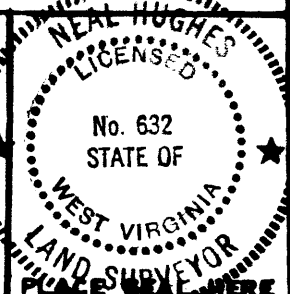


FILE NO. 81-29
 DRAWING NO. 3
 SCALE 1"=500'
 MINIMUM DEGREE OF ACCURACY 1/200
 PROVEN SOURCE OF ELEVATION BM. 769

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DEPARTMENT OF MINES.
 (SIGNED) Neal Hughes
 R.P.E. _____ L.L.S. 632



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS
 FORM IV-6
 (8-78)



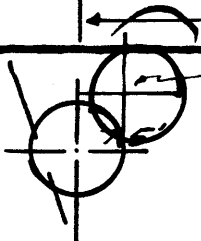
DATE AUG. 15, 19 81
 OPERATOR'S WELL NO 3
 API WELL NO. 47-095-0948
 STATE COUNTY PERMIT

STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES
 OIL AND GAS DIVISION

CANCELLED

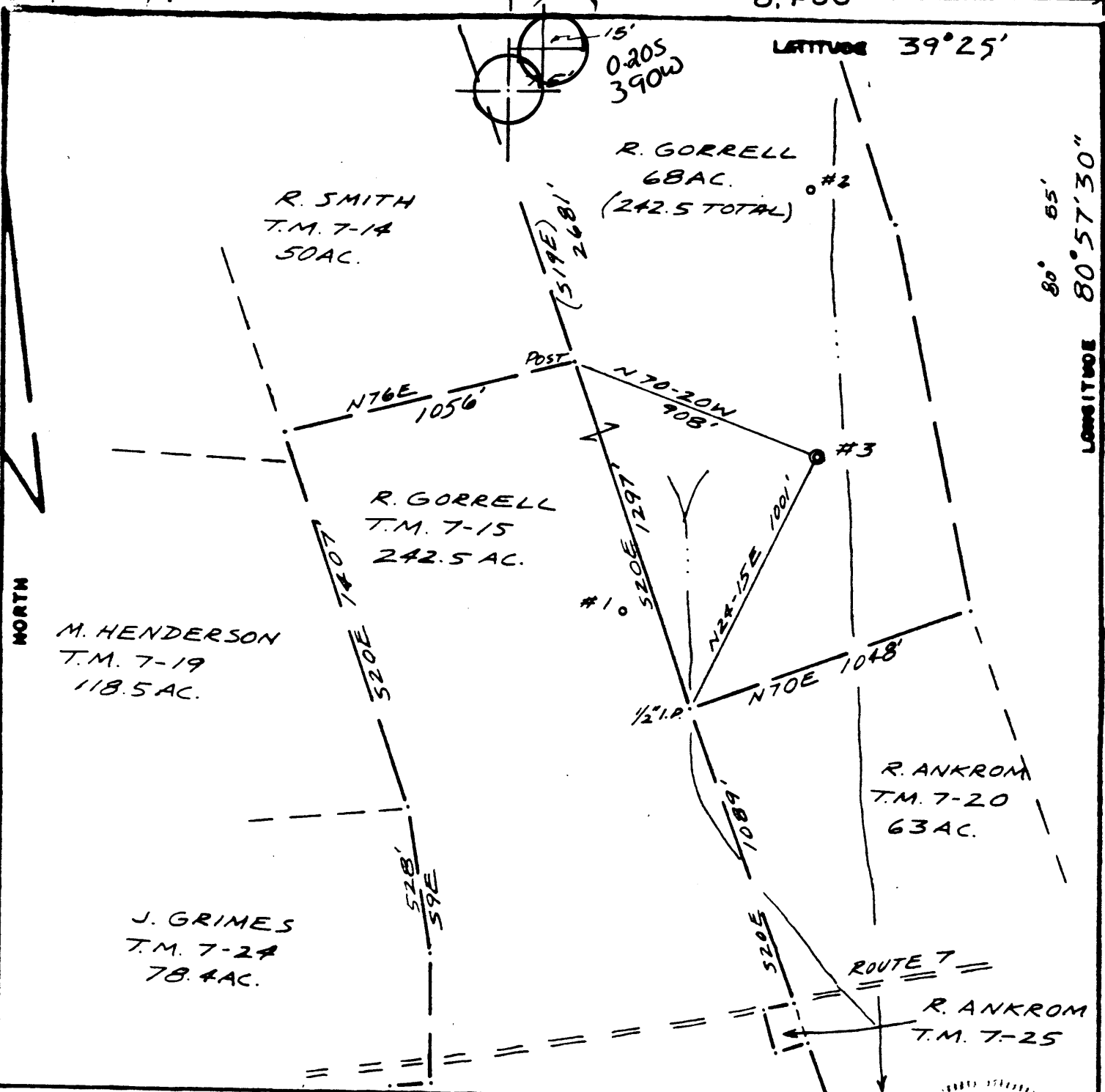
WELL TYPE: OIL GAS LIQUID INJECTION _____ WASTE DISPOSAL _____
 (IF "GAS", PRODUCTION _____ STORAGE _____ DEEP _____ SHALLOW _____
 LOCATION: ELEVATION 820' WATER SHED SUGAR CREEK
 DISTRICT MEADE COUNTY TYLER
 QUADRANGLE MIDDLEBOURNE 7.5
 SURFACE OWNER RUSSELL GORRELL ACREAGE 242.5
 OIL & GAS ROYALTY OWNER RUSSELL GORRELL LEASE ACREAGE 242.5
 LEASE NO. _____
 PROPOSED WORK: DRILL CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE _____ PLUS OFF OLD FORMATION _____ PERFORATE NEW FORMATION _____ OTHER PHYSICAL CHANGE IN WELL (SPECIFY) _____
 PLUG AND ABANDON _____ CLEAN OUT AND REPLUG _____
 TARGET FORMATION GORDON ESTIMATED DEPTH 3000' AUG 20 1981
 WELL OPERATOR L+B OIL CO., INC. DESIGNATED AGENT LOREN BAGLEY
 ADDRESS 210 2ND ST. ST. MARYS, W.VA. 26170 ADDRESS 210 2ND ST. ST. MARYS, W.VA. 26170

8.400'



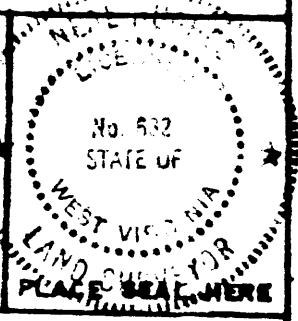
LATITUDE 39° 25'

LONGITUDE 80° 57' 30"



FILE NO. 81-29
 DRAWING NO. 3
 SCALE 1"=500'
 MINIMUM DEGREE OF ACCURACY 1/200
 PROVEN SOURCE OF ELEVATION BM 769

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE REGULATIONS ISSUED AND PRESCRIBED BY THE DEPARTMENT OF MINES.
 (SIGNED) Russell Gorrell
 R.P.E. _____ L.L.S. 632



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS
 FORM IV-6
 (8-78)



DATE AUG 15, 19 81
 OPERATOR'S WELL NO. 3
 API WELL NO. 47-095-0948
 STATE COUNTY PERMIT

STATE OF WEST VIRGINIA
 DEPARTMENT OF MINES
 OIL AND GAS DIVISION

WELL TYPE: OIL GAS LIQUID INJECTION _____ WASTE DISPOSAL _____
 (IF "SAB", PRODUCTION _____ STORAGE _____ DEEP _____ SHALLOW _____
 LOCATION: ELEVATION 820 WATER SHED SUGAR CREEK
 DISTRICT MEADE COUNTY TYLER
 QUADRANGLE MIDDLEBOURNE T.5 West Union WV
 SURFACE OWNER RUSSELL GORRELL ACREAGE 242.5
 OIL & GAS ROYALTY OWNER RUSSELL GORRELL LEASE ACREAGE 242.5
 LEASE NO. _____
 PROPOSED WORK: DRILL CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE _____ PLUS OFF OLD FORMATION _____ PERFORATE NEW FORMATION _____ OTHER PHYSICAL CHANGE IN WELL (SPECIFY) _____
 PLUS AND ABANDON _____ CLEAN OUT AND REPLUS _____
 TARGET FORMATION GORDON ESTIMATED DEPTH 3000'
 WELL OPERATOR L+B OIL CO., INC. DESIGNATED AGENT LOREN BAGLEY
 ADDRESS 210 2ND ST. ST. MARYS, W.VA. 26170 ADDRESS 210 2ND ST. ST. MARYS, W.VA. 26170

SEP 22

981



Well No. Gorrell #3
Farm Russell Gorrell
API # 47-095-0948
Date _____

STATE OF WEST VIRGINIA
OFFICE OF OIL AND GAS - DEPARTMENT OF MINES

OIL AND GAS WELL PERMIT APPLICATION

WELL TYPE: Oil XX / Gas XX /
(If "Gas", Production XX / Underground storage ___ / Deep ___ / Shallow ___ /

LOCATION: Elevation: 820' Watershed: Sugar Creek
District: Meade County: Tyler Quadrangle: Middlebourne 8.5

WELL OPERATOR L&B Oil Company Inc
Address 210 2ND ST
ST Marys W.Va. 26170

DESIGNATED AGENT Loren E Bagley
Address 210 2ND ST
ST Marys W.Va. 26170

OIL AND GAS ROYALTY OWNER Russel Gorrell
Address R-1
Middlebourne W.Va. 26149
Acreage 242.5

COAL OPERATOR N/A
Address _____

SURFACE OWNER Russel Gorrell
Address R-1
Middlebourne W.Va. 26149
Acreage _____

COAL OWNER(S) WITH DECLARATION ON RECORD:
NAME N/A
Address _____
NAME _____
Address _____

FIELD SALE (IF MADE) TO:
NAME _____
Address _____

COAL LESSEE WITH DECLARATION ON RECORD:
NAME N/A
Address _____

OIL AND GAS INSPECTOR TO BE NOTIFIED:
NAME Phil Tracy
Address R-3
Alma W.Va. 26320
Telephone 304-758-4573

RECEIVED

CED 9 - 1981

OIL AND GAS DIVISION
WV DEPARTMENT OF MINES

The undersigned well operator is entitled to operate for oil or gas purposes at the above location under a deed ___ / lease XX / other contract ___ / dated May 12th, 1981, to the undersigned well operator from Russell Gorrell.

(If said deed, lease, or other contract has been recorded:)

Recorded on May 19, 1981, in the office of the Clerk of County Commission of

Tyler County, West Virginia, in 230 Book at page 560. A permit is requested as follows:

PROPOSED WORK: Drill XX / Drill Deeper ___ / Redrill ___ / Fracture or stimulate ___ / Plug off old formation ___ / Perforate new formation ___ / Other physical change in well (specify) _____

--planned as shown on the work order on the reverse side hereof.

The above named coal operator, coal owner(s), and coal lessee are hereby notified that any objection they wish to make or are required to make by Code §22-4-3 must be filed with the Department of Mines within fifteen (15) days after receipt of this Application by the Dept. Copies of this Permit Application and the enclosed plat and reclamation plan have been mailed by registered mail or delivered by hand to the above named coal operator, coal owner(s), and coal lessees on or before the day of the mailing or delivery of this Application to the Department of Mines at Charleston, West Virginia.

PLEASE SUBMIT COPIES OF ALL GEOPHYSICAL LOGS DIRECTLY TO:

WEST VIRGINIA OIL AND GAS CONSERVATION COMMISSION
1613 WASHINGTON ST., E.
CHARLESTON, WV 25311
Telephone - 304/348-3092

BLANKET BOND

L&B Oil Company Inc
Well Operator

By: Loren E Bagley

Its: President

FORM IV-2
(Reverse)

(Revised 3-81)

PROPOSED WORK ORDER

THIS IS AN ESTIMATE ONLY:
ACTUAL INFORMATION MUST BE SUBMITTED ON FORM IV-35 UPON COMPLETION

DRILLING CONTRACTOR (IF KNOWN) _____

Address _____

GEOLOGICAL TARGET FORMATION

Estimated depth of completed well 3000 feet. Rotary 7 / Cable tools ? /
Approximate water strata depths: Fresh, 80 feet; salt, _____ feet.
Approximate coal seam depths: N/A.
Is coal being mined in this area: Yes 1 No XX

CASING AND TUBING PROGRAM

CASING OR TUBING TYPE	SPECIFICATIONS					FOOTAGE INTERVALS		CEMENT FILL UP OR SACKS Cubic ft.	PACKERS
	Size	Grade	Weight per ft	New	Used	For Drilling	Left in Well		
Conductor	<u>10 3/4</u>	<u>R2</u>	<u>40.5 #</u>	<u>✓</u>		<u>250'</u>	<u>250'</u>	<u>To Surface</u>	Kinds
Fresh water									
Coal									Sizes
Intermed.	<u>8 3/4</u>	<u>R2</u>	<u>23 #</u>	<u>✓</u>		<u>1000'</u>	<u>1000'</u>	<u>To Surface</u>	
Production Tubing	<u>4 1/2</u>	<u>R2</u>	<u>10.5 #</u>	<u>✓</u>		<u>3000'</u>	<u>3000'</u>	<u>By Rule 1501</u>	Depths set
Liners								<u>300 Sks. or</u>	Perforations:
									Top Bottom

NOTE: Regulation 7.02 of the Department of Mines provides that the original and four copies of Form IV-2 must be filed with the Department, accompanied by (i) a plat in the form prescribed by Regulation 11, (ii) a bond in one of the forms prescribed by Regulation 12, or in lieu thereof the other security allowed by Code §22-4-2, (iii) Form IV-9, "Reclamation Plan" applicable to the reclamation required by Code §22-4-12b and Regulation 23, (iv) unless previously paid on the same well, the fee required by Code §22-4-12a, and (v) if applicable, the consent required by Code §22-4-8a from the owner of any water well or dwelling within 200 feet of the proposed well.

A separate Form IV-2 shall not be required for fracturing or stimulating a well where fracturing or stimulating is to be part of the work for which a permit is sought and is noted as such on the Form IV-2 filed in connection therewith.

THIS PERMIT MUST BE POSTED AT THE WELL SITE

All provisions being in accordance with Chapter 22, of the W. Va. Code, the location is hereby approved for drilling. This permit shall expire if operations have not commenced by 5-11-82.

J. M. ...
Deputy Director - Oil & Gas Division

The following waiver must be completed by the coal operator and by any coal owner or coal lessee who has recorded a declaration under Code §22-4-20, if the permit is to be issued within fifteen (15) days of receipt thereof:

W A I V E R

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 the 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.

Date: _____, 19____.

By: _____

Its: _____