

### 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

June 29, 2015

### WELL WORK PLUGGING PERMIT

### Plugging

This permit, API Well Number: 47-9501660, 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 penalities 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: O. PITTS 8

Farm Name: NICHOLS, ELDEN & IRENE

API Well Number: 47-9501660 Permit Type: Plugging

Date Issued: 06/29/2015

## **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. 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.

CK#2950 \$10000

WW-4B Rev. 2/01	1) Date February 20 , 2015 2) Operator's Well No. Oliver Pitts 8 3) API Well No. 47-cm -cmax
DEFARIMENT OF ENVI	TEST VIRGINIA  CROMMENTAL PROTECTION  OIL AND GAS
*) Well Type: Oil / Gas / Limit	MIT TO PLUG AND ARANDON  d injection X / Waste disposal/  derground storage) Deep/ Shallow
5) Location: Floured 4007	Watershed Indian Creek County Tyler Quadrangle Centerpoint 7.5'
6) Well Operator HG Energy, LLC Address 5260 Dupont Road Parkersburg, WV 26101	7) Designated Agent Diane White Address 5260 Dupont Road 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
Manner of Plugging: Plug No. 1 - 2850' - 2750' Free point, cut and pull 4 1/2" approx. 18 Plug No. 2 - 1925' - 1825' Plug No. 3 - (057-835'	MINIMUM OF 100' CLASS A
Plug No. 4 - 320' - 67. SURFACE	Received Office of Oil & Gas
6% get between all plugs. Set concrete marker per 5	APR 29 2015
Notification must be given to the district oil work can commence.	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \
Work order approved by inspector Michael	Date 4-20-2015

9-Sep-96 47 -095- 1660

# 95016606

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

### Well Operator's Report of Well Work

Farm name:	Nichols, Elde	n & Irene	Open	rator Well	No.: O. Pit	ts #8	
JOCATION:	Elevation:	1,007.00	Qua	irangle:	Center Poir	nt	
	District: Latitude: Longitude:	Mc Elroy 6,550 Feet south of 9,500 Feet west of	39	nty: Tyle Deg 27 Deg 40	Min 30	Sec. Sec.	
Company:	P.O. BOX 55	PRODUCTS COMPANY 19 V 26105-5519		Casing & Tubing	Used in Drilling	Left in Well	Cement Fill Up Cu. Ft.
Agent:	PHILIP S. ON	NDRUSEK		Size			
nspector: 'ermit Issued: Vell work Com	Mike Underw	9/9/96 12/17/96					
Vell work Com/ /erbal plugging	pleted:	1/2/97		8-5/8"	270'	270'	150 Sacks
totary X cotal Depth (fee	Cable	Rig 2992'		4 1/2"	2932.40'	2932.40'	275 Sacks
resh water dep	ths (ft)	NA					
alt water depth	s (ft)	NA					
s coal being min loal Depths (ft)		N) NA					
)PEN FLOW DATA *Well was drilled as a waterflood injection well. No open-flow data was obtained							
Producing formation Gordon Pay zone depth (ft)  Gas: Initial open flow * MCF/d Oil: Initial open flow * Bbl/d Final open flow between initial and final tests * Hours  Static rock pressure * psig (surface pressure) after Receive Hours  Second producing formation Gas: Initial open flow Final open flow Final open flow Final open flow Time of open flow between initial and final tests Final open flow Final open flow Time of open flow between initial and final tests Time of open flow between initial and final tests Final open flow Time of open flow between initial and final tests Final open flow Time of open flow between initial and final tests Final open flow Final o							
	ock pressure			irface pre		after	Hours
R STIMULATING	G, PHYSICAL C	, PUT THE FOLLOWING: 1) I HANGE, ETC. 2) THE WELL FORMATIONS, INCLUDING	LOG I	VHICH IS A	SYSTEMAT	IC DETAILED	TURING
		For: PENNZO By: Date:	OIL PI	RODUCTE	COMPAN	0	
		Date.	-	/,ک	11/78		07/03/2015

**Treatment:** 

Perforated Gordon sand with 16 holes from 2882'-2886' K.B. Fractured with 300 gals 15% HCL and 182 bbls gelled water and 9,500 lbs. 20/40 sand

Well Log:

All depth are relative to K.B.

0	276 Sand and Shale
276	535 Shale
535	570 sand
570	654 Shale
654	702 sand
702	895 Shale
895	912 sand
912	1380 Shale
1380	1388 sand
1388	1608 Shale
1608	1624 sand
1624	1654 Shale
1654	1676 sand
1676	1724 Shale
1724	1742 sand
1742	2044 Shale
1724	2140 Big Lime
2140	2292 Big Injun
2292	2872 Shale
2292	2886 Gordon
2886	2995 Shale

Received Office of APR 2 9 2015 WW-4A Revised 6-07



1) Date:	February 20, 2015	
2) Operator	r's Well Number	
Oliver Pitts 8		

3) API Well No.: 47 -

95 - 01660

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

4) Surface Ow	ner(s) to be served: 5	(a) Coal Operato	r
(a) Name	Elden Nichols	Name	NA
Address	HC 62, P. O. Box 72	Address	
	Alvy, WV 26322		
(b) Name		(b) Coal Ov	vner(s) with Declaration
Address	:	Name	NA.
	4 <u></u>	Address	
(c) Name		Name	
Address		Address	
6) Inspector	Michael Goff	— (c) Coal Le	ssee with Declaration
Address	P. O. Box 134	— Name	NA
ritaress	Pullman, WV 26421	Address	
Telephone	304-549-9823		
тогорионо			
Take notice accompany Protection, the Applica	ou are not required to take any action at all.  that under Chapter 22-6 of the West Virginia Coing documents for a permit to plug and abandon a with respect to the well at the location described	nde, the undersigned well well with the Chief of the on the attached Applicated or certified mail or de	operator proposes to file or has filed this Notice and Application and the Office of Oil and Gas, West Virginia Department of Environmental ion and depicted on the attached Form WW-6. Copies of this Notice, livered by hand to the person(s) named above (or by publication in
	OFFICIAL SEAL Well Operator	r HG Energy, LLC	
THEFT	NOTARY PUBLIC By:	Diane White	Diane White
STA	TE OF WEST VIRGINIA DIANNE DULANEY	Agent	Received
岛。 <b>是是国际</b>	5260 Dupont Road Address	5260 Dupont Road	Office of Oil & Gas
Parket	rsburg. West Virginia 26101 nmission Expires Oct. 4, 2016 Telephone	Parkersburg, WV 26	States
My Con	Telephone	304-420-1119	APR 29 2015
Subscribed and	- Manne Juliune	lay of <u>February, 20</u>	Notary Public

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 <a href="mailto:depprivacyoffier@wv.gov">depprivacyoffier@wv.gov</a>.

5705	(Domestic Mail O	MAIL <sub>TM</sub> RE( nly; No Insurance C	Coverage Provided)		
	For delivery information visit our website at www.usps.com				
h20h	Postage	\$ 1.40	s Nego Nego anum		
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0.53.0	Total Postage & Fees	\$ 7.40	OP8		
7014	************	Iden Nic	The state of the s	/	
<b>r</b> ~	or PO Box No.	ALVY WI			
	PS Form 3800, August	2006	See Reverse for Instructions		

Office of O

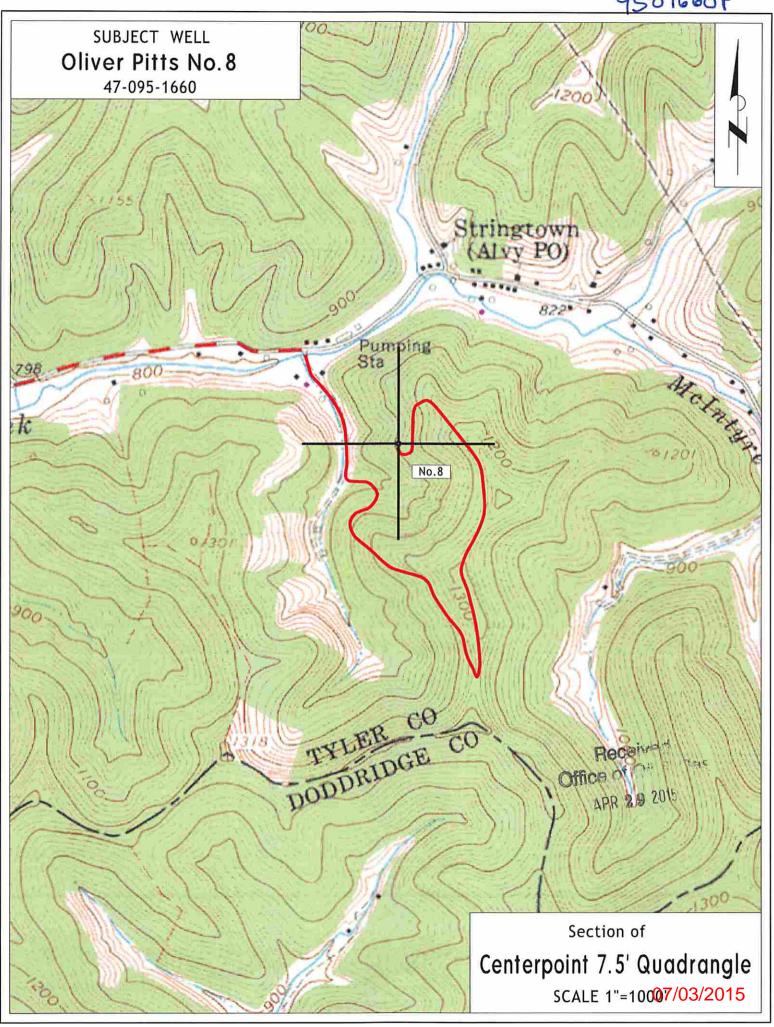
WW-9 Rev. 5/08 API Number 47 - 085 - 01580 Operator's Well No. Offver Pitter's STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION OFFICE OF OIL AND GAS CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE Operator Name HG Energy, LLC OP Code 494497948 Watershed Indian Creek Quadrangle Centerpoint 7.5' Elevation 1007' County Tyler \_\_\_\_\_\_\_McElroy Description of anticipated Pit Waste: Fluids encountered while plugging subject well Will a synthetic liner be used in the pit? Yes 20 MK. Proposed Disposal Method For Treated Pit Wastes: × Land Application \_ Underground Injection ( UIC Permit Number\_ \_ Reuse (at API Number Off Sire Dispposal (Supply form WW-9 for disposal location) \_ Other (Explain Proposed Work For Which Pit Will Be Used: \_\_ Drilling Swabbing Workover Plugging Other (Explain 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 Received Diane White Company Official (Typed Name) Office of Oil & Gas Agent Company Official Title - APR 2 9 2015 20th February Subscribed and sworn before me this 20

My commission expires

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
S. DIANNE DULANEY
5260 Dupont Road
Parkersburg. West Virginia 26101
My Commission Expires Oct. 4, 2016

Form WW-9					
			Operator's W	ell No. Oliver Pit	ts 8
Property Boundary  Road = = = = = = = = = = = = = = = = = = =	====== × ×	Spring Wet Sp Drain I Water  Cross I Artific Pit: cor	pool  Pipo with size in inches  Prain  Drain  Jat Filter Strip	@ -	
Proposed Revegetation Treat  Lime 2  Fertilizer (10-20-20  Mulch Straw	Tons/acre or to corre		Prevegention pH		<b></b>
Seed Type Tall Fescue Ladino Clover	a I   lbs/acre   . 40   5	Tall F	Seed Type FOSCUE .  TO Clover	II Ibs/acre 40	_
**Sediment Control	in place at all tir	_			<del>-</del> -
Attach: Drawing(s) of road, location,p Photocopied section of involve					Received
Plan Approved by:	d & Mulch	- 004 0	istorbed a	Of	APR 2 9 2015
Title: B; t & Ga.	s Inspecto	Date:	4/20/ 6	Pois	 

9501660P



## West Virginia Department of Environmental Protection Office of Oil & Gas

## WELL LOCATION FORM: GPS

API: 47-	095 - 1660	WELL NO: No.8
FARM NAME:	Oliver Pitts	<u> </u>
RESPONSIBLE PARTY N	AME: HG Energy, LLC	
COUNTY:	Tyler	DISTRICT: McElroy
QUADRANGLE:	Centerpoint 7.5'	
SURFACE OWNER:	Elden Nichols	
ROYALTY OWNER:	American Energy Partners L	LC, et al.
UTM GPS NORTHING:	4,365,700	_
UTM GPS EASTING:	525,819	GPS ELEVATION: 307 m. 1007.
preparing a new well locate Oil & Gas will not accept of  1. Datum: NA height abov 2. Accuracy to	ned above has chosen to submit GPS cannot be also a plugging permit on the also GPS coordinates that do not meet the fact of 1983, Zone:17 North, Coordinate to mean sea level (MSL) - meters.  Do Datum - 3.05 meters extion Method:	oove well. The Office of following requirements:
Survey Grade G	PS — Post Processed Differential Real-Time Differential	
Mapping Grade	GPS X Post Processed Differential Real-Time Differential	X Office of Oil & Gas
	ertify this data is correct to the best of formation required by law and the regul Oil and Gas.	my knowledge and
Diane White	Diane White	Designated Agent
Signature		Title
	y 19, 2015	
Date		

### CHECKLIST FOR FILING A PERMIT

	Plugging	CK# 2950
WW-4B		CK# 2950 \$100€
Inspector signature on WW-4B		
Completion / Well Records of Previou	ıs Work	
WW-4A (Notarized)		
Certified Mail Receipts, Waivers, or A	Affidavits of Personal Service	
Surface Owner Waiver		
Coal Owner / Lessee /Operator Waive	r	
WW-9 (Page 1) (Notarized)		
Inspector Signature on WW-9 (Option	nal)	
Topographic Map of location of well		
WW-7		
OR		
Mylar Plat (Surface owner on plat ma	tches WW-4A)	
Bond		
Company is Registered with the SOS		
Worker's Compensation / Unemployn	nent Insurance account is OK	
\$100.00 check (\$0.00 if no pit)		