



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 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: 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.

10301057P

WW-4B
Rev. 2/01

1) Date May 5, 2016
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 PERMIT TO PLUG AND ABANDON

- 4) Well Type: Oil / Gas / Liquid injection _____ / Waste disposal _____
(If "Gas, Production or Underground storage _____) Deep _____ / Shallow
- 5) Location: Elevation 1346' Watershed Piney Fork
District Green County Wetzel 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 Derek Haught
Address P. O. Box 85
Smithfield, WV 26178
- 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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Notification must be given to the district oil and gas inspector 24 hours before permitted work can commence.

MAY 16 2016

Work order approved by inspector 

WV Department of
Environmental Protection

WW-4B - Conti
Rev. 2/01

- 1) Date: May 5, 2016
- 2) Operator's Well Number CC Pennick 23
- 3) API Well No: 47 - 103 - 1057
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 Gas Liquid Injection Waste Disposal
 (If "Gas", Production Underground Storage) Deep Shallow

5) LOCATION: Elevation: 1346' Watershed: Piney Fork
 District: Green County: Wetzel Quadrangle Centerpoint 7.5'

6) WELL OPERATOR: HG Energy, LLC 494497948 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 Derek Haught Name To Be Determined Upon Approval of Permit
 Address P. O. Box 85 Address _____
Smithfield, WV 26178 _____

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

TD- 3,288'

Manners of plugging:

- Attempt to pull all 4 1/2" casing from 3270' - 2682'
- Plug #1 - 3250' - 3150'
- If 4 1/2" casing is present, perforate for plug placement
- Free point, part and pull all possible 5 3/16" casing
- Plug # 2 - 2750' - 2600'
- Located at 5 3/16" casing shoe
- Plug #3 - 1400' - 1150'
- Located through elevation, Pittsburgh Coal and 5 3/16" casing stub. If casing is present, perforate for plug placement
- Plug #4 - 300' - 0'
- Located through fresh water to surface

DMH
5-10-16

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

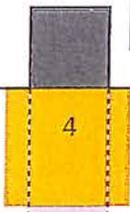
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Well: C.C. Pennick 23

API: 47-103-1057

Monument min. 6" dia. metal pipe, 30" above surface, 10' in well below surface, sealed with cement, API id.

Elevation 1346'



Casing Information		
Size	Depth	Weight
5 3/16"	2648'	
4 1/2"	3270' - 2682'	

Freepoint Cut and Pull Casing	
Size	Approx. Depth
4 1/2"	2682' - 3270'
5 3/16"	1200'

Pittsburgh Coal 1201' →

Elevation 1346' →



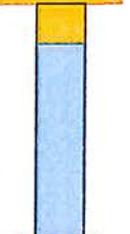
Cement Plugs		
NO.	Bottom	Top
1	3250	3150
2	2750	2600
3	1400	1150
4	300	0

← 5 3/16" shoe 2648'

Top of 4 1/2" casing 2682' →



Bottom of 4 1/2" casing 3270' →



TD 3288'

Note: 6% gel between all plugs

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11/11/27- Run 8jts.170' of 4 x 4 1/2" F.J.Liner on Bell Cellar. Top 3100'

11/12/27- Run 10jts.216' " " " " " " 2884'

11/13/27 Run 10jts.202' " " " Hung on Parmace Cave Packer. Top 2682'.

12/7/27 Run 2607' of 3 1/2" Tubing on Parmace Packer Hook Wall to Shut off water.

1930 250
 1931 220
 1932 226
 1933 235
 1934 287
 1935 263
 1936 254
 1937 327
 1938 276
 1939 314
 1940 276
 1941 326
 1942 306
 1943 375
 1944 376

1945 428
 1946 416
 1947 425
 1948 422
 1949 419
 1950 424

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FILE NO. _____

SOUTH PENN NATURAL GAS COMPANY- COMPLETION

SERIAL No. _____ FARM C. C. Pennick WELL No. 23
 ELEVATION _____ N. 3 S. _____ E. _____ W. 3
 LEASE No. _____ ACRES 228
 WATERS OF Nolan Fork Piney MAP No. _____
 DISTRICT Greene COUNTY Wetzel STATE W. Va.
 DRILLING COMMENCED 6-16-1899 COMPLETED 8-27-1899 DEPTH 3288

SANDS	TOP	BOTTOM	ELEV. TOP	CASING
PGH. COAL OR SLATE	1201			10" 800
Big Injun	2510	2660		8 1/4" 1700
Stray Sand	3235	3267		6-5/8" 2449
Gordon	3271	3283		5-3/16" 2648
				PACKERS AND DEPTH SET

INITIAL PROD. 62 1/2 Bbls. SAND Gordon DEPTH 2087
 GAS TEST _____ SAND _____ DEPTH _____
 SHOT 8 28-1899 QUARTS 30 10/23-1911 100 QUARTS
 REMARKS Show of Oil in the Stray sand at 3253
Piney Dist.
 REPORTED BY _____ DIST. ABANDONED _____

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10301057

FORM F. O. 263A SM-3-22

FARM C.C. PENNICK WELL 23 (Pgh. Record 228&60&100 A.) 15687-15
 TOWNSHIP OR DISTRICT Grant, McElroy COUNTY Wetzel, Tyler STATE W. Va. ACRES 228 LEASE NO. 15773
 RIG COMMENCED 19 COMPLETED 19 CONTRACTOR
 DR'S COMMENCED 6/16/99 19 COMPLETED 8/27/99 19 CONTRACTOR A.W. Nickle
 D. D. COMMENCED 19 COMPLETED 19 CONTRACTOR

FORMATION

CASING RECORD

KIND	TOP	BOTTOM	STEEL LINE MEASUREMENT	REMARKS	SIZE	BOTTOM CASING (STEEL LINE)	PUT IN WELL (TALLY MEAS.)	FULLED (TALLY MEAS.)	LEFT IN WHEN AB'D
Pgh Coal	1201				Cond.		16		
Big Injun	2510	2660			10		800	800	
Stray Sand	3235	3267			8 1/2		1700	1700	
Oil	3253			Show Oil	6-5/8		2449	2449	
Gordon Sand	3271	3283			5-3/16		2648		
Oil	3273				3 1/2		2607		
						4 x 4 1/2	588		
						PACKERS			
KIND		SIZE		DEPTH SET		DATE SE			

TORPEDO RECORD

DATE SHOT	NO. QTS.	SIZE SHELL	TOP SHOT	BOTTOM	RESULT
8/28/99	30	3-4" 20			
12/10/02	60	3-4" 20	3271		
10/23/11	100	5-4" 20	3273		

ABANDONMENT RECORD

FILLED WITH	FROM	TO	SIZE	PLUG KIND	DEPTH

REMARKS

Put in 14 jts. 4 x 4 1/2" F 2 J 2 Liner, in two Sec Hung on Two Callahan Packers, 12/11/11. Lower sec. 147' Top 311 2' Upper Sec. 146' To 2659.
 Hole not reduced. Nov. 1927 all above 11 or pulled except 3 Jts which was drilled b

TOTAL DEPTH	3288
PRODUCTION RECORD	
24 HOURS BEFORE SHOT	SAND 6 2 1/2 BBLs.
24 HOURS AFTER SHOT	SAND BBLs.
GAS TEST	

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Office of Oil and Gas
 APPROVED BY *Over*
 MAY 16 2011
 SUPT.

147
146

282

WELL RECORD.

7.556

L. C. Demick Farm, _____ Acres
Grant District Netzel County W. Va State
 Well No. 23

Rig Commenced _____ 189 _____ }
 Rig Completed _____ 189 _____ } Emyers Contractor.
 Drilling Commenced June 16 189 9 }
 Drilling Completed Aug 27 189 9 } W. Nickle Contractor.

FORMATION.	TOP.	REMARKS.	BOTTOM
Conductor	16		
Top level	1201		
Top of Seign sand	2510		
Bottom "	2660		
Top of Stray "	3235		
Shun " Oil	3253		
Bot. " Stray "	3267		
Top " Gordon "	3271		
Oil	3273		
Bottom Gordon sand	3283		
Total depth	3288		

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NOTE:

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 Well Number
CC Pennick 23

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

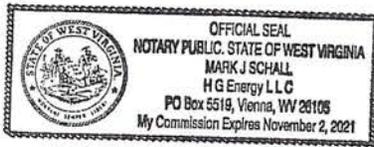
4) Surface Owner(s) to be served:	5) (a) Coal Operator
(a) Name <u>WV Department of Natural Resources</u>	Name <u>NA</u>
Address <u>Capital Complex - Room 643, Bld 3</u>	Address _____
<u>Charleston, WV 25305</u>	_____
(b) Name _____	(b) Coal Owner(s) with Declaration
Address _____	Name <u>NA</u>
_____	Address _____
(c) Name _____	Name _____
Address _____	Address _____
_____	_____
6) Inspector <u>Derek Haught</u>	(c) Coal Lessee with Declaration
Address <u>P. O. Box 85</u>	Name <u>NA</u>
<u>Smithfield, WV 26178</u>	Address _____
Telephone <u>304-545-0105</u>	_____
<u>Smithville WV</u>	
<u>206-7613</u>	
<u>26178</u>	

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*
 Its: Agent
 Address 5260 Dupont Road
Parkersburg, WV 26101
 Telephone 304-420-1119

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Subscribed and sworn before me this 5th day of May, 2016
[Signature] Notary Public
My Commission Expires NOVEMBER 2, 2021

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WV Department of
Environmental Protection

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.

WW-9
Rev. 5/08

Page _____ of _____
API Number 47 - 103 - 1057
Operator's Well No. CC Pennick 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 Quadrangle Centerpoint 7.5'

Elevation 1346' County Wetzel District Green

Description of anticipated Pit Waste: No pit will be used, fluids will be hauled 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 Disposal (Supply form WW-9 for disposal location)
- Other (Explain _____)

DmH
5-10-16

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

Company Official (Typed Name) Diane White

Company Official Title Agent

Subscribed and sworn before me this 5th day of May, 2016

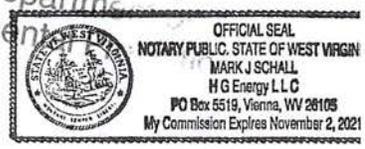
[Signature]

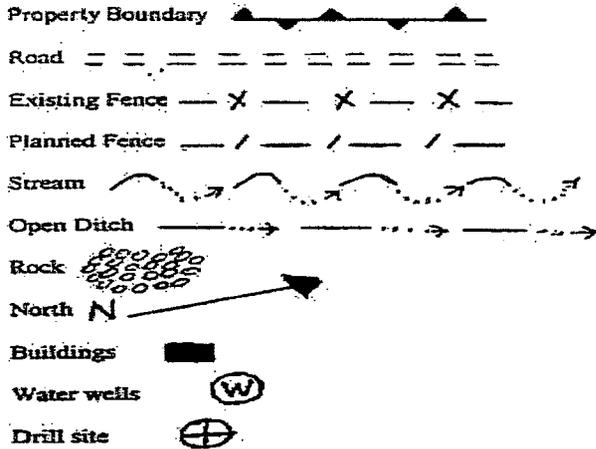
Notary Public
WV Department of Environmental Protection

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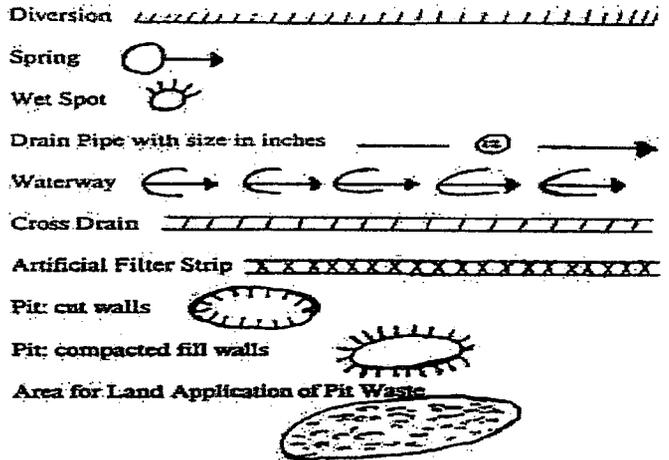
MAY 16 2016

My commission expires NOVEMBER 2, 2021





LEGEND



Proposed Revegetation Treatment: Acres Disturbed 0.6 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.

Plan Approved by: [Signature]

Comments: _____

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Office of Oil Conservation
MAY 16

Title: Oil + Gas Inspector

Date: 5-10-16

WV Department of Environmental Protection

Field Reviewed? Yes No

10301057 P

~~8704799~~

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
- CC Pennick 23 (47-103-1057)

Please let me know if I should provide more information.

Thanks,
Diane

Diane C. White



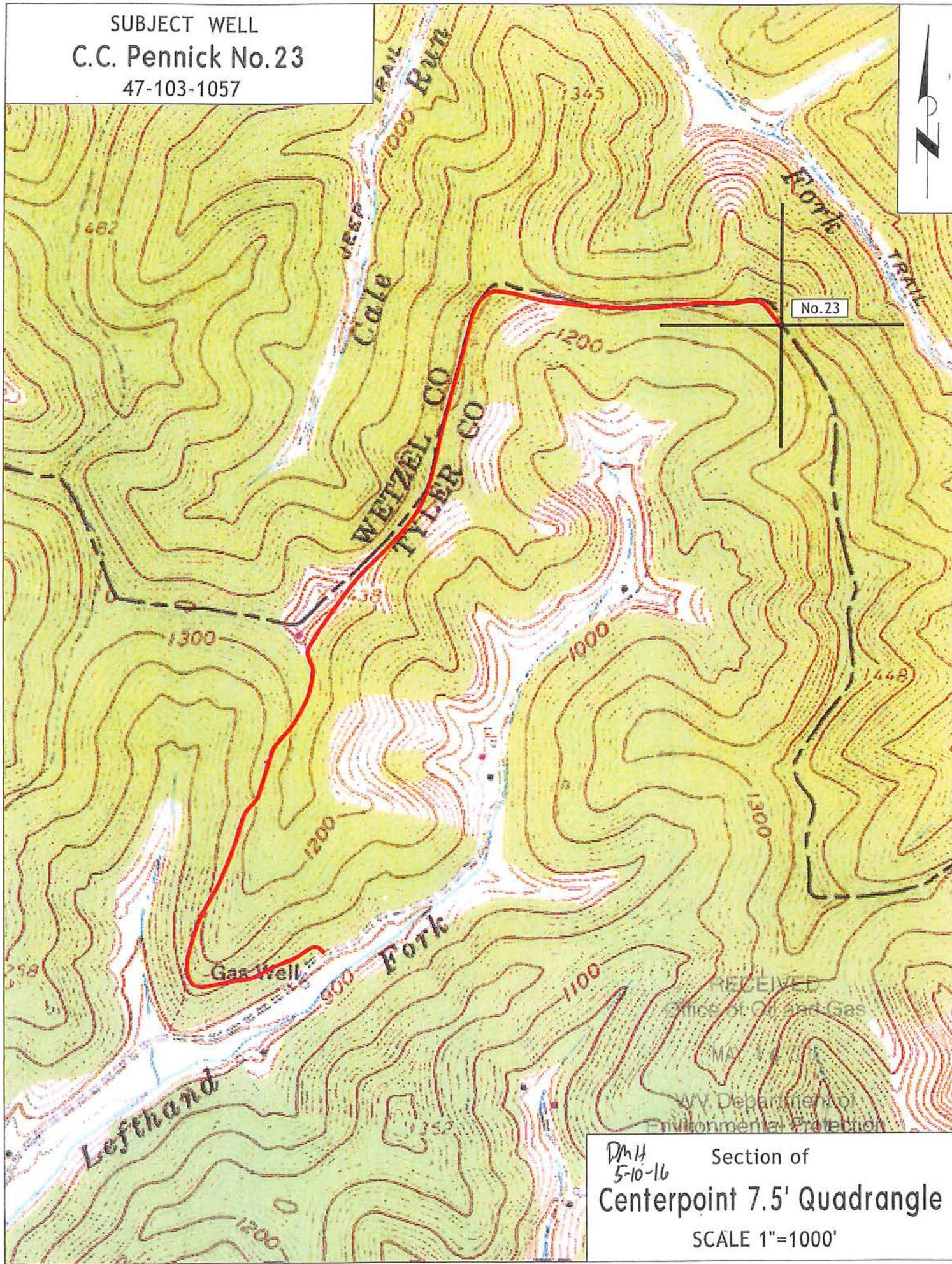
HG Energy, LLC
5260 Dupont Road
Parkersburg, WV 26101
304-420-1119 (O)
304-482-0108 (C)
304-863-3172 (F)
dwhite@hgenergyllc.com

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WV Department of
Environmental Protection

SUBJECT WELL
C.C. Pennick No.23
47-103-1057



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Office of Oil and Gas
MAY 3 2011
W.V. Department of
Environmental Protection

DMH
5-10-16 Section of
Centerpoint 7.5' Quadrangle
SCALE 1"=1000'

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'

SURFACE OWNER: W.Va. Dept. of Natural Resources

ROYALTY OWNER: Ascent Resources

UTM GPS NORTHING: 4,369,770 (NAD 83)

UTM GPS EASTING: 528,215 (NAD 83) GPS ELEVATION: 410 m. - 1346'

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	<input type="checkbox"/>	Post Processed Differential	<input type="checkbox"/>
		Real-Time Differential	<input type="checkbox"/>
Mapping Grade GPS	<input checked="" type="checkbox"/>	Post Processed Differential	<input checked="" type="checkbox"/>
		Real-Time Differential	<input type="checkbox"/>

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.

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Office of Oil and Gas

MAY 16 2016

Diane White Diane C. White
Signature

Designated Agent
Title

WV Department of Environmental Protection

May 4, 2016
Date