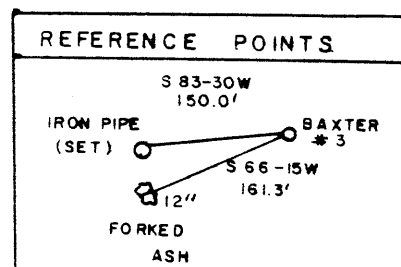


NOTE
BEARINGS ARE MAGNETIC



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS

FILE NO. _____
DRAWING NO. _____
SCALE 1" = 1000'
MINIMUM DEGREE OF ACCURACY 1:200
PROVEN SOURCE OF ELEVATION TOP OF HILL
1310'

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) Paul K. Marshall
R.P.E. _____ L.L.S.# 580



STATE OF WEST VIRGINIA
DEPARTMENT OF MINES
OIL AND GAS DIVISION

DATE SEPT. 14, 1985
OPERATOR'S WELL NO. BAXTER#3
API WELL NO. _____

WELL TYPE: OIL GAS LIQUID INJECTION _____ WASTE DISPOSAL _____
(IF "GAS,") PRODUCTION STORAGE _____ DEEP _____ SHALLOW

LOCATION: ELEVATION 1207' WATERSHED PROCTOR CREEK
DISTRICT PROCTOR COUNTY WETZEL
QUADRANGLE NEW MARTINSVILLE 7.5' 509 091 NE2

SURFACE OWNER CLARENCE BAXTER ACREAGE 182.75
OIL & GAS ROYALTY OWNER CLARENCE BAXTER LEASE ACREAGE 182.75
LEASE NO. _____

PROPOSED WORK: DRILL CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE PLUG OFF OLD FORMATION _____ PERFORATE NEW FORMATION _____ OTHER PHYSICAL CHANGE IN WELL (SPECIFY) _____

PLUG AND ABANDON _____ CLEAN OUT AND REPLUG _____
TARGET FORMATION GORDEN ESTIMATED DEPTH 3500' 6-O Cameron-Garner (23)
WELL OPERATOR CLAY RESOURCES INC. 172 DESIGNATED AGENT ANDY BROWN
ADDRESS 204 UNION SQUARE ADDRESS P.O. BOX 32
MARIETTA OHIO 45750 READER WV 26167

COUNTY NAME
PERMIT



WR-35

FEB 21 1986

State of West Virginia
DEPARTMENT OF ENERGY
Oil and Gas Division

Date February 18, 1986
Operator's
Well No. Baxter #3
Farm Clarence Baxter
API No. 47 - 103 - 1369

WELL OPERATOR'S REPORT
OF
DRILLING, FRACTURING AND/OR STIMULATING, OR PHYSICAL CHANGE

WELL TYPE: Oil X/ Gas X/ Liquid Injection / Waste Disposal /
(If "Gas," Production X/ Underground Storage / Deep / Shallow /)

LOCATION: Elevation: 1207 Watershed Proctor Creek
District: Proctor County Wetzel Quadrangle New Martinsville 7.5'

COMPANY Clay Resources, Inc.
ADDRESS 204 Union Square, Marietta, OH 45750
DESIGNATED AGENT Andy Brown
ADDRESS Box 32, Reader WV 26167
SURFACE OWNER Clarence Baxter
ADDRESS 99 Pennsylvania Ave. Cameron, WV 26033
MINERAL RIGHTS OWNER SAME
ADDRESS
OIL AND GAS INSPECTOR FOR THIS WORK Robert Lowther
ADDRESS General Delivery Middlebourne, WV
PERMIT ISSUED October 20, 1985
DRILLING COMMENCED December 15, 1985
DRILLING COMPLETED December 20, 1985
IF APPLICABLE: PLUGGING OF DRY HOLE ON CONTINUOUS PROGRESSION FROM DRILLING OR REWORKING. VERBAL PERMISSION OBTAINED ON

Casing & Tubing	Used in Drilling	Left in Well	Cement fill up Cu. ft.
Size 20-16 Cond.			
13-10"			
9 5/8			
8 5/8		1465	355 Sx.
7			
5 1/2			
4 1/2		2869	200 sx.
3			
2			
Liners used			

GEOLOGICAL TARGET FORMATION Gordon Depth 3500 feet
Depth of completed well 2924 feet Rotary X / Cable Tools
Water strata depth: Fresh feet; Salt 2187 feet
Coal seam depths: 997 Is coal being mined in the area? No

OPEN FLOW DATA

Producing formation Gordon Pay zone depth 2788-2802 feet
Gas: Initial open flow 20 Mcf/d Oil: Initial open flow 0 Bbl/d
Final open flow 20 Mcf/d Final open flow 0 Bbl/d
Time of open flow between initial and final tests 72 hours
Static rock pressure 300 psig (surface measurement) after 72 hours shut in
(If applicable due to multiple completion--)
Second producing formation Pay zone depth feet
Gas: Initial open flow Mcf/d Oil: Initial open flow Bbl/d
Final open flow Mcf/d Oil: Final open flow Bbl/d
Time of open flow between initial and final tests hours
Static rock pressure psig (surface measurement) after hours shut in

(Continue on reverse side)

MAR 3 1986

DETAILS OF PERFORATED INTERVALS, FRACTURING OR STIMULATING, PHYSICAL CHANGE, ETC.

PERFORATED: 20 Holes: 2789 to 2806

FRAC: N₂ : 1,200,000 SCF, N₂: Broke @ 2210 #:

WELL LOG

FORMATION	COLOR	HARD OR SOFT	TOP FEET	BOTTOM FEET	REMARKS
					Including indication of all fresh and salt water, coal, oil and gas
sand & shale			0	600'	
shale & limestone			600	1284	
shale, limestone, redrock			1284	1350	
shale limestone			1350	2100	
shale			2100	2500	
sand & shale			2500	2600	1st Berea: 2534-2540 2nd Berea: 2448-2454
sand			2600	2700	
shale			2700	<u>2924</u>	Gordon: 2788-2802

(Attach separate sheets as necessary)

CLAY RESOURCES, INC.

Well Operator

By: Sandra L. Schopf V.Pres. Operations

Date: February 18, 1986

Note: Regulation 2.02(i) provides as follows:
 "The term 'log' or 'well log' shall mean a systematic detailed geological record of all formations, including coal, encountered in the drilling of a well."

RECEIVED
OCT - 2 1985



1) Date: September 27, 1985
 2) Operator's Well No. Baxter #3
 3) API Well No. 47 103-1369
 State County Permit

DIVISION OF OIL & GAS STATE OF WEST VIRGINIA
 DEPARTMENT OF ENERGY DEPARTMENT OF ENERGY, OIL AND GAS DIVISION
APPLICATION FOR A WELL WORK PERMIT

- 4) WELL TYPE: A Oil / Gas
 B (If "Gas", Production / Underground storage / Deep / Shallow)
- 5) LOCATION: Elevation: 1207' Watershed: Proctor Creek
 District: Proctor County: Wetzel Quadrange: New Martinsville 7.5'
- 6) WELL OPERATOR Clay Resources 172 CODE: 10025 7) DESIGNATED AGENT Andy Brown
 Address 204 Union Square Address Box 32
Marietta, OH 45750 Reader, WV 26167
- 8) OIL & GAS INSPECTOR TO BE NOTIFIED 9) DRILLING CONTRACTOR:
 Name Robert Lowther Name Unknown
 Address General Delivery Address
Middlebourne, WV 26149
- 10) PROPOSED WELL WORK: Drill / Drill deeper / Redrill / Stimulate
 Plug off old formation / Perforate new formation
 Other physical change in well (specify)
- 11) GEOLOGICAL TARGET FORMATION, Gordon 419
- 12) Estimated depth of completed well, 3500 feet
 13) Approximate trata depths: Fresh, 550 feet; salt, 500 feet.
 14) Approximate coal seam depths: 900 - 1000' Is coal being mined in the area? Yes / No

15) CASING AND TUBING PROGRAM

CASING OR TUBING TYPE	SPECIFICATIONS					FOOTAGE INTERVALS		CEMENT FILL-UP OR SACKS (Cubic feet)	PACKERS
	Size	Grade	Weight per ft.	New	Used	For drilling	Left in well		
Conductor									Kinds
Fresh water	8 5/8					1030'	1030'	CTS	Per rule 15.05
Coal									Sizes
Intermediate									
Production	4 1/2					3500'	3500'	500 + SKS	Depths set Per rule 15.01
Tubing									
Lin...									Perforations:
									Top Bottom

OFFICE USE ONLY
 DRILLING PERMIT

Permit number 47-103-1369 Date October 29 19 85

This permit covering the well operator and well location shown below is evidence of permission granted to drill in accordance with the pertinent legal requirements subject to the conditions contained herein and on the reverse hereof. Notification must be given to the District Oil and Gas Inspector. (Refer to No. 8) Prior to the construction of roads, locations and pits for any permitted work. In addition, the well operator or his contractor shall notify the proper district oil and gas inspector 24 hours before actual permitted work has commenced.)

The permitted work is as described in the Notice and Application, plat, and reclamation plan, subject to any modifications and conditions specified on the reverse hereof.

Permit expires October 29, 1987 unless well work is commenced prior to that date and prosecuted with due diligence.

Bond: <input checked="" type="checkbox"/>	Agent: <u>ALD</u>	Plat: <u>MU</u>	Casing: <u>MW</u>	Fee: <u>1030</u>	WPCP: <u>MW</u>	S&E: <u>MW</u>	Other: <u>MW</u>
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[Signature]
 Director, Division of Oil and Gas

NOTE: Keep one copy of this permit posted at the drilling location.

See the reverse side of the APPLICANT'S COPY for instructions to the well operator.