

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 14, 2016

WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-10301057, 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

Operator's Well No: 23

Farm Name: PENNICK, C. C.

API Well Number: 47-10301057

Permit Type: Plugging
Date Issued: 06/14/2016

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. 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.

WW-4B Rev. 2/01

1)Date May 5	,	20_16
2)Operator's		
Well No. CC Pennick 23		
3) API Well No. 47-103		1057

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

	APPLICATION FOR A PER	MIT TO PLUG AND ABANDON
4)	Well Type: Oil X / Gas X / Liqui	d injection / Waste disposal /
-,		derground storage) Deep/ Shallow X
	(11 000) 11000001011 01 01	delatedid beerage, beep, bhattow_x_
5)	Location: Elevation 1346'	Watershed Piney Fork
رد	District Green	County Wetzel Quadrangle Centerpoint 7.5'
	DISCFICE OFFICE	County Weizer Quadrangle Ochterpoint 7.3
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	9)Plugging Contractor
	NameDerek Haught	Name_ To Be Determined Upon Approval of Permit
	Address P. O. Box 85	Address
	Smithfield, WV 26178	
	** See Attached	d Sheet **
		RECFIVED
		Office of Oil and Gas
	fication must be given to the district of can commence.	il and gas inspector 24 hours before permitted MAY 1 6 2016
Work	order approved by inspector	WV Department of Environment Protection

WW-4B - Conti Rev. 2/01

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	K Gas	Liquid Injec	tion	_Waste Dis	posal		
		(If "Gas"	, Production	Undergroun	d Storage) Deep_	Sh	allow _	x
5)	LOCATION:	Elevation:	1346'	Watershed:_	Piney Fork				
		District:	Green	County:	Wetzel	(Quadrangle	Center	point 7.5'
6)	WELL OPERAT	OR: HG Energ	gy, LLC	494497948	7) DESIGNATI	ED AGENT	Diane V	Vhite	
	Address	5260 Dup	ont Road			Address	5260 Di	upont Ro	ad
		Parkersbu	ırg, WV 26101			_	Parkers	burg, W\	7 26101
8)	OIL & GAS INS	PECTOR TO B	E NOTIFIED		9) PLUGGING	CONTRAC	TOR		
-,	Name	Derek Haught			Name	To Be Dete	rmined Upon	Approva	l of Permi
	Address	P. O. Box 85			Address				
		Smithfield, W	V 26178						
10)	WORK ORDER	: The work ord	er for the manner of I	olugging this we	ll is as follows:				
ΓD-	3,288'								
<u>Ma</u> Atte Plu	nners of pluggin empt to pull all 4 g #1 - 3250' - 31	1/2" casing fi 50'	rom 3270' - 2682' ite for plug placem	ent					
Ma Atte Plug If 4 Free	nners of pluggin empt to pull all 4 g #1 - 3250' - 31 1/2" casing is pr point, part and pul	1/2" casing fi 50' esent, perfora I all possible 5 3/3	ite for plug placem	ent					
Ma Atte Plug If 4 Free Plug	nners of pluggin empt to pull all 4 g #1 - 3250' - 31 1/2" casing is pr	4 1/2" casing fi 50' resent, perfora I all possible 5 3/2 500'	ite for plug placem	ent					

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

Located through elevation, Pittsburgh Coal and 5 3/16" casing stub. If casing

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

is present, perforate for plug placement

Located through fresh water to surface

6% Gel between all plugs

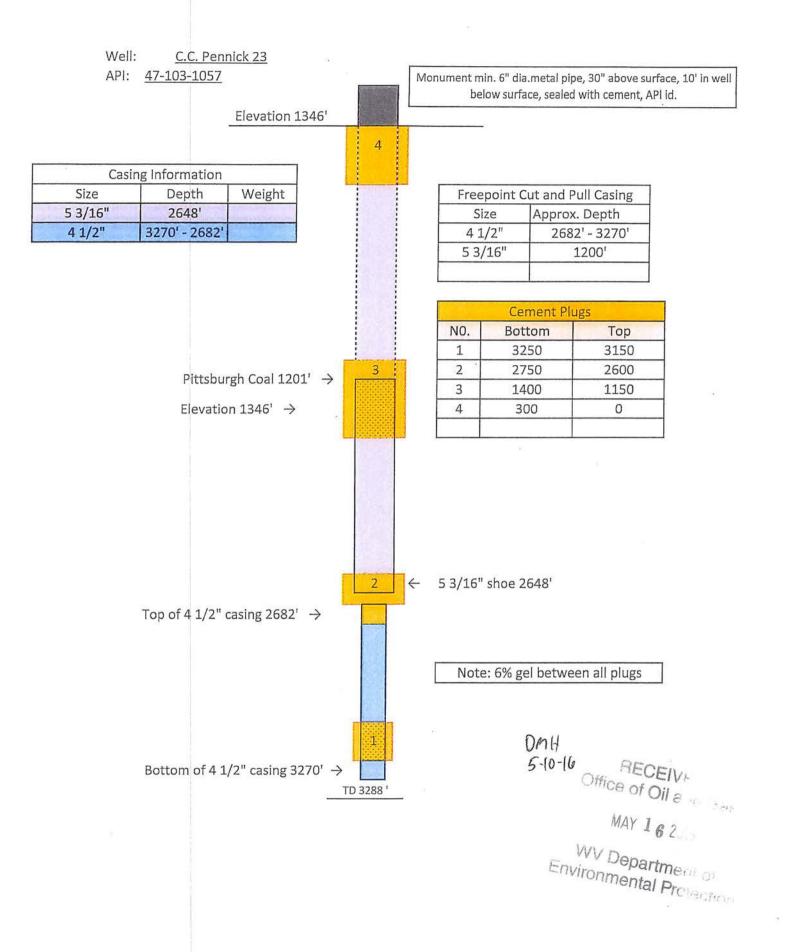
Plug #3 - 1400' - 1150'

Plug #4 - 300' - 0'

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Office of Oil and Gas

MAY 1 6 2016

WV Department of Environmental Protection



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11/11/27- Run 8jts.170' of 4 x 42"F. J. Liner on Bell Cellar. Top 3100'
11/12/27 - Run 10Jts.216! "
11/13/27 Run 10jts.202' " "
                                Hung en Parmace Cave Packer. Tep 2682
12/7/27 Run 2607'ef 32"Tubing en Parmace Packer Hook Wall te Shut eff water.
     220
     354

    WV Department of

                                                                         mantal Protection
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SERIAL NoFAR		S			
EASE No. Nolan For	rk Piney		MAP	No	228
DISTRICT Greene DRILLING COMMENCED 6-1	COUNT		ST.	ATE	
SANDS	Тор	Воттом	ELEV. TOP		CASING .
PGH. COAL OR 老液流流流流	1201		*	10"	800
Big Injun	2510	2660		81	1700
Stray Sand	3235	3267		6-5/8	21,49
Gordon	3271	3283		5-3/16	2648
	E			Packers	AND DEPTH SET

Show of Gil in the Stray sand at 3253

Piney Dist.

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Office of Oil and Gas

MAY 1 6 2016

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FORM F. O. BOS	SA.	5m-3-2a		- 21548-108			/D-3				640.5 Table 1
		FARM C.C.P				WE	(Pgh.) LL 23	ACRES	558 F	EASE NO TE	687-15
		cownship or ant, M	cElroy	COUNT	wetze	l.Tyler	STATE W. Va.	19(17-	N. 2-3S	E.	W. 3-4
Comment San		RIG COMMENCED		19	СОМРІ		4-1-2	CONTRAC			
A Commence of the Commence of		OR'G COMMENCED 6	/16/99	19	COMPL	ETED 8/27/			FOR A.W.N	ickle	
		D. D. COMMENCED		19	СОМРЬ		ALCOHOLDS AND ALCOHOLD	CONTRACT	the transfer of		
	Juis.	7753753355	Fo	RMATION				C	ASING RECOR	RD .	
		KIND	TOP	воттом	STEEL LINE -	REMARKS	SIZE BOTTO	OM CASING	PUT IN WELL	PULLED (TALLY MEAS.)	LEGY IN WHEN ABN'D
		Pgh Coal Big Injun Stray Sand Oil Gordon Sand Oil	2510 2510 2235 3253 3271 3273	2660 3267 3283		Show Oil	Cond. 10. 8½ 6-5/8 5-3/16 31/2		16 800 1700 2449 2648 2607' 588' PACKERS	800 1700 2449	1.00 - 2.00 - 2.00 - 3.00 - 3.
					- 22				de la		= = = = = = = = = = = = = = = = = = = =
							KIND		SIZE	DEPTH SET	DATE SE
	4.5										Carlo
				Az (Table)					100 + 100		
	7							то	RPEDO RECORT		1 3
							8/28/99 12/10/02	30 60	SIZE SHELL TOP	янот вогтом 71	RESULT
		1 15 12 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		5-1-X					Apple of the		
						id Transition	10/23/11	100	5-4"20 32	(2)	
								ABAN	DONMENT RECO	San Parket Control	
		TO THE STATE OF THE STATE OF			7		FILLED WITH	FROM	TO SIZ	PLUG E KIND	DEPTH
					Assertion				REMARKS		
		TOTAL DEPTH		3288			Put in 14 Hung on T Lower sec. 2659.	wo Cal 147' T	x41 F4J	kers,12/1 Jpper Sec	l/11. .146 <u>'</u> To
		PF	RODUCTIO	N RECORI	•		er pulled	except	3Jta which	h was dr	Llled b
		24 HOURS BEFORE SHO 24 HOURS AFTER SHOT GAS TEST	эт		SAND	62/2 BBIS. BBIS.	6	Offic	RECEIV	EB DU Sela	
				No.			APPROVED BY		MAY 1 A		BUPT
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Form 226 06445	.5 8	Ĭ.	12997			
182 / W	ELL R	ECORD.	7.336			
le 6 Jemes		Farm,	Acres			
State District WEBEL County W. State						
Well No. 23						
Rig Commenced 189 1						
Rig Completed 189 Contractor.						
Drilling Commenced Lane 6	189_9(11			
/ / /	189.9	COM nich	Contractor.			
FORMATION.	Top.	Remarks.	Воттом			
L'ougluctor	16					
Gg Kleval	1201					
if of degun band	2510					
Ballony ""	2660					
of of stray "	3235					
Bat. Stray	3253					
Tole Gordon	3271					
Oil"	327-3	85				
Bottom Gordon Sand	3283					
Total depth	3288					
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		16	87			
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Note:			MAY 1 6 2016			

A good record must show the formation from top to bottom of well.

WV Department of Environmental Protection

WW-4A	
Revised	6-07

1) Date:	May 5, 2016			
2) Operator's V	Vell Number	À		
3) API Well No	.: 47 -	103	 1057	

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

	NOTICE	I III I DICIIIIO	II IO I LOGI	
4) Surface Ow	ner(s) to be served:	5) ((a) Coal Operat	tor
(a) Name	WV Department of Natu	ral Resources	Name	NA
Address	Capital Complex - Room	1 643, Bld 3	Address	
	Charleston, WV 25305			
(b) Name			(b) Coal (Owner(s) with Declaration
Address	H:		Name	NA
			Address	
(c) Name			Name	
Address	-		Address	
Address				
6) Inspector	Derek Haught		(c) Coal L	essee with Declaration
Address	P. O. Box 85		Name	NA
	Smithfield, WV 26178	mithville WV	Address	
Telephone	304-545-0109 206-5	1613 1261	78	
	-			
The reason However, Take notic accompan Protection the Applic	you are not required to take a te that under Chapter 22-6 o ying documents for a permit with respect to the well at a	ents is that you have right any action at all. If the West Virginia Code to plug and abandon a verthe location described or en mailed by registered	hts regarding the apple, the undersigned we well with the Chief of a the attached Applic or certified mail or	ell operator proposes to file or has filed this Notice and Application and the Office of Oil and Gas, West Virginia Department of Environmental ation and depicted on the attached Form WW-6. Copies of this Notice, delivered by hand to the person(s) named above (or by publication in
		Well Operator	HG Energy II C	
		By:	Diane White	Diane White
WEST	OFFICIAL SEAL	Its:	Agent	
NOTARY P	UBLIC. STATE OF WEST VIRGINIA MARK J SCHALL	Address	5260 Dupont Road	
	H G Energy L L C	Address	Parkersburg, WV 2	
My Comm	30x 5519, Vienna, WV 26105 ission Expires November 2, 2021	Telephone	304-420-1119	RECEIVED
**************	Andrews of the Party of the Par	relephone		Office of Oil and Gas
Subscribed and	sword before me th		ay of May, 2016	Notary Public MAY 1 6 2016
				WV Department of
Oil and Gas Priv	acy Notice			Environmental Protection

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.

WW-9 Rev. 5/08

	Page		of	
API Number 47 -	103	2	1057	
Operator's Well N	O. CC Pen	nick 23		

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 Piney Fork Quadran	ngle Centerpoint 7.5'				
Elevation 1346' County Wetzel	District Green				
Description of anticipated Pit Waste: No pit will be used, fluids will be h	nauled to an authorized off site disposal facility				
Will a synthetic liner be used in the pit? No					
Proposed Disposal Method For Treated Pit Wastes: Land Application Underground Injection (UIC Permit Number Reuse (at API Number × Off Site Dispposal (Supply form WW-9 for disp Other (Explain	posal location)				
Proposed Work For Which Pit Will Be Used: Drilling Swabbing Workover X Plugging Other (Explain					
I certify that I understand and agree to the terms and conditions of on August 1, 2005, by the Office of Oil and Gas of the West Virginia Depa provisions of the permit are enforceable by law. Violations of any term of law or regulation can lead to enforcement action. I certify under penalty of law that I have personally examined application form and all attachments thereto and that, based on my in obtaining the information, I believe that the information is true, accurate penalties for submitting false information, including the possibility of fine of the control of th	and am familiar with the information submitted on this equiry of those individuals immediately responsible for the complete. I am aware that there are significant				
Company Official (Typed Name) Diane White					
Company Official Title Agent	Office of Oil a				
Subscribed and sworn before the this 5th day of May	Notory Public Departms. OFFICIAL SEAL				
My commission expires NOVEABER 2, 202	NOTARY PUBLIC. STATE OF WEST VIRGIN MARK J SCHALL M G BIORPU L L C				

	EGEND					
Property Boundary	Diversion Leaven Land Land Land Land					
Road = = = = = = = = = =	Spring					
Existing Fence — X — X — X —	Wet Spot					
Planned Fence///	Drain Pipe with size in inches @					
Stream	Waterway \longleftrightarrow \longleftrightarrow \longleftrightarrow					
Open Ditch	Cross Drain ////////////////////////////////////					
Rock 53 6 6 6	Artificial Filter Strip XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX					
North N	Pit: cut walls					
Buildings	Pit: compacted fill walls					
Water wells	Area for Land Application of Pit Waste					
Drill site						
Proposed Revegetation Treatment: Acres Disturbed 0.6	Prevegetation pH					
· ·						
Fertilizer (10-20-20 or equivalent)	cre (500 lbs minimum)					
Mulch Straw 2 Tons/act	е					
	Mixtures					
5001						
Area I Seed Type lbs/acre	Area II Seed Type 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 applic	ation.					
Photocopied section of involved 7.5' topographic sheet.						
Plan Approved by:	RECERTO					
Plan Approved by:	Office of Oil					
Comments:	The state of the s					
	MAY 1 6					
	WV Dana					
Title: 01/ + 645 Injuctor	Date: 5-10-16 Poparting MV Departing					
,) No					

Westbrook, Joshua P

From:

Diane White <dwhite@hgenergyllc.com>

Sent:

Friday, May 05, 2016 9:49 AM

To:

Westbrook, Joshua P

Subject:

Pit Fluids

Josh.

As per our discussion, HG does not intend to treat pit fluids for the following new well drill sites and plugging sites. HG will contract hauling the pit fluids to an authorized disposal site.

New Drill Sites:

CB Ferrell 218

Jackson Long 220

Jackson Long 129

Jackson Long 130

AW Edgell 127

IB Butcher 128

Wells to be plugged:

Stowers Heirs 6

Samuel Bowman 2

AA Woodrum 5

Woodrum Daniels 2

SW Nunn 1

SW Nunn 2

(47-103-1057) Cc Pennick 23

Please let me know if I should provide more information.

Thanks,

Diane

Diane C. White

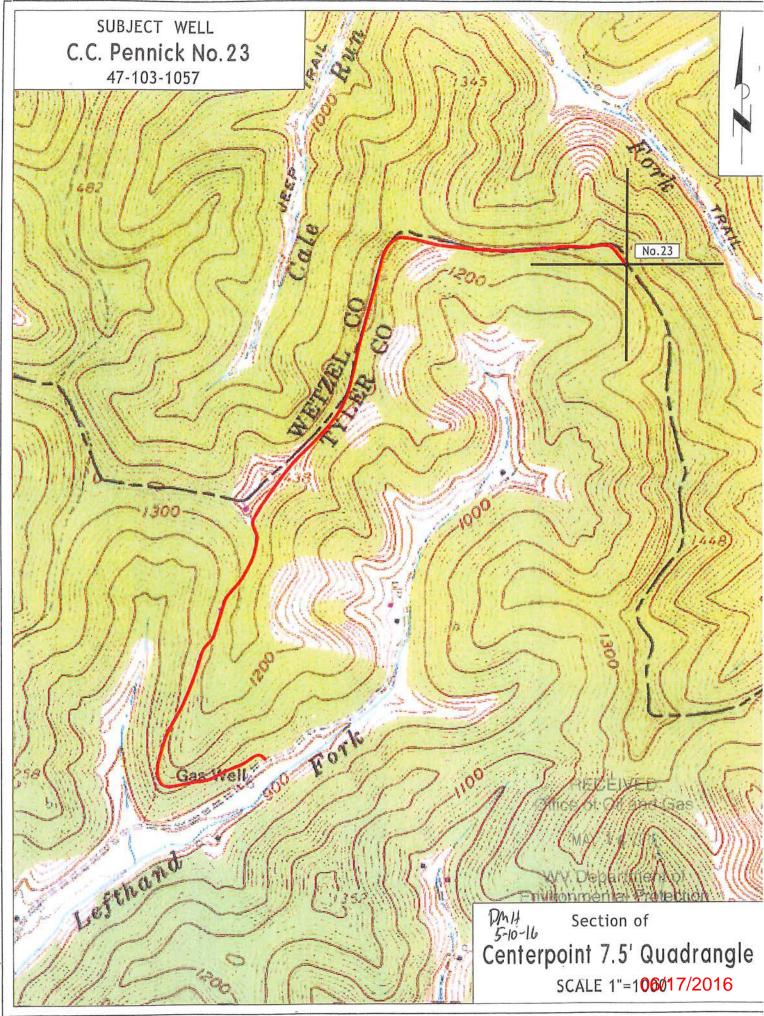


HG Energy, LLC 5260 Dupont Road Parkersburg, WV 26101 304-420-1119 (0) 304-482-0108 (C) 304-863-3172 (F) dwhite@hgenergyllc.com

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MAY 1 6 2016

WV Department of Environmental Protection



WW-7 5-02

West Virginia Department of Environmental Protection Office of Oil & Gas

WELL LOCATION FORM: GPS

API: 47-	103 - 1057		WELL NO:	23
FARM NAME:	C.C. Pennick No.23			
RESPONSIBLE PARTY NAME: H.G. Energy, LLC				
COUNTY:	Wetzel		DISTRICT:	Green
QUADRANGLE:	Centerpoint 7.5'	B		
SURFACE OWNER:	W.Va. Dept. of Nati	ural Resourc	ees	
ROYALTY OWNER:	Ascent Resources			
UTM GPS NORTHING:	4,369,770	(NAD 83)		
UTM GPS EASTING:	528,215	(NAD 83)	GPS ELEVATION:	410 m1340
preparing a new well locate Oil & Gas will not accept O 1. Datum: NA height abov 2. Accuracy to	ned above has chosen to submon plat for a plugging permit GPS coordinates that do not read 1983, Zone:17 North, Cove mean sea level (MSL) - mean Datum - 3.05 meters ection Method:	on the above neet the followerdinate Un	ve well. The Office of owing requirements:	
Survey Grade G	PS — Post Processed Different Real-Time Different			
Mapping Grade	GPS X Post Processed Different Real-Time Different		X	
	ertify this data is correct to the formation required by law and Oil and Gas.		ions issued and	RECEIVED e of Oil and Gas
Diane White	Diane C. White		Designated Ag	MAY 1 6 2016
Signature	Hampurpographs TV 83725	-	T'41-	Department of
May 4,	2016	_	Enviro	nmental Protection
Date				