west virginia department of environmental protection

Office of Oil and Gas
601 57th Street, S.E.
Charleston, WV 25304
(304) 926-0450
fax: (304) 926-0452

Earl Ray Tomblin , Governor
Randy C. Huffman , Cabinet Secretary
www.dep.wv.gov

Thursday, November 10, 2016
WELL WORK PERMIT
Vertical / Plugging

PANTHER CREEK MINING, LLC
3228 SUMMIT SQUARE PLACE
SUITE 180
LEXINGTON, KY 40509

Re: Permit approval for 52
47-005-01004-00-00

This well work permit 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 any additional specific 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 permitted well work, 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 35 CSR 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- 0450.

James A. Martin
Chief

Operator's Well Number: 52
Farm Name: LAFOLLETTE
U.S. WELL NUMBER: 47-005-01004-00-00
Vertical / Plugging
Date Issued: 11/10/2016

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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.

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WW-4B
Rev. 2/01

1) Date Oct. 21, 2016
2) Operator's
Well No. 52
3) API Well No. 47-005-01004

CK# 101623
$100.00

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 __X__ / Waste disposal_____ /
(If "Gas, Production___ or Underground storage____) Deep____ / Shallow___

5) Location: Elevation 1,012.36' Watershed: Joes Creek
District Sherman County Boone Quadrangle Sylvester

6) Well Operator Panther Creek Mining, LLC
Address 3228 Summit Square Place, Suite 180
Lexington, KY 40509

7) Designated Agent Gary E. Acord
Address P.O. Box 99
Dawes, WV 25054

8) Oil and Gas Inspector to be notified
Name Gary Kennedy
Address ~~P.O. Box 268~~ 262 Circle Ave
Rainelle ~~Nimitz~~, WV ~~25970~~ 25962

9) Plugging Contractor
Name CJ's Well Service
Address 1013 Cydney Circle
Oakwood, VA 24631

10) Work Order: The work order for the manner of plugging this well is as follows:
See attached plugging prognosis

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

Work order approved by inspector Gary Kennedy Date 10/24/16

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Office of Oil and Gas
OCT 26 2016
WV Department of
Environmental Protection

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PLUGGING PROGNOSIS

Well #52
API# 47-005-01004
Sherman District, Boone

Current Status

Elevation: 1,012.36'
Total Depth: 2790'
Active: No
Plugged: Yes – Applying to replug to 101c Standards

Procedure for Plugging

1) Notify state inspector, Gary Kennedy, @ 304-382-8402, before starting.
2) Cleanout hole to at least 200 ft. below the Eagle Coal Seam, lowest seam to be mined.
3) Perforate casing (if Applicable) to 101C standards from 200 ft. below to 100 ft. above the Eagle Coal Seam.
4) Set a 300 ft. continuous expanding cement plug from at least 200 ft. below to at least 100 ft. above the Eagle Coal Seam.
5) Cement will be set to the surface.
6) Depending on site conditions, plugging procedures may be modified after approval of the inspector.
7) All changes to the plugging procedures will be noted in the plugging affidavit.
8) Erect permanent monument with API number.
9) Reclaim the site and access road.

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Office of Oil and Gas

OCT 26 2016

WV Department of
Environmental Protection

5010040

IR-38
7-Feb-94

RECEIVED
WV Division of Environmental Protection
SEP 07 1994
Permitting Office of Oil & Gas

API # 47- 5-01004-P

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
SECTION OF OIL AND GAS

AFFIDAVIT OF PLUGGING AND FILLING WELL

AFFIDAVIT SHOULD BE IN TRIPLICATE, one copy mailed to the Division, one copy to be retained by the Well Operator and the third copy (and extra copies if required) should be mailed to each coal operator at their respective addresses.

Farm name: GATTY, FRANK ENGINEERING Operator Well No.:L.R.P-8 #52

LOCATION: Elevation: 1,012.50 Quadrangle: SYLVESTER
District: SHERMAN County: BOONE
Latitude: 12800 Feet South of 38 Deg. 10 Min. Sec.
Longitude 2250 Feet West of 81 Deg. 32 Min. 30 Sec.

Well Type: OIL _____ GAS X

Company: UNOCAL
~~C J Services~~
~~Rt. 2, Box 159~~
~~Hamlin, WV 25523~~

Coal Operator or Owner _____

Agent: ~~Jerry Holcomb~~

Coal Operator or Owner _____

Permit Issued: 02/22/94

AFFIDAVIT

STATE OF WEST VIRGINIA,
County of ~~Boone~~ ss:

~~Charles White~~ and Charles E. Ray being first duly sworn according to law depose and say that they are experienced in the work of plugging and filling oil and gas wells and were employed by the above named well operator, and participated in the work of plugging and filling the above well, and Rick Campbell Oil and Gas Inspector representing the Director, say that said work was commenced on the 8th day of Aug, 19 94, and that the well was plugged and filled in the following manner:

TYPE	FROM	TO	PIPE REMOVED	LEFT
~~Cement~~	~~2789~~	~~2684~~	~~1515 4½"~~	~~1274~~
~~Gel~~	~~2684~~	~~1515~~		
~~Cement~~	~~1515~~	~~1415~~		
~~Gel~~	~~1415~~	~~100~~		
~~Cement~~	~~100~~	~~0~~		
			(1486 8 5/8" CTS)	
			(166' 13" CTS)	

Description of monument: ~~7" Casing with API # ATTACHED~~
and that the work of plugging and filling said well was completed on the ~~8th~~ day of ~~Aug.~~, 19 94.

And furthur deponents saith not.

Charles White
Chas E Ray

Sworn and subscribed before me this 22nd day of September, 19 94

My commission expires: Aug. 28, 2001

Cheryl Holcomb
Notary Public

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CHERYL HOLCOMB
RT. 2, BOX 159
HAMLIN, WV 25523
My Commission Expires August 28, 2001

Oil and Gas Inspector: Rick L. Campbell

BOO 1004-P

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Form OG-15 #1st hole - at a depth of 84' unable to recover bit lost in hole.

STATE OF WEST VIRGINIA
DEPARTMENT OF MINES
OIL AND GAS DIVISION

Lease No. 43208-43209

Quadrangle 12,980' S, 4100' W of Lat 38 Deg 07' 30" & Long 81 Deg 32' 30" (Sylvester W.Va. 7½' Quad)

WELL RECORD

Permit No. B00-1004 (Note: #1st hole was 13,000' S - Moved 20' N & Drilled 2nd hole)

Oil or Gas Well Water Injector (KIND)

Company Union Oil Company of California
Address P. O. Box 311, Olney, Ill. 62450
Farm L. R. & P.-B Acres 5,000
Location (waters)
Well No. 52 Elev. 1012.5
District Sherman County Boone
The surface of tract is owned in fee by LaFollette, Robson, & Prichard et al
Address
Mineral rights are owned by same
Address
Drilling commenced 12-27-67
Drilling completed 2-15-68
Date Shot From To
With
Open Flow /10ths Water in Inch
/10ths Merc. in Inch
Volume Cu. Ft.
Rock Pressure lbs. hrs.
Oil bbls., 1st 24 hrs.
WELL ACIDIZED w/ 500 gals. MCA 2720-2738'.

Casing and Tubing	Used in Drilling	Left in Well	Packers
Size OD			
16			Kind of Packer
13 -3/8"	166'	166'	
10			Size of
8-5/8"	1486'	1486'	
6½			Depth set
4½"	2789'	2789'	
3			Perf. top
2			Perf. bottom
Liners Used			Perf. top
			Perf. bottom

CASING CEMENTED 4½" SIZE 2789' No. Ft. 2-16-68 Da
150 SK 814' FILL UP

COAL WAS ENCOUNTERED AT FEET INCHE
FEET INCHES FEET INCHE
FEET INCHES FEET INCHE

WELL FRACTURED

RESULT AFTER TREATMENT Injected 300 BWPD at 400#.
ROCK PRESSURE AFTER TREATMENT
Fresh Water Feet Salt Water Feet

Formation	Color	Hard or Soft	Top	Bottom	Oil, Gas or Water	Depth	Remarks
Sand			0	705			
Sand, Shale			705	890			
Sand			890	995			
Shale, Salt Sand			995	1375			
Sand, Shale			1375	2200			
Maxon Sand			1691				
Little Lime			1933				
Lime			2200	2238			
Big Lime			2237				
Sand, Shale			2238	2275			
Big Injun			2274				
Shale, Sand			2275	2425			
Sand			2425	2550			
Weir Sand			2427		Gas		
Shale, Sand			2550	2790			
Berea Sand			2707				
Berea Sand			2710	2716	Oil (Black)		
Berea Sand			2716	2738	Oil (Green)		
S/J TD			2787				
DTD			2790				

COPIES: THE CARBON FUEL Co -①
GLENN BROOKE COAL Co -①
STATE OF W VA -②
M. SHEPPARD -①

(over)

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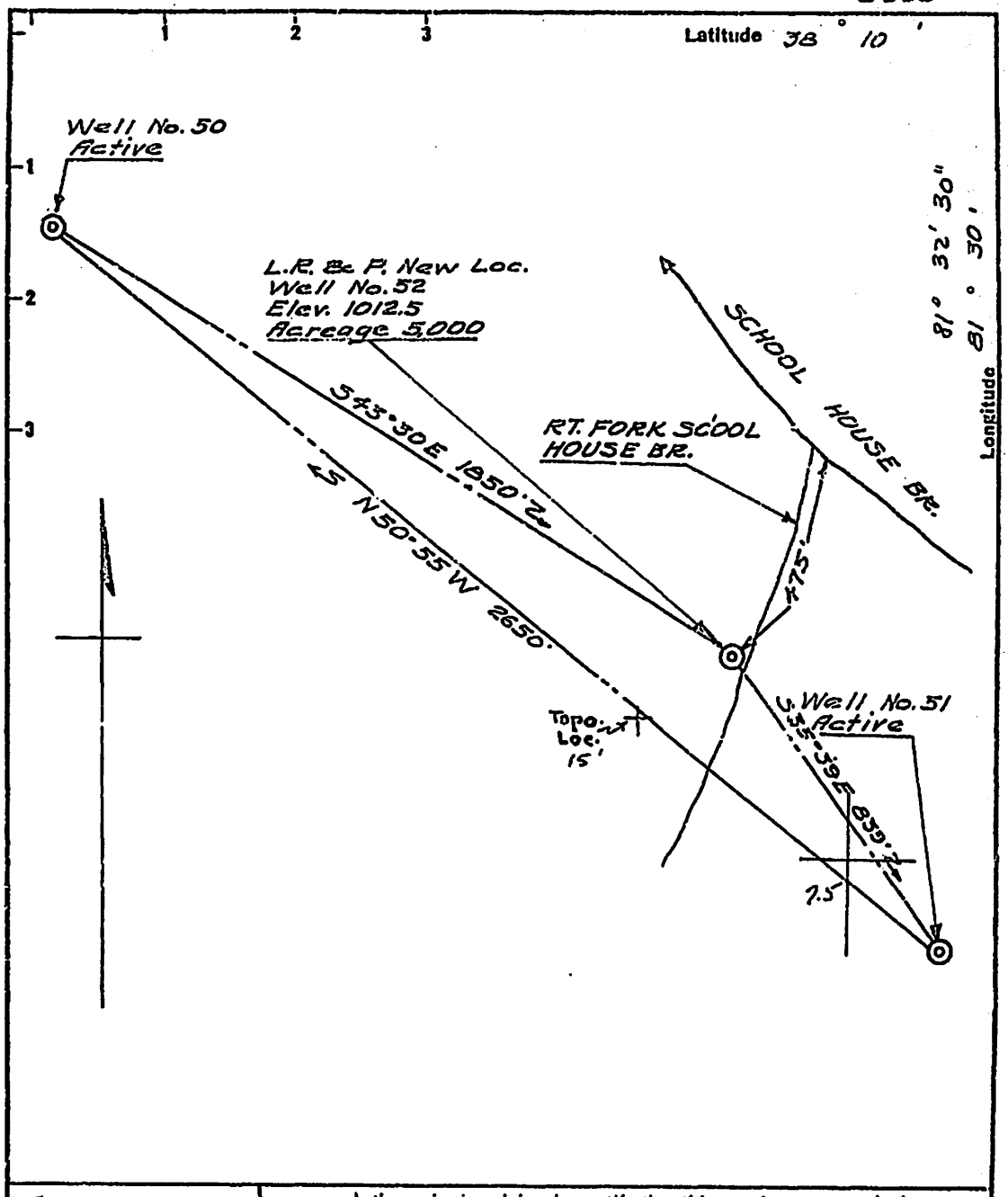
2250



Fracture
Before 6/5/27 ☐
New Location ☒
Drill Deeper ☐
Redrill ☐
Abandonment ☐

I, the undersigned, hereby certify that this map is correct to the best of my knowledge and belief and shows all the information required by Paragraph 5 of the Rules and Regulations of the Oil and Gas Section of the Mining Laws of West Virginia.

The accuracy of this survey is within the limits and as prescribed in paragraph 5 by the Oil and Gas Division of the Department of Mines Regulations

PROVEN ELEVATION U.S.G.S. Bench Mark 1 Mile

Company C. J. Services
Address Rt.2, Box 159, Hamlin, WVa 25523
Surface: Frank Gaddy Engineering
Farm LAFELLETTE ROBSON & PRICHARD
Tract "B" Acres 5000 Lease No.
Well (Farm) No. 52 Serial No.
Elevation (~~Spirit Level~~) 1012.5
Quadrangle PEYTONA 15' U.S. VA. SYLVESTER 7.5
County BOONE District SHERMAN
Engineer Hassel Miller
Engineer's Registration No. 241
File No. Drawing No.
Date Scale 1" = 300'

STATE OF WEST VIRGINIA
Division of Environmental Protection
Office of Oil & Gas
Charleston, W. Va.

WELL LOCATION MAP

Old Well No. 47-005-01004-P

+ Denotes location of well on United States Topographic Maps, scale 1 to 62,500 latitude and longitude lines being represented by border lines as shown.

— Denotes one inch spaces on border line of original tracing.

BOONE 1004-P

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U.S. Department of Labor

Office of Administrative Law Judges
11870 Merchants Walk - Suite 204
Newport News, VA 23606

(757) 591-5140
(757) 591-5150 (FAX)

Tim Bowen
Dave Morris 4/25

Please see me.
Thanks,
Jesse 4/25/05

CASE NO.: 2005-MSA-00003

In the Matter of

SPEED MINING, INC.
CONCERNING THE AMERICAN EAGLE MI
Petitioner,

v.

THE UNITED STATES DEPARTMENT OF LABOR
MINE SAFETY & HEALTH ADMINISTRATION,
Respondent.

DECISION APPROVING SETTLEMENT and ORDER OF DISMISSAL

This procedure arises under Section 101(c) of the Federal Mine Safety and Health Act of 1977, 30 U.S.C. 811(c), and its implementing regulations found at 30 C.F.R.. 44. On March 12, 2004, Speed Mining, Inc. (Petitioner) petitioned the Mine Safety and Health Administration (MSHA) for modification of the application of 30 C.F.R. §75 relating to mandatory safety standards.

On September 8, 2004, MSHA issued a proposed decision and order to amend. On October 18, 2004, the Petitioner filed a request for a hearing with the Office of Administrative Law Judges.

Subsequently, the case was assigned to the undersigned Administrative Law Judge.

On March 21, 2005, the parties submitted a consent agreement which was signed by each party. The cover letter from MSHA stated

Pursuant to 30 C.F.R. § 44.27, the parties have negotiated an agreement containing consent findings and an order which disposes of the entirety of the above-styled modification proceedings. Enclosed please find a Consent Agreement which contains the findings and order required by § 44.27(b). The parties request that you enter an Order incorporating this Agreement in its entirety as provided for in § 44.27(d). The parties anticipate that other matters pending between them will also be resolved by your approval of this agreement; we therefore request your consideration of the enclosed as soon as possible.

Both the Consent Agreement and the consent findings are incorporated herein by this reference, and are attached to the order.

received
OALJ 4/15/05

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The parties also agree that:

1. The record on which this Order is entered includes consideration of the petition, the administrative record, the Proposed Decision and Order, and the special terms and conditions incorporated into the Agreement;

2. Any rule or order issued in this proceeding has the same effect as if made after a full hearing;

3. They waive any further procedural steps before the presiding Administrative Law Judge and the Assistant Secretary; and

4. The parties agree to waive any right to challenge or contest the validity of the findings and order made in accordance with the Agreement.

ORDER

I have carefully examined the Consent Agreement Between the Parties. Following that review, I have concluded that the consent Findings are consistent with the requirements of 30 C.F.R. § 44.27, and therefore, are accepted. The petition of Speed Mining, Inc. in this matter is therefore dismissed. This Order constitutes the final agency action.

RK Malamphy

RICHARD K. MALAMPHY
Administrative Law Judge

RKM/ccb
Newport News, Virginia

Notice of appeal. Any party may appeal from the initial decision of the administrative law judge by filing with the Assistant Secretary a notice of appeal within 30 days after service of the initial decision. The Assistant Secretary may consolidate related appeals. Copies of a notice of appeal

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In the matter of:
Speed Mining, Inc.
American Eagle Mine
I. D. No. 46-05437

Petition for Modification

Docket No. M-2004-011-C

CONSENT AGREEMENT

On March 15, 2004, Speed Mining, Inc., (Petitioner/Operator) filed a petition to amend the terms and conditions of an existing modification of 30 C.F.R. § 75.1700 to petitioner's American Eagle Mine located in Kanawha County, West Virginia. Petitioner had been granted modification of the application of 30 C.F.R. § 75.1700 to its American Eagle Mine under Docket No. 2002-082-C on May 23, 2003, and corrected on February 27, 2004. The modification superseded a previous modification of the application of 30 C.F.R. § 75.1700 to the American Eagle Mine granted under Docket No. M-2001-041-C and issued August 12, 2001. In its latest petition, petitioner alleged that the existing modification results in a diminution of safety and that the alternative methods outlined in the petition will at all times guarantee no less than the same measure of protection afforded by the existing modification.

MSHA conducted initial and supplemental investigations of the petition to amend the existing modification of 30 C.F.R. § 75.1700 to petitioner's American Eagle Mine. MSHA filed its reports of the findings and recommendations with the Administrator for Coal Mine Safety and Health. After a review of the entire record, including the petition, investigation reports, and public comments, the Deputy Administrator, Coal Mine Safety and Health, issued a Proposed Decision and Order (PDO) denying petitioner's petition in accordance with 30 C.F.R. § 44.13(b) on the grounds that the alternative methods proposed by petitioner failed to at all times guarantee the same level of protection to miners. In accordance with 30 C.F.R. § 44.53(a)(2), MSHA also proposed to amend the existing modification because the findings which originally supported granting the modification were no longer valid. Petitioner disagreed with MSHA's proposed actions and requested a hearing before a Department of Labor Administrative Law Judge, pursuant to 30 C.F.R. § 44.14. The parties thereafter entered into settlement discussions, and negotiated this agreement which is a modification of the application of 30 C.F.R. § 75.1700 to Petitioner's American Eagle Mine. In accordance with 30 C.F.R. § 44.27(b), this agreement contains Consent Findings and a Consent Order disposing of the entire proceeding. The following Consent Order is an effort by the parties to provide a clear, understandable and enforceable document regarding the terms and conditions under which petitioner may mine through oil and gas wells (defined herein to include all active, inactive, abandoned, shut-in, and previously plugged wells, and including water injection wells), and an effort to forge a more collaborative relationship calculated to address readily the concerns of the parties and to solve any problems which may arise.

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CONSENT FINDINGS

In accordance with 30 C.F.R. § 44.27(b)(1), both MSHA and petitioner agree that the following Consent Order shall have the same effect as if made after a full hearing.

In accordance with 30 C.F.R. § 44.27(b)(2), both MSHA and petitioner agree that the record on which the following Consent Order is based consists of the petition and agreement, and all other pertinent information as set forth in Section 44.27(b)(2).

In accordance with 30 C.F.R. § 44.27(b)(3), petitioner agrees to waive any further procedural steps before the Administrative Law Judge and Assistant Secretary.

In accordance with 30 C.F.R. § 44.27(b)(4), petitioner agrees to waive any right to challenge or contest the validity of the Consent Findings and Consent Order made in accordance with this Consent Agreement.

Both MSHA and petitioner agree that the terms and conditions of the following Consent Order do not result in a diminution of safety.

Both MSHA and petitioner agree that the terms and conditions of the following Consent Order will at all times guarantee no less than the same measure of protection afforded by the existing modification.

CONSENT ORDER

Under the authority delegated by the Secretary of Labor to the Administrator for Coal Mine Safety and Health, and under § 101(c) of the Federal Mine Safety and Health Act of 1977, 30 U.S.C. § 811(c), and 30 C.F.R. Part 44, an amended modification of the application of 30 C.F.R. § 75.1700 at the American Eagle Mine is hereby:

GRANTED, subject to the following terms and conditions:

1. **DISTRICT MANAGER APPROVAL REQUIRED**

   a. A safety barrier of 300 feet in diameter (150 feet between any mined area and a well) shall be maintained around all oil and gas wells until approval to proceed with mining has been obtained from the district manager.

   b. Prior to mining within the safety barrier around any well, the mine operator shall provide to the district manager a sworn affidavit or declaration executed by a company official stating that all mandatory procedures for cleaning out, preparing, and plugging each gas or oil well have been completed as described by the terms and conditions of this

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order. The affidavit or declaration must be accompanied by all logs described in subparagraphs 2(a)(2) and 2(a)(3) below and any other records described in those subparagraphs which the district manager may request. The district manager will review the affidavit or declaration, the logs and any other records that have been requested, and may inspect the well itself, and will then determine if the operator has complied with the procedures for cleaning out, preparing and plugging each well as described by the terms and conditions of this Order. If the district manager determines that the procedures have been complied with, he will provide his approval, and the mine operator may then mine within the safety barrier of the well, subject to the terms of this Order.

c. The terms and conditions of this Order apply to all types of mining.

2. MANDATORY PROCEDURES FOR CLEANING OUT, PREPARING, PLUGGING, AND REPLUGGING OIL OR GAS WELLS

a. MANDATORY PROCEDURES FOR CLEANING OUT AND PREPARING OIL AND GAS WELLS PRIOR TO PLUGGING OR REPLUGGING

(1) The operator shall completely clean out the well from the surface to at least 200 feet below the base of the lowest mineable coal seam, unless the district manager requires cleaning to a greater depth based on his judgment as to what is required due to the geological strata, or due to the pressure within the well (the operator shall provide the district manager with all information it possesses concerning the geological nature of the strata and the pressure of the well). The operator shall remove all material from the entire diameter of the well, wall to wall. Directing high pressure water jets at the outer walls of the well along the entire length to be cleaned will satisfy this provision with respect to the outer walls.

(2) The operator shall prepare down-hole logs for each well. They shall consist of a caliper survey and log(s) suitable for determining the top, bottom, and thickness of all coal seams and potential hydrocarbon producing strata and the location for a bridge plug. The district manager may approve the use of a down-hole camera survey in lieu of down-hole logs if in his judgment such logs would not be suitable for obtaining the above-listed data. Whichever method is used, a journal shall be maintained describing the depth of each material encountered, the nature of each material

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encountered; bit size and type used to drill each portion of the hole; length and type of each material used to plug the well; length of casing(s) removed, perforated or ripped or left in place; and other pertinent information concerning cleaning and sealing the well. Invoices, work-orders, and other records relating to all work on the well shall be maintained as part of this journal and provided to MSHA upon request.

(3) When cleaning out the well as provided for in subparagraph (a)(1), the operator shall make a diligent effort to remove all of the casing in the well. If it is not possible to remove all of the casing, then the operator must take appropriate steps to ensure that the annulus between the casing and between the casings and the well walls are filled with expanding (minimum 0.5% expansion upon setting) cement and contain no voids. Any casing which remains shall be perforated or ripped. From 10 feet below the coal seam to 10 feet above the coal seam, the operator shall perforate or rip at intervals of at least 5 feet. Beyond this distance, perforations or rips are required at least every 50 feet from at least 200 feet below the base of the lowest mineable coal seam up to 100 feet above the seam being mined, unless the district manager requires a greater distance based on his judgment that a greater distance is required due to the geological strata, or due to the pressure within the well. The diagram shown in Appendix A is representative of the placement of the perforation or ripping that must be done. When a mineable seam exists which is higher than the seam being mined, the operator shall contact the owner of that seam by certified mail and offer to perforate or rip and plug the well to 100 feet above that seam in accordance with the procedures specified in this Agreement, in exchange for payment for the additional cost by that owner. If the owner accepts the operator's offer, then the operator shall perforate or rip and plug the well to 100 feet above that seam in accordance with the procedures specified in this Agreement. If the operator, using a casing bond log, can demonstrate to the satisfaction of the district manager that all annuli in the well are already adequately sealed with cement, then the operator will not be required to perforate or rip the casing for that particular well. When multiple casing and tubing strings are present in the coal horizon(s), any casing which remains shall be ripped or perforated and filled with expanding cement as indicated above. An acceptable casing bond log for each casing and tubing string is needed if used in lieu of ripping or perforating multiple strings.

(4) If the district manager concludes that the completely cleaned-out well is emitting excessive amounts of gas, the operator must place a mechanical bridge plug in the well. It must be placed in a competent stratum at least 200 feet below the base of the lowest mineable coal seam, but above the top of the uppermost hydrocarbon-producing stratum, unless the district manager requires a greater distance based on his judgment that it is required due to the geological strata, or due to the pressure within the well (the operator shall provide the district manager with all information it possesses concerning the geological nature of the strata and the pressure of the well). If it is not possible to set a mechanical bridge plug, an appropriately sized packer may be used.

(5) If the upper-most hydrocarbon-producing stratum is within 300 feet of the base of the lowest minable coal seam, the operator shall properly place mechanical bridge plugs as described in subparagraph (a)(4) to isolate the hydrocarbon producing stratum from the expanding cement plug. Nevertheless, the operator shall place a minimum of 200 feet of expanding cement below the lowest mineable coal seam, unless the district manager requires a greater distance based on his judgment that it is required due to the geological strata, or due to the pressure within the well.

b. <u>MANDATORY PROCEDURES FOR PLUGGING OR REPLUGGING OIL OR GAS WELLS TO THE SURFACE.</u>

After completely cleaning out the well as specified in paragraph 2(a) above, the following procedures shall be used to plug or replug gas or oil wells to the surface:

(1) The operator shall pump expanding cement slurry down the well to form a plug which runs from at least 200 feet below the base of the lowest mineable coal seam (or lower if required by the district manager based on his judgment that a lower depth is required due to the geological strata, or due to the pressure within the well) to the surface. The expanding cement will be placed in the well under a pressure of at least 200 pounds per square inch. Portland cement or a lightweight cement mixture may be used to fill the area from 100 feet above the top of the uppermost mineable coal seam (or higher if required by the district manager based on his judgment that a higher distance is required due to the geological strata, or due to the pressure within the well) to the surface. When a mineable seam exists which is higher than the seam being mined, the

operator shall contact the owner of that seam by certified mail and offer to plug the well to 100 feet above that seam with expanding cement, in exchange for payment for the additional cost by that owner. If the owner accepts the operator's offer, then the operator shall plug the well to 100 feet above that seam with expanding cement.

(2) The operator shall embed steel turnings or other small magnetic particles in the top of the cement near the surface to serve as a permanent magnetic monument of the well. In the alternative, a 4½ inch or larger casing, set in cement, shall extend at least 36 inches above the ground level with the API well number engraved or welded on the casing

c. MANDATORY PROCEDURES FOR PLUGGING OR REPLUGGING OIL AND GAS WELLS FOR USE AS DEGASIFICATION BOREHOLES.

After completely cleaning out the well as specified in paragraph 2(a) above, the following procedures shall be utilized when plugging or replugging oil or gas wells that are used as degasification boreholes:

(1) The operator shall set a cement plug in the well by pumping an expanding cement slurry down the tubing to provide at least 200 feet of expanding cement below the lowest mineable coal seam, unless the district manager requires a greater depth based on his judgment that a greater depth is required due to the geological strata, or due to the pressure within the well. The expanding cement will be placed in the well under a pressure of at least 200 pounds per square inch. The top of the expanding cement shall extend at least 100 feet above the top of the coal seam being mined, unless the district manager requires a greater distance based on his judgment that a greater distance is required due to the geological strata, or due to the pressure within the well.

(2) The operator shall securely grout into the bedrock of the upper portion of the degasification well a suitable casing in order to protect it. The remainder of this well may be cased or uncased.

(3) The operator shall fit the top of the degasification casing with a wellhead equipped as required by the district manager in the approved ventilation plan. Such equipment may include check

valves, shut-in valves, sampling ports, flame arrestor equipment, and security fencing.

(4) Operation of the degasification well shall be addressed in the approved ventilation plan. This may include periodic tests of methane levels and limits on the minimum methane concentrations that may be extracted.

(5) After the area of the coal mine that is degassed by a well is sealed or the coal mine is abandoned, the operator must seal degas holes using the following procedures:

(i) The operator shall insert a tube to the bottom of the drill hole or, if not possible, to at least 100 feet above the American Eagle Coal Seam. Any blockage must be removed to ensure that the tube can be inserted to this depth.

(ii) The operator shall set a cement plug in the well by pumping Portland cement or a lightweight cement mixture down the tubing until the well is filled to the surface.

(iii) The operator shall embed steel turnings or other small magnetic particles in the top of the cement near the surface to serve as a permanent magnetic monument of the well. In the alternative, a 4½ inch or larger casing, set in cement, shall extend at least 36 inches above the ground level with the API well number engraved or welded on the casing.

d. <u>MANDATORY ALTERNATIVE PROCEDURES FOR PREPARING AND PLUGGING OR REPLUGGING OIL OR GAS WELLS.</u>

The following provisions apply to all wells which the operator determines, and the MSHA district manager agrees, cannot be completely cleaned out due to damage to the well caused by subsidence, caving or other factors.

(1) The operator shall drill a hole adjacent and parallel to the well, to a depth of at least 200 feet below the lowest mineable coal seam, unless the district manager requires a greater depth based on his judgment that a greater depth is required due to the geological strata, or due to the pressure within the well.

501004P

(2) The operator shall use a geophysical sensing device to locate any casing which may remain in the well.

(3) If the well contains casing(s), the operator shall drill into the well from the parallel hole. From 10 feet below the coal seam to 10 feet above the coal seam, the operator shall perforate or rip all casings at intervals of at least 5 feet. Beyond this distance, the operator shall perforate or rip at least every 50 feet from at least 200 feet below the base of the lowest mineable coal seam up to 100 feet above the seam being mined, unless the district manager requires a greater distance based on his judgment that a greater distance is required due to the geological strata, or due to the pressure within the well. The diagram shown in Appendix A is representative of the placement of the perforation or ripping that must be done. The operator shall fill the annulus between the casings and between the casings and the well wall with expanding (minimum 0.5% expansion upon setting) cement, and shall ensure that these areas contain no voids. If the operator, using a casing bond log, can demonstrate to the satisfaction of the district manager that the annulus of the well is adequately sealed with cement, then the operator will not be required to perforate or rip the casing for that particular well, or fill these areas with cement. When multiple casing and tubing strings are present in the coal horizon(s), any casing which remains shall be ripped or perforated and filled with expanding cement as indicated above. An acceptable casing bond log for each casing and tubing string is needed if used in lieu of ripping or perforating multiple strings.

(4) Where the operator determines, and the district manager agrees, that there is insufficient casing in the well to allow the method outlined in subparagraph (d)(3) to be used, then the operator shall use a horizontal hydraulic fracturing technique to intercept the original well. From at least 200 feet below the base of the lowest mineable coal seam to a point at least 50 feet above the seam being mined, the operator shall fracture in at least six places at intervals to be agreed upon by the operator and the district manager after considering the geological strata and the pressure within the well. The operator shall then pump expanding cement into the fractured well in sufficient quantities and in a manner which fills all intercepted voids.

(5) The operator shall prepare down-hole logs for each well. They shall consist of a caliper survey and log(s) suitable for determining

the top, bottom, and thickness of all coal seams and potential hydrocarbon producing strata and the location for the bridge plug. The operator may obtain the logs from the adjacent hole rather than the well if the condition of the well makes it impractical to insert the equipment necessary to obtain the logs. The district manager may approve the use of a down-hole camera survey in lieu of down-hole logs if in his judgment such logs would not be suitable for obtaining the above-listed data or are impractical to obtain due to the condition of the drill hole. A journal shall be maintained describing the depth of each material encountered, the nature of each material encountered; bit size and type used to drill each portion of the hole; length and type of each material used to plug the well; length of casing(s) removed, perforated or ripped or left in place; and other pertinent information concerning sealing the well. Invoices, work-orders, and other records relating to all work on the well shall be maintained as part of this journal and provided to MSHA upon request.

(6) After the operator has plugged the well as described in subparagraphs (d)(3) and/or (d)(4), the operator shall plug the adjacent hole, from the bottom to the surface, with Portland cement or a lightweight cement mixture. The operator shall embed steel turnings or other small magnetic particles in the top of the cement near the surface to serve as a permanent magnetic monument of the well. In the alternative, a 4½ inch or larger casing, set in cement, shall extend at least 36 inches above the ground level

A combination of the methods outlined in subparagraphs (d)(3) and (d)(4) may have to be used in a single well, depending upon the conditions of the hole and the presence of casings. The operator and the district manager should discuss the nature of each hole. The district manager may require that more than one method be utilized.

3. <u>MANDATORY PROCEDURES AFTER APPROVAL HAS BEEN GRANTED BY THE DISTRICT MANAGER TO MINE WITHIN THE SAFETY BARRIER, OR TO MINE THROUGH A PLUGGED OR REPLUGGED WELL</u>

a. A representative of the operator, a representative of the miners, the appropriate State agency, or the MSHA district manager may request that a conference be conducted prior to mining through any plugged or replugged well. Upon receipt of any such request, the district manager shall schedule such a conference. The party requesting the conference shall notify all

other parties listed above within a reasonable time prior to the conference to provide opportunity for participation. The purpose of the conference shall be to review, evaluate, and accommodate any abnormal or unusual circumstance(s) related to the condition of the well or surrounding strata when such conditions are encountered.

b. The operator shall mine through a well on a shift approved by the district manager. The operator shall notify the district manager and the miners' representative in sufficient time prior to mining-through a well in order to provide an opportunity to have representatives present.

c. When using continuous mining methods, the operator shall install drivage sights at the last open crosscut near the place to be mined to ensure intersection of the well. The drivage sites shall not be more than 50 feet from the well. When using longwall-mining methods, drivage sights shall be installed on 10-foot centers for a distance of 50 feet in advance of the well. The drivage sights shall be installed in the headgate.

d. The operator shall ensure that fire-fighting equipment including fire extinguishers, rock dust, and sufficient fire hose to reach the working face area of the mine through (when either the conventional or continuous mining method is used) is available and operable during all well mine throughs. The fire hose shall be located in the last open crosscut of the entry or room. The operator shall maintain the water line to the belt conveyor tailpiece along with a sufficient amount of fire hose to reach the farthest point of penetration on the section. When the longwall mining method is used, a hose to the longwall water supply is sufficient.

e. The operator shall ensure that sufficient supplies of roof support and ventilation materials shall be available and located at the last open crosscut. In addition, emergency plugs shall be available in the immediate area of the mine through.

f. On the shift prior to mining through the well, the operator shall service all equipment and check it for permissibility

g. The operator shall calibrate the methane monitor(s) on the longwall, continuous mining machine, or cutting machine and loading machine on the shift prior to mining through the well.

h. When mining is in progress, the operator shall perform tests for methane with a handheld methane detector at least every 10 minutes from the time that mining with the continuous mining machine or longwall face is within

30 feet of the well until the well is intersected and immediately prior to mining through it. During the actual cutting process, no individual shall be allowed on the return side until the mine through has been completed and the area has been examined and declared safe. All workplace examinations will be conducted on the return side of the shearer while the shearer is idle.

i. When using continuous or conventional mining methods, the working place shall be free from accumulations of coal dust and coal spillages, and rock dust shall be placed on the roof, rib, and floor to within 20 feet of the face when mining through the well. On longwall sections, rock dusting shall be conducted and placed on the roof, rib, and floor up to both the headgate and tailgate gob.

j. When the well is intersected, the operator shall de-energize all equipment, and thoroughly examine and determine safe the area before mining is resumed.

k. After a well has been intersected and the working place determined safe, mining shall continue inby the well a sufficient distance to permit adequate ventilation around the area of the well.

l. No open flame shall be permitted in the area until adequate ventilation has been established around the well bore. The operator shall apply a thick layer of rock dust to the roof, face, floor, ribs and any exposed coal within 20 feet of the casing prior to any use of torches.

m. Non-sparking (brass) tools will be located on the working section and will be used to expose and examine cased wells.

n. No person shall be permitted in the area of the mine through operation except those actually engaged in the operation, including company personnel, representatives of the miners, personnel from MSHA, and personnel from the appropriate State agency.

o. The operator shall alert all personnel in the mine to the planned intersection of the well prior to their going underground if the planned intersection is to occur during their shift. This warning shall be repeated for all shifts until the well has been mined through.

p. The mine through operation shall be under the direct supervision of a certified individual. Instructions concerning the mine through operation shall be issued only by the certified individual in charge.

q. The provisions of this Order do not impair the authority of representatives of MSHA to interrupt or halt the mine through operation, and to issue a withdrawal order, when they deem it necessary for the safety of the miners. MSHA may order an interruption or cessation of the mine through operation and/or a withdrawal of personnel by issuing either a verbal or written order to that effect to a representative of the operator, which order shall include the basis for the order. Operations in the affected area of the mine may not resume until a representative of MSHA permits resumption of mine through operations. The mine operator and miners shall comply with verbal or written MSHA orders immediately. All verbal orders shall be committed to writing within a reasonable time as conditions permit.

r. A copy of this Order shall be maintained at the mine and be available to the miners.

s. Within 30 days after this Order becomes final, the operator shall submit proposed revisions for its approved 30 C.F.R. Part 48 training plan to the district manager. These proposed revisions shall include initial and refresher training regarding compliance with the terms and conditions stated in the Order. The operator shall provide all miners involved in the mine through of a well with training regarding the requirements of this Order prior to mining within 150 feet of the next well intended to be mined through.

t. The responsible person required under 30 C.F.R. § 75.1501 is responsible for well intersection emergencies. The well intersection procedures should be reviewed by the responsible person prior to any planned intersection.

u. Within 30 days after this Order becomes final, the operator shall submit proposed revisions for its approved mine emergency evacuation and firefighting plan required by 30 C.F.R. § 75.1502. The operator will revise the plans to include the hazards and evacuation procedures to be used for well intersections. All underground miners will be trained in this revised plan within 30 days of the submittal of the revised evacuation plan.

The parties request that the presiding Administrative Law Judge issue an Order approving this Consent Agreement including the Consent Findings and the Consent Order as a modification of 30 C.F.R. § 75.1700 to the operator's American Eagle Mine.

501004P

Respectfully submitted,

TIMOTHY M. BIDDLE
DANIEL W. WOLFF
Crowell & Moring LLP
1001 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

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(202) 624-2500

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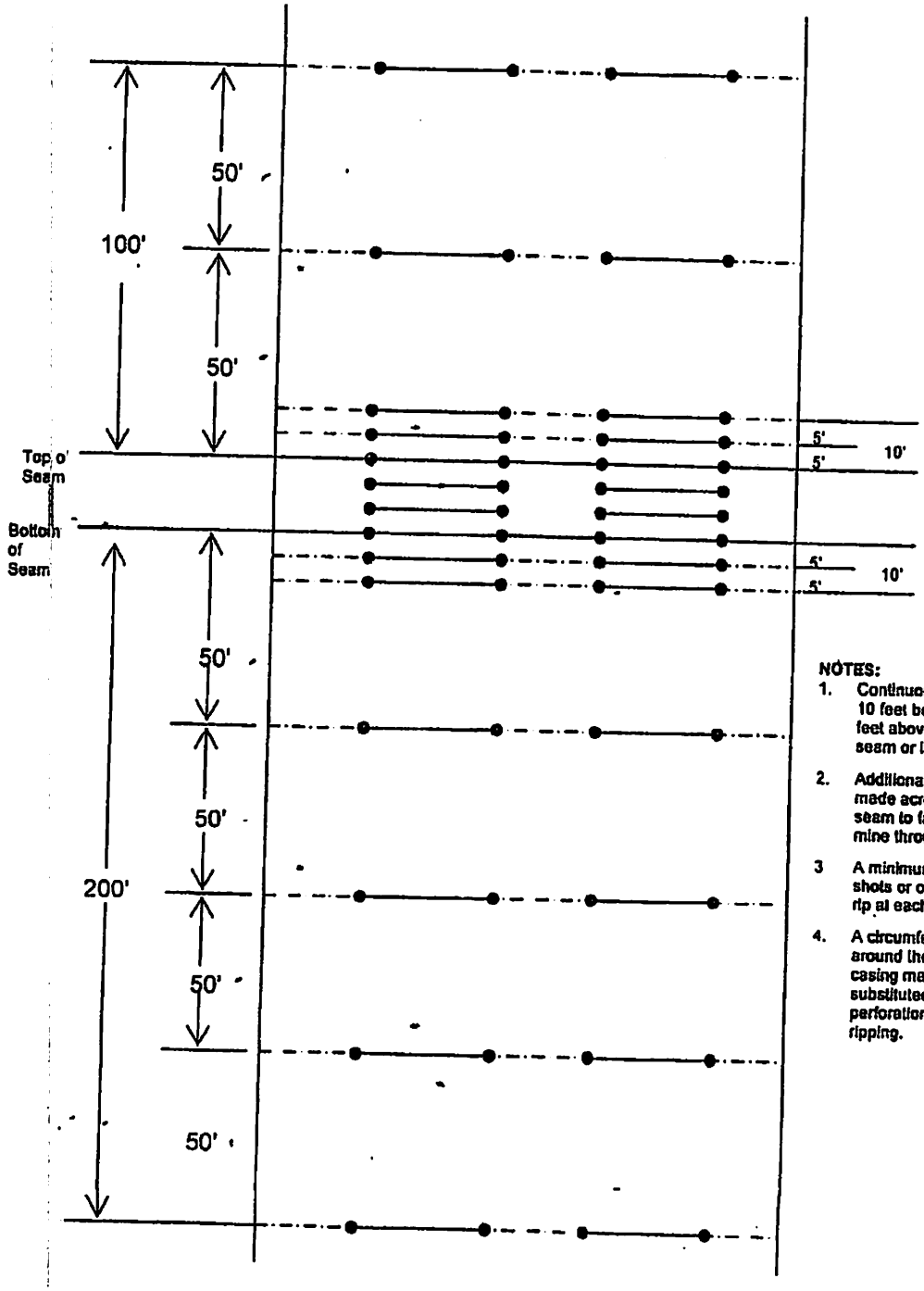
U.S. Department of Labor
Office of the Solicitor
1100 Wilson Boulevard
Room 2211
Arlington, Virginia 22209

Attorneys for Mine Safety and
Health Administration
(202) 693-9337

501004P

APPENDIX A



NOTES:

1. Continuous rip from 10 feet below to 10 feet above coal seam or like sketch.
2. Additional rips made across coal seam to facilitate mine through.
3. A minimum of 4 shots or one 3-foot rip at each location.
4. A circumferential cut around the entire casing may be substituted for the perforation or ripping.

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NOT TO SCALE

501004P

SERVICE SHEET

Case Name: MSHA v. SPEED MINING INC.

Case Number: 2005MSA00003

Document Title: D&O Approving Settlement & Order of Dismissal

I hereby certify that a copy of the above-referenced document was sent to the following this 12th day of April, 2005:

Cathy C. Barefoot

CATHARINE BAREFOOT
LEGAL TECHNICIAN

Assistant Secretary
of Mine Safety and Health Administration
U. S. Department of Labor
1100 Wilson Boulevard
Arlington, VA 22209-2247
{Hard Copy - Regular Mail}

Counsel for Trial Litigation
Div. of Mine Safety and Health
U. S. Department of Labor
1100 Wilson Blvd, 22nd Floor East
Arlington, VA 22209-2247
{Hard Copy - Regular Mail}

Administrator for Coal Mine Safety & Health
U. S. Department of Labor
1100 Wilson Blvd., Room 2424
Arlington, VA 22209-3939
{Hard Copy - Regular Mail}

Speed Mining, Inc.
Richard (Pete) Hendrick, President
P. O. Box 1083
Beckley, WV 25802
{Hard Copy - Regular Mail}

Tim Biddle, Esq.
Crowell & Moring
David W. Woolff, Esq.
1001 Pennsylvania Ave., N.W.
Washington, DC 20004-2595
{Hard Copy - Regular Mail}

Tim Baker
United Mine Workers of America
8315 Lee Highway
Arlington, VA 22031-2215
{Hard Copy - Regular Mail}

501004P

WW-4A
Revised 6-07

1.) Date: 10/21/16
2.) Operator's Well Number
52
3.) API Well No.:
47-005-01004

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 LaFollette
Address 303 West Washington St.
Charleston, WV 25302

(b) Name
Address

(c) Name
Address

6) Inspector ~~Gary Kennedy~~
Address ~~P.O. Box 268~~
~~Nimitz, WV 25978~~
252 Circle Ave
Fairmont, WV 25962
Telephone 304-382-8402

5) (a) Coal Operator
Name Panther Creek Mining, LLC
Address 3228 Summit Square Place, Suite 180
Lexington, KY 40509

(b) Coal Owner(s) with Declaration
(a) Name LaFollette
Address 303 West Washington St.
Charleston, WV 25302
Name
Address

(c) Coal Lessee with Declaration
Name Panther Creek Mining, LLC
Address 3228 Summit Square Place, Suite 180
Lexington, KY 40509

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
GARY JOE LANE
P. O. BOX 470
ALUM CREEK, WV 25003
My commission expires February 15, 2017

Well Operator Panther Creek Mining, LLC
By: Gary Acord
Its: Agent
Address P.O. Box 99
Dawes, WV. 25054
Telephone 304-205-8847

Subscribed and sworn before me this 24th day of October 2016
Gary Joe Lane
My Commission Expires February 15, 2017

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Office of Oil and Gas
OCT 26 2016
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.go

SURFACE OWNER WAIVER

Operator's Well
Number 52

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW4-A

The well operator named on page WW-4A is applying for a permit from the State to plug and abandon a well. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.
WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, WV 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have **FIVE (5) DAYS** after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

1) The proposed well work will constitute a hazard to the safety of persons.
2) The soil erosion and sediment control plan is not adequate or effective;
3) Damage would occur to publicly owned lands or resources;
4) The proposed well work fails to protect fresh water sources or supplies;
5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application For A Permit To Plug And Abandon on Forms WW-4A and WW-4B, and a survey plat.
I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON

Signature Date

FOR EXECUTION BY A CORPORATION,

Name LaFollette
By Dusta M Tanner, VP
Its Land Manager Date 10/11/2016

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Office of Oil and Gas
OCT 26 2016
WV Department of
Environmental Protection

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WW-4B

API No. 47-005-01004
Farm Name LaFollette
Well No. 52

INSTRUCTIONS TO COAL OPERATORS
OWNERS AND LESSEE

The well operator named on the obverse side of WW-4 (B) is about to abandon the well described in the enclosed materials and will commence the work of plugging and abandoning said well on the date the inspector is notified. Which date shall not be less then five days after the day on which this notice and application so mailed is received, or in due course should be received by the Department of Environmental Protection Office of Oil & Gas.

This notice and application is given to you in order that your respective representatives may be present at the plugging and filling of said well. You are further notified that whether you are represented or not the operator will proceed to plug and fill said well in the manner required by Section 24, Article 6, Chapter 22 of the Code and given in detail on obverse side of this application.

NOTE: If you wish this well to be plugged according to 22-6-24(d) then as per Regulation 35CSR4-13.9 you must complete and return to this office on form OB-16 "Request by Coal Operator, Owner, or Lessee for plugging" prior to the issuance of this plugging permit.

WAIVER

The undersigned coal operator _____ / owner ___X___ / lessee _____ / of the coal under this well location has examined this proposed plugging work order. The undersigned has no objection to the work proposed to be done at this location, provided, the well operator has complied with all applicable requirements of the West Virginia Code and the governing regulations.

Date: 10/11/2016

LaFollette
By: Duata M. Barnes, VP
Its Land Manager

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Office of Oil and Gas

OCT 26 2016

WV Department of
Environmental Protection

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WW-4B

API No. 47-005-01004____
Farm Name LaFollette
Well No. 52

INSTRUCTIONS TO COAL OPERATORS
OWNERS AND LESSEE

The well operator named on the obverse side of WW-4 (B) is about to abandon the well described in the enclosed materials and will commence the work of plugging and abandoning said well on the date the inspector is notified. Which date shall not be less then five days after the day on which this notice and application so mailed is received, or in due course should be received by the Department of Environmental Protection Office of Oil & Gas.

This notice and application is given to you in order that your respective representatives may be present at the plugging and filling of said well. You are further notified that whether you are represented or not the operator will proceed to plug and fill said well in the manner required by Section 24, Article 6, Chapter 22 of the Code and given in detail on obverse side of this application.

NOTE: If you wish this well to be plugged according to 22-6-24(d) then as per Regulation 35CSR4-13.9 you must complete and return to this office on form OB-16 "Request by Coal Operator, Owner, or Lessee for plugging" prior to the issuance of this plugging permit.

WAIVER

The undersigned coal operator ___X____/ owner _____/ lessee ___X____/ of the coal under this well location has examined this proposed plugging work order. The undersigned has no objection to the work proposed to be done at this location, provided, the well operator has complied with all applicable requirements of the West Virginia Code and the governing regulations.

Date: 10/24/16

Panther Creek Mining, LLC
By: Mitchell L. Bolt
Its ENGINEERING MANAGER

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Environmental Protection

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WW-9
(5/16)

API Number 47 - 005 - 01004
Operator's Well No. 52

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

Operator Name Panther Creek Mining, LLC OP Code _____

Watershed (HUC 10) Joes Creek Quadrangle Sylvester

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 ☐

If so, please describe anticipated pit waste: Cement cuttings

Will a synthetic liner be used in the pit? Yes ☑ No ☐ If so, what ml.? 20

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 _____

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

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

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

Additives to be used in drilling medium? None

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

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

-Landfill or offsite name/permit number? _____

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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 Gary E. Acord

Company Official (Typed Name) Gary E. Acord

Company Official Title Agent/ Engineer

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WV Department of
Environmental Protection

Subscribed and sworn before me this 24th day of October, 20 16

Gary Joe Lane Notary Public

My commission expires February 15, 2017

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
GARY JOE LANE
P. O. BOX 470
ALUM CREEK, WV 25003
My commission expires February 15, 2017

501004P

Form WW-9

Operator's Well No. 52

Proposed Revegetation Treatment: Acres Disturbed _____ Prevegetation pH _____

Lime 2 Tons/acre or to correct to pH 6.5

Fertilizer type (10-20-20 or equivalent)

Fertilizer amount 500 lbs/acre

Mulch 2 Tons or 1000-1500 lbs Hydroseed Mulch Tons/acre

Seed Mixtures

Temporary		Permanent	
Seed Type	lbs/acre	Seed Type	lbs/acre
		Fescue	40
		Clover	5
		Ryegrass	5

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: GARY Kennedy

Comments:

Title: Inspector Date: 10/24/16

Field Reviewed? (a) Yes ( ) No

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OCT 26 2016
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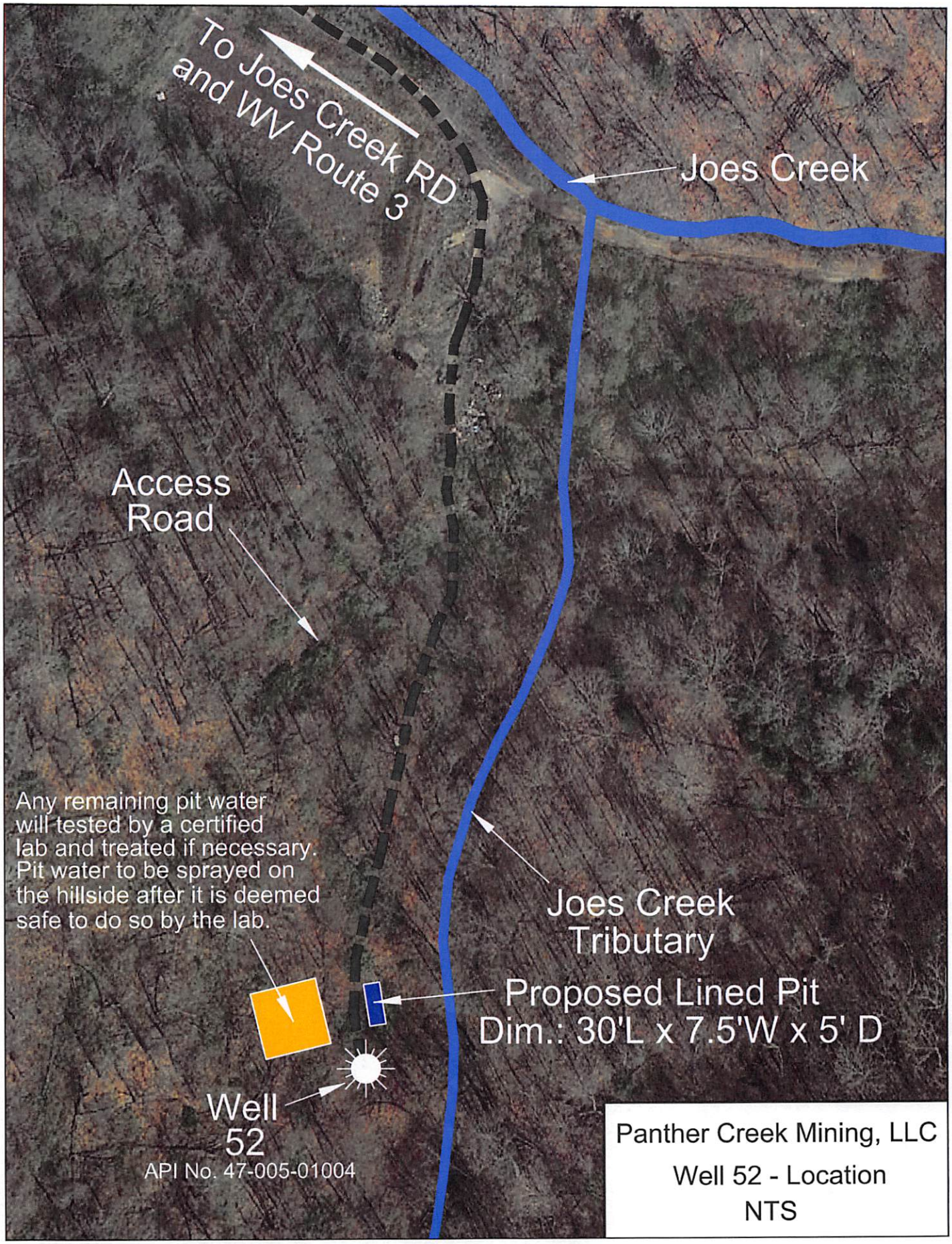
To Joes Creek RD
and WV Route 3
Joes Creek
Access
Road
Any remaining pit water
will tested by a certified
lab and treated if necessary.
Pit water to be sprayed on
the hillside after it is deemed
safe to do so by the lab.
Joes Creek
Tributary
Proposed Lined Pit
Dim.: 30'L x 7.5'W x 5' D
Well
52
API No. 47-005-01004
Panther Creek Mining, LLC
Well 52 - Location
NTS

501004P

WW-9- GPP
Rev. 5/16

API Number 47 - 005 - 01004
Operator's Well No. 52

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

Operator Name: Panther Creek Mining LLC

Watershed (HUC 10): Joes Creek Quad: Sylvester

Farm Name: LaFollette

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

Re-drilling of plugged gas wells (in order to replug to 101c standards to mine through the well). Water used during re-drilling is pumped through a pipe and discharged into a lined pit. The pit is designed to hold 150% of the anticipated drilling water. Water discharged into the pit may be used to mix the cement used to plug the well. The slurry (drilling water and cuttings) in the pit is allowed to solidify and any remaining water will be sampled by a certified lab before the pit is reclaimed. The only water anticipated to be discharged to the pit is the drilling water. Brine water is not expected to be encountered while redrilling and plugging the well.

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

Water used during re-drilling is pumped through a pipe and discharged into a lined pit. The pit is designed to hold 150% of the anticipated drilling water. The slurry (drilling water and cuttings) in the pit is allowed to solidify and any remaining water is sampled by a lab before the pit is reclaimed.

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

Closest body of water is Joes Creek approximately 500 ft away from the well site and anticipated pit.

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

Mining operations - storage tanks regulated under 2 GPP plans.

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

501004P

None for Joes Creek watershed. Adjacent watersheds are sampled bimonthly for the mining operations. The results of the bimonthly samplings are submitted to the WV DEP.

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

No waste material will be used for deicing or for fill material.

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.

Each employee and contractor will be trained on the proper environmental procedures of the job. The pit and area around the pit will be visually examined daily for leaks and tears. If a leak or tear is observed, discharge to the pit will cease until proper repairs can be made to the pit or liner. Drilling equipment will be inspected each day before work begins to ensure there is no fluid leaks. Straw bales, oil absorption pads, and silt fences will be available on the property in case of spills. Any contaminated materials will be properly disposed of in specially marked containers. If there is any remaining water in the pit, it will be analyzed by a lab before the pit is reclaimed.

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

The pit and area around the pit will be visually examined daily for leaks and tears. Any remaining water in the pit will be analyzed by a lab before the pit is reclaimed. Straw bales, oil blankets, and silt fences will be available on the property in case of spills.

Signature: Gary E Cleaver, RPE, PS

Date: 11-04-2016

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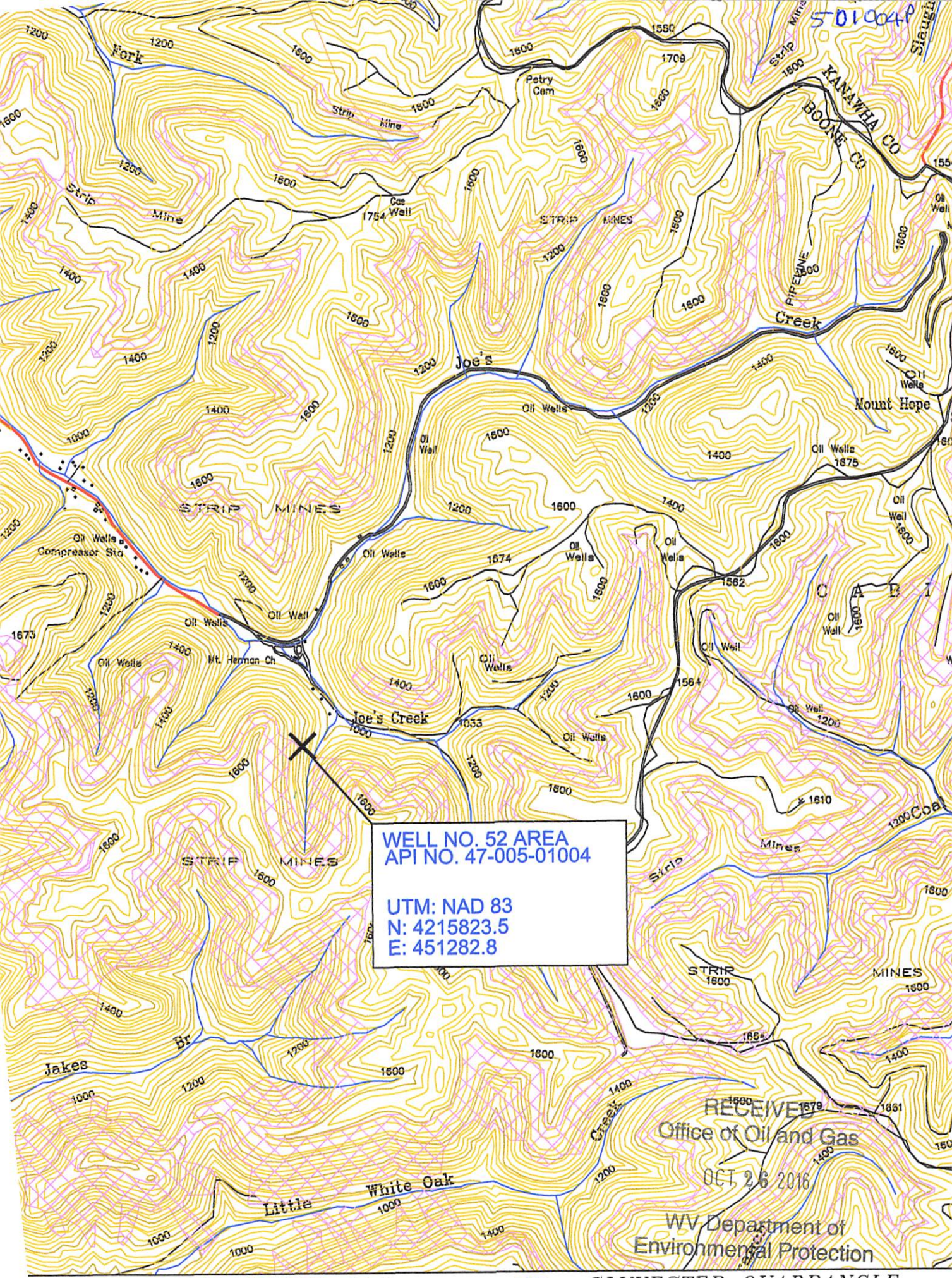

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ANTHER CREEK MINING, LLC.
AMERICAN EAGLE MINE
Well No. 52
API No. 47-005-01004
Scale: 1"=2000'

SLYVESTER QUADRANGLE
WEST VIRGINIA – BOONE CO.
7.5 MINUTE SERIES (TOPOGRAPHIC)

501004 P

WW-7
8-30-06

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

API: 47-005-01004 WELL NO.: 52
FARM NAME: LaFollette
RESPONSIBLE PARTY NAME: Gary E. Acord
COUNTY: Boone DISTRICT: Sherman
QUADRANGLE: Sylvester
SURFACE OWNER: LaFollette
ROYALTY OWNER: LaFollette
UTM GPS NORTHING: 4215823.5 meters (NAD-83) (1012')
UTM GPS EASTING: 451282.8 meters (NAD-83) GPS ELEVATION: 308.8 meters

The Responsible Party named above has chosen to submit GPS coordinates in lieu of preparing a new well location plat for a plugging permit or assigned API number on the above well. The Office of Oil and 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 _X_: Post Processed Differential _____
Real-Time Differential _____
Mapping Grade GPS ____: Post Processed Differential _____
Real-Time Differential _____

4. **Letter size copy of the topography map showing the well location.**

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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Environmental Protection

Gary E Acord, PEPS ENGINEER — 10-24-16
Signature Title Date