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 27, 2016

**WELL WORK PLUGGING PERMIT**

**Plugging**

This permit, API Well Number: 47-9502003, 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: WR MCINTYRE 1
Farm Name: MILLER, RONNIE W.
**API Well Number: 47-9502003**
**Permit Type: Plugging**
Date Issued: 06/27/2016

**Promoting a healthy environment.**

9502003P

# 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.
4. This well is under a consent order and must be plugged under the terms of that agreement.

9502003P

WW-4B
Rev. 2/01

1) Date May 27, 2016
2) Operator's
Well No. W R McIntyre 1
3) API Well No. 47- 095 - 2003

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 X / Gas ____ / Liquid injection ____ / Waste disposal ____ /
(If "Gas, Production ____ or Underground storage ____) Deep ____ / Shallow X

5) Location: Elevation 952' Watershed McIntyre Fork
District McElroy 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 Derek Haught
Address P. O. Box 85
Smithville, 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 **

Notification must be given to the district oil and gas inspector 24 hours before permitted work can commence.

Work order approved by inspector _____ Date 6/7/16

Received
Office of Oil & Gas
JUN 16 2016

9502003P

WW-4B - Conti
Rev. 2/01

1) Date: May 27, 2016
2) Operator's Well Number
W R McIntyre 1
3) API Well No: 47 - 095 - 2003
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 x Gas ____ Liquid Injection ____ Waste Disposal ____
(If "Gas", Production ____ Underground Storage ____ ) Deep ____ Shallow x

5) LOCATION: Elevation: 952' Watershed: McIntyre Fork
District: McElroy County: Tyler Quadrangle Centerpoint 7.5'

6) WELL OPERATOR: HG Energy, LLC 494497948
Address 5260 Dupont Road
Parkersburg, WV 26101

7) DESIGNATED AGENT Diane White
Address 5260 Dupont Road
Parkersburg, WV 26101

8) OIL & GAS INSPECTOR TO BE NOTIFIED
Name Derek Haught
Address P. O. Box 85
Smithville, 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:

TD- 2,815'

Manners of plugging:

Plug #1 - 2750' - 2650'
Located above the Gordon
Free point, part and pull all possible 5" casing at approximately 2000'
Plug # 2 - 2325' - 2225'
Located at 5" casing shoe
Free point, part and pull 6" casing if possible at approximately 1250'
Plug #3 - 2050' - 1950'
Located at 6" casing shoe, and 5" casing stub
Plug #4 - Approx 1300' -1200'
Located at 6" casing stub through 8" casing shoe
Free point, part and pull all possible 8" casing at approximately 650'
Plug #5 - 765' - 600'
Located through 6" casing stub, Pittsburgh coal and 8" casing stub. Perforate 8" casing through coal if present
Attempt to pull all possible 10" if present
Plug #6 - 250' - Surface
Located through 10" shoe and fresh water to surface

JPS 6-7-16

DMH 6-7-16

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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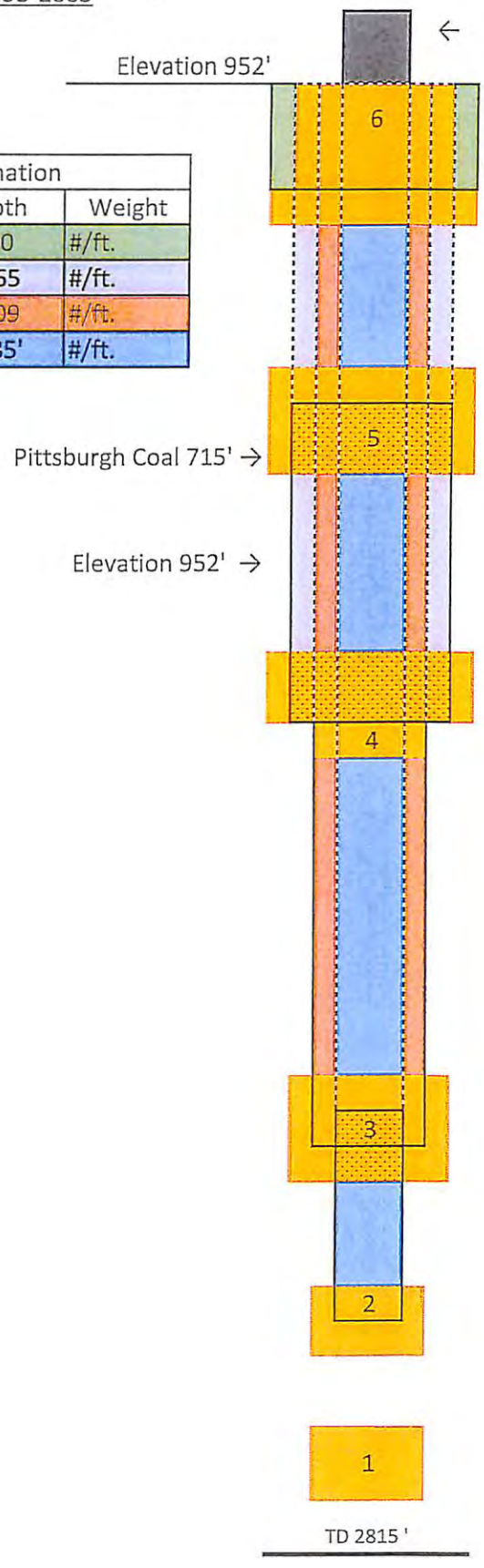
Office of Oil & Gas
JUN 16 2016

95 02003P

Well: W.R. McIntyre #1

API: 47-095-2003

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




| Casing Information | | |
|---|---|---|
| Size | Depth | Weight |
| 10" | 200 | #/ft. |
| 8" | 1265 | #/ft. |
| 6" | 2009 | #/ft. |
| 5" | 2285' | #/ft. |

| Freepoint Cut and Pull Casing | |
|---|---|
| Size | Approx. Depth |
| 5" | 2000' |
| 6" | 1250' |
| 8" | 650' |

| Cement Plugs | | |
|---|---|---|
| NO. | Bottom | Top |
| 1 | 2750 | 2650 |
| 2 | 2325 | 2225 |
| 3 | 2050 | 1950 |
| 4 | 1300 | 1150 |
| 5 | 765 | 600' |
| 6 | 250 | 0 |
| | | |
| | | |
| | | |

SPS 6/7/16

DMH 6/7/16

Note: 6% gel between all plugs

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9502003P

Elevation 952'

No. 2 A.J.Simmons & Company — COMPLETION

SERIAL No. ____ FARM W.R.McIntyre WELL No. 1

ELEVATION ____ N. ____ S. 1 E. ____ W. 4

CONTRACTOR Eagon & Baker ACRES 100 MAP No. ____

WATERS OF Indian Creek

DISTRICT McElroy COUNTY Tyler STATE W.Va.

DRILLING COMMENCED Jul.28,1922 COMPLETED Oct.2,1922. DEPTH 2815 ft.

| SANDS | TOP | BOTTOM | ELEV. TOP | CASING | |
|---|---|---|---|---|---|
| Pgh. Coal ~~XXXXXX~~ | 715 | | | 10" | 200 |
| Big Injun | 2060 | | | 8" | 1265 |
| Gordon Stray | 2770 | 2783 | | 6" | 2009 |
| Gordon | 2789 | 2803 | | 5" | 2285 |
| Gordon Oil | 2794 | | | | |
| | | | | PACKERS AND DEPTH SET | |

INITIAL PROD. 1 Bbl.Daily SAND Gordon DEPTH 2079'

GAS TEST No Test " " "

SHOT Oct.3,22 QUARTS 40 " " "

REMARKS Stray Gas 2778, 9/10 Water 2" Opng.

REPORTED BY PINEY DISTRICT. ABANDONED ____

No. 2 A.J.Simmons & Company Sheet #20967 — COMPLETION

SERIAL No. ____ FARM W.R.McIntyre WELL No. 1.

ELEVATION ____ N. ____ S. 1 E. ____ W. 4

CONTRACTOR Eagon & Baker ACRES 100 MAP No. ____

WATERS OF Indian Creek

DISTRICT McElroy COUNTY Tyler STATE W.Va.

DRILLING COMMENCED Jul.28,1922 COMPLETED Aug.26,1922 DEPTH 2182'

| SANDS | TOP | BOTTOM | ELEV. TOP | CASING | |
|---|---|---|---|---|---|
| Pgh. Coal ~~Big Lime~~ | 715 | | | | |
| Big Injun | 2060 | | | 10" | 200 |
| Show Gas | 2065 | | | 8" | 1265 |
| Oil | 2133 | | | 6" | 2009 |
| | | | | PACKERS AND DEPTH SET | |

INITIAL PROD. 1 Bbl.Daily SAND Big Injun DEPTH 1418

GAS TEST 5/10 Water thru 1" Opng. " " "

SHOT Aug.28,1922 QUARTS 60 " " "

REMARKS ____

REPORTED BY PINEY DISTRICT ABANDONED ____

Received
Office of Oil & Gas
JUN 16 2016

47-095 - 2003

47-950-2003

9502003P

WW-4A
Revised 6-07

1) Date: May 27, 2016
2) Operator's Well Number
W. R. McIntyre 1

3) API Well No.: 47 - 095 - 2003

**STATE OF WEST VIRGINIA**
**DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS**
**NOTICE 0F APPLICATION TO PLUG AND ABANDON A WELL**

4) Surface Owner(s) to be served:
(a) Name: Frank Simons
Address: 20913 Waterbeach Place
Sterling, VA 20165
(b) Name:
Address:
(c) Name:
Address:

6) Inspector: Derek Haught
Address: P. O. Box 85
Smithville, WV 26178
Telephone: 304-206-7613

5) (a) Coal Operator
Name: NA
Address:

(b) Coal Owner(s) with Declaration
Name: NA
Address:
Name:
Address:

(c) Coal Lessee with Declaration
Name: NA
Address:

**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.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
DIANE WHITE
96 Turning Leaf Lane
Williamstown, West Virginia 26187
My Commission Expires July 11, 2022

Well Operator: HG Energy, LLC
By: Diane White Diane White
Its: Agent
Address: 5260 Dupont Road
Parkersburg, WV 26101
Telephone: 304-420-1119

Subscribed and sworn before me this 27th day of May
Diane White Notary Public
My Commission Expires July 11, 2022

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Office of Oil & Gas
JUN 16 2016

**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.**

9502003P

WW-9
(5/16)

API Number 47 - 095 - 2003
Operator's Well No. W. R. McIntyre 1

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS
FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

Operator Name HG Energy, LLC OP Code 494497948

Watershed (HUC 10) McIntyre Fork Quadrangle Centerpoint 7.5'

Do you anticipate using more than 5,000 bbls of water to complete the proposed well work? Yes ☐ No ☑

Will a pit be used? Yes ☐ No ☑ ANY WELL EFFLUENT MUST BE CONTAINED IN TANKS.

If so, please describe anticipated pit waste: _____

Will a synthetic liner be used in the pit? Yes ☐ No ☑ If so, what ml.? _____

Proposed Disposal Method For Treated Pit Wastes:

_____ Land Application (if selected provide a completed form WW-9-GPP)
_____ Underground Injection ( UIC Permit Number _____ )
_____ Reuse (at API Number _____ )
■ Off Site Disposal (Supply form WW-9 for disposal location)
_____ Other (Explain _____

JS 6/7/16

Will closed loop system be used? If so, describe: No

Drilling medium anticipated for this well (vertical and horizontal)? Air, freshwater, oil based, etc. NA

DMR 6-7-16

-If oil based, what type? Synthetic, petroleum, etc. NA

Additives to be used in drilling medium? NA

Drill cuttings disposal method? Leave in pit, landfill, removed offsite, etc. NA

-If left in pit and plan to solidify what medium will be used? (cement, lime, sawdust) NA

-Landfill or offsite name/permit number? NA

Permittee shall provide written notice to the Office of Oil and Gas of any load of drill cuttings or associated waste rejected at any West Virginia solid waste facility. The notice shall be provided within 24 hours of rejection and the permittee shall also disclose where it was properly disposed.

I certify that I understand and agree to the terms and conditions of the GENERAL WATER POLLUTION PERMIT issued on April 1, 2016, 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

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Office of Oil & Gas
JUN 16 2016

Subscribed and sworn before me this 27th day of May 2016

Diane White

My commission expires July 11, 2022

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
DIANE WHITE
96 Turning Leaf Lane
Williamstown, West Virginia 26187
My Commission Expires July 11, 2022

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Form WW-9

Operator's Well No. W. R. McIntyre 1

Proposed Revegetation Treatment: Acres Disturbed 0.9 acre Prevegetation pH _____

Lime 3 Tons/acre or to correct to pH 6.5

Fertilizer type 10-20-20

Fertilizer amount 500 lbs/acre

Mulch Straw 2 Tons/acre

**Seed Mixtures**

| Temporary | | Permanent | |
|---|---|---|---|
| Seed Type | lbs/acre | Seed Type | lbs/acre |
| Tall Fescue | 40 | Tall Fescue | 40 |
| Ladino Clover | 5 | Ladino Clover | 5 |

** Sediment Control Will Be In Place At All Times **

Attach:
Maps(s) of road, location, pit and proposed area for land application (unless engineered plans including this info have been provided). If water from the pit will be land applied, provide water volume, include dimensions (L, W, D) of the pit, and dimensions (L, W), and area in acres, of the land application area.

Photocopied section of involved 7.5' topographic sheet.

Plan Approved by: Justin Snyder

Comments: _____

Title: Oil & Gas Insp Date: 6/7/16

Field Reviewed? (_____) Yes (_____) No

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WW-9- GPP
Rev. 5/16

Page _____ of _____
API Number 47 - 095 - 2003
Operator's Well No. W R McIntyre 1

**STATE OF WEST VIRGINIA**
**DEPARTMENT OF ENVIRONMENTAL PROTECTION**
**OFFICE OF OIL AND GAS**
GROUNDWATER PROTECTION PLAN

Operator Name: HG Energy, LLC

Watershed (HUC 10): McIntyre Fork Quad: Centerpoint 7.5'

Farm Name: W R McIntyre

1. List the procedures used for the treatment and discharge of fluids. Include a list of all operations that could contaminate the groundwater.

Not Applicable

2. Describe procedures and equipment used to protect groundwater quality from the list of potential contaminant sources above.

Not Applicable

3. List the closest water body, distance to closest water body, and distance from closest Well Head Protection Area to the discharge area.

Not Applicable

4. Summarize all activities at your facility that are already regulated for groundwater protection.

Not Applicable

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JPS 6/7/16 DMW 6/7/16

5. Discuss any existing groundwater quality data for your facility or an adjacent property.

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Page _____ of _____
API Number 47 - 095 - 2003
Operator's Well No. W R McIntyre 1

Not Applicable

6. Provide a statement that no waste material will be used for deicing or fill material on the property.

Not Applicable

7. Describe the groundwater protection instruction and training to be provided to the employees. Job procedures shall provide direction on how to prevent groundwater contamination.

Not Applicable

8. Provide provisions and frequency for inspections of all GPP elements and equipment.

Not Applicable

Signature: Diane White

Date: 5-27-16

DMH 6/7/16

JPS 6/7/16

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JUN 16 2016

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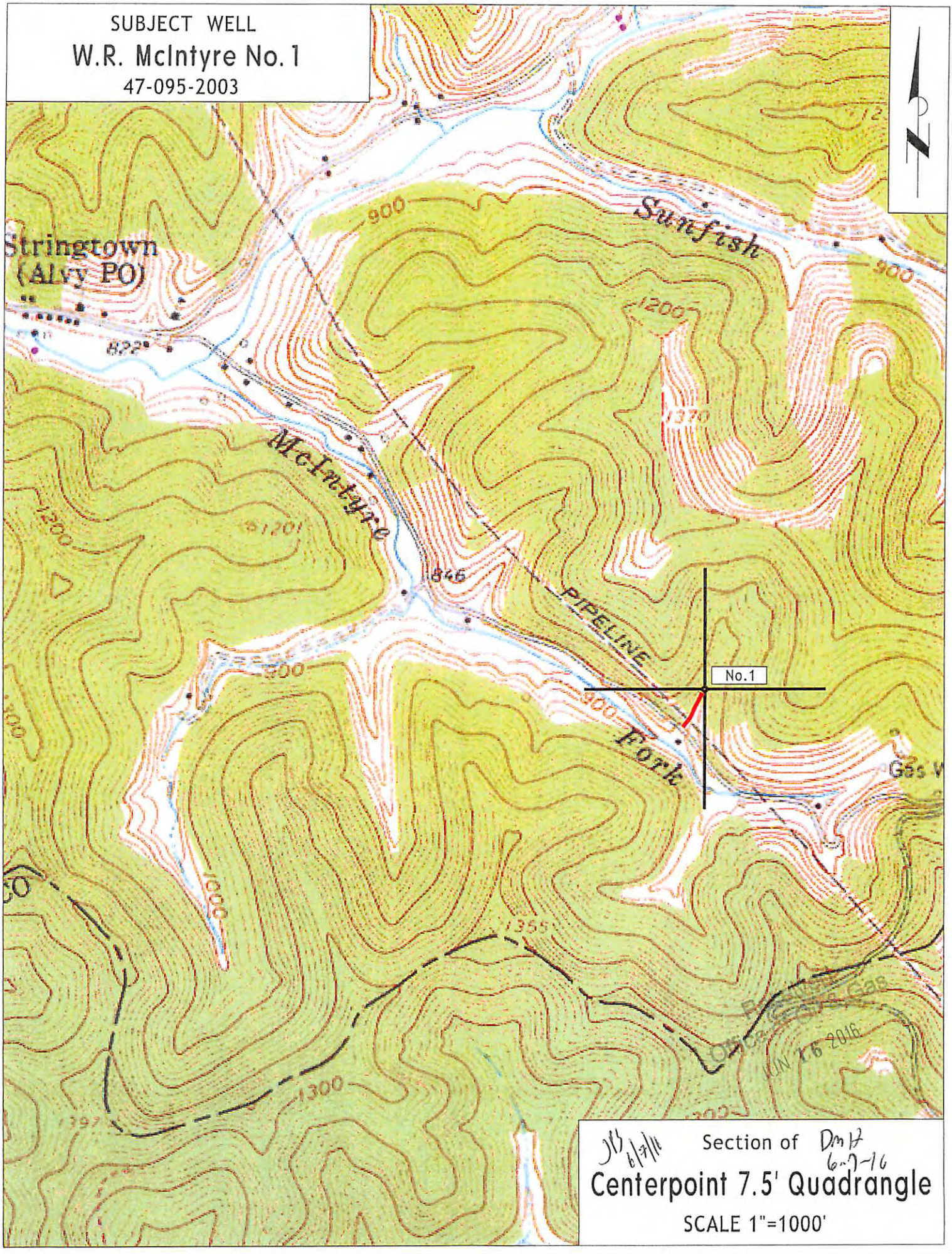
SUBJECT WELL

W.R. McIntyre No. 1

47-095-2003




Section of Centerpoint 7.5' Quadrangle

SCALE 1"=1000'

9502003P

WW-7
5-02

# West Virginia Department of Environmental Protection
## Office of Oil & Gas
# WELL LOCATION FORM: GPS

**API:** 47- 095 - 2003 **WELL NO:** 1

**FARM NAME:** W.R. McIntyre No.1

**RESPONSIBLE PARTY NAME:** H.G. Energy, LLC

**COUNTY:** Tyler **DISTRICT:** McElroy

**QUADRANGLE:** Centerpoint 7.5'

**SURFACE OWNER:** Frank Simons

**ROYALTY OWNER:** Ascent Resources

**UTM GPS NORTHING:** 4,365,254 (NAD 83)

**UTM GPS EASTING:** 527,777 (NAD 83) **GPS ELEVATION:** 290 m. (951')

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 | ___ | Post Processed Differential | ___ |
| | | Real-Time Differential | ___ |
| Mapping Grade GPS | X | Post Processed Differential | X |
| | | Real-Time Differential | ___ |

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.

Diane White — Diane C. White — Designated Agent

Signature — Title

May 26, 2016

Date

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Office of Oil & Gas
JUN 16 2016