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

March 27, 2014

WELL WORK PLUGGING PERMIT

Plugging

This permit, API Well Number: 47-9100810, issued to ICG TYGART VALLEY, 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: ONDA NESTOR 2
Farm Name: NESTOR, WILLIS
API Well Number: 47-9100810
Permit Type: Plugging
Date Issued: 03/27/2014

9100810 P

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.

9100810P

WW-4B
Rev. 2/01

1) Date February 12, 2014
2) Operator's
Well No. Onda Nestor No. 2
3) API Well No. 47- 91 - 00810

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 X

5) Location: Elevation 1590 Watershed Swamp Run
District Knottsville 06 County Taylor 91 Quadrangle Thornton (638)

6) Well Operator ICG Tygart Valley, LLC
Address 2708 Cranberry Square
Morgantown, WV 26508

7) Designated Agent Charles E. Duckworth
Address 1200 Tygart Drive
Grafton, WV 26354

8) Oil and Gas Inspector to be notified
Name Kenneth Greynolds
Address 613 Broad Run Road
Jane Lew, WV 26378

9) Plugging Contractor
Name Coastal Drilling East, LLC
Address 130 Meadows Ridge Road
Mt. Morris, PA 15349

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

SEE EXHIBIT NOS. 1 and 2

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WV Department of Environmental Protection

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

Work order approved by inspector Kenneth Greynolds Date 2-28-14

9100810P

EXHIBIT NO. 1

From the experience and technology developed since 1970 in plugging oil and gas wells for mining through, ICG Tygart Valley, LLC will utilize the following method to plug all future wells.

SOLID PLUG METHOD

a) If active well: clean out to total depth and plug back according to state regulations to a minimum of 200 feet below lowest minable coal seam.
b) If abandoned well: clean out to first plug 200 feet below lowest minable coal seam.
c) Circulate through tubing or drill steel an expanding cement plug from a minimum of 200 feet below minable coal seam to a point 100 feet above minable coal.

Circulate through tubing or drill steel from 100 feet above coal seam to surface.

A monument will be installed with API No. and stating "solid plug".

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EXHIBIT NO. 2

CLEANOUT/PLUGGING PLAN

OK GWM

- **Day 1** - Move to site, rig up, mix mud, drill rathole. REMOVE 5175' OF 1½" TUBING
- **Day 2** - Finish drilling rathole, start picking up 2 3/8" drill pipe and cleanout well with a 3 ¾" bit to total depth (T.D.).
- **Day 3** - Continue to pick up 2 3/8" drill pipe and cleanout to T.D. Trip out of the hole (T.O.H) with 2 3/8" drill pipe.
- ~~**Day 4** -~~ Run cement bond log on 4 ½" casing, (calculations reached from the cement information taken from the report indicate the estimated top of the cement on the outside of the 4 ½" is 3,191'), ~~perforate/cut 4 ½" casing every 100' from 5,137' to 3,291'. Total shots needed 120.~~ NOT NECESSARY CUT 4½" CASING AT ≈3185' AND TOOH WHILE LOADING HOLE W/GEL.

REFER TO INSERT

- ~~**Day 5** -~~ Trip in hole (T.I.H) with 2 3/8" drill pipe to T.D. Cement hole from ~~5,239'~~ 5280' back to ~~3,191'~~ 3085' with 160 sacks of Class A Cement with a gas blocker additive. Circulate hole, condition mud, T.O.H.

REFER TO INSERT

- ~~**Day 6** - T.I.H with 3 ¾" bit to tag top of cement plug. T.O.H, T.I.H with 4 ½" pressure pipe cutter, cut 4 ½" casing just above top of bonded casing at 3,185'. Lay down 2 3/8" drill pipe.~~
- ~~**Day 7** - Continue to lay down 2 3/8" drill pipe. Rig up 4 ½" casing spear. Hook to 4 ½" casing at the surface, release slips from wellhead and attempt work 4 ½" casing free to 3,185'. Lay down 4 ½" casing.~~
- ~~**Day 8** - Rig up 7 7/8" bit. Pick up drill collars and drill pipe, start cleaning hole to top of remaining 4 ½" casing at 3,185'.~~
- ~~**Day 9** - Continue to clean hole with 7 7/8" bit to top of remaining 4 ½" casing at 3,185'. Circulate hole. T.O.H with 7 7/8" bit. T.I.H with open ended 3 ½" drill pipe.~~ 1160'
- **Day 10** - Cement hole from ~~3,191'~~ 3085' to within 50' of bottom of 8 5/8" casing at ~~1,031'~~ with 1,000 gallons of mud flush and 500 sacks of Class A cement with 4% gel. Circulate hole and condition mud. T.O.H Log hole (Caliper, Natural Gamma, Directional and Bond logs). Calculations reached from the cement information taken from the report indicates that the 8 5/8" casing was cemented to surface.
- **Day 11** - T.I.H with 8 5/8" pressure pipe cutter. Cut 8 5/8" casing every 100' from 891' to 381' (6 cuts total). T.O.H with 8 5/8" cutter. T.I.H with 8 5/8" section mill. Section mill 30' window in 8 5/8" casing through coal seam.
- **Day 12** - Continue to section mill 8 5/8" casing through coal seam.
- **Day 13** – Finish section milling 8 5/8" casing. T.O.H with 8 5/8" section mill. T.I.H with 7 7/8" bit.
- **Day 14** – Clean hole with 7 7/8" bit to top of cement plug at ~~1,031'~~ 1160'. Circulate hole at 1160'. T.O.H with 7 7/8" bit. Run caliper log to verify window and cuts in 8 5/8" casing. Lay down drill collars and fishing tools. Prepare to cement hole to surface.

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ICG Tygart Valley, LLC API 47-091-00810 Plugging Methodology Nestor #2

Gel - Fresh water mixed with a minimum of 6% Bentonite (by weight)

Cement Plug - Must be a minimum of 100 feet of Class A Cement with no more than 3% Calcium Chloride and no other additives.

On Day 4 - Cut 4 ½" casing above the top of cement (TOC) which is estimated at 3185'. Trip out of hole (TOOH) with 4 ½" casing. Load hole with gel as you are TOOH with 4 ½" casing. If you are concerned about the wellbore sloughing, then increase the weight of your Gel by adding more Bentonite, making sure the density of the cement will be able to displace the Gel.

On Day 5 - T. I. H. with 2 3/8" drill pipe to TD (5280). Cement hole with Class A cement with no more than 3% Calcium Chloride from 5280' to 3085', a point at least 100' above the casing cut. Cement may include gas blocker if it is on cementing company's approved list. (T. O. O. H.).

On Day 6 - T. I. H. with 3 ¾" bit and tag top of cement plug. If plug is not at least 50 feet above the casing cut, re-cement. Make sure hole has gel in it up to a point inside the 8 5/8" casing. After plug has set, then T. I. H. with 7 7/8" bit and clean hole to top of 4 ½" casing (3185').

On Day 7 - After open hole is clean, circulate for an hour and TOOH with 7 7/8" bit. T. I. H. with open ended drill pipe. Proceed to Day 10 plugging plan until plugging is completed.

OK
gm

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EXHIBIT NO. 2

CLEANOUT/PLUGGING PLAN

- **Day 15** – Cement hole from ~~1,031'~~ 1,160' to surface using 180 sacks of Class A cement with 4% gel and 120 sacks of Thixatropic cement with green dye. Clean out mud tank. Rig down equipment and prepare to move rig to next site.

OK
JWM

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WELL NAME NESTOR #2
API NUMBER 47-091-0810

WELL BORE CONDITIONS

TUBING 1½ " at 5175 FT.

PACKER at _____ FT.

CEMENT TOP at 3140 CH FT.

PLUG at _____ FT.

PERFORATIONS:

13 HOLES FROM ELK 5184 ' TO 5187 '

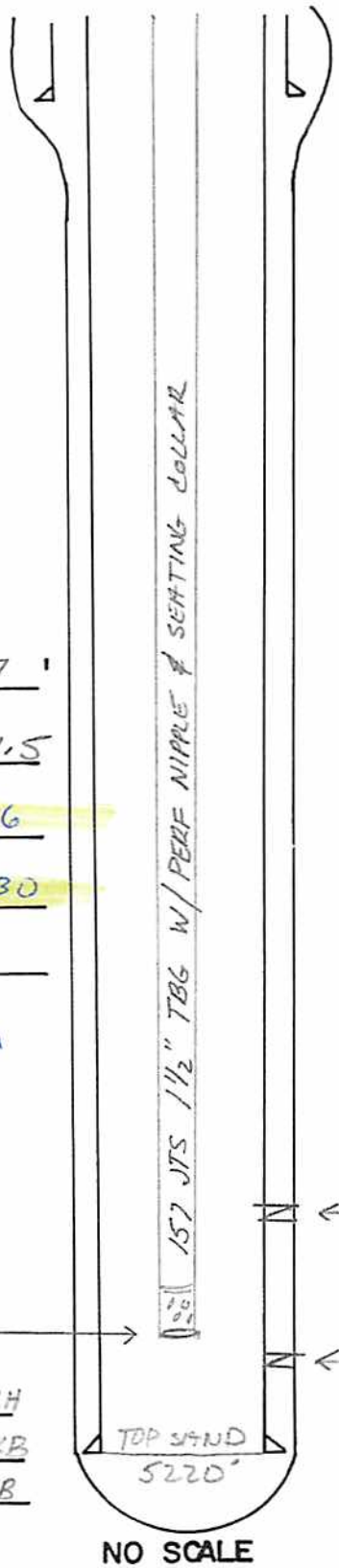
15 " " BENSON 4559 " 4561.5

18 " " RILEY 4302 " 4306

18 " " BALLTOWN 3424 " 3430

____ " " _____ " _____

SEE WR35 DATED 2/2/2011



1½" TBG @ 5175'

15 HOLES @ 4559'-61.5' BENSON

13 HOLES @ 5184'-87' ELK

CASED HOLE TD 5236 CH
LOGGERS TD 5280 KB
DRILLERS TD 5276 KB

NO SCALE

SURFACE CASING

8 5/8 "at 1110 KB FT.
275 SKS

ZONES STIMULATED

2 STAGE
ELK
BENSON

POTENTIAL-ZONES

ZONES STIMULATED

RILEY
& BALLTOWN

PRODUCTION CASING

10.5 - 4½ " at 5254 KB FT.
382 SKS: 97 BBLS

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. OPERATOR SUBMITAL

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O. Nester #2

STAGE	FORMATION	PERFS	80/100 SKS	20/40 SKS	ACID GAL	N2 (MCF)
1st	Elk	13(5184-5187)	100	450	500	72
2nd	Benson	15(4559-4561.5)	100	220	750	65

W E L L L O G

FORMATION	TOP FEET	BOTTOM FEET	REMARKS: FRESH & SALT WATER, COAL, OIL & GAS
KB - GL	0	10	
sand, shale, RR	10	1429	1/2" stream H2O @ 539'
Little Lime	1429	1433	Coal 20-23; 590-595
sand, shale	1433	1458	Coal 635-640; 759-762
Big Lime	1458	1540	
sand, shale	1540	1545	
Keener	1545	1571	
sand, shale	1571	1576	gas chk @ 1571' No Show
Big Injun	1576	1645	
sand, shale	1645	1760	gas chk @ 1751' No Show
Weir	1760	1797	
sand, shale	1797	1939	
Gantz	1939	1953	
sand, shale	1953	1983	
50 ft	1983	2030	gas chk @ 2008' No Show
sand, shale	2030	2033	
30 ft	2033	2060	
sand, shale	2060	2185	gas chk @ 2104' No Show
Gordon	2185	2215	
sand, shale	2215	2449	gas chk @ 2290' No Show
4th	2449	2518	
sand, shale	2518	2535	
5th	2535	2576	gas chk @ 2541' No Show
sand, shale	2576	2583	
Bayard	2583	2613	
sand, shale	2613	2864	gas chk @ 2666' No Show
Speechly	2864	3317	
sand, shale	3317	3343	
Balltown	3343	3701	gas chk @ 3353' No Show
sand, shale	3701	3721	gas chk @ 3477' No Show
Bradford	3721	3859	gas chk @ 3817' No Show
sand, shale	3859	4221	
Riley	4221	4444	gas chk @ 4317' No Show
sand, shale	4444	4522	gas chk @ 4502' No Show
Benson	4522	4584	gas chk @ 4564' No Show
sand, shale	4584	4708	gas chk @ 4594' No Show
1st Elk	4708	4788	
sand, shale	4788	4895	
2nd Elk	4895	5092	gas chk @ 5090' No Show
sand, shale	5092	5114	
3rd Elk	5114	5227	gas chk @ 5152' 16/10-1"H2O
sand, shale	5227	5276	Drillers TD 2/10-1"H2O
			DC's No Show
		5280	Logger TD

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9100810P

WR-35
Rev (8-10)

State of West Virginia
Department of Environmental Protection
Office of Oil and Gas
Well Operator's Report of Well Work

DATE: 2-2-2011
API #: 47-9100810

Farm name: Nestor, Onda Operator Well No.: Nestor 2

LOCATION: Elevation: 1605' Quadrangle: Thornton

District: Knottsville County: Taylor
Latitude: 39 Feet South of 20 Deg. 00 Min. Sec.
Longitude 79 Feet West of 57 Deg. 30 Min. Sec.

Company:

Address:	Casing & Tubing	Used in drilling	Left in well	Cement fill up Cu. Ft.
Petroleum Development Corp. 120 Genesis Blvd. Bridgeport, WV 26330	8 5/8"	1,110'	1,110'	275 sxs
Agent: Bob Williamson	4 1/2"	5,254'	5,254'	382 sxs
Inspector: Bryan Harris				
Date Permit Issued: 5-15-2009				
Date Well Work Commenced: 6/24/2009				
Date Well Work Completed: 11/12/2009				
Verbal Plugging:				
Date Permission granted on:				
Rotary X Cable Rig				
Total Vertical Depth (ft):				
Total Measured Depth (ft):				
Fresh Water Depth (ft.): 539'				
Salt Water Depth (ft.): None				
Is coal being mined in area (N/Y)? N				
Coal Depths (ft.): 20-23'; 590-595'; 635				
Void(s) encountered (N/Y) Depth(s)				

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OPEN FLOW DATA (If more than two producing formations please include additional data on separate sheet)
Producing formation Riley Pay zone depth (ft) 4302'
Gas: Initial open flow N/A MCF/d Oil: Initial open flow ____ Bbl/d
Final open flow 84 MCF/d Final open flow ____ Bbl/d
Time of open flow between initial and final tests ____ Hours
Static rock Pressure N/A psig (surface pressure) after ____ Hours

Second producing formation Balltown Pay zone depth (ft) 3424'
Gas: Initial open flow commingled MCF/d Oil: Initial open flow ____ Bbl/d
Final open flow ____ MCF/d Final open flow ____ Bbl/d
Time of open flow between initial and final tests ____ Hours
Static rock Pressure ____ psig (surface pressure) after ____ Hours

I certify under penalty of law that I have personally examined and am familiar with the information submitted on this document and all the attachments 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.

Signature

2/24/2011
Date

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9100810 P

Were core samples taken? Yes_____ No N Were cuttings caught during drilling? Yes_____ No N

Were N Electrical, N Mechanical, N or Geophysical logs recorded on this well?
Y/N Y/N Y/N

NOTE: IN THE AREA BELOW PUT THE FOLLOWING: 1). DETAILS OF PERFORATED INTERVALS, FRACTURING OR STIMULATING, PHYSICAL CHANGE, ETC. 2). THE WELL LOG WHICH IS A SYSTEMATIC DETAILED GEOLOGICAL RECORD OF THE TOPS AND BOTTOMS OF ALL FORMATIONS, INCLUDING COAL ENCOUNTERED BY THE WELLBORE FROM SURFACE TO TOTAL DEPTH.

Perforated Intervals, Fracturing, or Stimulating:

11-12-2009: MIRU JW Wireline and log correlation with CCL & GR. Set solid composite bridge plug at 4340'. MIRU Halliburton & fill hole & press. test to 3500psi. RU JW tools and perforate Riley at 4302-06 with 3spf total 18 holes. Frac with 40,000# sand 60 Q foam using 13,716 gal fluid and 367MSCF Nitrogen. RU JW tools under pressure RIH and set 2nd composite bridge plug at 3470'. Perforate Balltown at 3424-30 at 3 spf and 18 holes. RU Halliburton and frac with 45,000# sand 60 Q foam using 11,237 gal fluid and 357,810 SCF Nitrogen.

11-15-2009: drill both plugs and clean to original TD. Final OF: 84MCFD.

Formations Encountered: Top Depth / Bottom Depth

Surface:

Provided By OOG

STAGE	FORMATION	PERFS	SKS	SKS	GAL	(MCF)
1st	Elk	13(5184-5187)	100	450	500	72
2nd	Benson	15(4559-4561.5)	100	220	750	65

W E L L L O G

FORMATION	TOP FEET	BOTTOM FEET	REMARKS: FRESH & SALT WATER, COAL, OIL & GAS
KB - GL	0	10	
sand, shale, RR	10	1429	1/2" stream H2O @ 539'
Little Lime	1429	1433	Coal 20-23; 590-595
sand, shale	1433	1458	Coal 635-640; 759-762
Big Lime	1458	1540	
sand, shale	1540	1545	
Keener	1545	1571	
sand, shale	1571	1576	gas chk @ 1571' No Show
Big Injun	1576	1645	
sand, shale	1645	1760	gas chk @ 1751' No Show
Weir	1760	1797	
sand, shale	1797	1939	
Gantz	1939	1953	
sand, shale	1953	1983	
50 ft	1983	2030	gas chk @ 2008' No Show
sand, shale	2030	2033	
30 ft	2033	2060	
sand, shale	2060	2185	gas chk @ 2104' No Show
Gordon	2185	2215	
sand, shale	2215	2449	gas chk @ 2290' No Show
4th	2449	2518	
sand, shale	2518	2535	
5th	2535	2576	gas chk @ 2541' No Show
sand, shale	2576	2583	
Bayard	2583	2613	
sand, shale	2613	2864	gas chk @ 2666' No Show
Speechly	2864	3317	
sand, shale	3317	3343	
Balltown	3343	3701	gas chk @ 3353' No Show
sand, shale	3701	3721	gas chk @ 3477' No Show
Bradford	3721	3859	gas chk @ 3817' No Show
sand, shale	3859	4221	
Riley	4221	4444	gas chk @ 4317' No Show
sand, shale	4444	4522	gas chk @ 4502' No Show
Benson	4522	4584	gas chk @ 4564' No Show
sand, shale	4584	4708	gas chk @ 4594' No Show
1st Elk	4708	4788	
sand, shale	4788	4895	
2nd Elk	4895	5092	gas chk @ 5090' No Show
sand, shale	5092	5114	
3rd Elk	5114	5227	gas chk @ 5152' 16/10-1"H2O
sand, shale	5227	5276	Drillers TD 2/10-1"H2O
			DC's No Show
		5280	Logger TD

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MAY 1 1 92
Permitting
Office of Oil & Gas

8051

Provided By 0016

Farm name: NESTOR, ONDA Operator Well No.: NESTOR #2

LOCATION: Elevation: 1590.00 Quadrangle: THORNTON

District: KNOTTSVILLE County: TAYLOR
Latitude: 5100 Feet South of 39 Deg. 20Min. 0 Sec.
Longitude 3630 Feet West of 79 Deg. 57 Min. 30 Sec.

Company: PETROLEUM DEVELOPMENT COR
P. O. BOX 26
BRIDGEPORT, WV 26330-0026

Agent: ERIC R. STEARNS

Inspector: PHILLIP TRACY
Permit Issued: 03/06/92
Well work Commenced: 03/17/92
Well work Completed: 3/22/792
Verbal Plugging
Permission granted on: _____
Rotary x Cable _____ Rig
Total Depth (feet) 5280'
Fresh water depths (ft) _____
539
Salt water depths (ft) _____
n/a
Is coal being mined in area (Y/N)? N
Coal Depths (ft): 20-23; 590-595; 635-640;
759-762

Casing & Tubing	Used in Drilling	Left in Well	Cement Fill Up Cu. Ft.
Size 11 3/4"	22'		
8 5/8"	1100'	1100'	275 sks
4 1/2"	5244'	5244'	382 sks

OPEN FLOW DATA

Producing formation Elk Pay zone depth (ft) 5184-5187
Gas: Initial open flow 42 MCF/d Oil: Initial open flow 0 Bbl/d
Final open flow 94 MCF/d Final open flow 0 Bbl/d
Time of open flow between initial and final tests 4 Hours
Static rock Pressure 1775 psig (surface pressure) after 72 Hours

Second producing formation Benson Pay zone depth (ft) 4559-4561.5
Gas: Initial open flow _____ MCF/d Oil: Initial open flow _____ Bbl/d
Final open flow co-mingled MCF/d Final open flow _____ Bbl/d
Time of open flow between initial and final tests _____ Hours
Static rock Pressure _____ psig (surface pressure) after _____ Hours

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

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Permitting
Office of Oil & Gas

For: PETROLEUM DEVELOPMENT CORP.
By: Eric R. Stearns
Date: May 5, 1992

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TAY 0810

9100810P

WW-4A
Revised 6-07

1) Date: February 12, 2014
2) Operator's Well Number
Onda Nestor No. 2

3) API Well No.: 47 - 91 - 00810

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: Willis Nestor W
Address: Route 1, Box 475
Grafton, West Virginia 26354

(b) Name:
Address:

(c) Name:
Address:

6) Inspector: Kenneth Greynolds
Address: 613 Broad Run Road
Jane Lew, West Virginia 26378
Telephone: (304) 206-6613

5) (a) Coal Operator
Name: CoalQuest Development, LLC W
Address: 2708 Cranberry Square
Morgantown, West Virginia 26508

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

Name:
Address:

(c) Coal Lessee with Declaration
Name:
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.

Well Operator: ICG Tygart Valley, LLC
By: Charles E. Duckworth
Its: Designated Agent
Address: 2708 Cranberry Square
Morgantown, West Virginia 26508
Telephone: (304) 594-1616

Received
MAR - 5 2014
Office of Oil and Gas
Environmental Protection

Subscribed and sworn before me this 18 day of February, 2014

Notary Public

My Commission Expires December 22, 2019

Official Seal
Notary Public
State of West Virginia
Thomas Gregory Nair
309 Webster Avenue, Morgantown, WV 26501
My Commission Expires December 22, 2019

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.

9100810P

SURFACE OWNER WAIVER

Operator's Well Number: Onda Nestor No. 2

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
ETC.

Willis O. Nestor
Signature

Date 2/21/2014

FOR EXECUTION BY A CORPORATION,

Name A. Scott Boyken
By A. Scott Boyken
Its President & CEO

Signature

Date Feb 21, 14

Received
MAR 5 2014
Office of Oil and Gas
WV Dept. of Environmental Protection

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WW-4B

API No. 47-91-00810
Farm Name Onda Nestor
Well No. Onda Nestor No. 2

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 _____ / 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: 2/18/14

CoalQuest Development, LLC

By: Greg Nair

Its Power of Attorney

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MAR - 5 2014
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WV Dept. of Environmental Protection

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POWER OF ATTORNEY

COALQUEST DEVELOPMENT LLC
TO
GREG NAIR

Dated: January 1, 2014

Expires: December 31, 2014

KNOW ALL MEN BY THESE PRESENTS: That CoalQuest Development LLC ("Company"), a limited liability company organized and existing under the laws of the State of Delaware, acting by and through James E. Florczak, its duly authorized Vice President and Treasurer, has and does hereby appoint Greg Nair its true and lawful Attorney-in-Fact with power and authority, for and on behalf, and in the name of the Company, during the period herein specified, and subject to the restrictions and limitations set forth in this Power, to execute, acknowledge and deliver in the ordinary and regular course of the Company's business, applications for mining, environmental, safety, and health permits, permit transfers, or permit bond releases or bond adjustments, amendments, supplements or modifications to such permits, certificates, gas well plugging applications, shallow well drilling permit applications, or other instruments directly related to such amendments, supplements or modifications, monthly production reports, air quality, water quality or other environmental reports, quarterly discharge monitoring reports and any other like or similar reports required to be filed with any local, state or federal governmental agency.

The Attorney herein appointed shall be authorized to act pursuant to this Power from the date hereof only so long as such Attorney shall remain an employee of Arch Coal, Inc. or any subsidiary thereof, or until December 31, 2014, or until such earlier time as this instrument has been revoked, annulled, rescinded or set aside by an instrument of revocation filed with the Secretary of the Company, whichever first occurs.

IN WITNESS WHEREOF, the Company has caused this Power of Attorney to be executed on its behalf, and its seal to be hereunto affixed and attested as of the day and year first above written, by the undersigned, James E. Florczak, duly authorized Vice President and Treasurer of the Company, and Jolene J. Mermis, duly elected Assistant Secretary of the Company.

Attest:

COALQUEST DEVELOPMENT LLC

Jolene J. Mermis
Assistant Secretary of the Company

James E. Florczak
Vice President and Treasurer

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MAR - 5 2014
Office of Oil and Gas
WV Dept. of Environmental Protection

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WW-9
Rev. 5/08

Page _____ of _____
API Number 47 - 91 - 00810
Operator's Well No. Onda Nestor No. 2

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 ICG Tygart Valley, LLC OP Code _____

Watershed Swamp Run Quadrangle Thornton (638)

Elevation 1590 County Taylor 91 District Knottsville 06

Description of anticipated Pit Waste: N/A

Will a synthetic liner be used in the pit? N/A.

Proposed Disposal Method For Treated Pit Wastes:

_____ Land Application
_____ Underground Injection (UIC Permit Number _____)
_____ Reuse (at API Number _____)
_____ Off Site Dispposal (Supply form WW-9 for disposal location)
X Other (Explain Tanks - See attached letter

Proposed Work For Which Pit Will Be Used:

_____ Drilling _____ Swabbing
_____ Workover X Plugging
_____ Other (Explain _____

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 _____

Company Official (Typed Name) Charles E. Duckworth

Company Official Title Designated Agent

Subscribed and sworn before me this 18 day of February, 2014

Received
MAR - 5 2014
Office of Oil and Gas
Dept. of Environmental Protection

_____ Notory Public

My commission expires DECEMBER 22, 2019

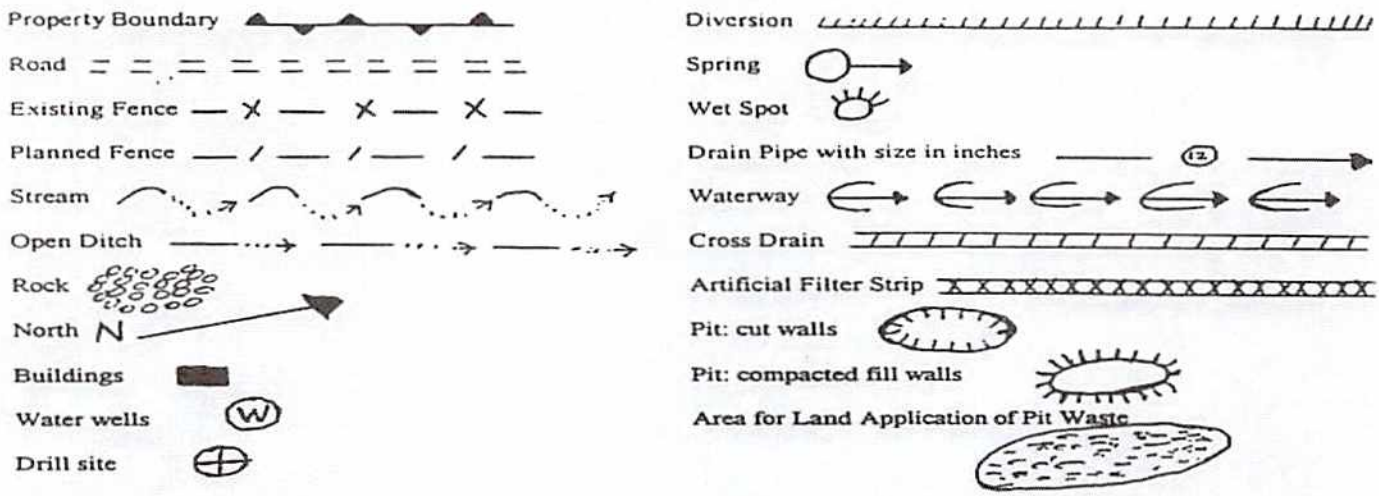
Official Seal
Notary Public
State of West Virginia
Thomas Gregory Nair
329 Webster Avenue, Morgantown, WV 26501
My Commission Expires December 22, 2019

9100810P

Form WW-9

Operator's Well No. Onda Nestor No. 2

LEGEND



Proposed Revegetation Treatment: Acres Disturbed 1.00 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 Hay Bales Tons/acre

Seed Mixtures

Area I		Area II	
Seed Type	lbs/acre	Seed Type	lbs/acre
Orchard Grass	12	Orchard Grass	12
Landino Clover	3	Landino Clover	3
Timothy	10	Timothy	10

Attach:
Drawing(s) of road, location,pit and proposed area for land application.

Photocopied section of involved 7.5' topographic sheet.

See attached

Plan Approved by: Tamara Raynolds

Comments: _____

Received
MAR - 5 2014
Office of Oil and Gas
WV Dept. of Environmental Protection

Title: OIL + GAS INSPECTOR Date: 2-28-14

Field Reviewed? (_____) Yes (X) No

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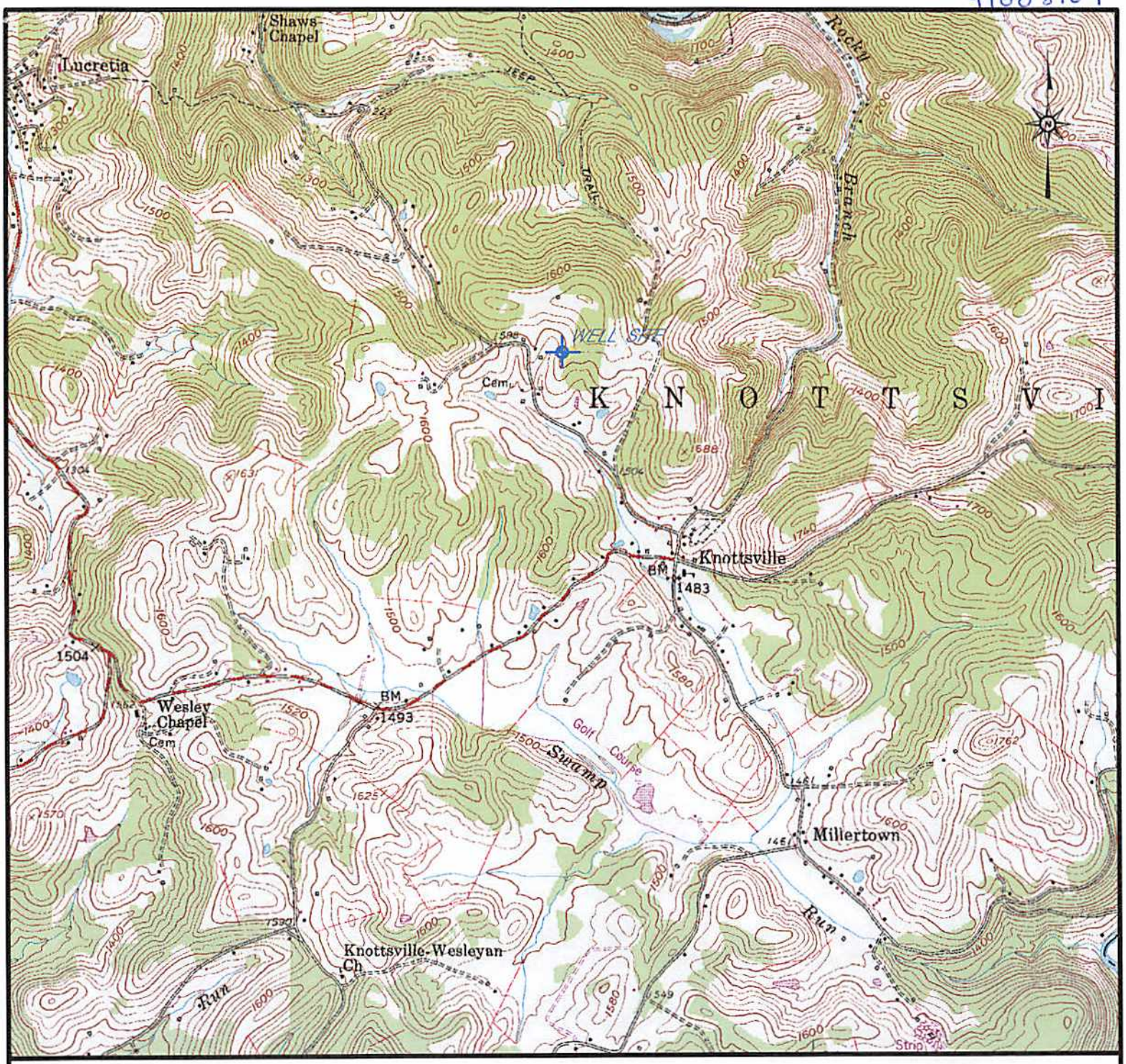

LATITUDE: 39-19-09 N
LONGITUDE: 79-58-16 W
NEARTEST WATERCOURSE: 200' West to Unnamed branch of Swamp Run
NEAREST TOWN: 5,000' SE to Knottsville

OPERATOR'S WELL NO. Onda Nestor
API WELL NO. No. 2

47 – 091 – 0810
STATE COUNTY PERMIT

WELL TYPE: OIL ____ GAS X LIQUID INJECTION ____ WASTE DISPOSAL ____
(IF "GAS") PRODUCTION X STORAGE ____ DEEP ____ SHALLOW X
LOCATION: ELEVATION 1590 WATERSHED Swamp Run
DISTRICT Knottsville COUNTY Taylor
QUADRANGLE Thornton 7 1/2'
SURFACE OWNER: Onda Nestor ACREAGE 35
OIL & GAS ROYALTY OWNER Onda Nestor LEASE ACREAGE 35
LEASE NO. 456000
PROPOSED WORK: DRILL X CONVERT ____ DRILL DEEPER ____ REDRILL ____ FRACTURE OR STIMULATE ____ PLUG OFF OLD FORMATION ____ PERFORATE NEW FORMATION ____ OTHER PHYSICAL CHANGE IN WELL (SPECIFY) ____

PLUG AND ABANDON ____ CLEAN OUT AND REPLUG ____
TARGET FORMATION Benson ESTIMATED DEPTH 5000'
WELL OPERATOR ICG Tygart Valley, LLC DESIGNATED AGENT Charles E. Duckworth
ADDRESS 2708 Cranberry Square, Morgantown, WV 26508 ADDRESS 1200 Tygart Drive, Grafton, WV 26508

REVISED BY:	DATE:	API WELL NO. 47-091-0810 Nestor No. 2
		ICG TYGART VALLEY, LLC
		DRAWN BY: Terry A Vair — SCALE: 1" = 2000'
		DIRECTORY: DWG/TYG/TYG #V WV OIL & GAS PERMIT MAPS/ — DATE ORIGINATED: JUNE 2013
		DRAWING NO.: 47-091-0810 Nestor #2.dgn — PLOTTING SCALE:

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MAR - 5 2014
Office of Oil and Gas
WV Dept. of Environmental Protection

PREPARED BY:
ArchCoal
Appalachia - Northern Region
2708 Cranberry Square, Morgantown, WV 26508
Phone: 304-594-1616 Fax: 304-594-3708

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WW-7
8-30-06

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

API: 47-091-0810 **WELL NO.:** Nestor No. 2

FARM NAME: Onda Nestor

RESPONSIBLE PARTY NAME: ICG Tygart Valley, LLC

COUNTY: Taylor **DISTRICT:** Knottsville

QUADRANGLE: Thornton

SURFACE OWNER: Willis Nestor

ROYALTY OWNER: Onda Nestor

UTM GPS NORTHING: 4352743.065

UTM GPS EASTING: 588706.294 **GPS ELEVATION:** 1606.276

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 _X___

Mapping Grade GPS ____: Post Processed Differential _____

Real-Time Differential _____

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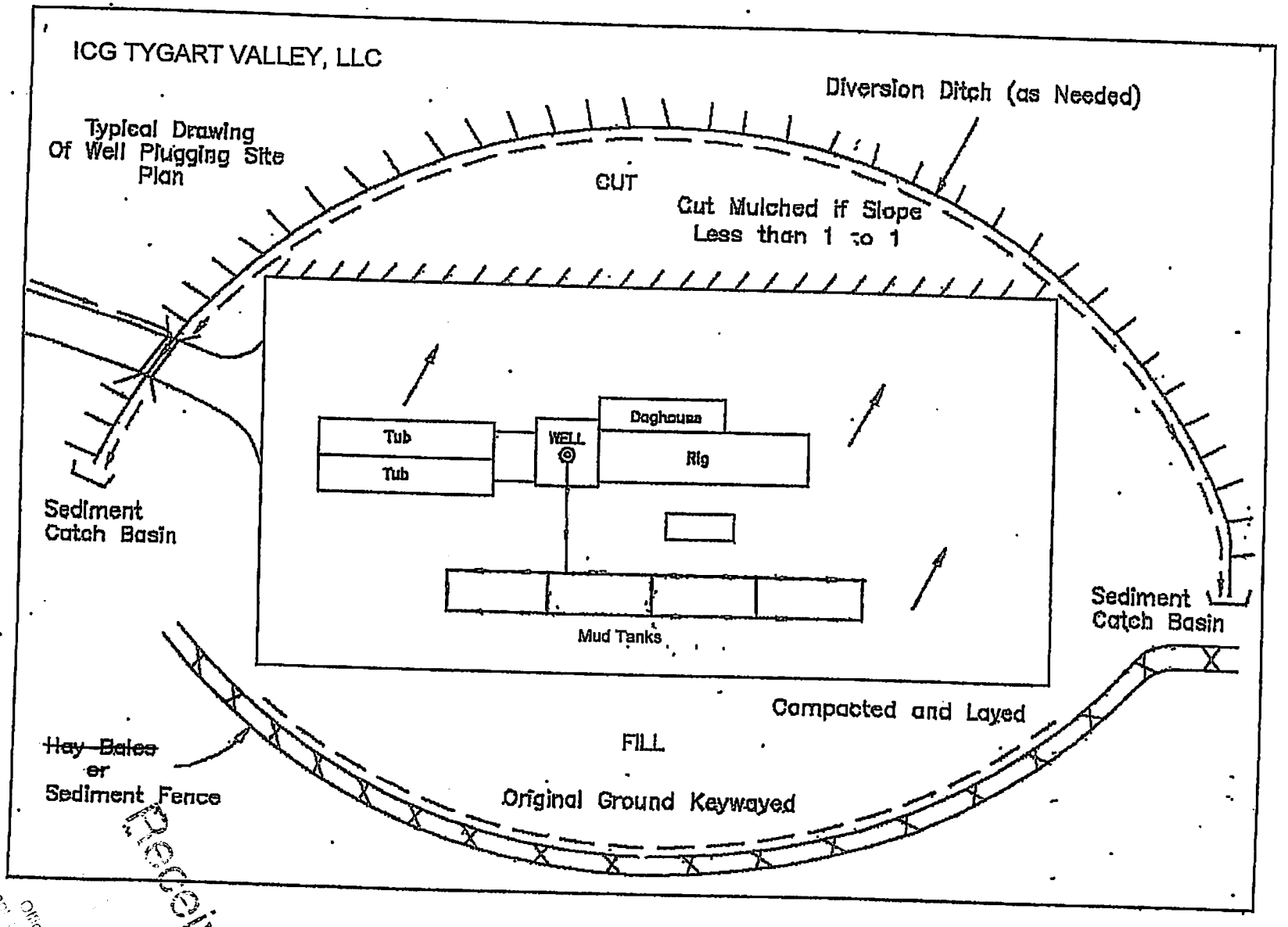
WV Dept. of Environmental Protection

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.

Signature	Attorney-in-fact	February 12, 2014
	Title	Date



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Environmental Protection

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