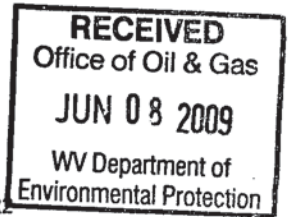


State of West Virginia
Division of Environmental Production
Section of Oil and Gas
Well Operator's Report of Well Work



Farm Name The Forest Land Group, LLC

Operator Well No.: WPHC-214AR

LOCATION Elevation: 2690

Quadrangle: McGraws 7 1/2'

District: Oceana County: Wyoming
Latitude: 6700 Feet South of 37 Deg. 45 Min. 00 Sec.
Longitude: 8760 Feet West of 81 Deg. 27 Min. 30 Sec.

Company:

Penn Virginia Oil & Gas Corporation

	Casing and Tubing	Used in drilling	Left in well	Cement fill up Cu. Ft.
Address: Seven Sheridan Square, Suite 200 Kingsport, TN 37660	13 3/8"	40'	40'	
Agent: Bryant Bowman	7"	1229'	1229'	200sk/236cf
Inspector: Barry Stollings				
Date Permit Issued: 07/09/2008				
Date Well Work Commenced: <u>10/26/2008</u>				
Date Well Work Completed: 02/26/2009				
Verbal Plugging:				
Date Permission granted on:				
Rotary X Cable Rig				
Total Depth (feet): 1,240				
Fresh Water Depth (ft): None Reported				
Salt Water Depth (ft): None Reported				
Is coal being mined in area (N/Y)? N				
Coal Depths (ft): 386', 795', 1031', 1491'				

OPEN FLOW DATA

Producing formation No production from this well 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

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

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

Signed: Martha E. Hudson
By: Evelyn Hubson
Date: 6/2/09

DETAILS OF PERFORATIONS, FRACTURING, OR PHYSICAL CHANGE, ETC.

This well is not perforated or fractured.

<u>FORMATIONS</u>	<u>TOP</u>	<u>BOTTOM</u>	<u>REMARKS</u>
Sand & Shale	0000	0323	
Shale	0323	0386	
Coal	0386	0388	
Sand	0388	0478	
Sandy Shale	0478	0646	
Sand	0646	0725	
Sandy Shale	0725	0795	
Coal	0795	0798	
Sandy Shale	0798	0991	
Sand	0991	1018	
Sandy Shale	1018	1031	
Coal	1031	1033	
Sand	1033	1061	
Shale	1061	1128	
Sand	1128	1256	TD Vertical Well @1240' kick off curve for Horiz
Shale	1256	1271	
Sand	1271	1293	
Shale	1293	1328	
Sandy Shale	1328	1347	
Shale	1347	1375	
Sand	1375	1491	
Coal	1491	1494	Projected Upper Beckley/Little Raleigh Depth



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

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

July 09, 2008

WELL WORK PERMIT

Coalbed Methane

This permit, API Well Number: 47-10902899, issued to PENN VIRGINIA OIL AND GAS CORPORATION, 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.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin
Chief

Operator's Well No: WPHC-214ARZ
Farm Name: HEARTWOOD FORESTLAND
API Well Number: 47-10902899
Permit Type: Coalbed Methane
Date Issued: 07/09/2008

Promoting a healthy environment.

109-02899C

109-6-466

**STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION**

1) Well Operator Penn Virginia Oil & Gas Corporation 2) Operator's Well Name McGraws

3) Operator's Well Number: WPHC-214ARZ 4) Elevation: 2690

5) Proposed Target Formation(s): Beckley Coal

6) Proposed Total Depth: 1500 Feet

7) Approximate fresh water strata depths: 930', 1180'

8) Approximate salt water depths: None Reported

9) Approximate coal seam depths: 400'-403'; 547'-550'; 1183'-1185'; 1492'-1495'

10) Does land contain coal seams tributary to active mine? No

11) (a) Proposed well work: Drill a multi-lateral horizontal CBM well. Production will be from the Beckley Coal via wells WPHC-214BR and WPHC-214CR

(b) If Stimulation Proposed, Describe Means to be Used to Stimulate Well:
None

12) (a) Does the proposed operation plan to convert an existing well (as defined in W. Va. Code § 22-6-1) or a vertical ventilation hole to a coalbed methane well? Yes or No: No

(b) If yes, please attach to this Application a list of all formations from which production is anticipated and a description of any plans to plan any portion of the well.

13) (a) Will the proposed coalbed methane well be completed in some but not all coal seams for production (except for a gob well or vent hole proposed to be converted to a well)? Yes or No No

(b) If yes, please attach to this Application a plan and design for the well which will protect all workable coal seams which will be penetrated by the well.

14) (a) Does the proposed operation include horizontal drilling of a well commenced on the surface? Yes or No Yes

(b) If yes, please attach to this Application a description of such operations, including both the vertical and horizontal alignment and extent of the well from the surface to total depth.

CK# 21589
900'

