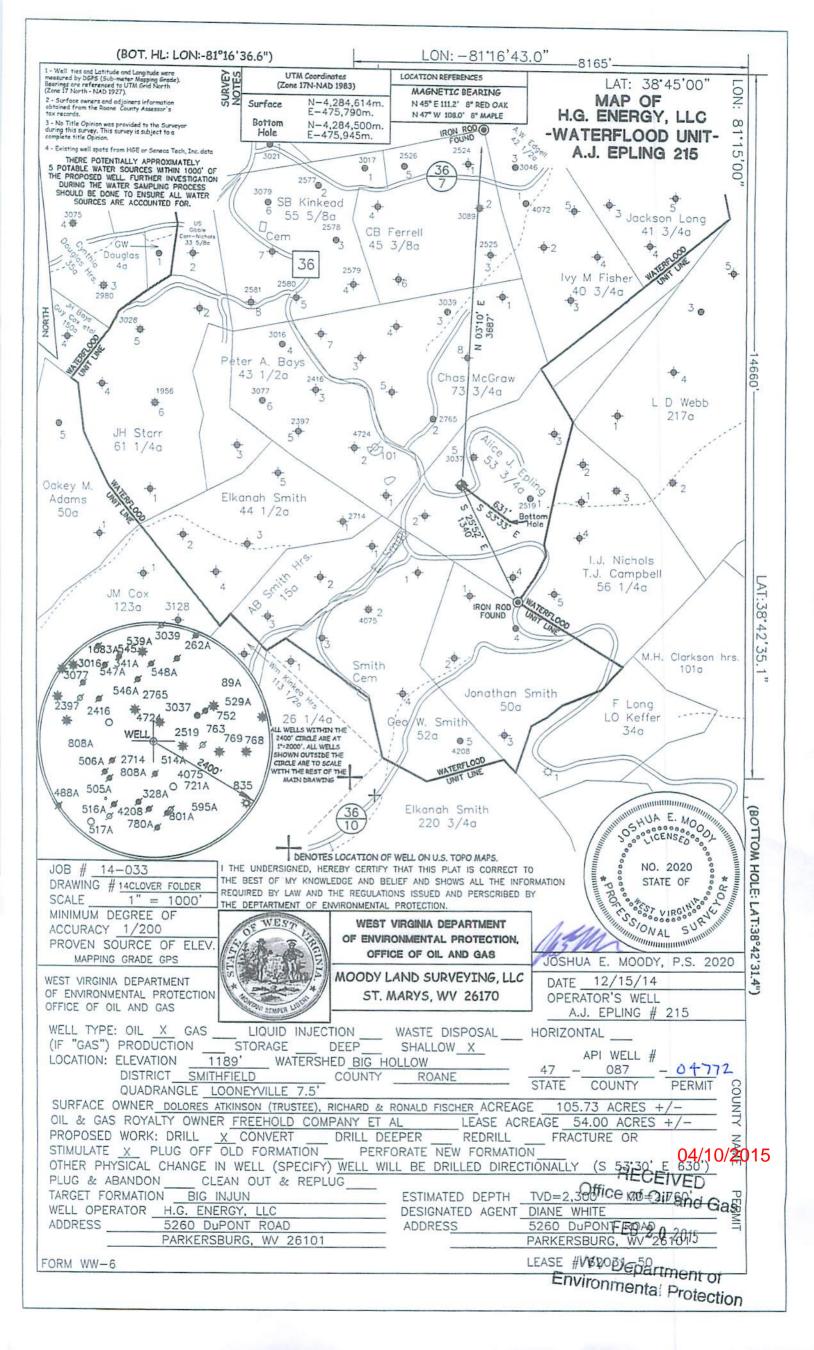
WV Department of Environmenta04/00/2015



Page 1

DRAWING NOT TO SCALE.







HG Energy, LLC 5260 Dupont Road Parkersburg, WV 26101 (304) 420-1100 - Office (304) 863-3172 - Fax



February 6, 2015

Mr. Jeff McLaughlin West Virginia Department of Environmental Protection Division of Oil & Gas 601 57th Street Charleston, West Virginia 25304

RE:

A. J. Epling No. 215

Smithfield District, Roane County

West Virginia

Dear Mr. McLaughlin:

Enclosed are the Forms WW-2A, WW-2A (1), WW-2B, WW-9, WW-2(B1), mylar of plat, reclamation plan, topo map and copy of the certified mailing receipt for a permit to drill the above-captioned shallow, producing well. Our check in the amount of \$650 is attached.

If you have any questions regarding this application, please call me at 304-420-1119.

Very truly yours,

Diane White

Diane C. White

Enclosures

cc:

Richard Fisher - Certified

Ed Gainer - Inspector

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Office of Oil and Gas

FEB 2 0 2015

WV Department of Environmental Protection