



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

August 07, 2015

WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-9501529, issued to HG ENERGY, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Upon completion of the plugging well work, the above named operator will reclaim the site according to the provisions of WV Code 22-6-30. The above named operator will also file, as required in WV Code 22-6-23, an affidavit on form WR-38 by two experienced persons in the operator's employment and the Oil and Gas inspector that the work authorized under this permit was performed and a description given. Failure to abide by all statutory and regulatory provisions governing all duties and operations here under may result in suspensions or revocation of this permit and in addition may result in civil and/or criminal penalties being imposed upon the operator.

This permit will expire in two (2) years from date of issue. If there are any questions, please free to contact me at (304) 926-0499 ext. 1654.


James Martin
Chief

Operator's Well No: THMPSN HRS E-7
Farm Name: WALTERS, CARL E.

API Well Number: 47-9501529

Permit Type: Plugging

Date Issued: 08/07/2015

Promoting a healthy environment.

08/07/2015

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. Failure to adhere to the specified permit conditions may result in enforcement action.

CONDITIONS

1. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
2. In the event of an accident or explosion causing loss of life or serious personal injury in or about the well or while working on the well, the well operator or its contractor shall give notice, stating the particulars of the accident or explosion, to the oil and gas inspector and the Chief within twenty-four (24) hours.
3. Well work activities shall not constitute a hazard to the safety of persons.
4. This well is under a consent order and must be plugged under the terms of that agreement.

1) Date _____, 20____
2) Operator's
Well No. Thompson Heirs E-7
3) API Well No. 47-095 - 1629

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

APPLICATION FOR A PERMIT TO PLUG AND ABANDON

4) Well Type: Oil X / Gas _____ / Liquid injection _____ / Waste disposal _____ /
(If "Gas, Production _____ or Underground storage _____) Deep _____ / Shallow X

5) Location: Elevation 917' Watershed Stackpole Run
District McElroy County Tyler Quadrangle Centerpoint 7.5'

6) Well Operator HG Energy, LLC 7) Designated Agent Diane White
Address 5260 Dupont Road Address 5260 Dupont Road
Parkersburg, WV 26101 Parkersburg, WV 26101

8) Oil and Gas Inspector to be notified Name Michael Goff
Address P. O. Box 134
Pullman, WV 26421
9) Plugging Contractor Name To Be Determined Upon Approval of Permit
Address _____

10) Work Order: The work order for the manner of plugging this well is as follows:

"See Attached Sheet"

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WV Department of
Environmental Protection

Notification must be given to the district oil and gas inspector 24 hours before permitted work can commence.

Work order approved by inspector Michael Goff Date 7/14/15

08/07/2015

9501529 P

WW-4B
Rev. 2/01

- 1) Date: June 23, 2015
- 2) Operator's Well Number
Thompson Heirs E-7
- 3) API Well No: 47 - 095 - 1529
State County Permit

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

APPLICATION FOR A PERMIT TO PLUG AND ABANDON

- 4) WELL TYPE: Oil X Gas _____ Liquid Injection _____ Waste Disposal _____
(If "Gas", Production _____ Underground Storage _____) Deep _____ Shallow x
- 5) LOCATION: Elevation: 917' Watershed: Stackpole Run
District: McElroy County: Tyler Quadrangle Centerpoint 7.5'
- 6) WELL OPERATOR: HG Energy, LLC 4.94E+08 7) DESIGNATED AGENT Diane White
Address 5260 Dupont Road Address 5260 Dupont Road
Parkersburg, WV 26101 Parkersburg, WV 26101
- 8) OIL & GAS INSPECTOR TO BE NOTIFIED 9) PLUGGING CONTRACTOR
Name Michael Goff Name To Be Determined Upon Approval of Permit
Address PO Box 134 Address _____
Pullman, WV 26421

10) WORK ORDER: The work order for the manner of plugging this well is as follows:

TD- 2,910'

MAG
7/14/15

Manners of plugging:

- Plug #1 2750' - 2650'
Located above highest perforation
Free point, part and pull 4 1/2" casing at approx. 1650'
- Plug #2 - 1700' - 1600'
Located at 4 1/2" casing stub
- Plug #3 -975' - 750'
Located at elevation and through the Pittsburgh Coal
- Plug #4 -300' - 0'
Located at 8 5/8" casing shoe, below Fresh Water to Surface

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

Monument:

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

6% Gel between all plugs

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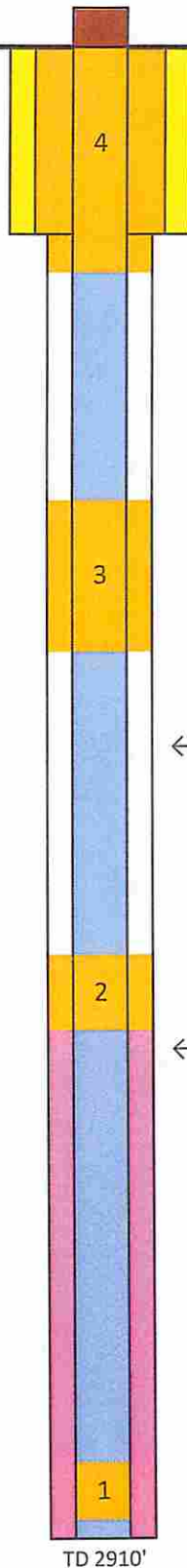
08/07/2015

Well: Thompson Heirs E-7

Monument to extend 30" above surface. 10' into well. 6" min metal pipe, sealed with cement. API i.D.

Elevation: 917'

Casing Information		
Size	Depth	Weight
8 5/8"	229'	20#/ft.
4 1/2"	2880'	10.5#/ft.



100 sacks cement to surface

Freepoint Cut and Pull Casing	
Size	Approx. Depth
4 1/2"	1650

Cement Plugs		
NO.	Bottom	Top
1	2750	2650
2	1700	1600
3	975	750
4	300	0

Pittsburgh Coal 798'

7 7/8" Hole Size

MDC
7/14/15

Bottom Hole Cement Level Calculations

Sacks Used Cement Depth
300 1763.925

Hole Size Casing Size Depth
7.875 4.5 2880

diameter delta Conv. Factor bbls / ft.
41.765625 1029.4 0.040573

cubic ft. per vertical ft. depth
0.227795902

Sacks per vertical ft. depth
0.268799164

Yield options

50/50 posmix 6% gel = 1.64
Neat w/ salt flakes = 1.19
50/50 w/ 2% gel = 1.27

300 Sks Cement T.O.C. 1765'

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Highest Perforation 2788'

TD 2910'

9501529A

03-May-93
API # 47- 95-01529

State of West Virginia
Division of Environmental Protection
Section of Oil and Gas

Well Operator's Report of Well Work

Farm name: WALTERS, CARL E. Operator Well No.: THMPSN HRS E-7

LOCATION: Elevation: 917' Quadrangle: Centerpoint

District: MCELROY County: TYLER
Latitude: 450 Feet South of 39 Deg. 27 Min. 30. Sec.
Longitude 9,500 Feet West of 80 Deg. 40 Min. 00. Sec.

Company: PENNZOIL PRODUCTS COMPANY
P. O. BOX 5519
VIENNA, WV 26105-5519

Agent: JAMES A. CREWS

Inspector: MIKE UNDERWOOD
Permit Issued: 05/03/93
Well work Commenced: 5/28/93
Well work Completed: 10/8/93
Verbal Plugging
Permission granted on:
Rotary X Cable Rig
Total Depth (feet): 2910
Fresh water depths (ft): N/A
Salt water depths (ft): N/A

Casing & Tubing Size	Used in Drilling	Left in Well	Cement Fill Up Cu. Ft.
8 5/8	229	229	50 Skts.
4 1/2	2880.5	2880.5	300 Skts.

Is coal being mined in area (Y/N)? N
Coal Depths (ft):

OPEN FLOW DATA

Producing formation Gordon Pay zone depth (ft) 2762 - 2800
 Gas: Initial open flow * MCF/d Oil: Initial open flow * Bbl/d
 Final open flow * MCF/d Final open flow * Bbl/d
 Time of open flow between initial and final tests Hours
 Static rock Pressure psig (surface pressure) after Hours

* Waterflood Producer - Not Tested
 Second producing formation Pay zone depth (ft)
 Gas: Initial open flow MCF/d Oil: Initial open flow Bbl/d
 Final open flow MCF/d Final open flow Bbl/d
 Time of open flow between initial and final tests Hours
 Static rock Pressure psig (surface pressure) after Hours

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NOTE: ON BACK OF THIS FORM PUT THE FOLLOWING: 1). DETAILS OF PERFORMED INTERVALS, FRACTURING OR STIMULATING, PHYSICAL CHANGE, ETC. 2). THE WELL LOG WHICH IS A SYSTEMATIC DETAILED GEOLOGICAL RECORD OF ALL FORMATIONS, INCLUDING COAL ENCOUNTERED BY THE WELLBORE.

For: PENNZOIL PRODUCTS COMPANY
By: [Signature]
Date: 12/6/93

08/07/2015

TREATMENT:

Perforated: 2788 - 2798 2 Holes Per Foot, 20 Holes

Treated: 300 Gal. 15% HCL Acid, 278 Bbl. Gelled Water &
1500# 80/100 Sand & 3500# 20/40 Sand

WELL LOG:

Sand & Shale	0 - 790
Sand	790 - 820
Sand & Shale	820 - 1355
Sand	1355 - 1390
Sand & Shale	1390 - 1730
Sand	1730 - 1768
Sand & Shale	1768 - 1922
Little Lime	1922 - 1940
Pencil Cave	1940 - 1950
Big Lime	1950 - 1988
Shale	1988 - 2050
Big Injun	2050 - 2205
Shale	2205 - 2762
Stray	2762 - 2770
Gordon	2770 - 2800
T.D.	2910

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08/07/2015

9501529P

WW-4A
Revised 6-07

*CHK 30th
100.00*

1) Date: June 23, 2015
2) Operator's Well Number
Thompson Heirs N-7
3) API Well No.: 47 - 095 - 1529

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

4) Surface Owner(s) to be served:	5) (a) Coal Operator
(a) Name <u>Carl E. Walters</u>	Name <u>NA</u>
Address <u>3709 Shady Grove Road</u>	Address _____
<u>Providence, NC 27315</u>	_____
(b) Name _____	(b) Coal Owner(s) with Declaration
Address _____	Name <u>NA</u>
_____	Address _____
(c) Name _____	Name <u>NA</u>
Address _____	Address _____
_____	_____
6) Inspector <u>Michael Goff</u>	(c) Coal Lessee with Declaration
Address <u>P. O. Box 134</u>	Name <u>NA</u>
<u>Pullman, WV 26421</u>	Address _____
Telephone <u>304-549-9823</u>	_____

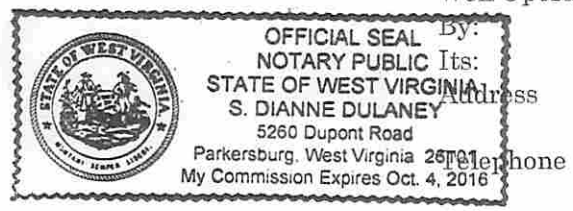
*MAG
7/14/15*

TO THE PERSONS NAMED ABOVE: You should have received this Form and the following documents:

- (1) The application to Plug and Abandon a Well on Form WW-4B, which sets out the parties involved in the work and describes the well its and the plugging work order; and
- (2) The plat (surveyor's map) showing the well location on Form WW-6.

The reason you received these documents is that you have rights regarding the application which are summarized in the instructions on the reverses side. However, you are not required to take any action at all.

Take notice that under Chapter 22-6 of the West Virginia Code, the undersigned well operator proposes to file or has filed this Notice and Application and accompanying documents for a permit to plug and abandon a well with the Chief of the Office of Oil and Gas, West Virginia Department of Environmental Protection, with respect to the well at the location described on the attached Application and depicted on the attached Form WW-6. Copies of this Notice, the Application, and the plat have been mailed by registered or certified mail or delivered by hand to the person(s) named above (or by publication in certain circumstances) on or before the day of mailing or delivery to the Chief.



Well Operator HG Energy, LLC
 By: Diane White *Diane White*
 Agent
 5260 Dupont Road
 Parkersburg, WV 26101
 304-420-1119

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WV Department of
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Subscribed and sworn before me this 23rd day of June, 2015
S. Dianne Dulaney Notary Public
 My Commission Expires Oct 4, 2016

Oil and Gas Privacy Notice

The Office of Oil and Gas processes your personal information, such as name, address and phone number, as a part of our regulatory duties. Your personal information may be disclosed to other State agencies or third parties in the normal course of business or as needed to comply with statutory or regulatory requirements, including Freedom of Information Act requests. Our office will appropriately secure your personal information. If you have any questions about our use of your personal information, please contact DEP's Chief Privacy Officer at depprivacyoffier@wv.gov.

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For delivery information, visit our website at www.usps.com

OFFICIAL RECEIPT

7014 3490 0001 9122 0371

Postage	\$ 1.42
Certified Fee	3.45
Return Receipt Fee (Endorsement Required)	2.70
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 7.67



THE-7

Sent To	Carl E. Walters
Street & Apt. No., or PO Box No.	3109 Shady Grove Road
City, State, ZIP+4	Providence NC 27315

PS Form 3800, July 2014 See Reverse for Instructions

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08/07/2015

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

CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM
GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name HG Energy, LLC OP Code 494497948

Watershed Stackpole Run Quadrangle Centerpoint 7.5'

Elevation 917' County Tyler District McElroy

Description of anticipated Pit Waste: Fluids encountered while plugging subject well

Will a synthetic liner be used in the pit? Yes 20 MIL.

MDC
7/14/15

Proposed Disposal Method For Treated Pit Wastes:

- Land Application
- Underground Injection (UIC Permit Number _____)
- Reuse (at API Number _____)
- Off Site Disposal (Supply form WW-9 for disposal location)
- Other (Explain _____)

Proposed Work For Which Pit Will Be Used:

- Drilling
- Workover
- Other (Explain _____)
- Swabbing
- Plugging

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on August 1, 2005, by the Office of Oil and Gas of the West Virginia Department of Environmental Protection. I understand that the provisions of the permit are enforceable by law. Violations of any term or condition of the general permit and/or other applicable law or regulation can lead to enforcement action.

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments thereto and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment.

Company Official Signature Diane White

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Company Official (Typed Name) Diane White

Office of Oil and Gas

Company Official Title Agent

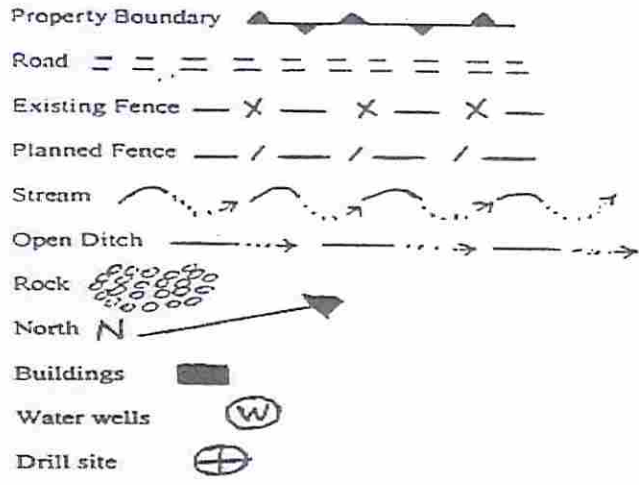
JUL 27 2015

Subscribed and sworn before me this 23 day of June, 2015 WV Department of Environmental Protection

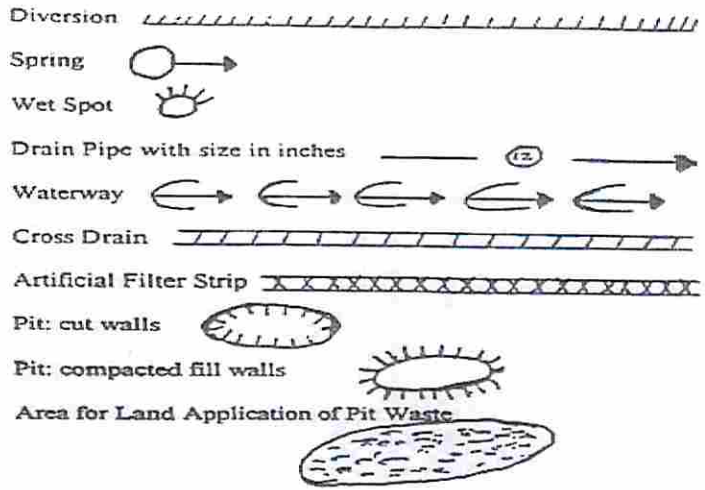
S. Dianne Dulaney

My commission expires Oct 4, 2014





LEGEND



Proposed Revegetation Treatment: Acres Disturbed 0.8 Prevegetation pH _____
 Lime 3 Tons/acre or to correct to pH 6.5
 Fertilizer (10-20-20 or equivalent) 500 lbs/acre (500 lbs minimum)
 Mulch Straw 2 Tons/acre

Seed Mixtures

Seed Type	Area I	lbs/acre	Seed Type	Area II	lbs/acre
Tall Fescue		40	Tall Fescue		40
Ladino Clover		5	Ladino Clover		5

****Sediment control should be in place at all times****

Attach:
 Drawing(s) of road, location, pit and proposed area for land application.

Photocopied section of involved 7.5' topographic sheet.

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Plan Approved by: Michael Doff

Comments: Preseed & Mulch disturbed areas.

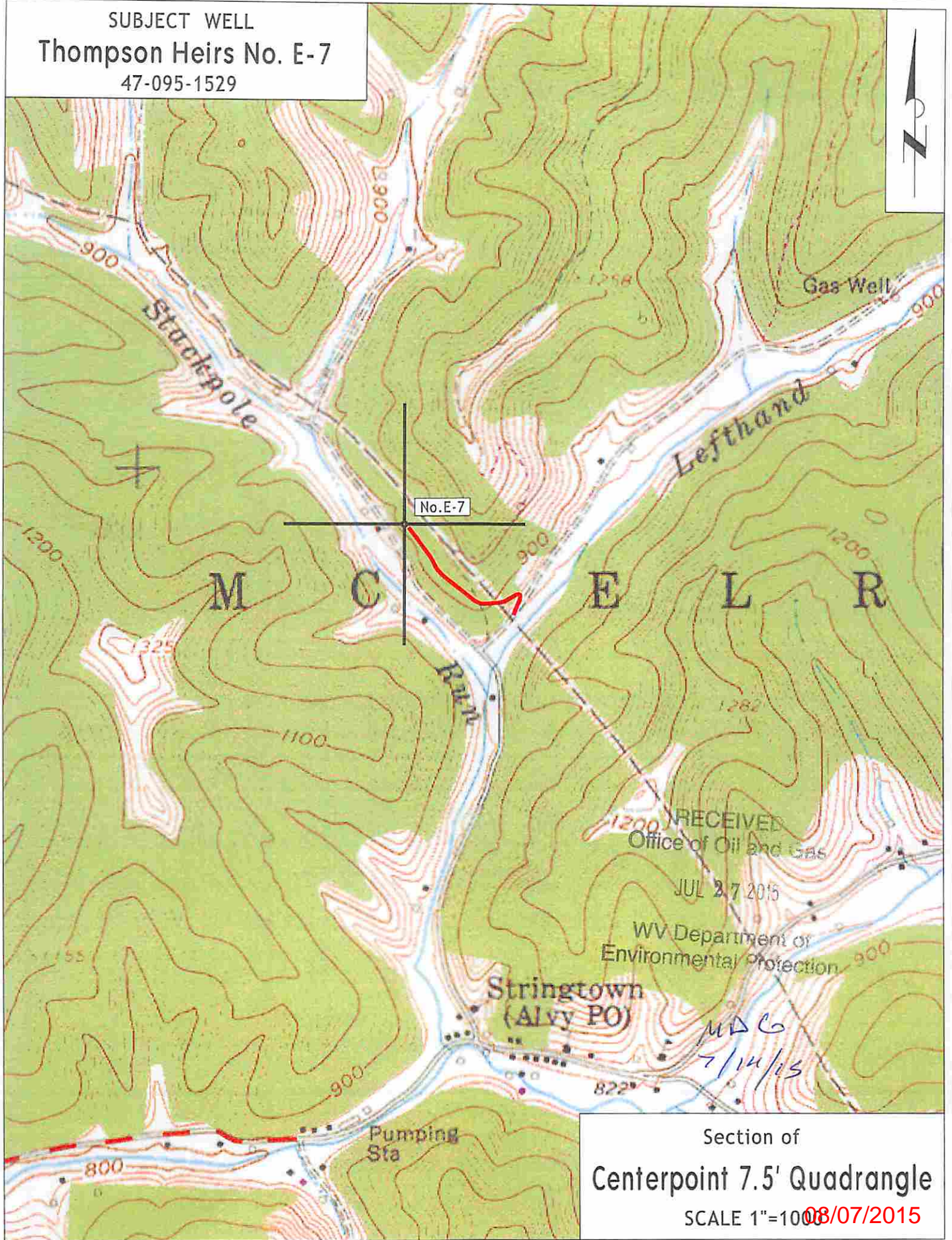
WV Department of
 Environmental Protection

Title: Oil & Gas Inspector

Date: 7/14/15

Field Reviewed? () Yes () No

SUBJECT WELL
Thompson Heirs No. E-7
47-095-1529



Section of
Centerpoint 7.5' Quadrangle
SCALE 1"=1000' 08/07/2015

West Virginia Department of Environmental Protection
Office of Oil & Gas

WELL LOCATION FORM: GPS

API: 47- 095 - 1529 WELL NO: E-7

FARM NAME: Thompson Heirs No.E-7

RESPONSIBLE PARTY NAME: H.G. Energy, LLC

COUNTY: Tyler DISTRICT: McElroy

QUADRANGLE: Centerpoint 7.5'

SURFACE OWNER: Carl E. Walters

ROYALTY OWNER: American Energy Partners, LLC et al.

UTM GPS NORTHING: 4,367,559 (NAD 83)

UTM GPS EASTING: 525,787 (NAD 83) GPS ELEVATION: 280 m. (918')

The Responsible Party named above has chosen to submit GPS coordinates in lieu of preparing a new well location plat for a plugging permit on the above well. The Office of Oil & Gas will not accept GPS coordinates that do not meet the following requirements:

1. Datum: NAD 1983, Zone:17 North, Coordinate Units: meters, Altitude: height above mean sea level (MSL) - meters.
2. Accuracy to Datum - 3.05 meters
3. Data Collection Method:

Survey Grade GPS Post Processed Differential
Real-Time Differential

Mapping Grade GPS Post Processed Differential
Real-Time Differential

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I the undersigned, hereby certify this data 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 Office of Oil and Gas.

Diane C. White
Signature

Designated Agent
Title

June 3, 2015
Date



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

9501529P

June 23, 2015

chk# 3075
\$100⁰⁰

Jeff McLaughlin
WVDEP
Division of Oil & Gas
601 57th Street
Charleston, West Virginia 25304

RE: Thompson Heirs No. E-7 (47-095-01529)
McElroy District, Tyler County
West Virginia

Dear Mr. McLaughlin:

Enclosed are Forms WW-4(A), WW-4(B), WW-9, and WW-7, topo map, well record, copy of certified mailing receipt and a check in the amount of \$100.00 to cover the permit fee to plug and abandon the above-captioned well.

Very truly yours,

Diane White

Diane C. White

Enclosures

cc:

Carl E. Walters - Certified
Michael Goff - Inspector

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WV Department of
Environmental Protection

08/07/2015

I
now

Operator: HG ENERGY, LLC

API: 9501529

WELL No: THMPSN HRS E-7

Reviewed by: gwm Date: 8/07/15

45 Day End of Comment: 8/13/15

CHECKLIST FOR FILING A PERMIT

Plugging

Ck# 3075
\$1000

- WW-4B
- Inspector signature on WW-4B
- Completion / Well Records of Previous Work
- WW-4A (Notarized)
- Certified Mail Receipts, Waivers, or Affidavits of Personal Service
- Surface Owner Waiver
- Coal Owner / Lessee / Operator Waiver
- WW-9 (Page 1) (Notarized)
- Inspector Signature on WW-9 (Optional)
- Topographic Map of location of well
- WW-7

OR

- Mylar Plat (Surface owner on plat matches WW-4A)
- Bond
- Company is Registered with the SOS
- Worker's Compensation / Unemployment Insurance account is OK
- \$100.00 check (\$0.00 if no pit)